Public Document Pack

Cabinet

Monday 11 February 2019 at 4.00 pm
Boardrooms 3 - 5 - Brent Civic Centre, Engineers Way, Wembley, HA9 0FJ

Membership:

Lead Member Councillors:	**Portfolio**
M Butt (Chair)	Leader of the Council
McLennan (Vice-Chair)	Deputy Leader of the Council and Lead Member for Resources
Agha	Lead Member for Schools, Employment and Skills
Farah	Lead Member for Adult Social Care
Hirani	Lead Member for Public Health, Culture & Leisure
Miller	Lead Member for Community Safety
M Patel	Lead Member for Children's Safeguarding, Early Help and Social Care
Krupa Sheth	Lead Member for Environment
Southwood	Lead Member for Housing & Welfare Reform
Tatler	Lead Member for Regeneration, Highways & Planning

For further information contact: Bryony Gibbs, Governance Officer; Tel: 020 8937 1355; Email: Bryony.Gibbs@brent.gov.uk

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democracy.brent.gov.uk

The press and public are welcome to attend this meeting

recycle for Brent

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 significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then 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 of 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 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 is the subject of a registrable personal interest.

Agenda

Item Page

1 Apologies for Absence

2 Declarations of Interest

Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary or personal interests in the items on this agenda and to specify the item(s) to which they relate.

3 Minutes of the Previous Meeting 1 - 10

To approve the minutes of the previous meeting held on Monday 14 January 2019 as a correct record.

4 Matters Arising (if any)

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

5 Petitions (if any)

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

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

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

Community Well-being reports

7 New Bridge Park Centre 11 - 22

The report seeks approval for enhancements made to the leisure provision in relation to the New Bridge Park site, incorporating additional community facilities, enterprise space and New Accommodation for Independent Living (NAIL) along with delegated authority to enter into a revised Conditional Land Sale Agreement (CLSA) to reflect the enhanced provision.

Ward Affected: Stonebridge, Tokynton & Harlesden

Lead Member: Lead Member for Public Health, Culture and Leisure (Councillor Krupesh Hirani)
Contact Officer: Phil Porter, Strategic Director, Community Well-being
Tel: 020 8937 5937 phil.porter@brent.gov.uk

Chief Executive's reports

8 Borough Plan 2019-2023 23 - 64

The report presents the draft Borough Plan 2019-23 which sets out Brent's vision, strategic themes and priorities.

Ward Affected:
All Wards

Lead Member: Leader (Councillor Muhammed Butt)
Contact Officer: Peter Gadsdon, Director, Performance, Policy and Partnerships
Tel: 020 8937 1400
peter.gadsdon@brent.gov.uk

Resources reports

9 Budget and Council Tax 2019/20 – 2020/21 65 - 464

The purpose of this report is to set out the Council's budget proposals for 2019/20 and business plans for 2020/21. It also sets out the results of the consultation, scrutiny and equalities processes. Subject to consideration and approval by Cabinet the report and recommendations agreed will form the basis of the budget to be agreed at the Full Council meeting of 25 February 2019. The report also sets out the overall financial position facing the Council for the next four years and highlights the significant risks, issues and uncertainties.

Ward Affected:
All Wards

Lead Member: Deputy Leader (Councillor Margaret McLennan)
Contact Officer: Conrad Hall, Chief Finance Officer, Head of Finance
Tel: 020 8937 6528, conrad.hall@brent.gov.uk

10 Authority to award stage two contract for the redevelopment of Knowles House London NW10 3UN 465 - 552

The report seeks authority to trigger the award of Stage Two of the design and build contract for the redevelopment of Knowles House whilst also providing a progress update on the project following previous Cabinet approvals.

Ward Affected:
Kensal Green

Lead Member: Deputy Leader (Councillor Margaret McLennan)
Contact Officer: Gordon Cooper, Project Manager, Property
Tel: 020 8937 1739
gordon.cooper@brent.gov.uk

11 National Non Domestic Rates – to approve discretionary rate relief schemes for 2019/20 553 - 568

The report seeks approval of the discretionary scheme for revaluation support for 2019/20 and 2020/21. The power to grant local discounts in respect of non-domestic rates is contained within section 47 of the Local Government Finance 1988 as amended by s69 of the Localism Act 2011. To award discounts under this provision any discount scheme requires formal approval. In addition approval is also being sought for the retail rate relief scheme.

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

12 Council Tax – Empty Homes premium 569 - 572

The report seeks approval to an increase in the council tax premium that can be levied on domestic properties that have been empty for more than 2 years and also on those that have been empty for more than 5 years.

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

13 Contingency planning for the Council Tax Service: Authorisation of Third Parties to Make Decisions for Council Tax Functions 573 - 576

The report seeks agreement for the provision of cost-effective resilience for Brent's Council Tax Service during the Council Tax service being transferred back to direct Brent Council provision.

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

14 Expansion of Uxendon Manor & Elsley Primary Schools - Design & Build Contract Update To Follow

The report provides an update on the current position regarding the design and build contracts for the expansion of Uxendon Manor and

Elsley Primary Schools.

Ward Affected: Kenton & Wembley Central	**Lead Member:** Deputy Leader (Councillor Margaret McLennan) **Contact Officer:** Cheryl Andani (Capital Programme Manager – Property & Assets Tel: 020 8937 3227 Cheryl.Andani@brent.gov.u

Regeneration and Environment reports

15 Business Rates Relief Scheme for businesses accredited with the Living Wage Foundation 577 - 592

The report outlines the council's Business Rates Relief Scheme for businesses accredited with the Living Wage Foundation. The scheme was first trialled as a pilot in January 2015 in order to encourage more businesses to become accredited as Living Wage employers and runs until 31 March 2019. Cabinet approval is being sought to continue the scheme for a further four years until March 2023, with the report setting out different options for how the scheme is implemented in this next phase.

Ward Affected: All Wards	**Lead Member**: Lead Member for Regeneration, Highways, Planning (Councillor Shama Tatler) **Contact Officer**: Kaya Chatterji, Economic Development Manager, Employment, Skills and Enterprise Tel: 020 8937 6673 kaya.chatterji@brent.gov.uk

Chief Executive's Reports (continued)

16 Establishment of Operational Director Post 593 - 598

The report seeks Cabinet approval to the establishment of a new post of Operational Director – Regeneration, Growth and Employment as part of a restructure.

Ward Affected: All Wards	**Lead Member**: Deputy Leader (Councillor Margaret McLennan) **Contact Officer**: Martin Williams, Senior HR Transformation Lead Tel: 020 8937 3209 Martin.Williams@brent.gov.uk

17 i4B Business Plan 2019/20 599 - 672

The report presents the i4B Holdings Ltd (i4B) Business Plan 2019/20 to Cabinet for Shareholder approval as well as seeking approval to the rent collection and arrears management policy and updated financial model.

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

18 First Wave Housing Business Plan 2019/20 673 - 700

This report presents the First Wave Housing Ltd (FWH) 2019/20 Business Plan to Cabinet for Shareholder approval.

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

19 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 paragraph 3, Part 1 of 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)"

Item 10: Authority to award Stage Two contract for the redevelopment of Knowles House, London (Appendices 1 & 2)

Item 14: Expansion of Uxendon Manor & Elsley Primary Schools – Design & Build contract (Appendix to be circulated as part of the report)

Item 17: i4B Business Plan 2019/20 (Appendix 1 (Financial Forecast) within the Business Plan appended to the report)

Item 18: First Wave Housing Business Plan 2019/20 (Appendix 1 (Financial Forecast) within the Business Plan appended to the report)

20 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or his representative before the meeting in accordance with Standing Order 60.

Date of the next meeting: Monday 11 March 2019

Please remember to set your mobile phone to silent during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.

LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET
Monday 14 January 2019 at 4.00 pm

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

1. **Apologies for Absence**

There were no apologies for absence.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Minutes of the Previous Meeting**

RESOLVED:-

that the minutes of the previous meeting held on 10 December 2018 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.

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

None.

7. **Local Authority determination of arrangements for school admissions 2019**

Councillor Amer Agha, Cabinet Member for Schools, Employment and Skills, introduced the report asking Cabinet Members to agree the proposed admission arrangements and scheme of co-ordination for Brent community schools for 2020/21 in accordance with statutory requirements.

Councillor Agha stated that admission authorities are required to determine their admission arrangements by 28 February in the determination year.

RESOLVED that Cabinet agreed the proposed admission arrangements for Brent community schools and scheme of co-ordination for maintained schools in Brent for the 2020/2021 academic year as outlined in Appendix 2 to the report.

8. **Proposal to establish a charitable organisation for the London Borough of Culture 2020**

Councillor Krupesh Hirani, Cabinet Member for Public Health, Culture & Leisure, introduced the report outlining the plan to establish a Charitable Trust which will lead on fundraising to deliver the London Borough of Culture (LBOC) 2020 and its legacy through ensuring its key programmes are sustainable and embedded into the community.

Councillor Hirani outlined the report proposals:

- The Council sets up a Trust with broad objectives in line with the LBOC bid: to ensure the bid's legacy and to have meaningful representation from young people on the leadership of the programme through their presence on the board;
- The Trust will be set up with an initial five-year timeline to support the delivery of LBOC and to take a lead role in the delivery of the legacy;
- The Council will be the primary funder for the Trust for the period 2019/2020, setting out clear objectives in the business plan and holding it to account for delivery through a Service Level Agreement;
- The Councils relationship with Trust will end at the end of 2020
- For the legacy period, the Trust will raise funds which will allow it to become more independent and take a lead role in delivering the LBOC legacy post 2020.

Councillor Tom Miller, Cabinet Member for Community Safety, and Councillor Muhammed Butt, Leader of the Council, spoke in support of the report proposals highlighting the importance of securing the bid's legacy.

RESOLVED that:

(i) Cabinet approved the establishment of a Charitable Trust and Company Limited by Guarantee to fundraise and deliver LBOC 2020 and the legacy programme;

(ii) Cabinet delegated to the Strategic Director of Community Wellbeing in consultation with the Lead Member for Public Health, Culture and Leisure, the Chief Finance Officer and the Director of Legal and HR Services to take all practical steps to establish the company detailed in 2.1 above and register it as a charity to include approval of all relevant legal documentation and appointment of directors; and

(iii) Cabinet delegated authority to the Strategic Director of Community Wellbeing in consultation with the Lead Member for Public Health, Culture and Leisure to enter into an agreement with the Trust detailed in 2.1 to govern its relationship with and funding of the Trust.

9. **Review of Estate Cleaning**

Councillor Muhammed Butt, Leader of the Council, welcomed Mr Vaughan West, Regional Political Officer & Organiser, GMB London Region, to the meeting. Mr West stated that on behalf of the GMB Trade Union, he welcomed the content of the report and the possible insourcing of the service utilising directly employed Council employees. He outlined some of the current working conditions and the nature of the work. He stated that by insourcing estate cleaning, residents would get a better service.

Councillor Ellie Southwood, Cabinet Member for Housing and Welfare Reform, thanked Mr West for his contribution. Councillor Southwood stated that she agreed with Mr West that the current contract does not deliver a quality service for our residents.

Councillor Tom Miller, Cabinet Member for Community Safety, welcomed the report and the potential to bring back this key service in house. This, above all, presents an opportunity to improve the service for residents and also improve working conditions for the estate cleaning staff.

Councillor Shama Tatler, Cabinet Member for Regeneration, Highways & Planning, welcomed the report and supported option 1. Cabinet noted the other options available.

Councillor Muhammed Butt, Leader of the Council, thanked Mr West for his contribution and for relaying the views of GMB Members. He thanked Cabinet Members for their contributions and welcomed the possibility that the Council would directly manage the service.

RESOLVED that:

(i) Cabinet agreed Option 1 as the preferred service delivery option, as set out in section 7 of the report.

(ii) Cabinet delegated authority to the Strategic Director of Community Well-being in consultation with the Lead Member for Housing and Welfare Reform to take all necessary steps to insource the Estate Cleaning Service.

10. **Regulatory Enforcement Policy and Service Standards as Required by the Regulators' Code**

Councillor Tom Miller, Cabinet Member for Community Safety, introduced the report stating that, under Section 22 of the Legislative and Regulatory Reform Act 2006, local authorities must have regard to the Regulators' Code when exercising regulatory functions.

Councillor Miller stated that this report seeks approval of an updated Enforcement Policy (the policy) and a set of Service Standards (the standards) as required by the Regulators' Code.

Councillor Miller stated that the policy and the standards follow the formation of the Council's Regulatory Hub in March 2018 which brought a core cluster of Environmental Services regulatory teams together as one. The policy updates the

sanctions available to the Council when taking enforcement action, supports the functions of the Enforcement Practitioners Group and provides some uniformity and consistency between our regulatory teams as our area based working model establishes.

In response to a question, Simon Legg, Senior Regulatory Service Manager, stated that the policy and the standards will not apply to the Council's Private Housing Service who whilst statutorily, must have regard to the Code, have an existing service specific enforcement policy which they will continue to adhere to.

RESOLVED that:

(i) Cabinet agreed the contents of the Enforcement Policy as outlined in Appendix 1 to the report;

(ii) Cabinet agreed the contents of the Service Standards as outlined in Appendix 2 to the report; and

(iii) Cabinet agreed the delegation of authority to the Strategic Director of Regeneration and Environment after consultation with the relevant Cabinet member, to update the Enforcement Policy and the Service Standards as required in accordance with the Regulators Code.

11. **Sustainability, Growth and Proposed Changes to Parking**

Councillor Krupa Sheth, Cabinet Member for Environment, introduced the report summarising the outcome of informal consultation on the proposed changes to resident parking permits, including pricing changes, and to the charge for Essential User Permits issued to external organisations. Councillor Sheth reminded colleagues that Cabinet had agreed to proceed to informal consultation on these changes on 12 March 2018, and completion of the subsequent consultation exercise.

Councillor Krupa Sheth informed Cabinet that the report also considers the issue of a proposed diesel surcharge in depth, reviewing the evidence on the environmental and health impacts of pollutants emitted by diesel vehicles. The potential is assessed for a surcharge scheme to be introduced, to persuade vehicle owners in Controlled Parking Zones to consider a switch to less-polluting vehicles; informed by the Council's agreed Air Quality Action Plan.

The report sets these decisions in the context of wider strategic objectives in relation to sustainable transport, air quality, health and growth in the borough.

Councillors Miller, McLennnan and Butt spoke in support of the proposals. Councillor Muhammed Butt, Leader of the Council reminded Cabinet of the pan London initiatives by the Mayor of London.

RESOLVED that:

(i) Cabinet agreed to:

a) Proceed to formal statutory consultation, publication and notification on the amendment of the relevant Traffic Management Orders to introduce a £50 p.a. levy on the price of a resident's parking permit for all diesel vehicles from 1st April 2019;

b) Proceed to formal statutory consultation, publication and notification on the amendment of the relevant Traffic Management Orders to introduce a three year Event Day Permit for the Wembley Event Day Parking Scheme, with an associated £15 administrative charge from 1st April 2019;

c) Proceed to formal statutory consultation, publication and notification on the amendment of the relevant Traffic Management Orders to increase the surcharge for second and third residents' parking permits in CPZs: from £40 to £50 for second permits; and from £80 to £100 for third permits; and

d) To note that the decision whether to implement the amendment of relevant Traffic Management Orders, in relation to the matters set out in paragraph 2.1 (a), (b) and (c) above, will be made by the Strategic Director Regeneration and Environment, in consultation with the Lead Member for Environment, after consideration of the outcome of the formal consultation pursuant to the Cabinet decision to delegate such authority on 12 March 2018.

(ii) Cabinet agreed, if the proposed diesel surcharge of £50 p.a. was implemented as set out in recommendation 2.1 (a), to then increase the surcharge to £75 p.a. on 1st April 2020 and £100 p.a. on 1st April 2021;

(iii) Cabinet agreed for the Council to offer all Wembley Event Day resident parking permit holders the opportunity to surrender their current paper permit in return for a three year virtual permit at nil cost, during the period up to and including 31st July 2019.

(iv) Cabinet agreed to:

(a) Increase the price charged to external organisations for essential user permits: from £150 p.a. to the cost of a schools permit (£330 p.a. currently) for the NHS, care organisations and charities; and from £150 p.a. to the cost of a business permit for all other external organisations (£440 p.a. currently);

(b) Phase in the proposed charge increases over two years, with interim prices in 2019/20 of: £250 for the NHS, care organisations and charities; and £300 for all other external organisations;

(c) Implement the new prices, as set out in 2.4 (a) above, from 1st April 2020; to the 2020/21 cost of a schools permit for the NHS, care organisations and charities; and to the 2020/21 cost of a business permit for all other external organisations; and

(v) Cabinet noted that officers were developing a strategy to meet our wider objectives to promote sustainable travel, reduce car travel and pollution, and improve the management of traffic and parking in the Borough.

12. **Brent Neighbourhood Community Infrastructure Levy – Review**

Councillor Shama Tatler, Cabinet Member for Regeneration, Highways & Planning, introduced the report providing an overview of Brent's Neighbourhood Community Infrastructure Levy (NCIL) programme. The report, she stated, makes recommendations for improvements following a review that took place in spring 2018.

Councillor Mili Patel, Cabinet Member for Children's Safeguarding, Early Help and Social Care, spoke in support of the report recommendations.

Councillor Muhammed Butt, Leader of the Council, stated that it was important to now develop the action plan to enhance capacity building and support for those who wish to make an NCIL application.

RESOLVED that:

(i) Cabinet agreed the following significant amendments to the NCIL programme:

a) Panel membership be increased from two to four (see 5.10-5.11);

b) The distribution of NCIL funds be changed as per Option 4 and will be reviewed annually (5.12-5.19);

(ii) Cabinet agreed the following minor amendments to the NCIL programme:

a) To adopt the same four priorities across all five CIL Neighbourhoods until 2020, rather than have different priorities for each Neighbourhood;

b) To rename 'Parks and Open Space' to 'Parks and Green Spaces';

c) To retain the existing shortlisting criteria, but with minor wording changes to provide greater clarity and remove duplication;

d) NCIL funds would continue to be allocated to shortlisted projects at two points in the years, but in exceptional circumstances the NCIL Panel may consider bids outside these times;

e) Delegated authority be given to the relevant Strategic Director responsible for the NCIL programme (currently the Strategic Director, Regeneration and Environment) in consultation with the Cabinet Member for Regeneration, Highways and Planning, to approve spend for individual Neighbourhood CIL projects up to the value of £100k. (Projects above £100k will continue to be agreed by Cabinet);

(iii) Cabinet agreed there would be no change to the following elements of the NCIL programme:

a) Brent 'CIL Neighbourhood' areas match the 'Brent Connects' areas;

b) NCIL bids be accepted from community organisations and stakeholders (residents, local businesses etc.) and Council officers;

c) There would be no limit, other than the amount available in the respective NCIL pot, to the value of funds requested. (Projects over £100k in value would still require Cabinet approval following Panel shortlisting);

d) There would be no limit to the number of bids that may be submitted by a group or individual (although the same project cannot be funded more than once); and

(iv) Cabinet agreed an action plan to be developed to enhance capacity building and support for those who wish to make an NCIL application.

13. **Quarter 3 Financial Forecast 2018-19**

Councillor Margaret McLennan, Deputy Leader of the Council and Lead Member for Resources, introduced the report setting out the current forecasts of income and expenditure against the revenue budget for 2018/19 and other key financial data.

Councillor McLennan stated that the Council is expecting to underspend against the main general fund revenue budget by £1.4m. She outlined, however, that there are significant issues in individual departments.

She stated that there is a forecast overspend of £1.8m in Children & Young People, which has worsened from the position forecast at the end of the second quarter, despite the management action intended to address the overspend.

Offsetting this is a planned underspend of £3.2m in Regeneration and Environment, achieved through a combination of income generation and cost control measures.

RESOLVED that Cabinet noted the overall financial position and the actions being taken to manage the issues arising.

14. **Capital Budget Setting and Capital Pipeline Proposals 2019/20 – 2021/22**

Councillor Margaret McLennan, Deputy Leader of the Council and Lead Member for Resources, introduced the report outlining the Council's updated approach to prioritising future capital investment, ensuring it is in line with our aspirations and reflective of the priorities and circumstances within Brent.

Councillor McLennan stated that the report explains the framework within which the Council's long-term capital investment plans have been prioritised and brought forward for consideration as part of the financial planning and budget setting process.
Councillor Krupesh Hirani, Cabinet Member for Public Health, Culture & Leisure, welcomed report and the exciting projects in Monks Park, Neasden and Stonebridge

RESOLVED that:

(i) Cabinet approved the introduction of the permanent capital pipeline as set out in Appendix 1 to the report;

(ii) Cabinet agreed that the schemes listed in Appendix 1 (Column A) were promoted from the pipeline to the main programme;

(iii) Cabinet noted that in future, the remaining pipeline schemes would be individually moved to the main programme (and hence formally committed) when it was strategically and economically advantageous to do so but always subject to the submission of detailed business cases and Cabinet approval where applicable; and

(iv) Cabinet agreed that in light of recommendation 2.2 above, the revised 3 year capital budget (Appendix 3) is adopted and presented to Council for approval as part of the Budget & Council Tax Report in February 2019.

15. **2018/19 Mid-Year Treasury Report**

Councillor Margaret McLennan, Deputy Leader of the Council and Lead Member for Resources, introduced the report updating Members on recent treasury activity.

Councillor Muhammed Butt, Leader of the Council, stated that the Report, has already been reviewed by the Audit and Standards Advisory Committee and is to be forwarded to the Council in February 2019.

RESOLVED that Cabinet noted the 2018/19 mid-year Treasury report, which had already been reviewed by the Audit and Standards Advisory Committee, and would be forwarded to the Council.

16. **NNDR Applications for Discretionary Rate Relief**

Councillor Margaret McLennan, Deputy Leader of the Council and Lead Member for Resources, introduced the report to Cabinet Members stating that the Council has the discretion to award rate relief to charities or non-profit making bodies.

Councillor McLennan stated that the Council also has the discretion to remit an individual National Non-Domestic Rate (NNDR) liability in whole or in part on the grounds of hardship. Cabinet noted that the award of discretionary rate relief is based on policy and criteria agreed by Cabinet on 15 November 2016. Councillor McLennnan reminded Members that all new applications for relief have to be approved by the Cabinet.

RESOLVED that Cabinet approved the applications for discretionary rate relief detailed in Appendix 2 to the report.

17. **Exclusion of Press and Public**

None.

18. **Any other urgent business**

None.

The meeting ended at 4.47 pm

COUNCILLOR MUHAMMED BUTT
Chair

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Brent	**Cabinet** 11 February 2019
	Report from the Strategic Director of Community and Wellbeing

New Bridge Park Centre

Wards Affected:	Stonebridge, Tokyngton, Harlesden
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)	Open
No. of Appendices:	One: Appendix 1 – New Bridge Park Centre (Artist's Impression)
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Aktar Choudhury Operational Director Regeneration Aktar.Choudhury@Brent.gov.uk 0208 937 1764

1.0 Purpose of the Report

1.1 The Bridge Park site has been part-derelict for many years. It is a prominent site in Brent which is in need of significant regeneration and has strong planning policies to support a comprehensive mixed use redevelopment to include community uses.

1.2 Discussions with the land owner for the adjacent Unisys site, General Mediterranean Holdings SA (GMH), resulted in a Conditional Land Sale Agreement (CLSA).

1.3 The Bridge Park CLSA was exchanged in June 2017. This agreement provided for a land receipt from the sale of the Council owned land to fund the delivery of a New Community Building on part of the site to be retained by the Council.

1.4 The Council has placed significant weight on the feedback from consultations with Bridge Park Community Leisure Centre (BPCLC) users and community groups. This effort has led to a significantly enhanced proposal as presented in this report.

1.5 The main benefits arising from the Bridge Park redevelopment can be summarised as follows:

- More homes to meet the needs of Brent's growing population
- Modern flexible community facilities
- A better environment and public realm
- Commercial and affordable work spaces
- Enhanced leisure provision
- Reduced health inequalities
- More jobs and small businesses contributing to the local economy

1.6 Taken together the current proposals for the New Bridge Park Centre represent significantly enhanced leisure provisions and community facilities; optimises the potential of the site to meet housing and enterprise needs and represent a modern, state of the art design to contribute to better place making.

1.7 Following consultation with the users of the Bridge Park Community Leisure Centre (BPCLC) and local residents, the Council has worked with GMH to enhance the initial leisure proposals and incorporate additional facilities suggested in the consultation.

1.8 In order to fully involve the community to work alongside the Council's Bridge Park development project team on the design, development, future operation and management of the new leisure provision and enterprise space, it is proposed to form an advisory group whose membership would be drawn from Brent residents living in the local area.

1.9 The purpose of this report is to seek Member approval for the enhancements made to the leisure provision incorporating additional community facilities, enterprise space and New Accommodation for Independent Living (NAIL) housing and delegated authority to enter into a revised Conditional Land Sale Agreement (CLSA) to reflect the enhanced provision.

2.0 Recommendations

2.1 Cabinet approve the New Bridge Park Centre provision on the retained site as per the table referenced in paragraph 3.17.

2.2 Cabinet agree that any land receipt from the sale proceeds of the current Bridge Park site are used to provide the significantly enhanced community and leisure facilities in the New Bridge Park Centre in response to the community consultation.

2.3 Cabinet note that separate budget provision will be sought for the NAIL housing and enterprise space as part of the capital budget setting process.

2.4 Cabinet delegate authority to the Strategic Director of Resources in consultation with the Lead Member for Resources for agreeing the changes needed to the CLSA to deliver the enhanced facilities.

2.5 Cabinet delegate authority to the Strategic Director of Community and Wellbeing in consultation with the Lead Member for Public Health, Culture & Leisure to agree the final design for the New Bridge Park Centre.

2.6 Cabinet to agree that consultation is to take place in relation to any transitional arrangement for the existing BPCLC and opening of the New Bridge Park Centre.

2.7 Cabinet agree that the retained site be appropriated for planning purposes in accordance with section 122 of the Local Government Act 1972.

2.8 Cabinet delegate authority to the Strategic Director of Community and Wellbeing in consultation with the Lead Member for Public Health, Culture & Leisure to set up a resident advisory group as described in paragraph 3.26.

3.0 Detail

3.1 The Bridge Park and Unisys sites are on the junction of the Harrow Road and the North Circular Road in Stonebridge. Bridge Park was converted in the 1980s and has four main elements: a sports hall and associated health and fitness facilities; a large community hall with catering and conference rooms; a number of business units and Technology House, a separate office block that is used as a children's nursery and offices for a church group.

3.2 Both Technology House and Bridge Park have a backlog of repairs and both need further investment to bring them up to modern standards. Bridge Park also suffers from the fact that it is a converted bus garage and the layout is relatively inefficient with heating and other costs being considerable due to its structure.

3.3 The Unisys site is owned by GMH, a property investment company that also builds and invests in hotels across the world. The Unisys office buildings have been vacant for over fifteen years. They are vandalised in part, create a poor environment and present a poor image for the borough. GMH now propose to refurbish one of the blocks for a new hotel and redevelop the other office block into residential accommodation.

3.4 The main benefits arising from the Bridge Park redevelopment can be summarised as follows:

- More homes to meet the needs of Brent's growing population
- Modern flexible community facilities
- A better environment and image
- Commercial and affordable work spaces
- Enhanced leisure provision
- Reduced health inequalities
- More jobs and small businesses contributing to the local economy

3.5 Following discussions with GMH, Brent Council formally exchanged the CLSA in June 2017.

3.6 At the signing of the CLSA, the Council and GMH envisaged the delivery of a comprehensive redevelopment of the site to comprise a new hotel, a modern leisure centre, circa 500 new homes (including affordable homes after extracting the value needed to meet the cost of the leisure centre) and environmental improvements across the site.

3.7 The funding for the enhanced leisure and community facilities in the New Bridge Park Centre scheme would be paid out from the proceeds of GMH's residential and commercial development on the Bridge Park site.

3.8 Prior to signing the CLSA, in 2013 Brent consulted on five options for the leisure provision. These options and the feedback from the consultation were presented to Cabinet in February 2014.

3.9 The least favoured choice from the five options put forward in the 2013 consultation was to leave Bridge Park as it is.

3.10 Cabinet approved the following leisure provision for incorporation into CLSA negotiations and they were subsequently included in the final CLSA:

- 4 lane swimming pool with moveable floor
- 4 court sports hall
- 65 station gym
- Smaller separate gym
- Children's soft play area and party room
- Sauna and steam rooms
- Studios
- Spin studio
- Small meeting room
- 50 car parking spaces
- Changing rooms etc.

3.11 Post CLSA exchange in June 2017, officers appointed a design team to develop a design for the New Community Building incorporating the above provisions for further consultation with the community. A number of consultation events were subsequently held from October 2017 – November 2017 to:

- Update people on progress with the New Community Building
- Share information on the wider Bridge Park redevelopment proposals
- Seek input on the emerging design for the New Community Building

3.12 The main outcomes and requirements from the further 2017 consultation were:

- Support for the swimming pool and leisure facilities
- A function hall to increase the community value of the venue
- More meeting rooms at an affordable price in the local area
- Commercial workspace
- Optimise affordable housing provision

3.13 In addition to the consultation feedback, officers also sought advice on the operational viability of a new leisure centre and the provision that will be required to ensure a sustainable business model. One piece of key advice was that the swimming pool would need to be a 6 lane swimming pool to generate a cost neutral position.

3.14 The enhanced facilities that need to be provided to address the 2017 consultation feedback require additional funding, land and CLSA revisions.

3.15 In order to incorporate these changes, officers have been in active discussions with GMH to review changes to the layout of the site including density and massing and to introduce the additional facilities listed in 3.12. Also, the opportunity was taken to optimise the potential of the retained site to deliver NAIL housing.

3.16 Given that the leisure provision was to be funded from the sale proceeds, it was also important for officers to explore with GMH the potential for their development to release more value to Brent. Therefore (subject to planning consent), if GMH intensify their residential and commercial development on the Bridge Park site then this will deliver an increased land receipt for Brent, help secure additional Community Infrastructure Levy (CIL) funding and provide more affordable housing.

3.17 The table below details the enhanced facilities that Brent is now seeking to deliver, compared to those in the original CLSA. The current proposal presents a significant enhancement to the original proposal and has been developed in line with community feedback.

New Bridge Park Centre Facility Mix

Facility	2017 CLSA	Current Proposal	Enhancement
Community Use	None	Up to 1118sqm community use space including: • 2 x community halls • 3 x meeting rooms • Modern kitchen and other ancillary facilities	Additional 1118sqm of community space. Current Bridge Park Community Leisure Centre only has 450sqm of community use space.
Enterprise Space	None	Up to 2258sqm of modern work space to support commercial enterprise.	Additional 2258sqm of Enterprise space. Within the Bridge Park Community Leisure Centre and Technology House buildings, there is about 2176sqm of commercial use space.

New Accommodation for Independent Living (NAIL) Housing	None	Up to 104 new homes to accommodate vulnerable adult client groups living in Brent.	NAIL housing provision was not included previously and is classified as Affordable Housing.
Swimming Pool with moveable floor	4 lane x 25m	6 lane x 25m	A bigger swimming pool with an additional 2 lanes.
Children's Soft Play Area & Party Room	Included	Included	No change
Sauna & Steam Rooms	Included	Included	No change
Studios	Included	Included	No change
Spin Studio	Included	Included	No change
Changing Facilities	Included	Included	No change
Café Area	Included	Included	No change
4 Court Sports Hall	600sqm	600sqm	No change
Clip & Climb	None	125sqm	A bigger leisure centre with an additional 125m² space for Clip & Climb provision
Toning Suite	None	85sqm	A bigger leisure centre with an additional 85m² space for Toning Suite
Consultation Rooms	None	2 rooms	A bigger leisure centre with an additional for 2 Consultation Rooms
Car Parking	50 car park spaces	72 car park spaces	Additional provision of 22 car park spaces
Fitness Gym	65 station gym	80 stations minimum with potential for up to 100 stations and ability to partition for creating a separate gym to meet local diversity needs.	A bigger leisure centre with additional space for 15 – 35 gym stations and ability to partition.

3.18 In addition, through the design review process, it was clear that the scheme presented during the 2017 consultation was not a prominent community facility. Further, the building was a low 2 storey structure which did not fit the urban design scale of the rest of the development. To address this, the entrance now sits proudly at the front of the site with high visibility and prominence from the Harrow Road.

3.19 The architectural form of the building is more modern and respects the surrounding built environment. These changes have given rise to an opportunity to place a taller building at the rear of the site which is capable of providing significant new accommodation for independent living (NAIL). It should be noted that NAIL is classified as affordable housing.

3.20 The opportunity has also been taken to provide commercial workspace within the development to support new enterprise. Officers are also mapping existing

workspace facilities across the borough for tenants to consider for potential relocation.

3.21 Taken together the current proposals represent significantly enhanced leisure provisions and community facilities; optimises the potential of the site to meet housing and enterprise needs and represent a modern, state of the art design to contribute to better place making.

3.22 An artist's impression of the New Bridge Park Centre with the enhanced facilities is available in Appendix 1.

3.23 Whilst we have now arrived at a point where, subject to Cabinet approval, the massing, density and uses are established, there will be further design work needed to develop the scheme to Outline Planning stage and subsequently to Detailed Planning.

3.24 The Council has placed significant weight on the feedback from consultations with BPCLC users and community groups. This effort has led to a significantly enhanced proposal as presented in this report.

3.25 There is scope for further community involvement during the Detailed Planning stage to contribute to the design of the spaces for the leisure and community uses.

3.26 In order to fully involve the community to work alongside the Council's Bridge Park development project team on the design, development, future operation and management of the new leisure centre and enterprise space, it is proposed to form an advisory group whose membership would be drawn from Brent residents.

The purpose of the group is:

- To bring an independent, community-focused perspective to discussions and decisions about the future specification and use of the new leisure centre and enterprise space.

- To engage with current and future users of the site and be an advocate and conduit for key messages about the progress of the development

The group will be chaired by an independent person drawn from the local community who is knowledgeable, credible and capable of bringing together a focused group of 6-8 individuals to undertake the role of an advisory group.

4.0 Financial Implications

4.1 The basic premise of the proposal is for the council to utilise land in the area owned by all partners efficiently to construct a brand new sports and community facility including NAIL and enterprise space. It is anticipated that the new sports and community facility will be funded from the land receipt whilst the remaining

elements (including NAIL and Enterprise space) is to be funded by a council capital contribution.

4.2 As a result of the steps outlined in paragraph 3.16 above, the council is expecting a higher land receipt than originally anticipated. However the final sum will be recalculated following the satisfaction of certain conditions when an updated development appraisal will be used to ascertain the residual value of the land.

4.3 Existing budget has already been provided within the main programme to secure land interest (car breakers yard) and undertake a number of commissions. Additional sums would need to be earmarked within the capital pipeline/programme to fund the council contribution noted above.

4.4 It is also worth noting the current centre is in a state of disrepair and would require substantial financial investment to bring the centre up to modern standards, hence it could be argued that these proposals result in some cost avoidance.

4.5 The proposal includes the inclusion of up to 104 NAIL (New Accommodation for Independent Living) units. NAIL units generate an average revenue saving of £332 per person per week in comparison to traditional residential placements. A scheme comprising of 104 units would generate revenue savings of £1.8m pa and would support the delivery of the Council's current NAIL savings ambitions.

5.0 Legal Implications

5.1 The council can only appropriate land under s.122 (1) of the Local Government Act 1972 if the land is no longer required for the purpose for which it is currently held. In reaching this decision, the council must consider the public need within the area for the existing use.

5.2 The Council will need to be satisfied that the appropriation of the site will facilitate carrying out development, redevelopment or improvement on or in relation to the land or the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the whole, or in the interests of the proper planning of an area in which the land is situated.

5.3 Where the Council appropriates land for planning purposes, it can by virtue of s.235 (1) of the Town and Country Planning Act 1990 in relation to that land erect, construct or carry out any building or work as well as repair, maintain and insure any buildings and generally deal with such land in the proper course of management.

5.4 Where land is appropriated under section 203 of the Housing and Planning Act 2016 it removes the threat of an injunction.

5.5 Section 203 of the Housing Act 2016 does not impose upon the Council a duty to consult however given that it provides a power to interfere with private rights over land and, as such, is generally exercised in the context of compulsory acquisition and/or appropriation of land, there is a public law duty to consult or at least to consult or engage with those persons affected. Accordingly compensation is payable. The owner of the third party right will have a claim in compensation which will be assessed on the basis of the loss in value of the claimants land.

5.6 It is essential that planning permission is in place so that there is a clear basis for the appropriation of the land for the purposes of this development. The benefit of the provisions of section 203 of the Housing and Planning Act 2016 will not take effect until planning permission has been obtained and the land has been appropriated.

5.7 Paragraph 10.1 (m) of the Council's constitution provides for a restriction on the powers of Chief Officers to decide upon the permanent closure of a facility or reduction in services. Accordingly the decision to the permanent closure of the BPCLC must be made and approved by Cabinet.

5.8 The Council is under a duty to consult its residents for a reasonable period of time prior to the permanent closure of the BPCLC for a period of no less than thirteen weeks. The consultation should include an Equality Impact Assessment which should identify the potential impact of a proposed closure on the residents. Accordingly, the outcome of the consultation will need to be reported to Cabinet before a decision can be made to close the BPCLC permanently.

5.9 Section 123 of the Local Government Act 1972 provides that the Council cannot dispose of its land for a consideration less than the best that can be reasonably obtained in the market, except with the express consent of the Secretary of State.

6.0 Equality Implications

6.1 Under Section 149 of the Equality Act 2010, the Council has a duty when exercising their functions to have 'due regard' to the need:

a) to eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited under the Act;
b) advance equality of opportunity; and
c) Foster good relations between those who share a "protected characteristic" and those who do not.

This is 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.

6.2 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.

6.3 An Equality Analysis was undertaken in June 2013 when the Bridge Park redevelopment proposals were first approved by Cabinet. Public consultation and stakeholder engagement, since that date, has led to an enhanced proposal in terms of a new facilities development. The initial Equality Impact Analysis indicates that the general redevelopment of the Bridge Park Community Centre will have positive impacts on all groups falling within a protected characteristic. However, the Equality Analysis will be updated in line with the consultation process and procuring the delivery of the final scheme.

7.0 Consultation with Ward Members and Stakeholders

7.1 Ward Members have been updated and they communicate regularly with officers to address any issues as/when necessary.

7.2 Officers also arranged a briefing session with the Stonebridge Ward Members prior to the Cabinet meeting on 11th February 2019.

8.0 Human Resources/Property Implications (if appropriate)

8.1 As first reported to Executive in 2013, Bridge Park is showing its age and its condition has since further deteriorated. The Council is seeking to expedite the delivery of the New Bridge Park Centre to avoid further capital maintenance of a declining asset and replace the current leisure facility.

8.2 If the Council is not able to keep the existing Bridge Park Community Leisure Centre running until the New Bridge Park Centre opens then there would be implications for Brent staff that work in the current facility.

Report sign off:

PHIL PORTER
Strategic Director of Community and Wellbeing

Appendix 1 – New Bridge Park Centre (Artist's Impression)

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Brent	**Cabinet** 11 February 2019
	Report from the Director of Performance, Policy & Partnerships

Borough Plan 2019-23

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)	Open
No. of Appendices:	Two: Appendix 1 - Draft Borough Plan 2019-23 Appendix 2 - Draft Delivery Plan 2019/20
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Peter Gadsdon, Director of Performance Policy and Partnerships peter.gadsdon@brent.gov.uk 020 8937 6095 Richard Harrington, Senior Policy and Scrutiny Officer richard.harrington@brent.gov.uk 020 8937 1583

1.0 Purpose of the Report

1.1 This report presents the draft Borough Plan 2019-23 and Delivery Plan 2019/20, which set out Brent's vision, strategic themes and priorities.

2.0 Recommendations

2.1 Cabinet is asked to consider and agree the draft Borough Plan (Appendix 1) and Delivery Plan (Appendix 2) for adoption in April 2019.

3.0 Detail

3.1 Cabinet members and departments have been working together to develop the Council's vision and strategic priorities for 2019-23, based on the Brent Labour Party Manifesto.

3.2 The vision for 2023 retains continuity with that of the previous Borough Plan. However, there is a new emphasis on culture and ensuring that opportunities in Brent are shared amongst communities. This is particularly important as we look forward to being London Borough of Culture 2020, and work to ensure that regeneration and growth benefits everyone.

3.3 Financial context has also strongly influenced the plan, with further major savings required over the coming years. The plan makes clear that as demand grows and needs become more complex, we must focus on the things that matter most, work collaboratively and in new and more efficient ways.

3.4 The Borough Plan sets out five strategic themes, each of which include a number of high-level desired outcomes:

Every opportunity to succeed – working in partnership to support children and young people's educational attainment and training

A future built for everyone, an economy fit for all – regenerating our borough to grow the local economy and provide the jobs, homes and transport that people need

A cleaner, more considerate Brent – improving air quality and keeping our environment clean and pleasant

A borough where we can all feel safe, secure, happy and healthy – building stronger, safer and healthier communities, with opportunities to enjoy Brent's unique cultural heritage, and support for vulnerable children and adults to be as independent as possible

Strong foundations – ensuring that the council and its partners are structured and equipped to secure the best possible outcomes for local people, within a context of diminishing resources.

3.5 A Delivery Plan has also been created (see Appendix 2), and is the means by which progress on the Borough Plan will be monitored. The Delivery Plan sets out practical steps to achieve the desired outcomes, and will itself be updated annually to take account of changing priorities.

3.6 Progress with the Borough Plan will be reported to Cabinet at key intervals during 2019/20.

<u>Consultation</u>

3.7 Consultation played a key part in shaping the Borough Plan – firstly through the Resident Attitudes Survey and subsequently a public consultation via the online portal. It was also considered at Brent Connects meetings and staff away-days.

3.8 There was a good response to the consultation. Comments were mixed – a number of residents used the consultation to comment on specific concerns such as traffic and a perceived lack of police officers on the beat. There were

also several comments which were supportive of the council's strategic priorities.

4.0 Legal implications

4.1 There are no legal implications arising directly from the report, however legal advice will be provided as required as the proposals in the Borough Plan are implemented.

5.0 Financial implications

5.1 The draft Borough Plan highlights the existing financial context, i.e. that local government will experience the most significant reform of its funding arrangements for two decades. The Fair Funding review, reset of business rates baselines and changes to the business rates retention system all have critical implications for the distribution of funding across local government. At the same time, the results of Spending Review 2019 will affect the total level of funding available to the sector from April 2020.

5.2 The Budget report sets out the overall financial position facing the council for the next four years and highlights the significant risks, issues and uncertainties. It also sets out the draft budget proposals that will be consulted upon for the period 2019/20 to 2020/21 in order to deliver a balanced budget. Broadly, savings of around £40m will have to be found to balance the budget over the lifetime of the plan.

6.0 Equality implications

6.1 Under the Public Sector Equality Duty (PSED) in the Equality Act 2010, Brent is required to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between those who do and do not have a protected characteristic.

6.2 There will be equality implications, positive and negative, for many of the activities undertaken under the Borough Plan. Equality analyses will be undertaken in relation to these as they are developed and implemented.

Report sign off:

PETER GADSDON

Director of Performance, Policy and Partnerships

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2019-2023

Borough Plan

Building a Better Brent

Brent

Foreword

Brent is a borough characterised by change. It is a place where new communities have always settled, regularly adding to its distinctive diversity, and this continues today. Regeneration is also changing the face of the borough, in Wembley, South Kilburn, Alperton, Harlesden, Church End, and elsewhere. And we are growing - around 335,000 residents today, projected to increase to almost 350,000 by 2023, and over 375,000 by 2030.

Our residents are living longer too – the number of residents aged 65 and over will increase by 15% over the lifetime of this Plan, and by 41% by 2030. This is to be celebrated, as advances in medical care give people more years with their families. However, a growing and ageing population poses real challenges for the council in ensuring services for those that need them. For example, more people now require social care. Their needs are becoming more complex, and therefore more expensive to meet.

At the same time our resources are also changing - and not for the better. Nationally, councils have lost 63% of their funding from the government since 2010, and in Brent we have had to save £164 million. This will continue - we are required to make significant further savings over the next four years and beyond.

It is within this challenging context that the council has set out a vision for 2023. Achieving it will require us to focus on the things that matter most and where we can make a real difference to the lives of our residents. We will need to continue to explore and innovate, using our resources in the most effective way, and securing the services that people need. This will mean working closely with partners, ensuring that the best use is made of all our means.

We are at the forefront of a digital revolution, which is transforming how people interact and their expectations for accessing information and services. Over the next four years we will also continue to adapt our workforce and buildings to successfully deliver our priorities. We will build resilient communities through our community hub model - a prime example of how we want to address the needs of our residents earlier. We will do this, in a joined-up way, grounded in the neighbourhoods where people live.

The Borough Plan is our roadmap for navigating these changes and harnessing them for the benefit of the borough. By working together we can all help Build a Better Brent.

Cllr Muhammed Butt
Leader of Brent Council

Carolyn Downs
Brent Council Chief Executive

Introduction

Our vision for 2023 is to make Brent a borough of culture, empathy, and shared prosperity. A borough where people from different backgrounds feel at ease with one another, share in cultural opportunities and activities, and value the principles of fairness, equality, good citizenship and respect for people and place. People will feel that they and their children are safe, cared for and can achieve and that they receive excellent services when they need them. Brent will be a great place to live and work, where business and enterprise prosper and local people have opportunities to change their lives for the better.

While our vision remains similar to that set out in our previous Borough Plan, the context within which we are working continues to change drastically. Local government is set to experience the most significant reform of its funding arrangements for over two decades. The Fair Funding Review - a potential redistribution of government funding to councils - as well as changes to the way business rates are charged and how much councils can retain locally, will all have critical implications for the distribution of funding across local authorities. At the same time, the results of the Spending Review 2019 will affect the total level of funding available to the sector from April 2020.

The council expects to need to make savings of around £40m over the course of this plan, and has already identified proposals in order to achieve a balanced budget up to 2021. Achieving our vision will therefore require innovation, continued and deeper partnership, and careful planning based on sound evidence. It will also require us to shift from focusing on single services addressing specific issues, to a more joined-up approach based around localities.

We are well-placed to do this. Around two thirds of our residents feel that the council does a good job, and 56% also feel that people in their local area can contribute to making it better, which will continue to be important as we all work together to help Build a Better Brent. The council will lead this by focusing our energies on five strategic themes.

Our strategic themes

DESIRED OUTCOMES

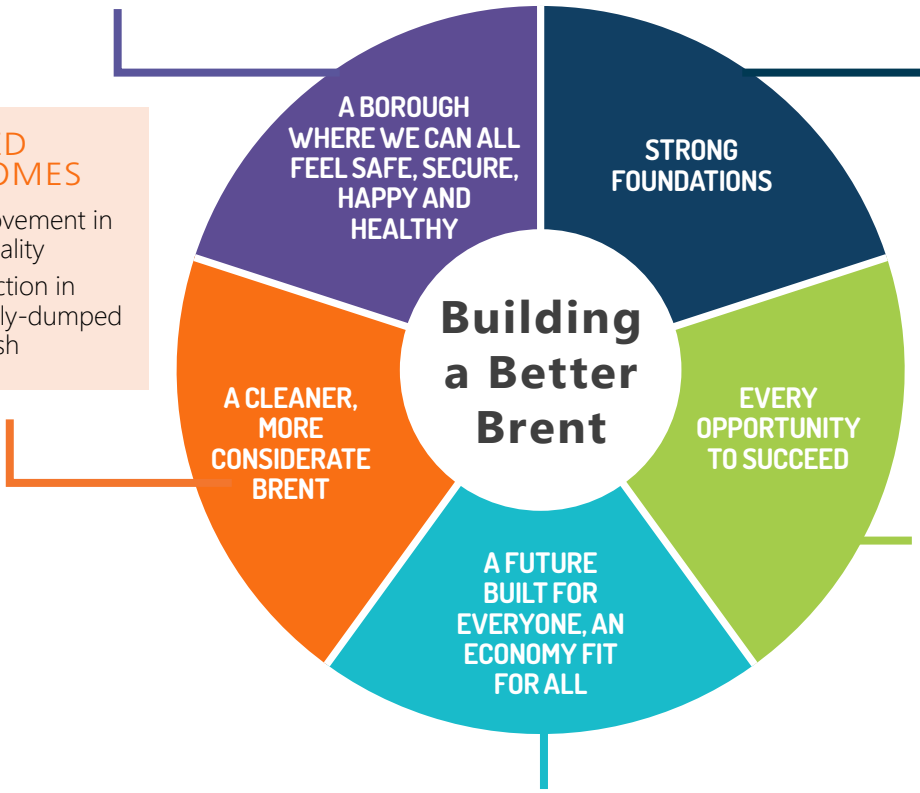
- Reduction in anti-social behaviour, the risk of harm and re-offending
- Reduction in violent crime, including gang and knife crime
- Support our most vulnerable adults, enabling them to choose and control the services they receive, to remain independent and lead active lives
- Improve the health of Brent residents
- Make Brent a place where culture is celebrated and vibrant

DESIRED OUTCOMES

- Enable more residents to get online
- Making every pound count
- Building services around residents and their needs
- Increase in resident satisfaction
- Increase in resident involvement

DESIRED OUTCOMES

- Improvement in air quality
- Reduction in illegally-dumped rubbish



DESIRED OUTCOMES

- Improvement in Key Stage results for Black Caribbean Boys
- Improvement in Key Stage results for looked-after children and care leavers
- High-level skills achievement;
- Increase in average wage

DESIRED OUTCOMES

- Increase in inward investment achieved via the council
- Produce our new Local Plan, setting out our vision, priorities and areas for future development in the borough
- Increase in housing supply
- Reduction in the number of households in temporary accommodation
- Keep traffic moving and our roads and pavements in good repair

About Brent

334,700 people live in Brent - we are the 6th largest borough in London

76,800
under the age of 18
23% of the population

36
is our
average age

39,500
aged 65 and over
12% of the population

57%
adults don't exercise
4th

	healthy life expectancy	life expectancy
♂	65	80
♀	67	85
	10th	15th
	8th	7th

in London

In Employment	Self-employed	Unemployed	Benefit claimants
71.3%	17.6%	5.7%	2.2%
lower than	higher than	similar to	same as
74.2%	13.2%	5.0%	2.2%

London average

53% residents born abroad 2nd highest in London

9% of residents are born in India

37% of people do not speak English as a first language

8% speak Gujarati, the most spoken language after English

35%	6%	18%	34%	7%
white	mixed	black	Asian	other

16% of the population is **white other**, which includes **22,000** residents from Romania and Bulgaria

15.7
births per 1,000
higher than
14.1%

Pupils in Brent achieved **half a grade** more than pupils nationally with similar starting points

8.2%
adults have
no qualifications
higher than
6.8%

London average

The crime rate is **70.8** per 1,000 population, 15th highest in London

THE
GRANVILLE

Every four years, we carry out a major survey to hear the views of residents on a range of issues. We held our most recent in the summer of 2018, and this is what you told us.

Here's what you said....

76%

Are satisfied with their local area as a place to live

This is slightly below the national average of 79%. High earners, home owners and those aged between 55 and 64 recorded the higher levels of dissatisfaction with the local area.

35% of residents surveyed felt that they could influence decisions affecting the local area

69% said Brent is a place where people from different backgrounds get on well together

59% are proud to live in Brent

Top 3 things that residents value the most locally

- A safe area, free from crime and bad behaviour **57%**
- Clean streets **36%**
- Health services **23%**

Top 3 things that residents most want to see money spent on

- A safe area, free from crime and bad behaviour **55%**
- Clean streets **42%**
- Health services **23%**

Sports and leisure facilities, built environment: old and new buildings and road/pavement maintenance were all some of the least valued and least likely to be picked to spend money on among residents

This figure is in line with the 45% national average for councils (27% disagree, 28% indifferent – also all in line with national average).

45% said local services provide good value for money

66%

of people are happy with the **way in which Brent Council runs things**, a figure higher than the **61% national average.**

Brent Council satisfaction rates have **risen** from a low of **30%** in 2006 and have remained at **66%** since 2014.

Interestingly over the same 10 year period nationally rates reached a peak in 2014 of **68%** but have dropped down to **61%** in 2018.

45% Agree | **30%** Neither | **25%** Disagree

% that agree or disagree the council is helpful when you contact it

45% said it was easy to carry out council transactions online. **21% said it wasn't easy.**

59% said the council keeps residents either very well or fairly well informed, compared to the **national figure of 52%.**

10% of residents feel very unsafe when out after dark. Crime levels **(41%)** and gangs/people hanging around **(21%)** were the main reasons residents felt this way.

Biggest neighbourhood problems for residents

23% said their local area had improved over the last four years

This figure is a 2% increase when compared to the 2014 data, when the survey was last run.

28% of residents have in the last twelve months read for pleasure.

25% A quarter of Brent residents have no formal qualifications at all.

51% English is the first main language for half of residents.

Harlesden

49% In Harlesden, half of residents thought their local area had improved over the last four years, almost double the 27% who thought this in 2014.

Our journey so far

Achieving our strategic priorities will be challenging. However, with our partners we have made great strides towards making our vision a reality over the past four years.

- 97.7% of Brent pupils attend schools which are rated good or outstanding, and 94% of our early years providers are good or outstanding as well.
- Achievement in our primary and secondary schools is higher than ever. In particular, Brent's secondary pupils outperformed London in 2017, and their progress was amongst the highest in the country.
- Our children's services have received their best-ever rating from Ofsted following inspection, recognised as "Good" and with the experiences and progress of children in care and care leavers recognised as being "Outstanding".
- We have helped deliver more than 1000 jobs for residents, and support 3000 learners each year through Brent Start, who have given us a 97% satisfaction rating.
- We have appointed Town Centre Managers to rejuvenate nine priority town centres in the borough.
- 4400 net additional homes have been built in the last four years.
- We have received £50 million of Community Infrastructure Levy from new developments to pay for supporting infrastructure.
- We have built 120 new council homes in South Kilburn, and have won eight housing and architecture awards for our regeneration work across the borough since 2016.

- We are using the latest technology to transform our Housing Management Service, enabling us to deal more quickly with findings from inspections.
- We prevented 599 families from becoming homeless in 2017/18, and have launched a new form to process new homelessness applications. The council's wholly-owned company i4B has also let 177 homes to homeless households, avoiding the need to place them in temporary accommodation and generating a saving of at least £600,000 so far.
- We have installed almost 20,000 lower-energy LED street lamps, which will save us £850,000 per year and reduce our carbon footprint.
- We have dramatically improved the numbers of people receiving mental health assessments on time, from less than 25% to over 90%, by taking a smarter and more flexible approach to appointment planning.
- Tudor Gardens, our residential care home for people with learning disabilities, has been rated "Good" by the Care Quality Commission, its best-ever rating.
- We have achieved efficiencies in our use of the public health grant whilst maintaining some of the best outcomes in the country for those recovering from drug and alcohol misuse.
- Our libraries are amongst the most popular in the country, and saw more than a million items loaned in 2017/18, and more than 2.5 million visits. Over 4000 children also took part in the Summer Reading Challenge, and over 650 adults took part in the 2018 Reading Ahead scheme to improve low literacy.
- Finally, we have been chosen as the London Borough of Culture for 2020, beating 21 other boroughs with a proposal recognised by the Mayor of London as "visionary", and receiving £1.35 million to stage a year-long programme which will put culture and the arts at the heart of Brent's future.

Every opportunity to succeed

Education is crucial to helping people fulfil their potential and achieve their ambitions. Here in Brent, we are rightly proud of our early years provision, the teaching and leadership in our schools and the further education opportunities available within the borough. The council has worked in close collaboration with local school-led partnerships to achieve continuous improvement in the quality of education for a number of years, and achievement in our primary and secondary schools is higher than ever. We will continue to make advances by drawing on their expertise and experience to drive school improvement, agreeing support and intervention where necessary.

We take a Contextual Safeguarding approach and recognise that the different relationships young people form in their neighbourhoods and schools can affect them. While most groups perform well, some pupils are at risk of lower attainment than others due to a variety of factors. This is the case in particular for Black Caribbean Boys, children looked after by the council and those reaching the age where they leave our care. This can affect their opportunities to stay in education, training or employment and the likelihood of them becoming offenders, so we owe them particular attention to offer life chances that are as good as those of their peers. We will raise their attainment and provide them with support to stay in education, employment or training. Equally as important is ensuring there are sufficient places for children to learn, and by 2023 we will need additional specialist provision so that vulnerable children and young people do not need to travel outside of Brent for their education.

More generally we need to raise people's skills and formal qualifications, and improve the below-average employment level. Although the situation has improved, household income in Brent is the third lowest in London.

EQUIPPED FOR THE FUTURE

Desired Outcome: Improvement in Key Stage results for Black Caribbean Boys; Looked-after children and care leavers

We will:

- Support the continued improvement of early years provision and schools – particularly helping the very small number which are still to achieve a "good" rating from Ofsted.
- Raise the attainment of particular groups and narrow the gap with their peers for:
  - Black Caribbean boys
  - Pupils with special educational needs and disabilities
  - Children and young people in the care of the council
  - Young people leaving our care and moving into becoming independent
  - Pupils at risk of being permanently excluded from school.

- Provide additional specialist places in mainstream schools for children with Special Educational Needs and Disabilities (SEND).

Desired Outcome: High level skills achievement; Increase in average wage

We will:

- Promote employment support and skills provision, including significantly increasing the take-up of apprenticeships.
- Ensure that residents can access affordable training and learning opportunities, so that they can secure and remain in employment and enhance their careers.

A future built for everyone, an economy fit for all

We have made huge strides in regenerating the borough, with thousands of new homes, hundreds of new jobs, and much-needed growth in our tax base, not to mention hundreds of millions of pounds spent in the local and regional economy. This is improving the lives of our residents and we will invest further to rejuvenate town centres and achieve high-value employment.

We must also ensure more affordable high-quality housing, for over 12,000 households currently in need. Having brought management of council housing back in-house, we are improving services to our tenants and leaseholders, and offering opportunities for meaningful engagement with them. We will encourage housing associations to do the same, and extend regulation to ensure private landlords offer decent standards for their tenants.

For those who do not have a home, Brent is well-placed to meet new legal duties to relieve and prevent homelessness. Against the overall trend across London, we have reduced the numbers of households in temporary accommodation, by developing alternatives such as increasing the supply of private rented accommodation Brent has amongst the highest numbers of households in TA in England so this will continue to be a challenge.

Brent has busy streets and town centres - we need to ensure we are able to keep our borough moving with well-maintained roads and pavements, effective parking controls, and improved public transport and cycling facilities.

A GREAT PLACE TO DO GOOD WORK

Desired Outcome: Increase inward investment into the borough achieved via the council

We will:

- Invest in Brent's town centres to reverse decline and support diversification, employment and enterprise.
- Explore more in-house and Brent-based options for services we provide.

GETTING REGENERATION RIGHT

Desired Outcome: Produce our new Local Plan, setting out our vision, priorities and areas for future development in the borough

We will:

- Ensure well-designed public spaces and buildings - such as the multi-storey Generator building at the Northfields site,-through master planning, environmental improvements, active community engagement and place management standards.
- Proactively shape and influence development within Old Oak and Park Royal, ensuring that the council's regeneration objectives for Harlesden and Willesden Junction are prioritised.

SOMEWHERE TO CALL HOME

Desired Outcome: Increase in housing supply; Reduction in number of households in temporary accommodation

We will:

- Bring forward sites (including for estate wide regeneration) to meet significantly rising housing need in Brent.
- Deliver 5,000 new affordable, good quality homes with decent space provision to high safety standards in the next five years, including:
  - Improving relationships with local housing associations so that they can contribute to this target
  - Building 1,000 of these homes directly, and
  - Aiming to ensure that 50% of housing built in Brent is affordable.
- Invest in our properties to ensure our residents live in homes which are of a high standard and fire-safe.
- Increase satisfaction with management services amongst our tenants and leaseholders.
- Use our relationships with housing associations in Brent to ensure they meet high standards for their tenants.
- Lobby for the extension of our selective licensing arrangements to more of the borough.
- Contribute to better health and wellbeing outcomes for homeless households, and reduce our use of temporary accommodation, instead placing them in private sector tenancies and properties secured and built by i4B.

GOING PLACES

Desired Outcome: Keep traffic moving and our roads and pavements in good repair.

We will:

- Provide responsive and well-targeted regulation of parking.
- Liaise with utility companies and developers to protect residents, businesses and visitors from unnecessary disruption due to works on our roads.
- Work with the Mayor to deliver the West London Orbital passenger line, with new stations in Neasden and Harlesden, providing better access to west and north London and Heathrow.
- Renew roads and pavements and continue to maintain the highway network through a planned programme of improvement.

A cleaner, more considerate Brent

The environment is a major factor in the quality of life for our residents, who have identified clean streets, parks and trees, and collection of waste and recycling, as three of the top five priorities that they value the most in Brent. However, in common with much of London, the quality of our air is not as good as it could or should be. Everyone in Brent has the ability to help do something about this, and the council can do its part through reducing its own emissions and encouraging others to do the same.

Despite the importance of the environment to everyone, a small number spoil our borough with littering and fly-tipping (illegally-dumped rubbish), and this is the top problem residents identify with their neighbourhoods. We collect illegally-dumped rubbish within a day of it being reported, and use every tool at our disposal to catch and prosecute those responsible – including a record one-off fine of over £36,000 for a business carrying out persistent illegal rubbish dumping. We will continue to pursue strong locality-based enforcement actions to deter such behaviour – and positively improve our environment with a greater variety of habitats in our parks.

THE AIR WE BREATHE

Desired Outcome: Improvement in air quality

We will:

- Prioritise a significant local improvement in air quality, creating a sustained reduction in air pollutants and respiratory diseases.
- Encourage people to use alternatives to cars for those journeys where it makes sense, by prioritising more walking and cycling routes, promoting sustainable means of transport and the health benefits of being more active.
- Significantly reduce carbon emissions and electricity costs due to our investments in LED technology for lighting.
- Seek to significantly increase the number of trees we plant on our streets, in our public spaces, and our award-winning parks.

AN ENVIRONMENT TO BE PROUD OF

Desired Outcome: Reduction in illegally-dumped rubbish

We will:

- Provide efficient and regular collection of household waste to ensure better recycling.
- Pursue strong local enforcement actions, to deter others from illegally dumping rubbish; and by working at a neighbourhood level, better target recognised hotspots for environmental nuisance.
- Promote biodiversity in our streets and parks, through tree-planting and the development of new and different habitats.

A borough where we can all feel safe, secure, happy and healthy

It is vital for the council to support our most vulnerable residents - safeguarding children and young people and helping vulnerable adults to be independent at home. We must also tackle health issues - 57% of residents are not physically active despite a large proportion feeling well-informed about opportunities. Only three other London boroughs have higher proportions.

Brent has a rich cultural history and heritage, and we were delighted to be awarded the title of London's 2020 Borough of Culture. We have ambitious plans to ensure that 2020 will bring Brent even closer together, with the benefits felt long afterwards, especially by young people.

Crime is falling in Brent, and residents are clear that safety is what they value most. However, we still have work to do to prevent crime and anti-social behaviour, as well as reducing the fear of crime - a quarter of residents do not feel safe after dark, with the most common reason being crime levels. As part of our increased focus on localities, we will better target anti-social behaviour in specific neighbourhoods and communities.

SAFE FROM HARM

Desired Outcome: Reduction in anti-social behaviour, the risk of harm and re-offending and a reduction in violent crime, including gang and knife crime

We will:

- Ensure children with additional needs receive early help and support when they need it, with integrated and coordinated services so that families only need to tell their story once to access the help they need.
- Target gangs, domestic abuse and serious youth violence, and make full and effective use of our modernised CCTV infrastructure – including enhanced recording, HD cameras and greater flexibility to help make Brent safer.
- Provide young people in our care with targeted support to help them lead fulfilling lives on their journey to independence.
- Tackle anti-social behaviour on a targeted neighbourhood basis.

INDEPENDENT AND DIGNIFIED

Desired Outcome: Support our most vulnerable adults, enabling them to choose and control the services they receive, remain independent and lead active lives.

We will:

- Support the families and carers of vulnerable adults to help meet their needs.
- Offer alternatives to residential care, through New Accommodation for Independent Living (NAIL), Community Mental Health Teams and exploring the opportunities offered by developing technology.
- Enable residents to return home earlier from hospital stays, and ensure providers of homecare and day care services focus on this too.
- Continue to integrate our services with those of the NHS where this benefits our residents.

ACTIVE AND HEALTHIER

Desired Outcome: Improve the health of Brent residents

We will:

- Get children and young people to be more active and reduce their sugar intake, in partnership with schools, the NHS, and the community.
- Encourage adults to take up physical activity, making use of improved facilities on offer in the borough, such as our leisure centres and the Gladstone Park tennis courts.
- Offer additional home visits for vulnerable families, support for breastfeeding, and help for overweight and obese children and families to manage their weight, through our new children's public health service.
- Refresh our approach to mental wellbeing, raising aspirations and tackling challenges as part of the Thrive LDN initiative.
- Support more people to recover from drug and alcohol problems with our Substance Misuse Service.

CULTURE TO TREASURE

Desired Outcome: Make Brent a place where culture is celebrated and vibrant

We will:

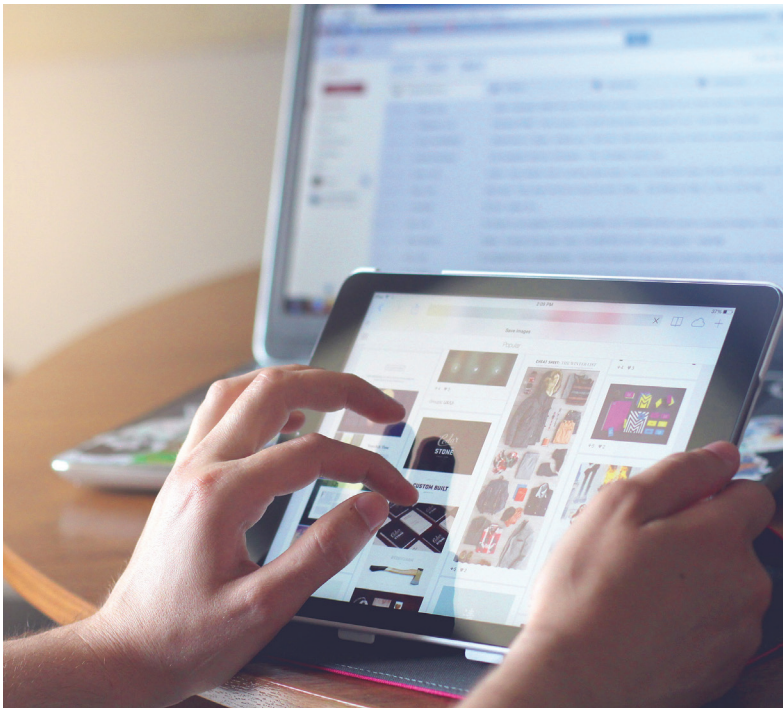
- Work to improve awareness of what our libraries have to offer and increase active borrowers.
- Deliver our ambitious London Borough of Culture 2020 programme, including:
  - Thoroughfair, a summertime street party celebrating Brent's historic transience with pop-up visual arts, dance, theatre and music commissions
  - No Bass Like Home, an affordable music festival and exhibition celebrating the musical legacy of the Windrush Generation and the musical ties between Brent and the Caribbean
  - Work with schools to enable every pupil to take part in a cultural experience during 2020, and
  - Ensuring a legacy which benefits generations to come, with a greater number of cultural enterprises, more pathways into cultural industries, and mentoring and work placement opportunities.
- Ensure all new development preserves and enhances our heritage, such as listed buildings, conservation areas and protected trees.

Strong foundations

About two thirds of our residents are satisfied with how the council runs things which, while positive, represents a slight decline from 2014. Whilst this may partly be a response to cuts in our budget by central government, we must work to improve satisfaction. To achieve our goals we must continue to utilise new technology, reduce avoidable contact and put residents more in control of services, redefining the "front door" through which residents contact the council. We will take advantage of the increasing pace of change and continue our journey to become a digital council and make Brent a digital place.

We will think carefully and creatively about the best ways to obtain value for money from our suppliers. Our community hub approach will mean developing the right skills and culture which emphasise managing commercial relationships, designing services, engaging with the community and partners and working more flexibly.

Brent is among the most diverse local authority areas in the country - our residents feel proud to live here, and agree that people from different backgrounds and cultures feel they get on well together. We must strengthen these bonds by engaging effectively with our communities. We will increase and widen attendance at our regular community engagement events in each of the borough's localities, which will also help us better understand the views and needs of local people – only 37% believe the council listens to the views of local people, while 47% would like to be more involved in decisions made in their area. We will also work with voluntary sector organisations and help residents find opportunities to volunteer. As we move towards working around localities our approach will be increasingly centred on building the capacity and resilience of communities and helping them play an integral part in service delivery.



A DIGITAL BOROUGH

Desired Outcome: Enable residents to get online

We will:

- Implement our Digital Strategy to ensure local residents, partners and businesses are able to thrive in the digital future.

EFFECTIVE AND EFFICIENT

Desired Outcome: Making every pound count

We will:

- Continue to develop the skills and culture required for new ways of working, particularly around commissioning and procurement, managing commercial relationships, designing services, and creating and implementing large scale changes.
- Make the best use of our buildings and property portfolio to support our priorities, focusing on making the best use of available space, supporting local areas and community groups, reducing our costs and increasing income, and delivering development opportunities.

MEETING LOCAL NEEDS

Desired Outcome: Building services around residents and their needs

We will:

- Roll out our innovative Family Hubs, bringing together different services to provide holistic support for children and their families.
- Roll out community hubs throughout Brent, supporting early intervention to help the most vulnerable residents with issues such as housing, debt, employment, and the transition to Universal Credit.
- Work with charitable organisations and local community initiatives including food banks, to ensure residents in need get help early; and understand and tackle the underlying causes of demand for these services.

ENGAGING COMMUNITIES

Desired Outcome: Increase in resident satisfaction; Increase in resident involvement

We will:

- Develop a new Community Engagement strategy based on new values and priorities for community cohesion, in consultation with local people.
- Engage with our communities more effectively, maximising online channels such as social media to increasing the number of residents involved, and ensuring two-way dialogue to enable them to shape services.
- Support local voluntary sector organisations and obtain best value from grant funding provided to them.
- Use our spending power to help support our local communities, setting out clear expectations and with even more of a focus on volunteering and community support as benefits from our contracts.
- Promote and encourage community involvement through neighbourhood-level environment services.
- Treat residents fairly and with respect, supporting those in hardship, and taking a tough stance on those who can afford to pay but refuse to do so.

Moving forward

Implementation and monitoring will be crucial to achieve our strategic priorities and make our vision for 2023 a reality. We have developed a set of targets which will help us record our progress.

We have created a delivery plan which sets out how we will implement our commitments in the first year of the Borough Plan.

Monitoring will be carried out through tracking the completion of actions in our delivery plan, as well as monitoring the targets above. These will be reported to the council's Cabinet every six months. Partners for Brent, our local strategic partnership, will also review progress at its annual meeting.

In this way, local people will be able to see for themselves that our ambitions for Brent, and their own, are realised.

DESIRED OUTCOMES

- Reduction in anti-social behaviour, the risk of harm and re-offending
- Reduction in violent crime, including gang and knife crime
- Support our most vulnerable adults, enabling them to choose and control the services they receive, to remain independent and lead active lives
- Improve the health of Brent residents
- Make Brent a place where culture is celebrated and vibrant

DESIRED OUTCOMES

- Enable more residents to get online
- Making every pound count
- Building services around residents and their needs
- Increase in resident satisfaction
- Increase in resident involvement

DESIRED OUTCOMES

- Improvement in air quality
- Reduction in illegally-dumped rubbish

DESIRED OUTCOMES

- Improvement in Key Stage results for Black Caribbean Boys
- Improvement in Key Stage results for looked-after children and care leavers
- High-level skills achievement;
- Increase in average wage

DESIRED OUTCOMES

- Increase in inward investment achieved via the council
- Produce our new Local Plan, setting out our vision, priorities and areas for future development in the borough
- Increase in housing supply
- Reduction in the number of households in temporary accommodation
- Keep traffic moving and our roads and pavements in good repair

Borough Plan
Building a Better Brent
2019/20

Brent

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2019/20

Building a Better Brent

Delivery Plan for Year 1

Brent

Our strategic themes

The Borough Plan 2019-23 is the council's blueprint for Building a Better Brent. This delivery plan focuses on objectives for 2019/20, and will be updated annually to take account of changing priorities.

DESIRED OUTCOMES

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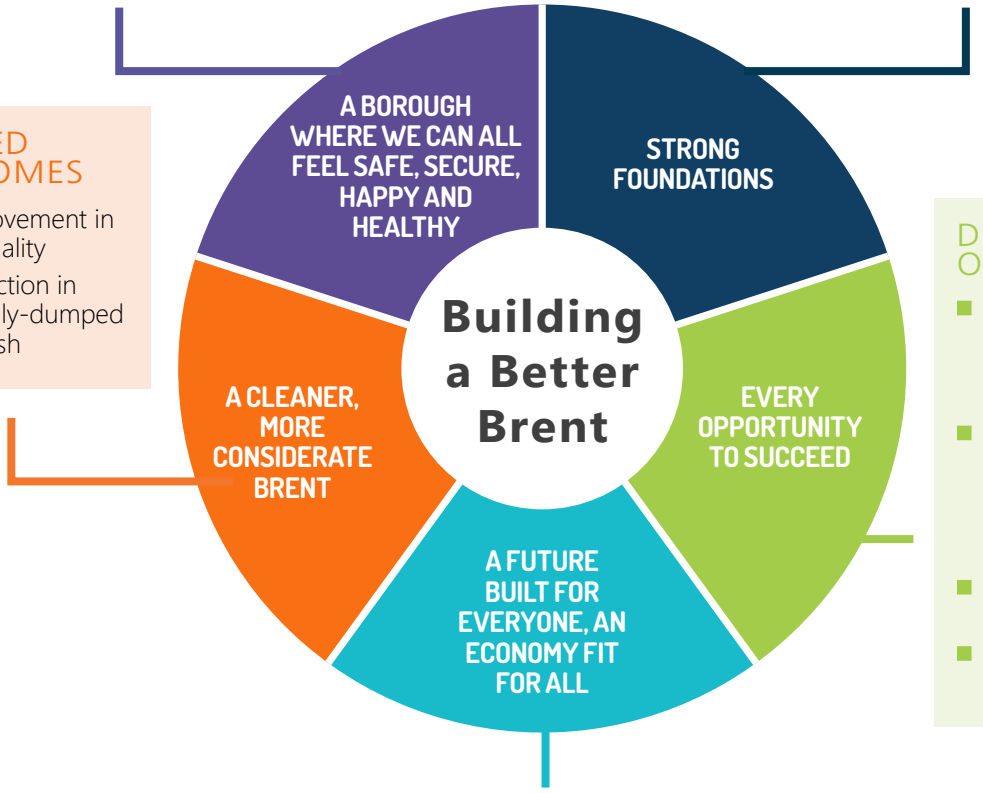

DESIRED OUTCOMES

- Improvement in air quality
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- Improvement in Key Stage results for Black Caribbean Boys
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Every opportunity to succeed

2019/20 PRIORITY:
EDUCATIONAL ACHIEVEMENT OF BLACK CARIBBEAN BOYS

Most of Brent's ethnic groups perform well compared to either the same group nationally or to the national averages for all pupils.

However, Black Caribbean and mixed white/Black Caribbean boys are not performing as well as their peers. In Brent, their attainment was 12.2 percentage points below the Brent average for all pupils at Key Stage 2 in 2017, a larger gap than is the case nationally for this group. This gap is already evident at the Early Years Foundation Stage, the first statutory assessment of children at age five. At Key Stage 4, attainment of Black Caribbean boys is lagging behind national averages for those groups. Black Caribbean boys is the only Brent group on which we report to make less progress than all students nationally.

If we are to achieve our value of equality for all communities, we must address the gap in attainment and the impact on qualifications, aspirations and life chances. We must take a Contextual Safeguarding approach and recognise that the different relationships young people form in their neighbourhoods and schools can affect them.

With the under-performance of this group prevalent across most Brent schools, school leaders have collectively agreed that narrowing the attainment gaps must be an improvement priority. The Brent Strategic School Effectiveness Partnership Board submitted a proposal to invest funding to raise the Achievement of Black Caribbean Boys in Brent Schools to Schools Forum in June 2018. This was agreed and will help drive a Council wide partnership approach with schools to raise the achievement of Black Caribbean boys.

EQUIPPED FOR THE FUTURE
Desired Outcome: Improvement in Key Stage results
RO/Lead Member(s): Gail Tolley and Councillor Agha

Actions	Budget Considerations
• Development of Family Hubs in Brent as integrated service hubs for families, focusing on whole family working. Learning from good practice that has been identified in other parts of the country will provide targeted support for parents of Black Caribbean Boys including positive engagement with setting, and school attendance and achievement. • Support parents of Black Caribbean boys to access entitlements and support, including accessing to early years entitlements and the 30 hours free childcare offer. • Brent libraries to develop links and work with nurseries to target support to families of Black Caribbean Boys • Brent schools 'Raising Achievement of Black Caribbean Boys' project delivered by Brent Schools Partnership, including identification of a Black Caribbean Champion in each school and robust programme of training for groups of staff and school governors, development of online resources for parents on strengthening their role and contribution to improving their children's learning and progress. • Work with Young Brent Foundation to ensure that activities enhance the range of positive opportunities for Black Caribbean Boys • Developing Brent Start learning centres to include more targeted learning opportunities, pre-apprenticeship training for Black Caribbean Boys and new initiatives such as Moving On Up. • Targeting the council's support into employment programmes to reduce the proportion unemployed of Black Caribbean men • Designation of a Black Caribbean Champion in every school in Brent for a period of two years. The Champion will lead on the school's plan to improve outcomes for Black Caribbean pupils including monitoring its impact and engagement with parents. • Councillors and other community leaders to enable a community-led approach to positive opportunities for Black Caribbean Boys through community groups • Council decision-making processes including procurement and Neighbourhood Community Infrastructure Levy to build on current social evaluation criteria to promote targeted opportunities for positive activities, employment and training. • Housing team to develop tenancy audits and work with Residents Associations to develop understanding and awareness of contextual risks and positive opportunities for Black Caribbean Boys. • Borough of Culture team to consider additional activities in workstreams to promote positive peer networking opportunities, focusing on promoting these through the Young Ambassadors Programme • Actively engage the community in Brent Council led Public Health approaches to preventing youth crime including development of making Every Contact Count	Access to early years entitlements is supported through the Dedicated Schools Grant Early Years Block funding. 'Raising Achievement' project funded through the Dedicated Schools Grant as agreed by Brent Schools Forum.

2019/20 PRIORITY:

EDUCATIONAL ACHIEVEMENT OF LOOKED-AFTER CHILDREN AND CARE LEAVERS

Local authorities have a duty under the Children Act 1989 to safeguard and promote the welfare of a child looked after by them. This includes a specific duty to promote the child's educational achievement, wherever they live or are educated. The Children and Social Work Act 2017 extends this duty to include Care Leavers.

Nationally, although some Looked-After Children (LAC) do well, their average attainment is much lower than that of their peers.

In Brent, 11% of Key Stage 4 LAC achieved the national average of grade 4 or above in 5 subjects including English and Maths. At Key Stage 2, 29% of LAC achieved the national average of level 4 in reading, writing and numeracy.

The Care Leaver Offer agreed by Cabinet in January 2018 sets out how the council will support care leavers to achieve their full potential, through education, employment and training, housing, finances and relationships.

EQUIPPED FOR THE FUTURE

Desired Outcome: Improvement in Key Stage results

RO/Lead Member(s): Gail Tolley and Councillor Agha

Actions	Budget Considerations
• Train Brent foster carers as education mentors and champions for the highest aspirations for Brent LAC • Ensure LAC are confident in basic skills before starting GCSE curricula through an extended programme of support in Years 6, 7 and 8. • As Corporate Parents, ensure LAC have a chance to re-sit GCSEs where they have just missed the pass mark. • Virtual School to strengthen relationships with the leadership of all schools in Brent, including those where no LAC are currently placed. • Virtual School to ensure strong partnerships with all schools, including those outside of Brent, where Brent LAC are placed. • Secure relationships with the highest-performing Alternative provisions in and out of London, to ensure that all Brent LAC are supported to achieve academic success. • Develop best practice and ensure a full enrichment offer, using new resources including those funded by John Lyons Foundation. • A job coach through the council's partnership with Brent Works to help Care Leavers get into employment, training or an apprenticeship scheme within the council or elsewhere. • 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 • Access for Brent Care Leavers to a nominated tenancy officer to assist with tenancies and commitment to avoid Care Leavers being made intentionally homeless in Brent, ensuring Care Leavers get a second chance if they run into problems with a tenancy. • Care Leavers to be supported by the council to become financially independent, including support with getting official documents, setting up bank accounts / accessing Junior ISAs and in exceptional emergencies providing financial support. • Workshops to inform LAC and Care Leavers more about participation in society and having their voice heard, led by the Chief Executive.	The actions set out are funded from current Virtual School budget within CYP. Virtual School budget includes Pupil Premium grant funding, received from DfE

2019/20 PRIORITY:
HIGH VALUE EMPLOYMENT

Brent has an employment rate of 71.3%, which is below the London average of 74%. Household income is also the third lowest in London.

Over 8% of Brent residents have no formal qualification and a higher proportion have 'low skills' (Level 2 or below) and require access to training in order to move into or progress in employment.

EQUIPPED FOR THE FUTURE
Desired Outcome: High Level skills achievement
RO/Lead Member(s): Amar Dave, Councillors Tatler and Agha

Actions	Budget Considerations
• Devolution of the Adult Education Budget (AEB) and utilisation of the apprenticeship levy need to be levered by the council and with employers to develop skills pathways with industry to enable progression and increase productivity. • Brent is commissioning support to young people in schools and young unemployed residents 18-30 years of age via Tech Mix (a social enterprise), to give them greater access to creative and tech industry careers. • Brent Works to develop a partnership with Higher and Further Education training providers to support Brent residents into apprenticeships that provide progression of training and pay. • Implement new Local Plan policy to require action on Employment, Apprenticeship and Training Plan for all major developments, to be prepared in partnership with the council	Funding will be sought from external sources of grant coupled with use of Adult Education budget to expand the creative and tech employment programme, following the pilot phase being delivered in 18-19/19-20. The proposed partnership to develop higher skilled apprenticeships is being delivered within existing resources (not council revenue funding). Upscaling this programme would require additional investment from council or external funding sources.

EQUIPPED FOR THE FUTURE
Desired Outcome: Increase in average wage
RO/Lead Member(s): Amar Dave, Councillors Tatler and Agha

Actions	Budget Considerations
• Brent Start will support over 2000 residents each year to develop their skills, including an expanded digital skills offer, ESOL, English, Maths and employability skills. • Seek official status as an 'Outstanding' provider of adult education. • Brent Works will continue to generate employment and apprenticeship opportunities through construction and other sectors, seeking to support career pathways to high skill levels. This includes brokering opportunities via Section 106 Agreements with developers and via Social Value contract agreements through the council's procurement. • The council will lead by example recruiting apprentices to not only offer entry level roles within the organisation, but support progression in work and salaries. This is made possible by the Apprenticeship Levy, which can pay for training at higher skill levels across many roles. Aim for at least 2.3% of the workforce to be apprentices, and care leavers will be supported to access 5 opportunities per annum. • The Living Room employment team will provide support embedded into Community Hubs in the borough, also assisting residents to access other employment and skills services such as the Work and Health programme, Brent Start, and Brent Works. • Following the success of the jobs event at Wembley Stadium in October 2018, with nearly 1800 attendees, an annual event will be planned to bring together local employers and residents to help people to access recruitment and training opportunities. • The West London Work and Health Programme is being made accessible via Community Hubs. Provision enables in-depth support for residents with a range of needs that can act as barriers to work. • A Work and Health Outcome Based Review is being commissioned by the Health and Wellbeing Board, with input from adult social care, the Clinical Commissioning Group, the DWP, and Employment and Skills team. This will identify the scale of demand, assess existing provision, and make recommendations for future commissioning activity of partners.	Brent has secured funding via the Flexible Learning Fund with delivery beginning in 18-19. The West London Alliance boroughs will seek to resource an extension of the Flexible Learning Fund progression project, utilizing the devolved Adult Education Budget and other external grant sources.

A future built for everyone, an economy fit for all

THE BOROUGH DELIVERY PLAN FOR YEAR 1

2019/20 PRIORITY: REGENERATION

Regeneration offers the opportunity for us to address social and economic needs across the borough. We will ensure Brent continues to benefit from significant investment in regeneration at all corners of the borough, bringing jobs, housing and other key services. 2019 is an important year for the development of our Local Plan, where involvement of the local community will be a key component in its success.'

A GREAT PLACE TO DO GOOD WORK

Desired Outcome: Increase level of inward investment achieved via the council

RO/Lead Member(s): Amar Dave, Councillors Tatler and Agha

Actions	Budget Considerations
• Capital West London inward investment programme being delivered by White Label Creative on behalf of the West London Alliance, launched formally on the 30th October at the West London Growth Summit at Brent Civic Centre. • Support to be provided by the Brent Business Board, delivered through social media campaigns – supplemented by the new Brent for Business website. • Commissions underway for Willesden, Church End and Harlesden to consider diversification in town centres, including opportunities for workspace for growth and higher skilled industries. • Secure the delivery of workspaces (inc. affordable workspace) in new developments in appropriate locations by applying Local Plan policies. • Explore options to make direct investment in the provision and operation of workspace. • Protect existing Local and Strategic Employment sites and via site allocations and masterplanning seek intensification of workspace • Enterprise hubs will be created in each growth area. The hub in South Kilburn will be protected. In other growth areas 10% of new employment floorspace within major developments exceeding 3000sqm is to be managed affordable workspace (as noted in the draft Local Plan Preferred Options; wording subject to change) • Identify the most prominent pavements in need of repair, develop a planned programme for renewal and improvement, secure the funding necessary to sustain the work.	Further intervention by the council to deliver workspace in town centers / growth areas may require bids for capital. This could be via Capital Programme governance and/or alternative external funding, such as future rounds of Greater London Authority capital funds, or national programmes such as the Strategic Investment Fund (in support of industrial strategies – currently in development), or the newly announced Future High Street Fund. Funding details to be agreed -The Generator, Northfields: 17000 sqm of employment workspace, including affordable.

GETTING REGENERATION RIGHT

Desired Outcome: Produce our new Local Plan, setting out our vision, priorities and areas for future development in the borough

RO/Lead Member(s): Amar Dave, Councillors Tatler, and Agha

Actions	Budget Considerations
• Produce an updated consultation statement, setting out all issues raised by the public and how we will address them. • Produce a publication version of the plan and invite comments	Within existing budgets

2019/20 PRIORITY: HOUSING SUPPLY

Increasing Housing Supply

The housing target for Brent is expected to rise from 1525 to 2915 per annum (91% increase). This includes a greater emphasis on unidentified small sites. Affordable housing grant rates as a proportion of development costs have been at historic lows.

There are 12,200 households currently in affordable housing need in Brent. Of these, 3,657 currently occupy housing that does not meet their needs, mainly due to overcrowding. Providing suitable alternatives for these will enable them to vacate their existing housing, which can be re-allocated.

Of the current cohort of over 2,300 homeless households living in TA, 55% were accepted pre Localism Act. The only way to end the duty for these households is an offer of social housing. An increased supply of social housing would greatly assist in this.

Reduction of number of households in Temporary Accommodation

Although the council has had some success, Brent still has one of the highest numbers of households in TA in the country. The majority of homeless households living in TA are in Band C and face long waiting times.

There is an insufficient supply of affordable PRS accommodation in Brent. Some homeless households are therefore still placed in TA.

Since the implementation of the Temporary Accommodation Reform Plan, a number of other initiatives have been developed to help with the continued reduction of the number of Households in TA.

It is not possible to project future levels demand - homeless acceptances will depend on a range of factors outside the council's control e.g. changes to national homelessness policy and legislation and the behaviour of the housing market.

SOMEWHERE TO CALL HOME
Desired Outcome: Increase in housing supply
RO/Lead Member(s): Phil Porter, Councillor Southwood

Actions	Budget Considerations
• Bring forward sites (including for estate-wide regeneration). • Improve relationships with local housing associations to contribute to the council's target for affordable homes. • Deliver 13 agreed affordable units – Willesden Green Garages in 2018/19. • 77 agreed affordable units – Olympic Office Centre in 2018/19 • 5 agreed affordable units – Afrex House in 2018/19. • 1015 agreed affordable units – Northfields in 2018/19. • 15 agreed affordable units – 6-8 Coombe Road in 2018/19. • Start on site of 817 new affordable homes in the periods 2019/20, 2020/21 & 2021/22. • Develop a strong pipeline of new affordable homes up to and beyond this time frame in order to continue to deliver the above targets. • Retain a planning policy within the council's draft Local Plan of requiring all new developments consisting of 10 units or more to contain overall at least 50% affordable housing, however developers who offer at least 35% affordable homes are likely to see their proposals approved in view of the GLAs fast track arrangements for planning applications. Policy target for the tenure split between types of affordable housing is 70% rented and 30% intermediate tenures (shared ownership). • Continue to support Registered Providers to encourage greater local investment in Brent both in their efforts to secure grant funding from the GLA and via the planning process. The council intends that the borough remains a positive environment for Registered Providers to work and continues to support the delivery of affordable housing.	Schemes developed via 3rd parties (RPs) will require staff support in relation to planning, etc. Larger regen. sites led by the council require significant capital investment £65m in GLA grant allocation, supported by council investment in the order of £150 million.

SOMEWHERE TO CALL HOME
Desired Outcome: Reduction of the number of households in Temporary Accommodation
RO/Lead Member(s): Phil Porter, Councillor Southwood

Actions	Budget Considerations
• Continue to work with households at risk of homelessness to resolve their housing needs by securing alternative accommodation in the Private Rented Sector (PRS) before they actually become homeless, and avoid the need for TA. • Continue to allocate 70% of social housing units that become available for letting to homeless households accepted before the implementation of the Localism Act 2011. • Continue to Increase supply of affordable PRS accommodation to end the main homelessness duty by through i4B. • Continue the work being undertaken with Notting Hill Genesis, Network and Shepherds Bush Housing Associations under the Housing Associational Leasing Scheme (HALS). The scheme makes it possible to pay landlords of HALS properties a more attractive lease rent, which allows the properties to be retained, and the TA portfolio to be expanded at reduced cost to the council. • Embed the work of "Capital Letters", a joint endeavour between a group of London boroughs to jointly procure affordable Private Rented Sector accommodation across London, delivering at least the same level or potentially more PRS accommodation.	Current funding streams available to the council are sufficient to cope with the anticipated increase in demands. Medium to long term funding for these new duties is less certain. If the council is not successful in preventing more households from becoming homeless, & meeting demand for affordable housing from homeless households in the PRS, use of TA will grow. With no certainty of the future funding arrangements through the Flexible Homelessness Support Grant (FHSG), this will lead to significant pressures on the General Fund This is being consulted on until Jan 2019 - final agreement next year.

2019/20 PRIORITY: ROADS AND PAVEMENTS

Keeping Brent moving with well-maintained roads and pavements

GOING PLACES
Desired Outcome: Keep traffic moving and our roads and pavements in good repair
RO/Lead Member(s): Phil Porter, Councillor Southwood

Actions	Budget Considerations
• Identify the most prominent pavements in need of repair, develop a planned programme for renewal and improvement and secure the funding necessary to sustain the work.	Funding to be secured

A cleaner, more considerate Brent

THE BOROUGH DELIVERY PLAN FOR YEAR 1

2019/20 PRIORITY: IMPROVE OUR ENVIRONMENT

As with much of London, the air quality in Brent is not as good as it could or should be. We will seek to reduce local air pollution as much as practicable to meet and exceed national air quality objectives. We will also do more to keep Brent free from illegally-dumped rubbish, as this is a top problem identified by residents.

THE AIR WE BREATHE
Desired Outcome: Improvement in air quality
RO/Lead Member(s): Amar Dave, Councillor Krupa Sheth

Actions	Budget Considerations
• Seek to double the number of trees we plant on our streets and in our public spaces • Identify locations that would most benefit from new tree planting, particularly as mitigation of air quality concerns (Ian please delete this from 'a future built for everyone') • Identify the most suitable species for each location, and funding needed to support the programme	It is estimated that additional revenue provision of £65k p.a. would be sufficient to ensure that the Council could double the number of new trees it plants, in comparison to the average for 2014/18. Community Infrastructure Levy resources could also contribute to achieving this target, but it is may not be possible to make a commitment in respect of tree planting schemes prior to the submission of bids.

AN ENVIRONMENT TO BE PROUD OF
Desired Outcome: Reduction in illegally-dumped rubbish
RO/Lead Member(s): Amar Dave, Councillor Krupa Sheth

Actions	Budget Considerations
• To tackle litter and dumped rubbish, we will organise at least one Community Day of Action in each of our five neighbourhoods every three months.	Within existing budgets

A borough where we can all feel safe, secure, happy and healthy

THE BOROUGH DELIVERY PLAN FOR YEAR 1

2019/20 PRIORITY:
CRIME PREVENTION AND COMMUNITY SAFETY

Crime Prevention and Community Safety are hugely important for the borough. The 2018 Resident Attitudes Survey suggested that the most important issue local residents valued was that Brent was 'a safe area, free from crime and bad behaviour'. This was also the option that the highest number of respondents wanted to see the council spend money on.

In August, Cabinet agreed the new Community Safety Strategy 2018-2021 which outlines further detail on the main priorities of the Community Protection team.

SAFE FROM HARM
Desired Outcome: Reduction in Anti-Social Behaviour, the risk of harm and re-offending
RO/Lead Member(s): Amar Dave, Councillor Miller

Actions	Budget Considerations
• Street-based council Task Force developed, targeting hotspot locations and enforcing fines/warnings for street drinkers and open drug markets. • Develop Online Watch Link (OWL) infrastructure and process to increase comms and engagement to community and businesses. Promote reporting. • Enhanced targeted offender management through more streamlined processes and increased team numbers (since BHM and Core ASB team merged.) • Develop Local Joint Action Process for more aligned approach with new Policing BCU model. • Increased prostitution outreach workers to work with Police to reduce nuisance premises re brothels and on street sex work.	Outreach work to reduce prostitution, to try and build capacity re MOPAC funding by seeking additional funding. Continued resourcing of out-of-hours joint enforcement work and/or expansion of patrol teams that issue FPNs Reduction in policing numbers and Partnership Tasking Team resource may affect level of enforcement. Community Safety team to resource admin support for new online platform (OWL)

SAFE FROM HARM
Desired Outcome: Reduction in violent crime / Gang and knife crime – Police Driven Response
RO/Lead Member(s): Amar Dave, Councillor Miller

Actions	Budget Considerations
• Community Safety Team to support Police Tasking meetings to promote and advocate for SBP priorities to be targeted and hotspot locations. • Support stop and search. • Community Safety (on behalf of Safer Brent Partnership) coordinate and govern the Partnership Knife Crime Action Plan, ensuring partners held to account and actions progressed. • Increase SmartWater roll out for all BHM properties.	Wider YOS spend on knife crime-related programmes. Brent MOPAC London Crime Prevention fund allocation spends £326k per year on knife and wider serious youth violence related interventions.

SAFE FROM HARM

Desired Outcome: Reduction in violent crime/increased prevention - council/partnership driven response

RO/Lead Member(s): Amar Dave, Councillor Miller

Actions	Budget Considerations
• Bid for street-based outreach mentor team to better engage young people not yet known to services. • Develop out-of-hours engagement provision for enhanced YP engagement. • Review voluntary sector intervention services for more targeted location-based intervention. • Develop predictive model for daily operational tool to be in operation, better identifying those YP at risk and highlighting vulnerable locations. • Develop training packages on violence and vulnerability issues for more targeted wrap-around and current information for front line staff. • Advocate for MOPAC to fund Redthread provision at NWP, or source health based funding to fund Redthread in NWP. • Project to prevent offending or reoffending, working in partnership with Community Safety and CRC (probation), through funding secured from Department for Work and Pensions). Lead by Employment, Skills and Enterprise team. Outputs will include 30 participants on a programme of training and wider experiences, with access to employment at completion. Also 15 mentors training to form a new network to support people at risk of offending. • Engage with the pan-London Rescue and Response programme to better identify young people engaging in county lines. Ensure referring into the programme and raising awareness of the issues to staff in Brent.	Bid for street based outreach mentor team through Young Londoners MOPAC funding. Out-of-hours engagement provision for enhanced YP engagement through LCPF funding or sourcing additional funding to bridge the gap. Review of voluntary sector intervention services through MOPAC LCPF funding 2019-21. Brent supporting and leading on the coordination of the pan London County Lines Rescue and Response programme.

2019/20 PRIORITY:
SUPPORTING OUR MOST VULNERABLE RESIDENTS

The New Accommodation for Independent Living (NAIL) scheme was developed to ensure vulnerable residents with Care Act-eligible needs can have their care delivered closer to home and within their own communities. Over 400 units have already been delivered as of April 2019, but with increasing demand and complexity of need, further units will be required.

INDEPENDENT AND DIGNIFIED

Desired Outcome: Support our most vulnerable adults, enabling them to choose and control services they receive, remain independent and lead active lives

RO/Lead Member(s): Phil Porter, Councillor Southwood

Actions	Budget Considerations
• Identification and delivery of an additional 137 NAIL units • 4 additional large (40+) Extra Care supported living schemes to be identified and prioritised for development	£65m in GLA grant allocation, supported by council investment in the order of £150 million

Strong foundations

THE BOROUGH DELIVERY PLAN FOR YEAR 1

2019/20 PRIORITY:
EMPOWERING COMMUNITIES

Enable residents to get online

We are transforming into a digital borough in line with modern expectations. Services will be more accessible and personalised, helping residents to make better informed choices. This, alongside the council's new telephony system, development of a localities working approach and general pace of change mean this is a good point to redefine the council's 'front door'. This is happening through a comprehensive Customer Services Access Review being undertaken with Resources.

Our online customer platform will allow a targeted channel shift programme of communications with residents to get them signed up online, put them in control of their relationship with services and removing significant telephone traffic. Contact centre resources will be able to focus on the customer experience and value-added services such as aftercare follow ups. The CSC is increasingly operating on a self-service basis with digital assistance available to those who need support to use digital services. This approach will be adopted by other services as the digital strategy is implemented.

Roll-out of Community Hubs will be aligned to the channel shift programme, with these providing frontline support and help for the vulnerable to access services.

Increase in resident satisfaction

The 2018 Residents Attitudes Survey outlined that satisfaction with the council has slightly decreased. Whilst this may be expected given recent budget cuts, results need to be addressed and trends analysed to put improvement plans in place.

Increased in resident involvement

Brent Connects forums are one of the primary ways residents can be involved with decision-making. However, many forums see lower-than-hoped-for attendance levels, and often attract the same residents rather than being a mechanism to reach out to the wider community. A refreshed attempt to drive up attendance is required.

A DIGITAL BOROUGH
Desired Outcomes: Enable residents to get online; Building more services around residents and their needs
RO/Lead Member(s): Peter Gadsdon and Althea Loderick, and Councillors McLennan and Southwood

Actions	Budget Considerations
• Create a purposeful online customer accounts system allowing residents to customise their account. • Establish MS Dynamics as a safe and secure portal that will include personal data and verification documents, such as passport biometric, making payments, booking a service, etc. • Complement the Dynamic platform that has already been built for the Housing Management call centre which will allow the option of consolidating the 2 contact centres in 2020. • Roll-out of the extended Community Hubs model to be completed in 2020. • Establish KPIs to measure against targets.	Digital programme has £5.6m funding agreed by Cabinet in 2017 for strategy implementation by 2020. The digital roadmap is part of this wider programme of work. Cabinet has also agreed funding for community hubs identified from existing council budgets. Aim is for the hubs to reduce costs to the council over time, by intervening early in complex cases, preventing the escalation of issues.

EFFECTIVE AND EFFICIENT
Desired Outcome: Making every pound count
RO/Lead Member(s): Althea Loderick, and Councillors McLennan

Actions	Budget Considerations
• Undertake a review of our commissioning and procurement arrangements in order to make efficiency savings and deliver social value	Within existing budgets

ENGAGING COMMUNITIES
Desired Outcome: Increase in resident satisfaction
RO/Lead Member(s): Carolyn Downs, Peter Gadsdon, Gail Tolley, and Councillors Butt and Southwood

Actions	Budget Considerations
• Extension of community hubs across all Brent Connects areas by 2020. • Implement the building blocks to the Localities Strategy by 2020, with the logistics embedded by 2023.	Within existing budgets

ENGAGING COMMUNITIES
Desired Outcome: Increase in resident involvement
RO/Lead Member(s): Carolyn Downs, Peter Gadsdon and Councillors Butt and Hirani

Actions	Budget Considerations
• Implement the findings of the Community Engagement and VCIF review currently being undertaken • Establish ways for greater resident involvement in decision making • Better targeting of the council's grants programme locally through Brent Connects	Within existing budgets

Borough Plan
Delivery Plan for Year 1
2019/20

Brent

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Brent	**Cabinet** 11 February 2019
	Report from the Chief Finance Officer

Budget and Council Tax 2019/20 and 2020/21

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)	Open
No. of Appendices:	13 – see attached list
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Conrad Hall Chief Finance Officer Email: conrad.hall@brent.gov.uk Tel: 020 8937 6528 Ravinder Jassar Head of Finance Email: ravinder.jassar@brent.gov.uk Tel: 020 8937 1487

1.0 Purpose of the Report

1.1 The purpose of this report is to set out the Council's budget proposals for 2019/20 and business plans for 2020/21. It also sets out the results of the consultation, scrutiny and equalities 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 25 February 2019. The report also sets out the overall financial position facing the Council for the next four years and highlights the significant risks, issues and uncertainties.

1.2 The council published its draft budget on 15 October 2018. At that time the realistic estimate was that savings of £40m would be required over the lifetime

of this Administration. The (delayed) publication of the Local Government Finance Settlement has not fundamentally changed this long-term position. Having considered the various comments made, including through the consultation and Scrutiny processes, officers have been instructed to prepare the budget including savings of £20.9m as set out in Appendix C. Given the significant financial uncertainties that have been highlighted throughout this process this is a balanced and proportionate approach to the demanding choices that have to be confronted in budget setting.

1.3 By adopting a relatively high level of savings now, the council will be able to set a balanced budget for 2019/20 and, unless the funding position worsens even more dramatically than assumed in the prudent estimates set out in this report, 2020/21 as well. It may also be reasonable to assume that delivering these savings would make a contribution towards the 2021/22 budget requirement. This would leave the council in a relatively strong financial position, with long-term plans in place to give certainty to residents about future levels of service provision.

1.4 Accordingly, the budget now proposed includes the recommended adoption of savings of £20.9m out of the £26.2m consulted upon, and a council tax increase for the Brent element of the council tax of 4.99%, which is the maximum allowable without a referendum.

1.5 "Savings" mean different things to different people. Although an entirely objective classification is probably an unrealistic goal, the council's Scrutiny Panel (see Appendix D) has recommended that they are classified by way of Cut, Income generation, Service transformation and Efficiency. Officers' assessment against these headings is that the overall savings of £20.9m should be classified as:

- Cut, £2m
- Income generation, £1.6m
- Service transformation, £15.6m
- Efficiency, £1.7m

1.6 Following an extensive period of consultation, described further in section seven of the report, as well as taking in to the account the outcome of the statutory scrutiny processes and the equalities impact assessments, the budget proposals that are recommended for agreement are shown in Appendix C. This also shows, for completeness, the proposals that are not recommended for agreement. Overall, taking into consideration the additional income from council tax, the additional cost pressures mentioned later in this report and the recommended budget proposals of £20.9m, the budget for 2019/20 and the business plans for 2020/21 will be balanced.

1.7 The provisional local government finance settlement was announced on 13 December 2018. This was a week later than the scheduled date of 6 December, due to the lack of Parliamentary time as a result of the Brexit debate and its consequences. The Secretary of State announced that the settlement provides for increases in local authorities' 'core spending power' of 2.8%

overall. Core spending power (CSP) is the government's measure of the key components of local government funding. As this includes the ability of local authorities to increase council tax it is possible for this to increase despite reductions to government grant. Brent's CSP has increased by 3.4%, compared to the national average of 2.8%, despite its main non ring-fenced government grant (Revenue Support Grant) being cut again in 2019/20. If the council tax increases were stripped out of CSP it would be a more accurate measure of government financial support to local authorities. On this basis Brent's CSP in 2019/20 would reduce by 1.4% compared to last year.

1.8 Further details of the settlement are discussed in section three of the report. The most significant announcement was confirmation that the 'referendum limit' for council tax is 3%. This was not certain, but it was anticipated by way of the October Cabinet report and consulted on accordingly. No changes were announced to the social care precept, which remains at 2%.

1.9 Like last year, the Government's financing assumption is that all councils will act on this and increase council tax by the maximum amount possible. Taking into account the inflationary pressures that the council is subject to (which Ministers have confirmed were a significant factor in their decision to increase the referendum limit), the financial position in the round and the results of consultation through the Brent Connects and other meetings held by the date of despatch of this report the budget has been prepared on the basis of a 4.99% increase in the Brent element of the council tax.

1.10 The Mayor of London has announced plans for an increase in his precept of £26.28 or 8.9%, the maximum amount allowed by the Government before holding a council tax referendum. Of this increase £24 will be applied for policing and the balance to fund the London Fire Brigade. This makes the overall increase in council tax 5.77%.

1.11 The budget process is designed to ensure that it is priority led so that resources are aligned with council priorities and statutory responsibilities including consultation, scrutiny and equalities considerations. The new Borough Plan for 2019 – 2023 has been consulted on at the same time as the budget and is presented elsewhere on this agenda. The Borough Plan is the council's commitment to making a real difference to the lives of local people based on a number of key priorities such as:

- **Every opportunity to succeed –** working in partnership to support children and young people's educational attainment and training

- **A future built for everyone, an economy fit for all –** regenerating our borough to grow the local economy and provide the jobs, homes and transport that people need

- **A cleaner, more considerate Brent –** improving air quality and keeping our environment clean and pleasant

- **A borough where we can all feel safe, secure, happy and healthy –** building stronger, safer and healthier communities, with opportunities to enjoy Brent's unique cultural heritage, and support for vulnerable children and adults to be as independent as possible

- **Strong foundations –** ensuring that the council and its partners are structured and equipped to secure the best possible outcomes for local people, within a context of diminishing resources.

1.12 The budget has been constructed against what continues to be a very challenging financial background. It is widely accepted by serious commentators that reductions to local authority funding have been more significant, often far more significant, than in any other part of the public sector. Since 2010 the council has agreed expenditure reductions of £185m, including £20.9m by way of this report. As set out above, the council continues to find ways to improve efficiency and transform services, and 83% of the £20.9m has been achieved this way, demonstrating the council's continued commitment to finding ways to improve value for money. However, as the pressure on budgets rises it is of course more difficult to keep finding sufficient efficiency savings to balance the budget.

1.13 This budget contains a small proportion of proposals that will result in reductions to service levels. These have not been recommended lightly, but following the extensive consultation process it was clear that these were the least worst such reductions of the options identified. Agreeing the proposed budget, despite these impacts, will leave the council in a relatively strong financial position and mitigate against the risk of having to deliver more substantial and unplanned cuts in later years.

1.14 Considering the expenditure reductions that have had to be implemented since 2010 and the various impacts this would have had on residents, the recent residents' survey showed that since 2014 a similar number of Brent residents (two thirds) felt the Council does a good job and the number that disagree has reduced. Also, over the last four years, the majority of residents surveyed felt council services had either been maintained or improved. These scores are above the national average for local authorities which, in part, can be attributed to the council's approach to financial sustainability and adopting a forward-looking financial strategy based on taking difficult decisions early, allowing time for implementation.

1.15 Aside from the usual updating of and adjustments to various technical assumptions the key features of this budget would be:

- A council tax increase of 4.99% for the Brent element, making a Band D council tax of £1,262.34. Additionally, the Council will levy a council tax of £320.51 at Band D on behalf of the Greater London Authority, which is a 8.93% increase on last year. Therefore, the total council tax at Band D will be £1,582.85, a 5.77% increase on the 2018/19 level. This is equivalent to £30.44 per week, and the overall increase equates to £1.66 per week.

- Following the statutory consultation and scrutiny processes, new budget savings proposals with an aggregate value of £20.9m, as summarised in Appendix C.

1.16 This report is structured as follows:

- Officer recommendations for cabinet and full council to approve;
- Strategic overview of the financial and macro-economic climate;
- The forecasts against the current year's (2018/19) revenue budgets are summarised;
- Summary of the process to develop the budget;
- Changes to the revenue funding position, based on the provisional local government finance settlement, which was released after the last Cabinet report on the subject;
- The results of consultation, scrutiny and equalities and other relevant factors are set out;
- Updates from the Council's ring fenced budgets, specifically the Housing Revenue Account (HRA) and the Dedicated Schools Grant (DSG);
- The capital programme is summarised along with the associated investment strategy, prudential borrowing indicators and treasury management measures; and
- Finally, the report considers the budget beyond 2020/21 and the approach to developing budget proposals.

2.0 Recommendation(s)

Cabinet

2.1 Agree to recommend to full council an overall 4.99% increase in the Council's element of council tax for 2018/19 with 2% as a precept for Adult Social Care and a 2.99% general increase.

2.2 Agree to recommend to full council the General Fund revenue budget for 2019/20, as summarised in Appendix A.

2.3 Note the cost pressures and technical adjustments detailed in Appendix B.

2.4 Note the savings detailed in Appendix C.

2.5 Delegate authority to the Chief Finance Officer to:

a) agree (in consultation with the Leader) whether to participate in the London Business Rates Pool and pilots for subsequent years (noting that in this case the authority's executive administrative function as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013 will remain delegated to the City of London Corporation, as the Lead Authority); and

b) agree the operational details of the pooling arrangements with the participating authorities for 2019/20 and any subsequent years and enter into any Memorandum of Understanding required.

2.6 Agree that the Leader of the Council will continue to represent the authority in relation to consultations regarding the London Business Rates Pilot Pool undertaken by the Lead Authority pursuant to the Memorandum of Understanding and he will respond to the consultations.

2.7 Note the report from the Budget Scrutiny Panel in Appendix D.

2.8 Agree to recommend to full council the HRA budget for 2019/20, as set out in section eight of this report.

2.9 Agree to recommend to full council the HRA rents for council dwellings, tenant service charges and garages, as set out in section eight of this report.

2.10 Agree to recommend to full council the major works and new build development budgets set for 2019/20 and 2020/21, as set out in section eight of this report.

2.11 Agree to recommend to full council the rents set under the Housing General Fund for Brent Housing PFI and traveller's site pitches and to note the rents for Hillside dwellings as set out in section eight of this report.

2.12 Note the Dedicated Schools Grant as set out in section nine of this report.

2.13 Agree to recommend to full council the capital programme as set out in Appendix E.

2.14 Agree to recommend to full council the Treasury Management Strategy, Capital Strategy, Investment Strategy and MRP Policy as set out in Appendices F, G, H and I.

2.15 Note the advice of the Director of Legal and HR as set out in Appendix J.

2.16 Agree, and where relevant agree to recommend to full council, the schedule of fees and charges set out at in Appendix K.

2.17 Note the results of consultation as set out in section 7 and detailed in Appendix L.

Full Council

2.18 Agree an overall 4.99% increase in the Council's element of council tax for 2019/20 with 2% as a precept for Adult Social Care and a 2.99% general increase.

2.19 Agree the General Fund revenue budget for 2019/20, as summarised in Appendix A.

2.20 Agree the cost pressures and technical adjustments detailed in Appendix B.

2.21 Note the report from the Budget Scrutiny Panel in Appendix D.

2.22 Agree the HRA budget for 2019/20 as set out in section eight of this report.

2.23 Agree the HRA rents for council dwellings, tenant service charges and garages as set out in section eight of this report.

2.24 Agree the major works and new build development budgets set for 2019/20 and 2020/21 as set out in section eight of this report.

2.25 Agree the rents set under the Housing General Fund for Brent Housing PFI and traveller's site pitches and to note the rents for Hillside dwellings as set out in section eight of this report.

2.26 Agree the dedicated schools' grant as set out in section nine of this report.

2.27 Agree the capital programme as set out in Appendix E.

2.28 Agree the Treasury Management Strategy, Capital Strategy, Investment Strategy and MRP Policy as set out in Appendices F, G, H and I.

2.29 Note the advice of the Director of Legal and HR as set out in Appendix J.

2.30 Agree the schedule of fees and charges as set out in Appendix K.

2.31 Note the results of consultation as set out in section 7 and detailed in Appendix L.

2.32 Agree the Pay Policy Statement for 2019/20 as set out in Appendix M.

Council Tax recommendations

These recommendations only include a provisional Council Tax level for the GLA as its final budget was not agreed when this report was despatched. This means that the statutory calculation of the total amount of Council Tax under Section 30(2) of the Local Government Finance Act 1992 may be amended by the final Greater London Authority precept.

2.33 In relation to the council tax for 2019/20 we resolve:

That the following amounts be now calculated by the Council for the year 2019/20 in accordance with Sections 31 to 36 of the Local Government Finance Act 1992 as amended:

(a) £1,027,149,293 being the aggregate of the amount that the Council estimates for the items set out in Section 31A(2) of the Act.

(b) 905,158,017 being the aggregate of the amounts that the Council estimates for the items set out in Section 31A(3) of the Act.

(c) £121,991,275 being the amount by which the aggregate at (a) above exceeds the aggregate at (b) above, calculated by the Council, in accordance with Section 31A(4) of the Act, as its Council Tax requirement for the year.

(d) £1,262.34 being the amount at (c) above, divided by the amount for the tax base of 96,639, agreed by the General Purposes Committee on the 21 January 2018, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year.

(e) Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
841.56	981.82	1,122.08	1,262.34	1,542.86	1,823.38	2,103.90	2,524.68

being the amounts given by multiplying the amount at (d) above by the number which, in the proportion set out in Section 5(1) of the Act, is applicable to dwellings listed in a particular valuation band divided by the number which in that proportion is applicable to dwellings listed in valuation band D, calculated by the Council, in accordance with Section 36(1) of the Act, as the amounts to be taken into account for the year in respect of categories of dwellings listed in different valuation bands.

2.34 That it be noted that for the year 2019/20 the proposed Greater London Authority precepts issued to the Council, in accordance with Section 40 of the Local Government Finance Act 1992, in respect of the Greater London Authority, for each of the categories of dwellings are as shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
213.67	249.29	284.90	320.51	391.73	462.96	534.18	641.02

2.35 That, having calculated the aggregate in each case of the amounts at paragraph 2.26(e) and 2.27, the Council, in accordance with Section 30(2) of the Local Government Finance Act 1992, hereby sets the following amounts as the amounts of council tax for the year 2019/20 for each of the categories of dwellings shown below:

Valuation Bands

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1,055.23	1,231.11	1,406.98	1,582.85	1,934.59	2,286.34	2,638.08	3,165.70

2.36 That it be noted that the Chief Finance Officer has determined that the Council's basic amount of Council Tax for 2019/20 is not excessive in accordance with the principles approved under Section 52ZB of the Local Government Finance Act 1992.

(a) That the Chief Finance Officer be and is hereby authorised to give due notice of the said council tax in the manner provided by Section 38(2) of the 1992 Act.

(b) That the Chief Finance Officer be and is hereby authorised when necessary to apply for a summons against any council tax payer or non-domestic ratepayer on whom an account for the said tax or rate and any arrears has been duly served and who has failed to pay the amounts due to take all subsequent necessary action to recover them promptly.

(c) That the Chief Finance Officer be and is hereby authorised to collect revenues and distribute monies from the Collection Fund and is authorised to borrow or to lend money in accordance with the regulations to the maximum benefit of each fund.

2.37 That in the event that the GLA sets a different council tax precept to that set out in this report (which was the published provisional amount at the date of despatch) that authority be delegated to the Chief Finance Officer to vary the amounts at 2.34, but only insofar as to reflect the GLA decision, and to make consequential, but no other, amendments to the amounts at 2.35.

3.0 Strategic Overview

3.1 The council takes a long-term and strategic approach to its corporate and financial planning, linking the new Borough Plan to the budget decisions set out by way of this report. This has been adapted, and will continue to be adapted, in order to meet residents' most important needs whilst remaining within the financial constraints imposed by the ongoing austerity regime. This has, in part, been reinforced by a recent residents' survey which showed satisfaction with the council being above the national average and improving over the last four years.

3.2 The proposals in this report enable the Council to set a balanced budget for 2019/20 and set the business plans for 2020/21 whilst giving some protection to front line services and investing in key projects and priorities. The funding gap in future years, estimated at around £20m for 2021/22 and 2022/23, demonstrates the difficult service decisions ahead as central government

funding reductions continue to reduce the resources available to meet increasing service demands.

3.3 As set out in the October Cabinet report, significant reform of the local government finance system is expected over the next 12 months, including the ongoing Fair Funding Review, the move to 75 per cent Business Rates Retention and the forthcoming (although much delayed) Adult Social Care Green Paper. Each of these reforms will only succeed if a sufficient quantum of funding is made available for the entire sector through the Spending Review in 2019. It is vital that the Government uses these events to place local government finance on a genuinely sustainable footing to cope with the expected rise in demand for local services. This is supported by the Local Government Association which stated that they are 'concerned that there is no clarity over funding levels, both nationally and locally, after March 2020. This hampers meaningful financial planning at a time when government grant funding is the lowest it has been for decades and demand pressures are increasing'.

3.4 Given these ongoing policy changes, authorities are facing a period of significant uncertainty in the run up to the 2020/21 'cliff edge'. Greater clarity over the financial position of local government from 2020/21 is essential to reduce the high degree of uncertainty currently built into medium term financial planning.

3.5 The provisional local government finance settlement was announced on 13 December 2018. As Brent, like almost every other local authority, had signed up to the four year spending deal which confirmed the significant funding cuts from 2016/17 to 2019/20. That said, the settlement confirmed the amounts expected for 2019/20 with respect to Revenue Support Grant (£24.5m), Business Rates Top Up Grant (£53.5m), Improved Better Care Fund (£11.6m), New Homes Bonus (£8.8m), Flexible Homelessness Support Grant (£5.2m), Public Health grant (£20.8m) and other smaller grants. All grants were in line with the budget assumptions expected.

3.6 The Flexible Homeless Support Grant (FHSG) is £5.2m in 2019/20, down from £7.8m in 2018/19. However, officers had anticipated this reduction some months ago, and as a result did not commit all of the 2018/19 allocation. As a result the council is able to accommodate this substantial (33%) reduction in its overall budget.

3.7 The provisional settlement, unexpectedly, announced a one-off redistribution of the "surplus on the national business rates levy account" in 2019/20. The amount for Brent is £1.3m. However, as this is a one-off grant it cannot be built into the long-term budget plans. It is proposed to hold this grant in an earmarked reserve to the help mitigate any major disruptions to council funding ahead of the fair funding review or to manage significant issues arising from Brexit, which is highly uncertain at the point of drafting this report.

3.8 Finally, the settlement confirmed the additional funding announced in the Chancellor's autumn statement, although as they are one off they do not affect the budget currently being set.

- For adult social care, an additional £240m nationally was announced for 2019/20, and Brent will receive £1.3m.
- For adults and children's social care, an additional £410m was announced for 2019/20, and Brent will receive £2.3m.
- An additional £420m nationally was announced for potholes, where Brent will receive £0.6m.
- An additional £55m of Disabled Facilities Grant funding was announced and Brent will receive £0.6m.

This will obviously help with in year budget management, but as the funding will only be for 2019/20 it would not be appropriate to use it to enter into new longer-term commitments, such as additional staffing, and build in to base budget. The longer-term position will become clearer once the Spending and Fair Funding reviews are announced.

3.9 As reported previously, demographic change in Brent continues to drive costs. The Office for National Statistics projects that London's population is forecast to increase by 21% between now and 2039, compared with just 11% across the rest of England. In terms of Brent, focusing on the four year period of this Administration, the population is projected to grow by approximately 3% according to the latest Greater London Authority's population projections. Within this there are particularly sharp rises in the 65-84 year group (2.5% per annum) and the over 85 year group (4.6% per annum). The estimates of the likely costs of these pressures, as set out in the October Cabinet report, are still considered realistic.

3.10 At the national level the debate over Brexit has dominated political proceedings throughout the preparation of this budget. It is not practical for officers to make realistic assessments of the financial impact of this locally, given the national uncertainty. It is clear that the Brexit negotiations have taken up a significant proportion of government resources, such that other legislative programmes have been delayed, such as the provisional local government finance settlement and the further delayed adult social care green paper. Dealing with the political position following the Parliamentary "meaningful vote" on Brexit of 15 January, and the amendments being debated on 29 January as this report was being finalised, is likely to consume further Government resources and continue to delay key pieces of legislation and policy.

3.11 The decision to produce the green paper was first announced in November 2017 and was initially intended to be published in the summer of 2018 before being delayed until the autumn to coincide with the NHS long-term plan. The long term plan will set out how the NHS will spend its extra £20.5bn announced in the summer. It is now expected to be published in 2019. The timing has not been confirmed, although in January the Secretary of State for Health announced that it would be published in April 2019, the month after what was at the time the planned date of the UK's departure from the EU. Adult social care represents nearly a third of the Brent's net budget and so the implications

of these plans with regards to long term funding will have a significant impact on the medium term funding outlook.

4.0 The Council's current year revenue budget and forecasts

4.1 The table below shows the Council's current revenue budget and forecasts. Delivery of the 2018/19 budget is critical to maintaining the Council's financial standing and that front line services are protected. Overall, expenditure is expected to be contained within budget. Further details of the forecast at departmental level were presented to Cabinet on 14 January 2019. Any implications to the 2019/20 budget as a result of pressures experienced in 2018/19 have been robustly reviewed and taken into consideration during the budget setting process.

Department	**Budget**	**Forecast spend**	**Variance**
	£m	**£m**	**£m**
Children & Young People	41.6	43.4	1.8
Community Wellbeing	132.3	132.3	0
Performance, Policy & Partnerships	9.9	9.9	0
Regeneration & Environment	38.4	35.2	(3.2)
Resources	36.0	36.0	0
Subtotal Service Area Budgets	**258.2**	**256.8**	**1.4**
Other Expenditure	8.5	8.5	0
Subtotal Net expenditure	**266.7**	**265.3**	**(1.4)**
Business Rates, Council Tax and Specific Grants	(265.9)	(265.9)	0
Contingencies	(0.8)	(0.8)	0
Total General Fund	**0**	**(1.4)**	**(1.4)**

5.0 Budget Development Process 2019/20 – 2020/21

5.1 Proposals in this budget have initially been developed by officers and then discussed with Members and with the wider community. The key processes for doing this were, in summary, as follows:

- Development of the budget approach, based on the updated medium term financial outlook which was considered by the Cabinet in July 2018;

- Meetings involving Cabinet and Corporate Management Team members to consider the key service and budget issues likely to affect the council in future years;

- Development by officers, in consultation with relevant Lead Members, of budget proposals for individual services within the context of the Borough Plan and the overall resources available;

- The publication of a detailed list of savings proposals at Cabinet in October 2018 for consultation purposes;

- Debates through the Budget Scrutiny Panel of the Scrutiny Committee;

- Presentations and question and answer sessions at each of the five Brent Connects meeting in October 2018 and January/February 2019;

- Four 'pop up' consultation events across the borough with Brent residents;

- Review of the schools budgets by schools forum;

- Considering feedback from the public, whether received by the general 'consultation@brent.gov.uk' email address or other direct representations;

- Receipt of petitions from the public and representations from other interested parties, such as voluntary sector bodies and local businesses;

- Conducting Equality Impact Assessments of the budget proposals in order to ensure that their consequences were properly understood.

5.2 This report updates the position on the core estimates that drive the budget development process, including the outcome of the provisional settlement and the consultation, scrutiny and equalities assessment processes.

6.0 Future Revenue Funding Position and changes to financing assumptions since October

6.1 The provisional 2019/20 Local Government Finance Settlement was announced on 13 December 2018 and provided details of the core funding allocations for local authorities in 2019/20. As this is the final year of the 'four year offer' period the figures were within those previously assumed as part of the October Cabinet report. The key headlines that are relevant for Brent from a financial planning point of view are set out below.

Revenue support grant (RSG) and business rates top-up

6.2 There are no changes to Brent's previously announced allocations as, like most other councils, last year Brent signed up to the Ministry of Housing, Communities & Local Government (MHCLG) proposal to fix RSG and business rates top-up until 2019/20.

6.3 The settlement confirms Ministers' intention to undertake a fundamental review of the basis of grant allocations, effective from 2020/21 onwards (the 'Fair Funding Review'). It is still not possible to make reliable estimates of the impact this will have on Brent and this uncertainty remains the largest single variable in the council's long-term financial planning. The results of the Fair Funding review are not expected before late 2019, making long-term financial planning difficult. In the meantime officers will follow developments and respond to the next stage of the various technical consultations planned in 2019.

Council Tax

6.4 As expected, the MHCLG have set the 'referendum limit' for council tax for 2019/20, which is the same level as 2018/19, at 3% in recognition of higher than expected inflation and the pressures on services such as social care. No changes were announced to the adult social care precept. At present the financial plans are based on an assumption of an overall rise of 4.99% in 2019/20 and 3.99% in 2020/21.

6.5 There is an implicit assumption from MHCLG, built into the future funding settlements, that local authorities will increase council tax by up to the referendum limit. As the increase would permanently increase the council tax base income it would also reduce the significant funding pressures in 2019/20 and beyond. After due consideration the recommendation of this report is that the additional flexibility to increase the core element of council tax by up to 3% be taken forward and that the budget should be constructed on the basis of a council tax increase of 4.99% in 2019/20.

6.6 Each financial year, the Mayor and London Assembly must prepare and approve a budget for each of the constituent bodies and a consolidated budget for the authority as a whole. On 20 December 2018 the Mayor of London published his draft revenue budget for 2019/20 for consultation, in which it proposed to increase the precept by £26.28 (or 8.9%) to £320.51 per Band D property in the 32 London Boroughs. The increase in the precept is the maximum amount allowed before triggering a referendum for both the policing element and the non-policing element. These figures are subject to change following the consultation process and confirmation of London Boroughs' tax bases. The final GLA budget will be considered by the London Assembly on 25 February 2019. As the budget is in draft form, a verbal update will be provided at the Full Council meeting on 25 February either confirming the recommendations or setting out a revised set of figures following the outcome of the GLA decision making.

Business Rates

6.7 The settlement confirms the continued operation of the pilot London business rates pool. However, this will operate on the basis of 75% retention of the growth in business rates by the boroughs, not 100%.

6.8 In 2018/19 the pool is expected to generate a direct one-off benefit for Brent of c£6m. The exact figure will only be known once the final figures are confirmed for the year, expected in summer 2019. At 75% retention the pool will be less beneficial. Nonetheless, assuming that business rates grow in 2019/20 at the same rate that they did in 2018/19 and taking into account preliminary modelling of the 2019/20 pilot would indicate a direct benefit of around £3.9m.

6.9 A memorandum of understanding has been agreed between the Secretary of State for Housing, Communities and Local Government and the Mayor of London and Chair of London Councils. This sets out the terms of an agreement to extend the London Business Rate Retention Pilot into 2019/20 at the level of 75% retention. The potential financial benefit, compared to having no pilot, continues, however, to be significant. The precise benefit will, of course, depend on the level of growth in business rates income across the capital next year, but on the basis of the growth currently forecast in 2018/19, London could expect to collectively retain additional business rates in 2019/20 of approximately £200m under this agreement, even without any additional year-on-year growth.

6.10 At the time of despatch of this report detailed financial modelling on the potential net financial benefit to individual local authorities is being undertaken based on the latest estimate of growth in the current year. Initial modelling would suggest a net financial benefit of c£200m would be possible, with c£30m top sliced for the Strategic Investment Pot, the GLA's share would be £61m, and £109m would be distributed to the remaining boroughs. This is based on estimates using forecasts from London Boroughs and are therefore only illustrative and a lower set of figures is entirely possible. However, the example serves to illustrate the potential direct financial benefit of continuing with a pilot London pool on basis being offered. That said, as in 2018/19, the net financial benefit of the pilot pool is not certain at this stage and it is not thought prudent to build this potential additional income into the base budget, especially given the economic uncertainty referred to above. Therefore the budget has been constructed on the basis of the amount of business rates that can be retained as under the previous rates retention scheme.

6.11 If the council did not want to participate in this pilot, it would have had to opt out of the pool by 10 January 2019. This deadline was set in the settlement. The Chief Executive took an urgent decision on 9 January 2019, in consultation with the Leader and Lead Member (and following notification to the Leader of the Opposition) that the council should not opt out in order that this deadline could be met. The authority's executive administrative function as a billing authority pursuant to the Non-Domestic Rating (Rates Retention) Regulations 2013 will remain delegated to the City of London Corporation, as the Lead Authority, for 2019/20.

6.12 In order to avoid urgent decision making in future years, it is recommended that Cabinet delegate to the Chief Finance Officer authority to agree (in consultation with the Leader) whether to participate in the pool for subsequent years and to agree for 2019/20 and subsequent financial years, the operational details of the pooling arrangements with the participating authorities and any Memorandum

of Understanding with them. This is a precautionary provision only, as it is hoped that the pilot arrangements are replaced by permanent ones, making the exercise of this delegated authority unlikely to be required.

6.13 The settlement does not contain any definite indication about the future of business rate pools and retention beyond 2019/20. It would be extremely helpful for long-term financial planning if this vital information was contained within next year's local government settlement, following on from the Spending and Needs reviews

Other grants and considerations from the settlement

6.14 Allocations on the Improved Better Care Fund (iBCF) of £11.6m and the Flexible Homeless Support Grant (FHSG) of £5.2m have been checked and are in line with the budget assumptions. The latter is down from £7.8m in 2018/19. However, officers had anticipated this reduction some months ago, and as a result did not commit all of the 2018/19 allocation. As a result the council is able to accommodate this substantial (33%) reduction in its overall budget. The public health grant has, as expected, been cut again in 2019/20 by £0.5m to £20.8m. All other estimates for grants in 2019/20 are unchanged from that presented to Cabinet in October 2018.

6.15 The Secretary of State also commented adversely on the commercial investments that some councils have undertaken. It is anticipated that further guidance or regulations will be issued in due course in this area, which may have the effect of restricting some potential activities. However, to date Brent has not undertaken the kinds of activities that appear to have generated most concern, such as large acquisitions of commercial property outside of their own borough boundaries.

7.0 Statutory process of consultation, scrutiny and equalities assessments

Equalities

7.1 The Council has a duty to pay due regard to the need to eliminate unlawful discrimination and advance equality of opportunity and foster good relations between those who have a protected characteristic and those who don't when making decisions. This duty is set out in more detail in the Equality Implications section of this report. Each of the budget proposals attached in Appendix C have been subject to equality impact assessments (EIA) to assess their potential or likely impact on service users and employees with protected characteristics. Where the EIA process identified a disproportionate negative impact with no reasonable mitigation, the proposals were subject to a full EIA. These EIA reports are also included within Appendix C alongside the actual proposal.

7.2 It is important to note that in some cases when budgets are reduced in any particular area, further decisions will be required to implement the initiative achieving the budget reduction. Those further decisions are often subject to consultation or engagement with residents and other stakeholders and to the

results of equality impact assessments (EIAs) or assessments of best value. The results of any consultations and EIA considerations subsequent to those referred to at 7.1, will be analysed and taken into account as part of the decision making process required to put the proposed budget into effect. The savings that can be derived from these initiatives identified in the budget presented for agreement are therefore subject to change. If the proposals are changed in a way that materially reduces the budget reductions derivable from them (for example from having considered in detail the results of a consultation), there will be a need to make up for the shortfall from other additional reductions elsewhere, the use of reserves or by departing from the budget envelope – for which there is a particular constitutional procedure.

Scrutiny

7.3 A Budget Scrutiny Panel was convened after the Cabinet published the draft budget proposals in October 2018. The panel, made up members of the three scrutiny committees (Resources & Public Realm, Community & Wellbeing and Housing) reviewed the proposals, as well as the budget development process, with relevant Lead members and officers. The panel's report and recommendations, attached in full at Appendix D, were considered and adopted by the Resources & Public Realm scrutiny committee on 15 January 2019. The budget now being recommended, by way of this report, was considered by the Resources & Public Realm scrutiny committee on 7 February 2019. A note of its deliberations and comments on the proposals have been circulated to the Cabinet to consider as part of their decision making.

Consultation

7.4 The council recognises consultation as a key part of policy formulation, and makes considerable effort to ensure that the views of residents, businesses and other key stakeholders are taken into account. The Council has consulted on the budget options in a variety of ways. Legally, the results of consultation are something that Members must have due regard to in making budget decisions. However, consultation need not legally be the single or even most significant determining factor in choosing between difficult options, although at Brent considerable emphasis is usually placed on the results of consultation.

7.5 The council published an online budget simulator on 7 September 2018 to give residents the ability to set a balanced budget by determining their spending and income priorities for the year and leaving comments to explain their choices.

7.6 In brief 88 completed it, of which the majority chose to reduce expenditure on housing, cultural and adult social care related services, while protecting children's and environment related services. Just over half of the respondents opted to increase council tax by 4.99%, while 17% of respondents chose to increase is by 3.99%. Therefore over two-thirds of people completing the tool chose to increase council tax by either 3.99% or 4.99%, twice as many as those who proposed lower (or no) increases.

7.7 Brent Connects is a well-established public consultation forum for local residents, businesses and other stakeholders with meetings spread across the borough. At the date of despatch of this report the council has consulted on the budget proposals at eight Brent Connects events between October 2018 and January 2019. One further event is planned before the date of the Cabinet meeting (but after the date of this report) and a final event after the Cabinet report, but not before the Council meeting. At these events a presentation was delivered by the Leader and supported by officers, followed by a question and answer session. The table below sets out the schedule of events.

Brent Connects	Date	Attendance	Date	Attendance
Harlesden	16-Oct 2018	34	22-Jan 2019	13
Kingsbury and Kenton	29-Oct 2018	18	20-Feb 2019	TBC
Kilburn	30-Oct 2018	12	06-Feb 2019	TBC
Wembley	23-Oct 2018	35	29-Jan 2019	20
Willesden	17-Oct 2018	43	21-Jan 2019	24

7.8 At the date of despatch of this report four pop up events were organised across the borough attended by the Leader, Deputy Leader and other Cabinet members. These events allowed members to engage with those residents who would not otherwise have much interaction with the council and may not be aware of the consultation on the budget but whose views were important nonetheless. These events were used to inform residents to take part in the consultation process and respond to the consultation, either on line or in writing. The table below sets out the schedule of pop up events.

Pop up events	Date
Sainsbury's, Willesden Green	15-Nov 2018
Tesco, Harlesden Plaza	24-Nov 2018
Kilburn Square Market	30-Nov 2018
Wembley Park station	11-Dec 218

7.9 At the date of despatch of this report 262 people accessed the online consultation and of these 210 provided responses. Of the responses 15% mentioned council tax and of those 75% agreed with the increase proposed. One respondent suggested increasing council tax by more than 4.99% and holding a referendum. Put another way, 178 respondents did not mention council tax (from which one might reasonably infer that they did not strongly object to the proposed increase, albeit that they have not explicitly stated so). Of the 32 respondents who mentioned council tax, 24 agreed with the proposed increase, and therefore eight respondents disagreed with the council tax proposal. One might view this as eight out of 32 respondents mentioning council tax (25%) disagreeing with the proposed increased or eight out of 210 (4%) disagreeing with the proposed increase. A number of other themes emerged from the responses. The most popular theme was in relation to the local environment where over 20% of respondents stated refuse collection and clean streets were important to them. Also, over 9% of respondents indicated that community safety should play a greater role in council services. Social

care services, in particular services for older people, were frequently listed as key priorities for the council. Appendix L contains further information about the results of consultation and emerging themes.

7.10 In order to maximise the opportunity for comment the consultation was kept open to 31 January 2019. The comments above reflect the position shortly before that date to fit in with the despatch deadlines for this report. In the event that significant numbers of new comments are received subsequent to this an update will be provided to Cabinet.

7.11 There are a number of business forums and associations that the Council regularly engages with that include a wide range of both small and large local businesses. These include West London Business (a non-profit business membership organisation), the Federation of Small Businesses, a number of town centre business associations and the Brent Business Board. The consultation on the budget was published on the front page of the quarterly newsletter sent to a large number of Brent businesses, explaining why the views of local businesses were important and how to they could have their say.

7.12 The local voluntary sector is closely engaged with Brent's communities and has considerable experience of the impact of the council's difficult choices against a background of funding reductions. Engagement with the local voluntary sector has therefore been an important part of the consultation process. Invitations to participate in the consultation were sent to all Brent voluntary and community sector organisations.

7.13 Overall, one the main aims of the consultation and communication strategy was to raise awareness of the council's financial position, inform residents on how the council spends its budget and ensure residents, businesses and other key stakeholders were fully aware of the opportunities to have their say, by knowing how to respond and when the consultation events were taking place. This was delivered through a variety of communication channels, including advertising in local papers, publicity on the council's website, media briefings and use of the council's Facebook and Twitter accounts to disseminate reminders and encourage residents to participate.

7.14 All of these consultation responses are important. Members need to have regard to them, but are not obliged to follow the suggestions made. It is relevant to note that the consultees are, statistically speaking, "self-selecting" and therefore not necessarily reflective of opinion in the borough as a whole, nor are they necessarily statistically significant. On the other hand, the people who have responded have chosen to take the time to review the council's proposals and to contribute their thoughts, and often their views will be representative of the views of a much larger number of people.

8.1 Housing Revenue Account Budget and Housing General Fund Budget 2019/20

8.2 The proposed HRA annual budget for 2019-20 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 2019-20. This report also includes Housing General Fund rent-setting proposals for stock managed by Hillside (Hyde Group) and for the Residential Pitches portfolio.

8.3 Table 8.3 sets out the current average 2018-19 rents and the proposed rents for 2019-20, taking account of the 1% reduction as required by the Welfare Reform Act. The amount of the rent reduction depends on the property size and current rent, the average reduction is £1.13 per week compared to 2018-19 average.

Table 8.3: Rents reductions set for council dwellings 2019-20

2018-19				2019-20	
Bed Size	**Number of Properties**	**Average of Net Rent 2018-19**	**1% Reduction**	**Number of Properties**	**Average of Net Rent 2019-20**
		£			**£**
0	375	85.44	16,661	373	84.59
1	2410	99.45	124,632	2410	98.46
2	2507	114.74	149,574	2517	113.59
3	1973	126.81	130,107	1992	125.55
4	423	137.34	30,208	423	135.96
5	60	149.12	4,652	60	147.63
6	9	156.96	735	9	155.39
Grand Total	**7757**	**113.19**	**456,570**	**7784**	**112.06**

8.4 **Tenants Service Charges**

8.5 For HRA dwellings it is proposed that service charge is increased by an average of £0.18pw (3%). The individual service charge elements have been adjusted to bring it in line with estimated contract costs of providing these services to tenants in 2019-20 and is detailed in table 8.5 below:

Table 8.5: Tenants Service Charges for 2019-20

Service	Average Charge 2018-19	Recommended Average Charge 2019-20	Estimated Increase / (Decrease)
	(£/Week)	(£/Week)	%
Concierge	9.03	9.84	9%
Communal Lighting	1.40	1.40	0%
Grounds Maintenance	1.30	1.30	0%
Cleaning (Internal and External)	6.63	6.90	4%
Laundry	2.48	2.56	3%
TV Aerial	0.74	0.74	0%
Communal Heating (District)	8.29	8.29	0%
Hot Water	2.41	2.41	0%
Helpline Monitoring Service	1.52	1.52	0%
Average Charge	**7.07**	**7.25**	**3%**

8.6 **Garages Rent Setting**

8.7 The HRA currently has 331 active garage accounts with an estimated annual income of £0.24m in 2018-19. It is proposed for 2019-20 that charges should increase by 3.4% (CPI plus 1%) for residents and 6.4% (CPI plus 4%) for non-residents, a breakdown of charges by garage type is detailed in table 8.7 below:

Table 8.7: Charges for Garages 2019-20

	Charges set for Residents	Charges set for non-residents	Proposed charges for residents	Proposed charges for non-residents
	2018-19	2018-19	2019-20	2019-20
	£	£	£	£
Cage Garages	3.40	3.82	3.52	4.06
Half Garages	6.79	7.65	7.02	8.14
Single Garages	13.60	13.60	14.06	14.47
Double Garages	22.27	22.27	23.03	23.70

8.8 **HRA forecasted outturn 2018-19:**

8.9 Overall the HRA is forecasting to spend in line with the approved net budget of £2.54m. However, there are some unbudgeted pressures estimated at £0.30m, this relates to £0.10m for cleaning contract inflationary uplift higher than budgeted for, £0.10m to fund a new tenants employment hub, and £0.10m for un-accrued payments to third parties for decanting tenants in prior years.

8.10 Salary budgets will partially offset budget pressures during the transformation programme due to a number of posts being unfilled partway through the year, also leasehold service charge actuals are higher than budgeted and will contribute towards mitigating the full risk of overspend.

8.11 **HRA budgets 2019-20:**

8.12 2019-20 will be the final year of the required 1% rent reduction as set out in the Welfare Reform Act. 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%.

8.13 The proposed budget for 2019-20 is set out in Table 8.14 below and shows a balanced budget. Overall the budget includes a net reduction of £2.54m when compared to 2018-19. The budget movements are summarised below:

Technical adjustments – technical adjustments to budgets are required for:

- £0.90m reduction in the anticipated income from recharges to leaseholders for major works in line with cost estimates for 2019-20.
- £3.45m anticipated reduction in the revenue contributions to capital works due to the re-profiling of major works to existing stock following the initial findings of the stock condition survey.
- £0.46m reductions in rents due to 1% rent reductions.
- £0.17m increase in rents due to a net increase in stock, taking new build and Right to Buy sales in to account.
- £0.18m realignment to leaseholders service charge budget to bring it in line with actual billed values from 2018-19
- £0.47m reduction for HRA share of premiums on debt following a restructured treasury portfolio.

Growth - Budget reductions are counter-balanced by a number of necessary growth items:

- £1.0m for salary and operational cost inflation.
- £0.17m for water billing contracts ending from April 2019.

Savings – The main savings in 2019-20 budgets are:

- £0.80m savings attributed to the Housing Management Transformation.

8.14 The proposed 2019-20 HRA budget will ensure that the HRA will continue to hold £1.09m in balances as part of the 30 year HRA business plan.

Table 8.14: HRA Draft Budgets 2019-20

HRA Budget 2018/19 v Draft Budgets 2019/20	(1) Final Budgets 2018/19	(2) Draft Budgets 2019/20	(2-1) Variance	Variance Explanation (2-1)
Description	**£'000**	**£'000**	**£'000**	
Rents and Service Charge	(48,450)	(48,162)	289	Reductions to rent (1%), stock movement and service charges
Non Dwelling Rents	(217)	(217)	0	
Leaseholders' Charge for Services and Facilities	(2,276)	(2,451)	(175)	Increase in line with service charge actuals in 2018/19
Major Works and Other Contribution Towards Expenditure	(3,261)	(2,363)	897	Reduced major works profiling
Total Income	**(54,204)**	**(53,193)**	**1,011**	
Repairs and Maintenance	11,455	11,455	(0)	
Supervision and Management	11,326	11,424	98	Transformation savings offset by Inflationary uplift to salaries and cost inflation
Special Services	3,883	3,976	93	Cleaning contracts inflationary uplift
Rent and Rates and Others Charges	732	904	172	Water billing contracts expected to end
Depreciation of Fixed Assets	21,103	17,658	(3,446)	Reduction to capital contribution
Bad or Doubtful Debts	420	420	0	
Capital Financing and Debt Management	7,824	7,356	(468)	Reductions to HRA share of premiums on debt
Total Expenditure	**56,745**	**53,193**	**(3,552)**	
(Surplus)/or Deficit for the Year on HRA	**2,541**	**0**	**(2,541)**	
Housing Revenue Account brought forward	(3,635)	(1,094)	2,541	
(Surplus)/or Deficit on HRA	2,541	0	(2,541)	
Closing balance	(1,094)	(1,094)	0	

8.15 **HRA Stock Improvement and Major Works Budgets 2019-20 and 2020/21**

8.16 Planned works include refurbishments such as new roofs, facades, windows, lifts, kitchens, bathrooms, heating systems and the planned Fire safety works for 2019-20.

8.17 The initial indications coming out of the 2018 stock condition survey highlights the requirement for a stock improvement and major works capital budget of £14.11m for 2019-20.

8.18 To ensure the efficient delivery of this multi-year capital programme, it would be prudent to allocate an indicative 2020/21 major works budget. The total budget has been estimated at £15.70m for 2020/21.

8.19 **Development Services 2019-20**

8.20 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:

8.21 Phase 1 - this was supported by GLA grant and will provide 47 Affordable Rent homes. The Phase 1 programme is nearing completion with handover expected in 2018-19, the estimated capital budget carried over for 2019-20 is set at £1.27m.

8.22 Phase 2 - this will provide 52 Affordable rent units which now have GLA grant allocated under the New Building Council Homes for Londoners programme. The Phase 2 programme is expected to be completed in January 2020. The estimated capital budget for 2019-20 is set at £7.02m and £0.86m for 2020/21. Also budget for feasibility works on future development programmes estimated at £0.41m in 2019-20.

8.23 **Housing General Fund**

8.24 **Hillside Rent Setting 2019-20**

8.25 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 324 properties under this scheme and Hillside Housing Trust (part of Hyde Housing Group) manages these properties on the Council's behalf.

8.26 Table 8.26 below sets out the rent levels for 2019-20, with an average reduction of £1.26 per week:

Table 8.26 – Range of Weekly Rents for 2019-20

	Weekly Rent 2018-19 (£)	Weekly Rent 2019-20 (£)	Decrease (£)	Decrease (%)
1 Bed Flat	100.35	99.35	1	1%
2 Bed Flat	118.8	117.61	1.19	1%
1 S/croft Elders	100.35	99.35	1	1%
2 S/croft Elders	118.8	117.61	1.19	1%
2 Bed House	129.03	127.74	1.29	1%
3 Bed House	141.41	140	1.41	1%
4+ Bed House	148.87	147.38	1.49	1%

Hillside are also responsible for setting service charges across the stock, including those retained by the council. The average service charge per week for 2019-20 is set at £6.53 per week, an increase of £0.33 from the 2018/19 average, based on an uplift of 5.4% (CPI + 3%).

8.27 **Housing Private Finance Initiative (PFI) 2019-20**

8.28 The Housing PFI refers to 364 units of rented accommodation managed by Hyde under a PFI contract. The stock is made up of a mixture of Temporary Accommodation, Affordable Rent and Discounted Market Rent properties. As per the cabinet decision on 17 January 2017 in regards to PFI Housing Tenancy Conversions, Temporary Accommodation units are being phased out with the units being converted into Affordable Rent and Discounted Market Rent properties.

8.29 For temporary accommodation units the proposal is to uplift rents by RPI at 3.3%. For Affordable Rent and Discounted Market Rent, a comparison against market rents has been undertaken. When these findings are applied to each individual property, it leads to a wide range of rent increases and decreases from -43% to +56%. The proposal is that any increases should be capped at RPI 3.3% and properties where the methodology shows a decrease, the rents are to be frozen. These proposals are in line with the Housing Tenancy Conversion strategy to ensure that the Housing PFI deficit in managed within the councils medium term financial strategy.

8.30 **Travellers' Site Pitch Rent 2019-20**

8.31 It was identified in the 2018-19 budget setting report that the pitch rents were considered to be high in comparison to sites elsewhere in the country and a reduction to rents was approved. The current weekly pitch rent is £114.15, it is proposed to keep it frozen at the same rate for 2019-20. It is estimated to generate an annual income of £0.23m.

8.32 The management of the traveller's site contract with Oxfordshire City Council was not renewed in April 2018 and is now managed by the Council. This has resulted in a net saving to the general fund of £0.17m.

9.0 Schools Revenue Budget

9.1 The Dedicated Schools Grant was announced on 17 December 2018. The main Schools Block which supports mainstream schools has been confirmed at £231m, which is £0.4m more than last year. It equates to £5,522 per pupil, an increase of £18 compared to 2018/19. This overall increase is due to a slight rise in primary and secondary pupil funding, and the increase in secondary pupil numbers who gain marginally from the phasing in of the national funding formula. However it masks a £1m reduction to the block due to changes in pupil growth allocations. Total pupil numbers in Brent have dropped very slightly from 41,901 to 41,833, but secondary pupil numbers have grown by over 200 since last year and this is expected to continue. An adjusted local schools funding formula which accounts for expected growth will be presented to the Schools Forum for consultation in January 2019. The report on the mainstream funding formula recommends that 0.5% (£1.1m) of the mainstream schools funding block be transferred to the High Needs block which provides for SEND pupils. This was recommended as a measure to address the increasing demand for SEND provision and so to prevent a DSG deficit. It should be noted that a separate Teachers' Pay Grant designed to meet the cost of the pay settlement announced in September 2018 sits outside of the DSG and is worth £2m for schools in Brent in 2019/20. The October 2018 budget also announced a one off additional funding allocation for schools which is yet to be received, estimated to be worth £1.2m for Brent schools.

9.2 The provisional allocation for the High Needs Block was announced as £56.1m. This is £0.8m more than expected as on Monday 17 December 2018 the Secretary of State for Education announced additional resources to help meet demand for high needs provision. This is confirmed at £0.8m for Brent in 2018/19 and again in 2019/20. Like most authorities Brent is facing substantial pressures in this area, up to £3m p.a. so the additional resources, whilst welcome, do not bridge this gap

9.3 The provisional Early Years block was announced at £23.4m. There are no changes to the hourly funding rate allocations for 2 year olds and 3 and 4 year olds. A small block of funding which supports some central services is unchanged at £2.4m. This brings the 2019/20 DSG allocation for Brent to a total of £312.9m.

10.0 The Capital Programme

10.1 The detailed capital investment proposals were considered by Cabinet on 14 January 2019 and recommended for adoption by Council as part of the Budget & Council Tax setting process.

10.2 A summary of the updated capital programme along with the new proposals is therefore included in Appendix E to this report. In total, new schemes amounting to £393m have been recommended for progression from the capital pipeline to the main programme.

10.3 The capital programme is continually evolving and often changes from time to time to reflect emerging issues and priorities. Since the January cabinet capital pipeline report, and following recent Central Government policy announcements, the programme has been updated to incorporate additional provision for the acquisition of housing and other assets within the geographic boundaries of Brent to further the Council's place-making and development objectives.

11.0 Pay Policy Statement 2019/20

11.1 Section 38 of the Localism Act 2011 requires local authorities to publish an annual 'Pay Policy Statement', setting out their policies in respect of chief officer remuneration and other specified matters. Regard must be had to guidance to be published by the Secretary of State in preparing the statement, which must be approved by full Council. The Council is then constrained by its pay policy statement when making determinations on chief officer pay, although the statement may be amended at any time by a further resolution of the full Council. No new guidance has been published since the statement was adopted for 2018/19 and so there are no proposed changes related to the guidance. The Draft Pay Policy Statement, attached as Appendix M, contain minor updating and cosmetic changes from the Statement adopted by full Council for the last financial year.

12.0 Approach to budget proposals for 2020/21 – 2021/22

12.1 Local government continues to face an extremely challenging financial outlook following a prolonged period of austerity as well as disproportionate growth in demand for services. There is a growing level of uncertainty as the cliff edge of 2020 approaches – marking the end of the current Spending Review period and start of the new 75% business rates retention scheme.

12.2 Since 2010 the council has agreed expenditure reductions of £185m, including £20.9m by way of this report. This has been delivered through a combination of effective financial management, cost control and more innovative approaches to investment and demand management.

12.3 Officers' expectation is that savings of £40m will be needed over the lifetime of this Administration. The profile of these is broadly balanced, and so £20.9m of savings are recommended by way of this report in order to be able to agree a balanced budget for at least the next two years. However, it is important to note that, on the current funding estimates, significant further savings will need to be agreed at the Council meeting of February 2021. As a result the current working assumption is that anything not agreed in this budget round may need to be considered again at the point in time, and further options identified.

13.0 Financial Implications

13.1 The council's financial position has been set out in this report and Members are under a legal obligation to set a balanced budget. In doing so they are obliged, under normal administrative principles, to take into account the various relevant factors, particularly in respect of consultation and equalities. In doing so Members are, of course, entitled to exercise their political judgement, paying regard to the relevant factors rather than being absolutely determined by them.

13.2 The budget report sets out a comprehensive picture of the council's finances over the short, medium and long term to assist in the decision making process in setting the 2019/20 budget and the forward looking business plans.

13.3 Overall, expenditure in 2018/19 is expected to be contained within the agreed budgets, although there are significant variances within that overall result. In consequence, the general reserve is expected to be retained at £12m with no need for amendment. This level is relatively low for London, but is not unreasonable.

13.4 In considering the budget report, a key consideration should be the delivery of the saving programme as it presents substantial management challenges. Again, considerable management attention has been and is being devoted to ensure that these can be delivered, but it is important to stress again the inherent risks in delivering such a large and complex programme.

13.5 That said, the budget now proposed is realistic and affordable, albeit challenging. The increases in council tax set out, if agreed, will generate significant additional revenue over time, minimising the number of difficult new decisions about funding for specific services to be proposed. If agreed, this budget would provide for affordable services in 2019/20, but a further gap of nearly £20m remains in between 2021/22 and 2022/23.

13.6 Formally, this section of the report is the report of the section 151 officer to which the council is required by section 25 of the Local Government Act 2003 to have regard confirming that if the budget as proposed were to be agreed the estimates made for the purposes of the calculations are robust and the proposed financial reserves are adequate.

14.0 Legal Implications

14.1 These are set out in Appendix J.

15.0 Equality Implications

15.1 Section seven of this report provides more details of the approach to complying with the Equalities Act 2010 and the outcome of equalities impact assessments.

16.0 Consultation with Ward Members and Stakeholders

16.1 Section seven of this report provides more details of the statutory consultation process with regards to setting the 2019/20 budget.

17.0 Human Resources

17.1 Of the proposals identified in Appendix C, there are some where there is a potential impact on staffing and could be subject to redundancy. However, the number of redundancies are not expected to be significant since the introduction of a 'time limited' voluntary redundancy scheme in 2018.

17.2 The Council will apply its Managing Change Policy and Procedure in the application of all restructuring arrangements which have an impact on staff, consulting with staff and trade union representatives accordingly.

Related Documents

Draft Budget Proposals 2019/20 – 2020/21, Cabinet October 2018

Report sign off:

CONRAD HALL
Chief Finance Officer

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LIST OF APPENDICES

Appendix A	Overall Revenue Budget 2019/20
Appendix B	Service Cost Pressures
Appendix C (i)	Summary of savings 2019/20 – 2020/21
Appendix C (ii)	Detailed savings proposals
Appendix C (iii)	Cumulative Equalities Assessment
Appendix C (iv)	Individual Equality Analyses of Budget Proposals
Appendix D	Budget Scrutiny Report
Appendix E	Capital Programme
Appendix F	Treasury Management Strategy
Appendix G	Capital Strategy
Appendix H	Investment Strategy
Appendix I	MRP Policy
Appendix J	Legal Advice
Appendix K (i)	Fees & Charges Schedule
Appendix K (ii)	Fees & Charges Policy
Appendix K (iii)	Fees & Charges Policy – Guidance for managers
Appendix L	Budget Consultation
Appendix M	Pay Policy Statement

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Appendix A

Proposed Revenue Budget 2019/20

The table below sets out the proposed revenue budget for each directorate in 2019/20 and how this has changed from the 2018/19 budget. This incorporates the cost pressures as detailed in Appendix B and the savings outlined in Appendix C.

	2018/19 Current Budget £m	Growth £m	Savings £m	Technical Adjustments £m	2019/20 Approved Budget £m
Service Area Budgets					
Community Wellbeing	123.9	4.5	(2.9)	(0.5)	125.0
Children & Young People	41.6	0.5	(1.4)	0.0	40.7
Regeneration & Environment	30.9	1.1	(3.2)	0.0	28.8
Resources	35.6	0.3	(1.2)	0.0	34.7
Performance, Policy & Partnerships	10.2	0.0	(0.8)	0.0	9.4
Total Service Area Budgets	**242.2**	**6.4**	**(9.5)**	**(0.5)**	**238.6**
Central Budgets	25.7	11.5	0.0	0.2	37.4
Total Budget Requirement	**267.9**	**17.9**	**(9.5)**	**(0.3)**	**276.0**
Funding					
Business Rates income from the London Pilot Pool	122.5	0.0	0.0	(2.5)	120.0
Specific Grants	30.4	0.0	0.0	3.6	34.0
Council Tax	115.0	0.0	0.0	7.0	122.0
Total Funding	**267.9**	**0.0**	**0.0**	**8.1**	**276.0**

Proposed Revenue Budget 2019/20 – Service level budgets

The tables below set out the proposed net revenue budget for each directorate at a service level, incorporating the proposed changes from 2018/19 with regards to savings and cost pressures.

	2018/19 Current Budget £m	Growth £m	Savings £m	Technical Adjustments £m	2019/20 Approved Budget £m
Service Level Breakdown					
Community Wellbeing					
Adult Social Care	89.5	2.4	(1.2)	0.0	90.7
Culture	5.3	0.0	0.0	0.0	5.3
Housing	7.5	2.1	(1.1)	0.0	8.5
Public Health	21.7	0.0	(0.6)	(0.5)	20.5
Total Budget	**123.9**	**4.5**	**(2.9)**	**(0.5)**	**125.0**
Children & Young People					
Children and Young People Directorate	0.3	0.0	0.0	0.0	0.3
Integration and Improved Outcomes	22.5	0.0	(1.0)	0.0	21.5
Safeguarding, Performance and strategy	17.5	0.5	(0.2)	0.0	17.8
Other School Related Budgets	1.3	0.0	(0.3)	0.0	1.0
Total Budget	**41.6**	**0.5**	**(1.4)**	**0.0**	**40.7**
Regeneration & Environment					
Environmental Services	27.8	1.1	(2.2)	0.0	26.7
Regeneration	1.5	0.0	(1.0)	0.0	0.5
Regeneration & Environment Director's Office	1.6	0.0	0.0	0.0	1.6
Total Budget	**30.9**	**1.1**	**(3.2)**	**0.0**	**28.8**
Resources					
Legal & HR	7.0	0.1	(0.1)	0.0	7.0
Customer Services	9.4	0.1	(0.3)	0.0	9.2
Digital Services	5.0	0.0	(0.5)	0.0	4.5
Finance	6.4	0.0	(0.1)	0.0	6.3
Property	6.8	0.1	0.0	0.0	6.9
Resources Director	1.0	0.0	(0.2)	0.0	0.8
Total Budget	**35.6**	**0.3**	**(1.2)**	**0.0**	**34.7**
Performance, Policy & Partnerships					
Chief Executive's Office	0.5	0.0	0.0	0.0	0.5
Communications	0.6	0.0	0.0	0.0	0.6
Executive & Member Services	3.2	0.0	(0.1)	0.0	3.1
Performance Improvement	1.3	0.0	0.0	0.0	1.3
PPP Director's Office	0.4	0.0	0.0	0.0	0.4
Strategy & Partnership	2.9	0.0	(0.2)	0.0	2.7
Transformation	1.3	0.0	(0.5)	0.0	0.8
Total Budget	**10.2**	**0.0**	**(0.8)**	**0.0**	**9.4**
Total Departmental Budgets	**242.2**	**6.4**	**(9.5)**	**(0.5)**	**238.6**

Appendix B

SERVICE GROWTH / COST PRESSURES 2019/20 - 2020/21

Service	Item	2019/20	2020/21	Comments
		£m	£m	
	Demography			
				The population projections shown below are from the GLA's annual population report.
Regeneration & Environment	Refuse Collection	0.1	0.1	0.8% growth in overall population
Regeneration & Environment	Public Realm (excluding Refuse Collection)	0.2	0.2	0.8% growth in overall population
Children & Young People	Children's social care	0.5	0.5	0.1% growth in 0-5 years; 0.6% growth in 0-25 years; 2.4% growth in 10-15 years.
Community Well Being	Learning Disabilities, Mental Health and Physical disabilities (18-65)	0.4	0.4	0.6% growth in population 18-65 years
Community Well Being	Older People (65+) Non Home Care	1.0	1.0	2.5% growth in population 65-84 years; 4.6% growth in population 85+
Community Well Being	Older People (65+) Home Care	0.6	0.6	2.5% growth in population 65-84 years; 4.6% growth in population 85+
Community Well Being	Housing - Temporary Accommodation	0.5	0.5	Projected growth in temporary accommodation costs
Resources	Customer Services	0.1	0.1	0.9% growth in population over 18
Resources	Legal services	0.1	0.1	Additional caseload caused by above, principally children's social care and adult social care.
	Total Demographic Changes	**3.5**	**3.5**	
	Inflation			
Various	Payroll Inflation	2.1	2.1	The pay settlement for 2019/20 is known to be 2%, which adds £2.1m to the total staffing costs. 2% has been assumed for 2020/21.
Central	Contract inflation	3.5	3.5	General contract inflation is assumed to average 2%, which will cost £3.5m each year.
Community Well Being	National Living Wage for carers	0.4	0.4	The cost of paying providers for the uplift caused by the annual increases to bring the national living wage up to 60% of median earnings by 2020 will add £0.4m to the adult social care budget each year.
Central	Other service specific inflation	2.0	2.0	Service specific inflation
	Total Service Specific Inflation	**8.0**	**8.0**	
	Technical			
Central	Insurance fund	0.1	0.1	There are a set of costs associated with pensions, redundancy and other related payments. The main issue is the impact of the triennial actuarial review of the pension fund, which will affect pension costs from 2019/20 onwards. The run off of the closed LPFA fund adds to this, partially offset by the ongoing gradual reduction in the number of payments for previously granted premature retirements. (Any new early retirements are met by capital contributions at the point of the decision). The total impact of these items is £0.8m, including insurance costs, the majority of which relates directly to the actuarial review.
Central	Central Items other cost pressures (excl Levies)	0.2	0.2	
Central	Pension fund	0.5	0.5	
Central	Levies	0.1	0.1	Brent is required to contribute towards London wide levies, such as to the Environment Agency, West London Waste Authority and Lea Valley Park, adding £0.2m per year to the cost base.
Community Well Being	Housing Association Lease Scheme	1.6	0.0	Additional cost of maintaining the Housing Association Lease Scheme
Resources	Exit of Challenge House	0.1	0.0	Additional cost of relocating CYP staff previously located in Challenge House
	Total Technical	**2.6**	**0.9**	
	Transport			
Adult Social Care	Freedom pass growth	0.0	0.5	The council also needs to recognise unavoidable costs associated with London wide policies. The main issue here is freedom passes, the cost of which is paid for across London and redistributed according to data provided by the Oyster cards that record journeys. Given Brent's ageing demographic, and relatively good transport links, the inevitable consequence is that the costs of the scheme continue to rise locally.
Regeneration & Environment	Brent Transport Services	0.8	0.8	The Council's largest requirement for passenger transport comes from the provision of home to school transport for children and young people with Special Educational Needs (SEN) who have a statement requiring the provision of a specific type of education, normally at a special school or unit catering for their particular educational need. Where the statement identifies a need for the learner to be transported to and from school, the Authority has a statutory duty to provide the required transport. In London, the number of SEN pupils has increased by 10 per cent since 2013/14, a higher rate of growth compared to the rest of England. In Brent, passenger numbers for the over the last 2 years have increased by 11.4% and 22% respectively. The projection going forwards is that there will be an estimated 20% annual net increase in passenger numbers and £0.8m per annum has been assumed as the need to cover the rate of growth expected.
	Total Freedom passes and levies	**0.8**	**1.3**	

	Contingency and social value			
Central	Savings risk mitigation fund	1.0	1.0	Any logically constructed budget also requires contingencies. The council aims to deliver all of its agreed savings proposals, and has a good record of consistently achieving over 95% of these. Good governance mechanisms are in place to continue this record of achievement, but it is nonetheless proposed to make a 5% allowance for slippage, in line with previous budget assumptions. This allows for reinvestment in services when delivery exceeds this allowance and, more importantly, avoids the need for short-term action to cut services if delivery slips. This is an important contingency device, and setting a budget without it in today's challenging financial environment would be imprudent. The council also retains its social value investment fund.
Central	London Living Wage contingency	1.0	1.0	
	Total Contingency and social value	**2.0**	**2.0**	
	Capital Financing			
Central	Capital Financing	1.0	1.0	Interest and debt repayment costs for capital programme
	Total Contingency and social value	**1.0**	**1.0**	
	GRAND TOTAL OF SERVICE COST / GROWTH PRESSURES	**17.9**	**16.7**	

Appendix C (i): Summary of savings 2019/20 – 2020/21

Overall, £26.2m of savings were consulted on by way of the report presented to Cabinet on 15 October 2018.

Table 1 sets out the savings proposals that are to be taken forward by way of this Cabinet report. For completeness, the savings proposals that will not be taken forward are set out in Table 2.

Table 1: Proposals to be taken forward

Community Wellbeing				
Index	**Reference**	**2019/20 (£000)**	**2020/21 (£000)**	**Description**
CWB001	Public Health re-commissioning	100	150	Additional efficiencies made through public health re-commissioning
CWB002	Public Health re-commissioning		500	Recommission Children's Centres and Health Visiting as a single contract
CWB003	Public Health re-commissioning	125	125	Cease untargeted smoking cessation. Retain only a service for mental health service users and pregnant women
CWB007	Housing – extended selective licensing	100	70	Proportion of the increase in License income to fund corporate overhead charge
CWB008	Additional Housing Reform: Single homelessness & supporting people	400		Reduction in the cost of the Single Homelessness Team and supporting people budget, by using New Burdens and Flexible Homelessness Support Grant
CWB009*	Additional Housing Reform: Phase 2 Temporary Accommodation reform plan		600	Increased acquisition of private sector accommodation through I4B to meet demand from homeless households and thereby avoiding cost of future TA provision
CWB010	Additional Housing Reform: First Wave Housing		250	Increased income generation through an investment in Private Sector accommodation by First Wave, let at market rates
CWB012	Supporting People savings	250		Additional efficiencies within the service

CWB013	New Accommodation for Independent Living		2,000	Increasing NAIL provision to support more users, but also developing provision to support higher need users and support some users who would have gone into nursing care
CWB014*	Continuing Health Care	400		Continuing Health Care – Continue to challenge decisions regarding CHC assessments at every point of referral
CWB015/ 16/17/18	Adult Social Care re-commissioning	1,200	250	Review of homecare and placement packages, re-commissioning day care
CWB021	Housing Association Lease Scheme	300	300	Proposed to introduce a Reasonable Rents policy
Community Wellbeing Subtotal:		**2,875**	**4,245**	
Community Wellbeing Grand Total		**7,120**		

Regeneration & Environment

Index	Reference	2019/20 (£000)	2020/21 (£000)	Description
R&E001	Dimming street lights		100	The LED Street Lighting CMS provides the Council with the ability to adjust LED lighting output to create additional savings (£100k) by further reducing both energy costs and carbon emissions
R&E002A &B	Public Realm	250		Review of litter picking services
R&E003*	Parks maintenance	200		A review of spend by the parks service to remove off-contract spend
R&E004*	Building control	176	35	The generation of additional income by the Building Control team. £100k is adjusting the budget to match current workload, with the remainder to come from out-of-borough associate work
R&E005	Employment/START	380		This saving would be generated through a combination of efficiencies, rationalising staffing

				and the generation of additional income from a combination of external grant funding and fee income.
R&E006*	Littering enforcement	200		The saving comes from the expansion of litter patrol activity - income is generated through additional fines
R&E007*	Planning enforcement	60		Additional income generated by the Planning Enforcement team
R&E008	Wembley licensing		50	Potential increase in revenue arising from increased activity in Wembley
R&E009	Planning fees	350		Increased income from a 20% uplift in Planning Fees - this is a Central Government initiative
R&E010A	Recycling service	60		General efficiencies within the service
R&E018	Regeneration & Environment staffing efficiencies	1,524	450	Review of staffing model in Regeneration & Environment
R&E022/ 22A	Met Patrol plus service		400	End Met Patrol Plus funding
Regeneration & Environment Subtotal		**3,200**	**1,035**	
Regeneration & Environment Grand Total		**4,235**		

Children & Young People

Index	Reference	2019/20 (£000)	2020/21 (£000)	Description
CYP001	DSG Contribution	250		Work within amended regulations to fund some statutory education functions from DSG. Requires annual approval from Schools Forum
CYP002*	Care leaver benefits	150		Ensure care leavers access Housing Benefit when entitled, to reduce interim support from Children's services
CYP003*	WLA Placement commissioning	150		Reduce placement costs through the West London Alliance (WLA)

				Dynamic Purchasing System and use of block contracts
CYP004	WLA Shared Fostering Service		100	Develop a shared fostering service with other WLA boroughs, resulting in staffing efficiencies
CYP005	Create new alternative education provision with wrap around youth services from the Roundwood site	250		Transform the site to an educational setting with community activities. End delivery of council run youth services from Roundwood, creating a different model of community and voluntary provision
CYP006	Early Help service reduction	250		Reduce support levels to early years providers. Efficiency measures across Early Help including restructure of the Education Welfare Service
CYP007	Non case holding staff	250		A reduction of 5 FTE from non-case holding staff and management posts, primarily by smarter use of technology.
CYP008	Children's centres		1,491	Develop family hubs from children's centres
CYP009A	Connexions	100		Recommissioning of contracted service and targeted projects
Children & Young People Subtotal		**1,400**	**1,591**	
Children & Young People Grand Total		**2,991**		

Performance, Policy & Partnerships

Index	Reference	2019/20 (£000)	2020/21 (£000)	Description
PPP001	Reducing voluntary sector grants	102	158	Proposed to reduce grants provided to three voluntary sector bodies

PPP002	Deletion of one policy officer	60		It is proposed to delete one policy officer from the Strategy and Partnerships department. Overall, the work undertaken by the team would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.
PPP003	Restructure of communications department		100	It is proposed to restructure the Communications function in 2020/21 which is likely to result in reductions in staff and the level of support offered by corporate communications.
PPP005	PPP Redesign	450		It is proposed to reduce the overall management of the service by aligning specialism across the department. This will include looking at how policy, scrutiny, performance, transformation and communications interrelate. Overall, the work undertaken by the department would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate
PPP007	Reduce scrutiny committees to two	60		This saving represents reducing scrutiny committees from three to two. In 2017 a third scrutiny committee was established to give a focus on BHP coming back to the Council's control. It is expected that by 2019 the scrutiny of housing could revert back to the Community and Wellbeing Scrutiny Committee
PPP008*	Stop catering at all Member meetings	38		This saving can be generated by not providing catering and refreshment services at member meetings

PPP009*	More efficient translation services	28		Following a review of translation service usage across the Council it has been found that utilisation can be improved while reducing costs by approximately 12%. This includes better use of skype/conference call capabilities facilitated by the new telephony contract
PPP011*	Restructure Executive Support Team	45		Restructure and re-grading of the Executive Support Team. In order to ensure all Departments are supported appropriately, team members will be cross trained to enable them to cover all required areas, which will enhance continuity during times of absence
PPP012*	Proposed staffing changes in political offices	37		Review of support to political groups
Performance, Policy & Partnerships Subtotal		**820**	**258**	
Performance, Policy & Partnerships Grand Total		**1,078**		

Resources

Index	Reference	2019/20 (£000)	2020/21 (£000)	Description
RES001	Legal savings - Demand management	50	50	Savings to recognise the impact of the Impower demand management review, income generation and bringing more work in house which will lead to less spend on external legal counsel
RES002	Insurance savings	100		Savings to be achieved following a review of insurance provision and risk management
RES003/ 04/05	Customer services	275	425	Service modernisation- more digital services and demand management revised operating model for managing access for all services, streamlining of structures

				following return of Council Tax in house.
RES006	Oracle & hosting*	270		Savings in relation to hosting One Oracle (£150k) and income from other boroughs within the One Oracle partnership (£120)
RES007	IT sales	74	326	Income from selling IT Services to another Council/external companies and/or another partner within the current shared service model (£330k). Income from selling IT services to Air France (£74k)
RES008	Reduce printing and no more colour printing	100		Savings from reductions in print volumes (10%) and removing the option for colour printing
RES009*	Application support	100		Staff savings as result of consolidation of application support teams within the shared service
RES010	Resources directorate savings	200		Savings to be delivered from within the Resources directorate budget and other smaller budget items
RES011	Review of Council tax support scheme		3,300	Estimated 15% reduction in total expenditure
RES012	Property		200	It is proposed to review all existing leases and other income raised with a view to generating additional income
Resources Subtotal		**1,169**	**4,301**	
Resources Grand Total		**5,470**		
Total		**9,464**	**11,430**	
Grand Total		**20,894**		

Table 2: Proposals not to be taken forward

Index	Reference	2019/20 (£000)	2020/21 (£000)	Description
CWB004	Health checks		150	Re-prioritisation of program
CWB006	Libraries	150	150	Part-time opening hours at some branches
CWB019	Home Care		1000	Introducing 15 minute calls in care homes
CWB020	Day Care		250	Reduction in provision of day care services
R&E010	Abbey Road recycling centre	440		Close the recycling centre
CYP009	Connexions	600		Revised service offer
CYP010	Children's centres		1543	Close all children's centres
CYP011	Connexions		300	Revised service offer
PPP001B	Voluntary Sector Grants		1000	Stop all voluntary sector grants
PPP001A	Voluntary sector grants		35	Further reductions to grants to the voluntary sector
Total		**1,190**	**4,428**	

**These proposals (table 1) have either already been implemented or are planned to be implemented in-year and therefore do not form part of this formal consultation process. The nature of the proposals are such that public consultation is not required. The proposals have been included in the report and appendices in the interests of full transparency and so that a full picture of how reductions in the budget for future years are being achieved can be seen.*

Appendix C (ii): Detailed Savings Proposals 2019/20 – 2020/21

This appendix contains the detailed budget templates for each of the savings proposals that are to be taken forward by way of this Cabinet report.

Community Wellbeing		
Index	**Description**	**Page no.**
CWB001	Additional efficiencies made through public health re-commissioning	6 - 7
CWB002	Recommission Children's Centres and Health Visiting as a single contract	8 – 10
CWB003	Cease untargeted smoking cessation. Retain only a service for mental health service users and pregnant women	11 - 12
CWB007	Proportion of the increase in License income to fund corporate overhead charge	13 - 15
CWB008	Reduction in the cost of the Single Homelessness Team and supporting people budget, by using New Burdens and Flexible Homelessness Support Grant	16 - 17
CWB009*	Increased acquisition of private sector accommodation through I4B to meet demand from homeless households and thereby avoiding cost of future TA provision	18 - 20
CWB010	Increased income generation through an investment in Private Sector accommodation by First Wave, let at market rates	21 - 24
CWB012	Additional efficiencies within the service	25 - 26
CWB013	Increasing NAIL provision to support more users, but also developing provision to support higher need users and support some users who would have gone into nursing care	27 - 28
CWB014	Continuing Health Care – Continue to challenge decisions regarding CHC assessments at every point of referral	29 - 30
CWB015	Review of homecare and placement packages, re-commissioning day care	31 - 33
CWB016	Review of homecare and placement packages, re-commissioning day care	34 - 35
CWB017	Review of homecare and placement packages, re-commissioning day care	36 - 38
CWB018	Review of homecare and placement packages, re-commissioning day care	39 - 40
CWB021	Proposed to introduce a Reasonable Rents policy	41 - 43

Regeneration & Environment

Index	Description	Page no.
R&E001	The LED Street Lighting CMS provides the Council with the ability to adjust LED lighting output to create additional savings (£100k) by further reducing both energy costs and carbon emissions	44 - 45
R&E002A	Review of litter picking services	46 - 47
R&E002B	Review of litter picking services	48 – 49
R&E003*	A review of spend by the parks service to remove off-contract spend	50 - 51
R&E004*	The generation of additional income by the Building Control team. £100k is adjusting the budget to match current workload, with the remainder to come from out-of-borough associate work	52 - 53
R&E005	This saving would be generated through a combination of efficiencies, rationalising staffing and the generation of additional income from a combination of external grant funding and fee income.	54 – 55
R&E006*	The saving comes from the expansion of litter patrol activity - income is generated through additional fines	56 – 57
R&E007*	Additional income generated by the Planning Enforcement team	58 – 59
R&E008	Potential increase in revenue arising from increased activity in Wembley	60 – 61
R&E009	Increased income from a 20% uplift in Planning Fees - this is a Central Government initiative	62 – 63
R&E010A	General efficiencies within the service	64 - 65
R&E018	Review of staffing model in Regeneration & Environment	66 – 67
R&E022	Reconfigure the Met Patrol Plus service	68 – 70
R&E022A	Stop Met Patrol Plus funding	71 – 73

Children & Young People

Index	Description	Page no.
CYP001	Work within amended regulations to fund some statutory education functions from DSG. Requires annual approval from Schools Forum	74 – 76
CYP002*	Ensure care leavers access Housing Benefit when entitled, to reduce interim support from Children's services	77 – 78
CYP003*	Reduce placement costs through the West London Alliance (WLA) Dynamic Purchasing System and use of block contracts	79 - 80

CYP004	Develop a shared fostering service with other WLA boroughs, resulting in staffing efficiencies	81 – 83
CYP005	Transform the site to an educational setting with community activities. End delivery of council run youth services from Roundwood, creating a different model of community and voluntary provision.	84 - 87
CYP006	Reduce support levels to early years providers. Efficiency measures across Early Help including restructure of the Education Welfare Service.	87 – 88
CYP007	A reduction of 5 FTE from non-case holding staff and management posts, primarily by smarter use of technology	89 - 90
CYP008	Develop family hubs from children's centres	91 - 93
CYP009A	Recommissioning of contracted service and targeted projects	94 - 95

Performance, Policy and Partnerships

Index	Description	Page no.
PPP001	Proposed to reduce grants provided to three voluntary sector bodies	96 - 97
PPP002	It is proposed to delete one policy officer from the Strategy and Partnerships department. Overall, the work undertaken by the team would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.	98 – 100
PPP003	It is proposed to restructure the Communications function in 2020/21 which is likely to result in reductions in staff and the level of support offered by corporate communications.	101 – 102
PPP005	It is proposed to reduce the overall management of the service by aligning specialism across the department. This will include looking at how policy, scrutiny, performance, transformation and communications interrelate. Overall, the work undertaken by the department would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate	103 – 105
PPP007	This saving represents reducing scrutiny committees from three to two. In 2017 a third scrutiny committee was established to give a focus on BHP coming back to the Council's control. It is expected that by 2019 the scrutiny of housing could revert back to the Community and Wellbeing Scrutiny Committee	106 – 108

PPP008*	This saving can be generated by not providing catering and refreshment services at member meetings	109 - 110
PPP009*	Following a review of translation service usage across the Council it has been found that utilisation can be improved while reducing costs by approximately 12%. This includes better use of skype/conference call capabilities facilitated by the new telephony contract	111 - 112
PPP011*	Restructure and re-grading of the Executive Support Team. In order to ensure all Departments are supported appropriately, team members will be cross trained to enable them to cover all required areas, which will enhance continuity during times of absence	113 – 114
PPP012*	Review of support to political groups	115 – 116

Resources

Index	Description	Page no.
RES001	Savings to recognise the impact of the Impower demand management review, income generation and bringing more work in house which will lead to less spend on external legal counsel	117 – 118
RES002	Savings to be achieved following a review of insurance provision and risk management	119 - 120
RES003/4	Service modernisation- more digital services and demand management revised operating model for managing access for all services, streamlining of structures following return of Council Tax in house.	121 – 123
RES005	Service modernisation- more digital services and demand management revised operating model for managing access for all services, streamlining of structures following return of Council Tax in house.	124 – 125
RES006	Savings in relation to hosting One Oracle (£150k) and income from other boroughs within the One Oracle partnership (£120)	126 – 127
RES007	Income from selling IT Services to another Council/external companies and/or another partner within the current shared service model (£330k). Income from selling IT services to Air France (£74k)	128 - 129
RES008	Savings from reductions in print volumes (10%) and removing the option for colour printing	130 – 131
RES009*	Staff savings as result of consolidation of application support teams within the shared service	132 - 133
RES010	Savings to be delivered from within the Resources directorate budget and other smaller budget items	134 - 135

RES011	Review and simplification of Council Tax Support Scheme	136 – 140
RES012	It is proposed to review all existing leases and other income raised with a view to generating additional income	141 - 142

Budget Options Information

Reference:	CWB001
Service(s):	Public Health
Lead Member(s):	Cllr Hirani

Savings Proposals:	Savings to be delivered over the lifetime of a new contract following service redesign and re procurement of substance misuse

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	4,100
Total post numbers in the services(s) (FTE):	NA commissioned service

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	100	150
	FTE	FTE
Proposed staffing reduction	NA commissioned service	NA commissioned service

Proposed savings

Substance misuse services were redesigned and re-procured during 17/18 with a lead provider and a new service model being put in place from 1/4/18 resulting in savings over the life of the contract

How would this affect users of this service?

Service users were closely involved in the redesign of the service and in the evaluation of tenders. A change in lead provider has been unsettling for some users but they have been kept informed and involved and close attention paid to maintaining outcomes

Following a period of transition we expect service user experience and outcomes to be improved

Key milestones

The work to achieve these savings has been carried out

Key consultations

None required – as contract is in place to deliver savings

Key risks and mitigations

Close contract management to ensure new service model is implemented faithfully and to maintain high performance

These savings are within a ring fenced grant.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	N
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	NO
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Melanie Smith

Budget Options Information

Reference:	CWB002
Service(s):	Public health
Lead Member(s):	Cllr Hirani

Savings Proposals:	Recommission public health 0-19 service with children's centres contract to realise efficiencies

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	0-19 service: £5,900 Children's Centres contract £3,000
Total post numbers in the services(s) (FTE):	NA commissioned services

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	nil	500
	FTE	FTE
Proposed staffing reduction	nil	NA commissioned services

Proposed savings

A fundamental redesign of the current public health 0-19 service and the Children's Centre services, leading to a joint CYP / PH re-commissioning of a new service which achieves public health and CYP outcomes

The current Children's Centres contract with Barnados ends in March 2020. The current 0-19 public health service contract also ends in March 2020 (although 1+1 extensions are available which would yield an additional £150k over two years if this saving proposal is not progressed)

Note: should the CYP saving CYP010 be progressed, it would not be possible to achieve the full saving as the overall contract would be reduced. The two proposals are interdependent and this one would need to be reduced if CYP010 is progressed.

How would this affect users of this service?

This would need to be explored during market engagement, but the aim would be to bring together these services in a more holistic Family Hub model to improve the service, and the assumption is that the saving would be made through reducing management costs and overheads, to minimise any impact.

Key milestones

Market engagement should take place concurrently with the budget consultation. Procurement of the new combined early years and public health 0-19 service would need to commence in early 19/20

Key consultations

Consultation with the CCG who fund the clinical nursing service in special schools which is part of the 0-19 service

Consultation with local maternity units who provide services from children's centres would be required

Consultation with schools on the future of the school nursing service would be required. Current levels of school nursing are low and further efficiencies are likely to be unpopular.

Engagement with parents will be undertaken in order to assess the potential impact of changes

Key risks and mitigations

Significant efficiencies (15%) were made when the 0-19 service was redesigned and recommissioned.

The additional proposed savings have not been tested with the market. However commencing soft market engagement during budget consultation will help to understand the readiness of the market to provide a new combined early years and public health service.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	Y
Particular ethnic groups	Y
Men or Women (include impacts due to pregnancy/maternity)	Y
People of particular sexual orientation/s	N

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	Y
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes as part of service redesign
EIA to be completed by:	Marie Mcloughlin and CYP nominee
Deadline:	Second half of 19/20

Lead officer for this proposal:	Melanie Smith

Budget Options Information

Reference:	CWB003
Service(s):	Public Health
Lead Member(s):	Cllr Hirani

Savings Proposals:	Cease untargeted smoking cessation. Retain only a service for mental health service users and pregnant women

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	500
Total post numbers in the services(s) (FTE):	NA commissioned service

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	125	125
	FTE	FTE
Proposed staffing reduction	NA commissioned service	NA commissioned service

Proposed savings

Smoking cessation services currently commissioned from GPs and community pharmacies would be decommissioned. A service would be retained for pregnant women and mental health service users only

How would this affect users of this service?

In 17/18, 1143 smokers were supported to quit by public health commissioned services. Smokers who wish to quit would lose access to free nicotine replacement therapy and to face to face support.

NRT would still be available to purchase or on prescription (charges may be payable). On line and telephone support would be available.

Key milestones

Six month's notice would need to be given to GPs and Community Pharmacies.

If this is delayed until the budget is set in February 2019, the potential savings slip and full year effect is only seen in 20/21.

Key consultations

Public consultation would be required

Consultation with PHE, CCG, LMC and LPC

Key risks and mitigations

Opposition from GPs due to potential increased consultations and prescription costs for nicotine replacement therapy. However quitters would still result in cost savings to the NHS

Strong opposition from community pharmacies who would lose income (42 pharmacies received between £50 and £19,000 income from the service in 17/18)

Precedents have been set: Harrow and Havering have discontinued smoking cessation services, Ealing has recently consulted on plans to do so.

The Council would remain part of the London Smoking Cessation Transformation Programme which is testing on line, digital and telephone support. It should be noted the programme has produced very small numbers of quits to date but it has undoubted potential

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	Y
Particular ethnic groups	Y
Men or Women (include impacts due to pregnancy/maternity)	Y
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes. In order to inform mitigation of the potential disproportionate impact on pregnant, BAME and disabled smokers
EIA to be completed by:	John Licorish
Deadline:	

Lead officer for this proposal:	Melanie Smith

Budget Options Information

Reference:	CWB007
Service(s):	Private Housing Services
Lead Member(s):	Cllr Southwood

Savings Proposals:	Increased income through the introduction of new and extended services these being; • Extending Selective Licensing to other parts of the Borough • Civil Penalties issued against landlords who are in breach of certain Housing Act related offences.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	380
Total post numbers in the services(s) (FTE):	46

	2019/20	**2020/21**
	£'000	£'000
Proposed Saving/income generated:	100	70
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The proposal consists of two main parts:

1 – Civil Penalties – Legislation allows the Council to carry out civil prosecution of landlords, which have erstwhile been carried out by the Courts. The fines resulting from such cases would therefore be paid directly to the Council. Whilst the legislative framework clearly states that this income should only be used to fund more private rented sector enforcement activity an element can be used to fund the services supporting this function. It is estimated that by 2019/20, fines in the region of £600,000 per year will be issued.
Based on this estimated income, we can achieve a reduction of £100,000 in GF allocation.

2 – Extending Selective Licencing – Commencing from June 2018, the Council extended selective licensing to 5 additional wards in the borough. This will generate extra income for the Council. Although the income can only be used to fund licensing

activities, as staffing increase will be required to meet the extra demand, it can help fund increases in overheads.

The estimated income from the extended service is £2.5M over five years. From this, a contribution of £70,000 per year (£350,000 over five years) can be made to fund overheads.

The Council will be resubmitting applications to MHCLG, which if approved, will bring more wards in over the next year. Should this happen, the contribution will increase accordingly.

How would this affect users of this service?

No services will be reduced, in fact to the contrary, additional income will be invested to additional resources targeting improvements in the Private Rented Sector.

Key milestones

A further application to MHCLG for selective licensing in more wards. We anticipate that if we are successful additional wards would come on stream in April 2019.

Key consultations

Further public consultation will need to be undertaken in order to make an application to MHCLG.

Key risks and mitigations

- Further application unsuccessful.
- Low levels of applications.
- High levels of appeals of Civil Penalty Notices

Legal Comments

Civil penalties under the Housing and Planning Act 2016 have already been introduced by the Cabinet. How much money that is retrieved in fines will depend on how many landlords commit breaches and how many successful prosecutions take place, which will leave them liable to pay civil penalties.

PHS will carry out further research regarding which additional wards in the borough to extend selective licensing and then carry out the necessary consultation. It is not clear which wards where the extension of selective licensing will be sought but the Cabinet will make a decision after consultation and the decision will need to be approved by the Secretary of State. An EIA would need to be carried out during the consultation process. This would be beneficial for tenants though this could have an adverse impact on landlords, some of whom could have protected characteristics.

The costs of licensing fees will need to be in a two stage process following the Gaskin v Richmond judicial review challenge – one to cover the costs of processing the application and one to cover the costs of the scheme (if the application for a

licence is successful). Any increase in fees would need to be justified to cover the costs of administering the selective licensing scheme.

As for what fees can cover, under section 87(7) of the Housing Act 2004, it can cover all costs incurred by the Council in carrying out its functions under Part 3 of the Housing Act 2004 in relation to selective licensing and all costs incurred by the Council in carrying out their functions under Chapter 1 of Part 4 (i.e. interim and final management orders) in relation to houses that come within the selective licensing regimes.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Hakeem Osinaike

Budget Options Information

Reference:	CWB008
Service(s):	Single Homelessness
Lead Member(s):	Cllr Southwood

Savings Proposals:	Reduction in the cost of the Single Homelessness Team and supporting people budget, by using New Burdens money to fund posts in the Single Homelessness Team (Flexible Homelessness Support Grant)

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	873
Total post numbers in the services(s) (FTE):	19

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	400	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The Housing Related Support (Supporting People) budget funds posts in what was the Start Plus service, within the Care & Support Team. This team has recently been restructured, to create the Single Homelessness Team, in response to the Homelessness Reduction Act 2017.

The Government have announced new burdens money, with a national pot of £61m, which will be distributed to Local Authorities over the next two years. Brent will receive approximately £1m funding over the next two years.

This proposal offers this fund to make a reduction in the cost of the Singles Homelessness Team by up to £400k.

How would this affect users of this service?

Service users will not be affected as this proposal only concerns how the Single Homelessness Team is funded rather than a reduction of the team, which will have no direct impact on service delivery.

The key question to clarify is whether the proposed changes and savings will hinder the Council in complying with its statutory duties under the Homelessness Reduction Act 2017. However, by using available government funding to support the team, the Council will continue to meet its statutory obligations.

Key milestones
n/a

Key consultations
n/a

Key risks and mitigations

- The New Burdens money is only guaranteed for the next two years, and will be reviewed after year 1. The funding may be reduced or cease all together in future years, so need to be mindful of the impact this will have on the future budget.
- There is a potential funding gap for the homelessness service from 2020/21 and some of the various grants being received from the government are being banked to reduce that gap. Using some of the fund to pay for this team now, could create a further gap in the future.
- It should be noted that any cut to the Housing Related Support (Supporting People) budget will have an impact on the service provided to single homeless households, at a time when we are forecasting an increase in demand with the implementation of the Homeless Reduction Act 2017.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	n/a
Particular ethnic groups	n/a
Men or Women (include impacts due to pregnancy/maternity)	n/a
People of particular sexual orientation/s	n/a
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	n/a
People in particular age groups	n/a
Groups with particular faiths/beliefs	n/a
Marriage / civil partnership	n/a

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Hakeem Osinaike

Budget Options Information

Reference:	CWB009
Service(s):	TA Reform
Lead Member(s):	Cllr Southwood

Savings Proposals:	Increased acquisition of private sector accommodation through I4B to meet demand from homeless households and thereby avoiding cost of future Temporary Accommodation (TA) provision, especially when South Kilburn TA units are no longer available.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	1,753
Total post numbers in the services(s) (FTE):	12

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	0	600
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The Housing Needs service is currently making use of units on the South Kilburn (SK) Regeneration site, as Temporary Accommodation (TA) to accommodate homeless households. This is an effective use of this stock while units are waiting to be redeveloped, as it not only avoids having to pay for TA units to accommodate homeless households, it also generates an income to the GF in excess of £1m through rent charged to offset TA costs. However the number of units that will be available on the SK site for use as TA will diminish over the next 5 years, as the redevelopment programme is concluded by 2024.

I4B is already acquiring 300 units on the private market to help meet the demand from homeless households. It is proposed that this investment is doubled to acquire a further 300 units, to mitigate the impact of the loss of TA provision on the SK site, and so avoid the cost of having to accommodate homeless households in TA

How would this affect users of this service?

Due to the lack of supply of social housing the Council is using the power to meet new demand from homeless households with accommodation in the Private Rented Sector (PRS). However, there is an insufficient supply of PRS accommodation that is affordable in Brent.

Increasing the supply of affordable PRS accommodation for homeless families will result in a decrease in the use of Temporary Accommodation, and so will have a positive impact on service users.

There are no Public Sector Equality issues involved. There would need to be a careful assessment and management of the risks involved – especially the need for the Council to borrow and to avoid market saturation.

Key milestones

- Properties Acquired
- Refurbishment
- Letting in accordance with the Council's Placement Policy

Key consultations

None

Key risks and mitigations

- Significant borrowing will be required to achieve the investment needed in street purchases
- Possible market saturation

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Hakeem Osinaike

Budget Options Information

Reference:	CWB010
Service(s):	First Wave Housing
Lead Member(s):	Cllr Southwood

Savings Proposals:	Increased income generation through an investment in 50 units of Private Sector accommodation by First Wave, let at market rates

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	0
Total post numbers in the services(s) (FTE):	0

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		£250
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

First Wave, as a Registered Provider and an arms-length wholly owned company of the Council, is able to invest in market rent properties. We are exploring what level of investment is required for this and how much income it will generate. The additional income can be used to offset General Fund costs and is based on an initial loan arrangement fee in year one and interest from a small number of units and then annual on lending income to the Council from interest on 50 units. The First Wave Board and business plan would need to agree the investment and consider the business risks to the company.

How would this affect users of this service?

There would be no effect on users of the current service. The service would be a new service and provided to customers able to rent from the private market. The introduction of this service is to create a surplus to support other activities of the Council and more affordable housing.

Key milestones

- Full business case complete 30th November.
- Loan agreement agreed circa £17,500,000 (average £350 per unit) creating a set up fee for the council of £175,000 and an annual loan interest income from 2020 of £52,500 based on 6.0% loan rate.
- 10 private market rented units purchased by April 2019 and 50 units by April 2020.
- 10 private rented units let by June 2019 and 50 units let June 2020.

Key consultations

- First Wave Board of Directors
- i4B Programme Manager – Chris Brown

Key risks and mitigations

- Significant borrowing will be required to achieve the investment needed following the acquisition of street properties for market rent and the standards will need to be higher than those of social or PRS/i4B properties in order to attract market renter at market rents.
- Properties acquired will need to be in locations able to attract a market rent 20% higher than Local Housing Allowance rents. This is challenging with an assumed average purchase price of £350k per unit.
- Market rent customers currently have significant choice in Brent due to significant volumes of market rental accommodation becoming available in particular, Wembley Park, Wembley High Street, Alperton and South Kilburn. In addition a number of development companies are changing their financial model from sales to rent to manage market changes and uncertainty.
- First Wave Housing currently has a Loan agreement with LB Brent at a market rate of circa 6.0%. LB Brent is able to benefit from a loan arrangement fee circa 1% of the loan.
- Through the loan arrangement LB Brent is able to make a surplus through 'on lending' to First Wave Housing.
- Although the council would financially benefit as a lender it is unproven that First Wave Housing would be able to sustain the borrowing and deliver services without subsidising the product from its other income.
- A full business case would be required to the First Wave Board to evidence the ability of First Wave Housing to repay the loan and manage this new product provide the service required to tenants. A detailed finance model will be required to take into account key variables including;

    - The Yield (margin following deduction of costs)(Net Yield) – This very much depends on :
        - Interest rate – to avoid failing state aid rules and to generate a surplus to LB Brent the loan agreement would need to set interest rates circa 6%. As the loan set up fee and annual interest are critical aspect interest. First Wave Housing current loan agreement is circa 6% although it purchased its stock ten

years ago at a lower market price. In contrast i4B has a preferential loan as it provides sub market rented accommodation and affordable housing products.

- There is a real risk of over inflating the local market currently buying (£60m) 150 Brent properties for PRS, £25m of properties for NAIL, we want to request the purchase of another 100 I4B PRS properties next year. In reality we would need block purchases at a good price
- Availability of suitable properties – A restriction on the PRS programme at the moment is the availability of suitable properties on the market to buy. This scarcity will be exaggerated for the purchase of properties suitable for market rent as location and quality is critical if the product is to achieve rents circa Local Housing Allowance plus 20%.
- The additional cost of refurbishing properties to a standard expected by market rental customers.
- Housing management, works and repair costs – I4B and First Wave would be able to amend their services to deliver.

- As First Wave Housing is an established business with fewer risks than i4B housing an exploration of the relative merits of this product being placed with First Wave Housing or i4B. i4B explored market renting during the development of its 2018/2019 business plan but removed the product from its final proposals.
- Rent levels – assume rates 20% higher than Local Housing Allowance.
- Surpluses will lag purchases so no quick revenue win.
- Corporation tax may consume 20% of the surplus before dividend is paid although as First Wave is a settled business the expenditure may act to limit the requirement to pay corporation tax.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	N/A
Deadline:	*N/A*

Lead officer for this proposal:	Hakeem Osinaike

Budget Options Information

Reference:	CWB012
Service(s):	Supporting People
Lead Member(s):	Cllr Farah

Savings Proposals:	Supported Living and Housing Related Support – to challenge and renegotiate the current highest costing Supported Living places. To analyse void costs and ensure people who no longer require SP are moved on to PRS or into permanent accommodation based care solution.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**4,353**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	250	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The proposal is to review and renegotiate the highest cost supported living placements, whilst also reviewing the through put of people in housing related support funded services. The current intention for HRS accommodation is that it provides a step-down option to support people to live independently in the community, however, in some cases this is not happening. We will review people who have been living in HRS funded accommodation for over 3 years and identify move on plans to support them into other forms of accommodation. This will allow us to reduce the overall amount of HRS required.

How would this affect users of this service?

Some individuals who have been living in HRS funded accommodation may be settled and resistant to moving on. Individual plans will be produced in consultation with residents regarding their longer term housing solution, and no resident will be evicted without a housing alternative in place.

Key milestones

Identification of highest cost placements.
Agreed negotiation strategy for negotiating the cost of placements
Identification and review of people who have been in HRS accommodation for over 3 years.
Development of a prioritised list for move on.
Work with housing colleagues to identify alternative housing solutions.
Support individuals to implement alternative housing (and if required) support plans.

Key consultations

Individual consultation will be required with identified individuals, and with their families.

Key risks and mitigations

Risks involve unwillingness of long term residents to move on. Risk will be mitigated through individual consultation and review of individual needs and then working with housing colleagues to identify alternative housing options.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Martin Crick

Budget Options Information

Reference:	CWB013
Service(s):	NAIL
Lead Member(s):	Cllr Farah

Savings Proposals:	Increasing NAIL provision to support more users, but also developing provision to support higher need users and support some users who would have gone into nursing care.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**11,000**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	0	2,000
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Despite successful demand management within ASC, the number of people requiring and who are eligible for services is increasing. Therefore we are proposing increasing the number of NAIL units we develop to help mitigate the cost pressure of this demand, but also developing specialist provision to cater for people who might otherwise have needed nursing care.

How would this affect users of this service?

Outcomes for individuals in residential and nursing care and poor – lower life expectancy and poorer quality of life. Individuals who are supported in their own accommodation and who remain in the community have much better outcomes, therefore the impact on service users will be positive.

Key milestones

Identification of additional sites suitable for building or converting into 40+ unit extra care facilities. An additional 59 units of high support NAIL will be required to achieve the savings target.

Once identified, the process for designing, building and managing the construction process will need to be followed, alongside the commissioning of a care provider, identification of suitable individuals to move and individual reviews for all of the identified people.

Key consultations

Individual consultation will be required with identified individuals, and with their families. Depending on the sites located, consultation with neighbours or the community through the planning process may be required.

Key risks and mitigations

Risk involve time delays and unexpected cost when developing provisions. NAIL has been running successfully for 2 years and there has been a lot of useful learning in this time that helps us to mitigate these risks. This includes the use of the HCIB board to monitor the progress of projects with a cross council board who can progress issues if required, stronger relationships between different departments within the Council and stronger project management tools and resources.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Woodland

Budget Options Information

Reference:	CWB014
Service(s):	CHC
Lead Member(s):	Cllr Farah

Savings Proposals:	Continuing Health Care (CHC) – Continue to challenge decisions regarding CHC assessments at every point of referral.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£ (5,515)**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	400	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Robust challenge during CHC assessment process where cost should be met by health. Health are continuing to fund a full time CHC/Adult Social Care (ASC) post to ensure we have specialist input into assessments and the ability to challenge. Agreed changes to procedure, including ceasing funding placement awaiting a CHC assessment or decision on a without prejudice basis, and ceasing paying the total placement cost and recharging the CCG.

How would this affect users of this service?

Where the process results in CHC funding or an increase in CHC funding for an individual, this is a positive outcome for the person as it means less or none of their package is chargeable, and ensures closer health oversight as appropriate. Where placements are not funded on a without prejudice basis, the impact is likely to be that individuals will wait longer for placements to be agreed. However, this can be mitigated through robust challenge of the CCG around timescales.

Key milestones

Changes to the CHC process have already been implemented, including the Council stopping funding placements on a without prejudice basis and paying the full cost of the placement then recharging the CCG.

The process for challenging CHC decisions and assessment is also in place, and is being continuously delivered.

Key consultations

None required.

Key risks and mitigations

Risk that health are reject challenges or do not accept liability for costs.

Risks is mitigated through ongoing partnership working with health and continuing dialogue when challenging.

A further risk is that costs saved through robust challenge are offset by the transfer of costs/packages that have previously been fully CHC funded by health to social care. Currently, social care are not involved in these assessment and have no say where CHC is reduced from fully funded to joint funded. Further work is needed to identify these costs. Mitigation will be through discussion and agreement of a joint process with health for packages where costs are being transferred, and discussion of a joint CHC team.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Duncan-Turnbull

Budget Options Information

Reference:	CWB015
Service(s):	Homecare
Lead Member(s):	Cllr Farah

Savings Proposals:	Recommissioning homecare packages above Brent's average rate

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**19,600**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	380	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Brent has set a sustainable hourly rate for homecare, both through using market intelligence and through developing a local cost model. For 2018/19, the average hourly rate for all home care providers was £15.04.

However, we do have some providers who receive more than £15.04. The proposal is to negotiate/re-commission all providers so that Brent pays a single hourly rate for all home care packages.

In 17/18 there was approx. £380k of spend that is above the Brent average hourly rate.

How would this affect users of this service?

If providers were not willing to renegotiate their rate, then we would potentially consider moving the service that an individual receives to a provider who would accept the hourly rate. This could be disruptive for some service users who have formed a relationship with their carer. This could be mitigated by offering those individuals a direct payment so they could employ their own carer directly, but many individuals may not want to take up this option.

Key milestones

- Identify packages funded above the hourly rate, arrange for individual reviews.
- Arrange price negotiation discussions with relevant providers
- Determine whether package of care could be moved to another agency if provider will not accept new rate.
- Offer DPs to individuals who do not wish for their package of care to be moved.

Key consultations

Individual consultation with service users and their families regarding changing care provider if required.

Key risks and mitigations

Capacity in the homecare market is challenging, and despite our local hourly rate being sustainable for the borough, surrounding borough are willing to pay a higher hourly rate to the same providers.

Brent's average hourly rate in 17/18 was £14.51. This is comparable to Harrow, but less than some of our other WLA neighbours.
It should also be noted that although our hourly rate in 18/19 has increased to £15.04 due to an increase in the National Living Wage,

It is also worth noting that some of the packages where costs are above our average rates are specialist packages where clients have very complex or challenging needs (for example, one package is delivered by a specialist deafblind provider, and several are packages for children with complex needs in the transitions team). Similarly, complexity and acuity of people requiring home care is increasing, and some packages are higher cost due to the risk or acuity of the service user, which can include people who are very difficult to place or who have very challenging behaviour.

Risk will be mitigated by accepting a certain percentage of packages are outliers and will therefore be exempt from re-negotiation. Further mitigation includes extensive market engagement to ensure that there is enough capacity to mitigate against provider refusing to negotiate or accept our average price.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Woodland

Budget Options Information

Reference:	CWB016
Service(s):	Placement Review
Lead Member(s):	Cllr Farah

Savings Proposals:	Continuing robust challenge of individual package costs based on evidence as part of annual placement reviews.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**18,000**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	350	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

There are currently over 180 placement care packages, which cost the Council over £1000 a week.
A number of these packages will be reviewed as part of the NAIL programme, and the person will move to supported living or extra care accommodation where that is appropriate. However, for those people where a move to supported living or extra care is not appropriate, the Council needs to ensure that the rate paid is value for money. This saving proposal is focused on those placements and negotiating the price of these placements down to ensure they are value for money.

How would this affect users of this service?

Negotiation of price of placement will have no impact on service users.

Key milestones

The Residential and Nursing Commissioning Team are set up to review placements on an annual basis. They have a clear annual work programme, which includes priority allocation of cases above £1,000 per week.

Key consultations

None required.

Key risks and mitigations

Risk that with the move of less complex packages into NAIL provision, the people left in placements are higher acuity and therefore the scope to reduce costs of packages will be less.

Risks are mitigated through robust examination of all provider costs and challenge, as well as development of Supplier Relationship Manager posts in the Commissioning Team to support market development and improve relationships with providers.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Woodland

Budget Options Information

Reference:	CWB017
Service(s):	Day Care Price Negotiation
Lead Member(s):	Cllr Farah

Savings Proposals:	Re-negotiating the price of all external day care provision.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**2,700**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	270	250
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Current externally commissioned day care in Brent is commissioned according to an old fashioned and out of date model. The majority of provision is expensive, building based and does not offer choice and control to service users. Additionally, there is an over provision of traditional day care in Brent, meaning that providers are not transforming their services, and often wish to increase their costs to the council to make up for low take up of their services. Prices for very similar services are variable, and some providers charge extra to the council for transport and meals, while some providers including this in their price.

The commissioning service intends to work with providers to re-negotiate the price of commissioned day care services, to reflect the offer available to Brent service users and to ensure that there is consistency of offer and of pricing Given that existing provision is out dated, we want to work with providers to agree a fairer price based on the existing model of support. We also believe that it should be possible to re-negotiate transport costs that account for a significant proportion of spend on day care services.

Separately, the Commissioning service is working with providers to redesign day care services into a new model that supports more choice and control and promotes less building based provision.

How would this affect users of this service?

The proposal is not to cut services or to reduce the amount of provision that individuals receive, but rather to re-negotiate price with providers. This will have no impact on the people receiving the service.

Key milestones

- Data collection and analysis of price of day care provision
- Market engagement with providers to present proposals and agree new charges for care
- Implementation of new prices for care in order to achieve savings proposal

Key consultations

Discussions on service costs will happen with providers on a case by case basis, but consultation will not be required under this savings proposal. Similarly, there will not be a requirement to consult with service users, as there are no plans to change or withdraw services under this proposal.

Key risks and mitigations

There is a risk that providers will not accept a price re-negotiation and withdraw services. This is a limited risk for some providers, as the majority (if not all) of their business comes from the local authority. We also have an excess of capacity in the market meaning we can ask providers to be more competitive in their pricing.

We will also engage with providers ahead of changes we want to make to the day care model in Brent and use the engagement work that we'll do to start conversations on new models of care. We want to do this with providers who are committed to working in Brent, but who accept that changes are required to the way services are provided.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N

People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Woodland

Budget Options Information

Reference:	CWB018
Service(s):	Prevention Contracts
Lead Member(s):	Cllr Farah, Cllr Hirani

Savings Proposals:	Non statutory ASC services will be specified with public health to include a stronger focus on prevention and health promotion.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**200**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	200	0
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

A number of contracts have been identified that have the potential to contribute to public health outcomes through support for preventative services. These services will be re-specified and recommissioned through the PH grant.

How would this affect users of this service?

The services will be recommissioned to deliver broader outcomes, ASC required outcomes and public health outcomes, so the impact on service users should be positive. This is a re-commissioning proposal with an administrative change in budgets and so if there is an impact in services it will be positive.

Key milestones

1. Identify services which could be re-specified and recommissioned to increase their public health impact.
2. Agree Public Health funding suitability with DPH and Finance
3. Re-specify and undertake procurement.
4. Finance to amend budget coding.

Key consultations

None required.

Key risks and mitigations

There is a risk that changes to the use of PH grants will mean the identified contracts cannot be funded. Risk will be mitigated by ensuring that only preventative and PH contracts are identified.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Helen Woodland

Budget Options Information

Reference:	CWB021
Service(s):	Housing Association Landlords Scheme (HALS)
Lead Member(s):	Cllr Southwood

Savings Proposals:	Reductions to £1.6m growth in 2019/20 in line with projected conversion of Temporary Accommodation (Housing Association Lease Schemes (HALS) tenants) to reasonable rents.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£4,400**
Total post numbers in the services(s) (FTE):	**n/a**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	300	300
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The council is currently spending £70 p/w per family on the HALS scheme, totalling £4.4m pa.

However, many landlords are handing back their HALS leases because they can make more rent in the private market. This means that families in Temporary Accommodation are made homeless, need to move, and the Council needs to find accommodation for them again.

Therefore, the council will cease working with RPs to procure units of temporary accommodation in the private rented sector accommodation under the HALS scheme. Instead, the Council will work with the same RPs to offer a more competitive 'Reasonable Rent' to secure accommodation which can be used to end the main homelessness duty through a nominations agreement with the RPs.

The future funding of the Flexible Homelessness Support Grant (FHSG) is becoming increasingly uncertain beyond 2019/20, which will have a significant financial impact on all forms of "TA accommodation". So the Reasonable Rents scheme would only form part of the financial mitigation required to manage the ongoing funding requirement for TA.

There is a budget growth bid of £1.6m for 2019/20 due to pressures from the increased HALS management fees. The savings in this report are proposing to start recouping the £1.6m growth bid over three years as existing HALS units are converted to Reasonable Rents when they become void.

How would this affect users of this service?

The Reasonable Rent model will mean increased supply of accommodation in Brent by converting a HALS property to a Reasonable Rent property if the landlord won't renew as HALS, rather than losing it, as well as bringing new landlords in. This means more families could stay in Brent, and fewer families would need to move to poor quality and expensive out of borough TA.

Key milestones

Amend the Council's Allocation Scheme to include making offers of short life leased accommodation under Part 6 of the Housing Act 1996 to homelessness households who have been accepted under homelessness legislation.

Key consultations

Consultation with key stakeholders regarding proposed amendments to the Council's Allocation Scheme.

Key risks and mitigations

- Projected conversion rates can be slower than anticipated as new tenants will be placed on reasonable rents when a property becomes void.
- Reasonable Rents are untested and there is a risk that the Rent Officer could give an adverse decision.
- There could be a range of different Rent levels that the Rent Officer feel are "Reasonable". A possible (pessimistic) scenario could that the Reasonable Rents were not fully funded and only funded under UC to the level of LHA + £50pw, in which case the council could theoretically incur additional estimated costs of £0.9m pa.
- However, in this scenario the Council would mitigate the pressure and adjust its policy in the light of Rent Officer determinations. This would affect which properties are switched to reasonable rents and towards procurement of new properties in the north of the borough.

Legal Comments

An EIA would need to be completed during consultation period of amending allocations scheme, specifically regarding the proposal to make offers of short life accommodation under the allocations scheme to homeless household applicants. Homeless applicants would be treated differently from other applicants on the allocations scheme as other applicants would not be provided with offers of short life accommodation. An EIA would be required to clarify if there are any potential

adverse impacts on persons with protected characteristics as a result of this proposal to make short life offers of accommodation to homeless persons (as opposed to other applicants for housing under the Council's allocations scheme).

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

We are about to start public consultation on the Allocation Scheme review, part of which will determine the introduction of the reasonable rents scheme. The outcome of the consultation will be a proposed revised allocation scheme to Cabinet. The report to Cabinet will include an EIA on the whole scheme, which of course includes Reasonable rents.

EIA required?:	Yes
EIA to be completed by:	Laurence Coaker
Deadline:	*February 2019*

Lead officer for this proposal:	Hakeem Osinaike

Budget Options Information

Reference:	R&E001
Service(s):	Environmental Improvement
Lead Member(s):	Cllr Sheth

Savings Proposals:	Further Street Lighting Efficiencies

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£250k**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:		£100k
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

An additional £0.1m p.a. could be saved through a further rigorous review of lighting levels at a highly localised level across the borough.

How would this affect users of this service?

Some users may notice lower lighting levels than expected at certain locations, especially given that previous reductions have been made. Any impact must not be sufficient to affect lighting levels required for road safety, or to meet expectations of community safety.

Key milestones

Complete review and implement detailed Lighting Plan – 2019

Key consultations

N/A. Resident and visitor feedback on lighting levels could be acted on quickly.

Key risks and mitigations

Some users will likely notice lower lighting levels than expected at certain locations. Should the lighting level not be acceptable at a specific location the CMS does allow corrective adjustments to be made rapidly.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E002A
Service(s):	Environmental Improvement
Lead Member(s):	Cllr Sheth

Savings Proposals:	Remove Litter Picking on Zone 5 Roads

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£ 6m**
Total post numbers in the services(s) (FTE):	

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£180K	-
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

An £180k full year saving of contract operational costs. The process required to obtain agreement and to develop an operational plan means there is no opportunity to bring forward savings to this financial year.

How would this affect users of this service?

This would see residential roads cleansed less often.

Key milestones

- Negotiation with Veolia – Sep 2018
- Decision – Late 2018 / Early 2019
- Communications – Jan – March 2019

Key consultations

- Veolia
- Residents
- Businesses

Key risks and mitigations

- Negative impact on cleansing standards
- Negative impact on Customer Satisfaction
- Direct impact on KOT's
- Hinder ability to achieve KOTs and performance targets.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E002B
Service(s):	Environmental Services
Lead Member(s):	Cllr Sheth

Savings Proposals:	Remove Litter Bins in Zone 5

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£6m**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£70K	-
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

A full year £70k saving of contract operational costs. The process required to obtain agreement and to develop an operational plan means there is no opportunity to bring forward savings to this financial year.

How would this affect users of this service?

There would be fewer bins available to residents seeking to dispose of litter.

Key milestones

- Negotiation with Veolia – Sep 2018
- Decision – Late 2018 / Early 2019
- Communications – Jan – March 2019
- Removal of bins – March 2019

Key consultations

- Veolia
- Residents
- Businesses

Key risks and mitigations

- Negative impact on cleansing standards
- Negative impact on Customer Satisfaction
- Direct impact on KOT's
- Hinder ability to achieve KOTs and performance targets.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E003
Service(s):	Environmental Improvement
Lead Member(s):	Cllr Sheth

Savings Proposals:	Reduce parks infrastructure spend to leave resource for reactive works only.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	£310k
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£200k	
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

£200k could be removed from the Parks maintenance revenue budget on the basis this would leave sufficient resource for reactive repairs.

How would this affect users of this service?

This should not affect parks users.

Key milestones

Has been introduced early in 2018/19.

Key consultations

None required.

Key risks and mitigations

Separate capital improvement proposals are being considered that will improve the infrastructure of our parks and so mitigate the impact of a reduced reactive maintenance budget.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E004
Service(s):	Regeneration – Building Control
Lead Member(s):	Cllr Tatler

Savings Proposals:	Brent Building Control continues to show a good track record in competitively winning major projects through partnership schemes. Unless there is a major economic downturn we expect to improve our income position by focussing on discretionary services. A flexible 'associates' resourcing model is being implemented to allow the service to operate effectively on projects across the London and south east region. The proposed savings comprise fees earned due to increase in volume of work and providing additional services through associates.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	(413)
Total post numbers in the services(s) (FTE):	16.8

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	176	35
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

The generation of additional income by the Building Control team. £100k is adjusting the budget to match current workload, with the remainder to come from out-of-borough associate work.

How would this affect users of this service?

No significant impact expected.

Key milestones

In implementation

Key consultations

None

Key risks and mitigations

Down turn in the economy - keep close monitor / develop further partnerships
Unexpected government policies affecting Building Control resulting from Grenfell

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	None
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Aktar Choudhury

Budget Options Information

Reference:	R&E005
Service(s):	Regeneration - Employment, Skills and Enterprise
Lead Member(s):	Cllr Agha, Cllr Tatler

Savings Proposals:	A combination of staff reductions and additional income to generate the savings. Income projections will depend on securing external funding and sponsorships and further increasing take up on some courses within START.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	335
Total post numbers in the services(s) (FTE):	48.97 (Does not include Tutors)

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	380	-
	FTE	FTE
Proposed staffing reduction		

Proposed savings

This saving would be generated through a combination of efficiencies, primarily rationalisation of staffing in management positions and more efficient delivery of Brent Start courses and income from fees and external grants.

Cost Centre	**Source of saving**	**Amount £'000**
B08161 – Brent Start/ ESFA	Efficiencies	(87)
	Income from fees and grant	(50)
B08095	Efficiencies	(223)
	Income from grant	(20)
	Total	(380)

How would this affect users of this service?

The main implication of the staffing reductions will be further capacity limitations of undertaking developmental work and potential servicing of strategic work.

Key milestones

Staff Consultation

Key consultations

Affected staff

Key risks and mitigations

START service provides an income stream for other council departments- service changes could impact on other department income streams.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	N
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Matt Dibben

Budget Options Information

Reference:	R&E006
Service(s):	Environmental Improvement
Lead Member(s):	Cllr Sheth

Savings Proposals:	Expand Litter Patrol Activity

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£250k**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£200K	-
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

This proposal would provide additional litter enforcement capacity in order to improve the condition of the public realm. Increased deployment would see more litter hot-spots targeted for improvement and would provide £200k additional litter fines per annum. There is opportunity to bring savings forward as the proposal is simply an expansion of existing operational arrangements.

How would this affect users of this service?

This proposal would see additional enforcement officers deployed on Brent streets and this will create an overall improvement in the condition of the public realm.

Key milestones

Recruitment from October 2018

Key consultations

None required because this would be a simple expansion of existing arrangements.

Key risks and mitigations

The main risk is that the revenue from enforcement fails to cover operational costs to the extent that is forecast. Mitigation would be a carefully managed and intelligence-led operation that is likely to be most effective in countering waste and litter offences.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E007
Service(s):	Regeneration – Planning Enforcement
Lead Member(s):	Cllr Miller

Savings Proposals: (Appendix A)	Planning Enforcement has consistently recovered proceeds of crime act (POCA) monies through planning related investigations and prosecutions. This track record provides sufficient confidence to offer up the equivalent of circa 1.5 posts, to be funded from POCA proceeds.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	402
Total post numbers in the services(s) (FTE):	9

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	60	-
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Use of POCA receipts to fund 1.5 posts. Savings can be brought forward to 18/19.

How would this affect users of this service?

No impact

Key milestones

In implementation

Key consultations

None

Key risks and mitigations

High dependency on other council support POCA work including strong support from Legal. Need to ensure resources are maintained within Legal.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	None
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Tim Rolt

Budget Options Information

Reference:	R&E008
Service(s):	Regeneration - Licensing
Lead Member(s):	Cllr Miller

Savings Proposals:	A potential increase in revenue arising from increased activity in Wembley. Improvement works on Olympic Way should be largely complete by 2020. The improvements should result in an increase in the number of events at Wembley and with it an increase in the workload for the Licensing service.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	(154)
Total post numbers in the services(s) (FTE):	7

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		50
	FTE	FTE
Proposed staffing reduction		

Proposed savings

Income from additional licensing arising from increased activity in Wembley after 2020. The additional income cannot be generated until Olympic Way works are complete.

How would this affect users of this service?

No impact

Key milestones

Completion of Olympic Way

Key consultations

None

Key risks and mitigations

Delay in completing Olympic Way - Work closely with Quintain to ensure works progress to plan.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	None
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	None
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Alice Lester

Budget Options Information

Reference:	R&E009
Service(s):	Regeneration – Planning – Development Control
Lead Member(s):	Cllr Tatler

Savings Proposals:	Increased income arising from 20% increase on planning application fees (except prior approvals) and expected rise in planning applications from increased housing targets

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	46
Total post numbers in the services(s) (FTE):	37.14

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	350	
	FTE	FTE
Proposed staffing reduction		

Proposed savings

Increased income from a 20% uplift in Planning Fees - this is a Central Government initiative. Also expected rise in the number of planning applications arising from increased housing targets.

How would this affect users of this service?

Small developers and residents will be affected by the increased fees.

Key milestones

London Plan adoption – setting new targets for homes.

Key consultations

None

Key risks and mitigations

Downturn in development activity.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	None
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	None
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Alice Lester

Budget Options Information

Reference:	R&E010A
Service(s):	Neighbourhood Management
Lead Member(s):	Cllr Sheth

Savings Proposals:	Revision of Opening Hours at the Re-use and Recycling Centre at Abbey Road

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£440K**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£60k	-
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

£60k will be saved by reducing opening hours.

How would this affect users of this service?

The site is currently open 7 days a week from 8am till 4pm.

This proposal would seek to revise and reduce those opening hours, making the site still available at busy times but closing the site at times when visitor numbers are known to be low.

The site would therefore no longer be available to residents for the disposal of waste items at certain times which are now currently available.

Key milestones

- Agreement on approach with WLWA – October 2018
- Cabinet Decision Autumn 2018
- Communications Programme Jan – March 2019
- Revised Operating Hours – April 2019

Key consultations

- All users of the site, WLWA, neighbouring boroughs

Key risks and mitigations

A consequence of reduced operating hours may mean the site is less accessible to some users. This may lead to an increase in the dumping of waste. Customer satisfaction may be impacted in that some customers may have become used to visiting the site at certain times that may no longer be available. That may be a considerable inconvenience depending on individual circumstances. The site is currently marketed as a free alternative to the green bin service for the disposal of garden waste. Reduced operating hours may compromise that offer for some customers, depending on their circumstances.

Any revision of hours should retain access at busy times and ensure closure only applies to periods when visitor numbers are likely to be low.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E018
Service(s):	Environmental Services
Lead Member(s):	Cllrs Sheth, Miller and Tatler

Savings Proposals:	Staffing and Structures – Removal of circa 40 FTE – VR Offer and Compulsory.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£4m**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£1,524K	450
	FTE	**FTE**
Proposed staffing reduction	N/A	N/A

Budget Implications

An annual £1,974k saving of staff salary costs. Some offset may be due with respect to redundancy, severance and the cost of service redesign and possible re-evaluation of other posts. There is potential for savings to be brought into this financial year, depending on vacancies that arise.

How would this affect users of this service?

This would be a 'downsizing' exercise that will make teams leaner and would require a remodelling of structures to mitigate the impact on service delivery.

Key milestones

Managing change consultations as appropriate and also vacancies held and removed throughout the year.

Key consultations

Affected staff as and when required.

Key risks and mitigations

The opportunity could be limited to voluntary redundancy applications that are agreed. Further mitigation of the impact on staff could be through holding and removing vacant posts. Initial investigation of likely interest in VR suggests no compulsory redundancies are likely to be necessary.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
	No
Disabled people	
Particular ethnic groups	
Men or Women (include impacts due to pregnancy/maternity)	
People of particular sexual orientation/s	
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	
People in particular age groups	
Groups with particular faiths/beliefs	
Marriage / civil partnership	

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Chris Whyte

Budget Options Information

Reference:	R&E022
Service(s):	Community Protection
Lead Member(s):	Cllr Miller

Savings Proposals:	Halve Met Patrol Plus provision from April 2020

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	400k
Total post numbers in the services(s) (FTE):	12

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		200
	FTE	FTE
Proposed staffing reduction		12

Proposed savings

The 12 Met Patrol Plus officers known as the 'Partnership Tasking Team' (PTT) for year 17/18 have recorded over 4000 responses related to the Safer Brent Partnership priorities; namely, Anti-Social Behaviour, Gangs, Serious Violence, Domestic and Sexual Abuse, Child Sexual Exploitation, Offender Management and Hate Crime. Such responses have included various outcomes:

1900 disruptions, over 200 arrests, over 100 weapon sweeps and 200 PSPO/CPN/FPN warnings and fines being issues. As well as enforcement the PTT have also led positive Police engagement in our community, more than 120 times.

This resource and related responses as outlined above are additional asset to current borough Police resource. It is proposed to halve the Met Patrol Plus service from April 2020.

This option would see the service reduced from 12 officers to 6, saving £200k. This would mean reducing resource from covering 7 days for afternoon and evening shift cover to 4/5 days per week cover for one shift per day.

This will significantly reduce outcomes and responses.

How would this affect users of this service?

Impact on staff – reduced/zero multi-faceted asset and resource to task/deploy on a proactive and more importantly reactive response. Our PTT are multifaceted police officers, as they have a specific understanding and knowledge base focused to our needs which can also be flexible. This would normally not be the case for any other borough Police officer.

Increased time liaising/advocating/waiting for borough Police to ensure Safer Brent Partnership priorities targeted.

No authority over Police tasking.

Impact on residents – reduced number and location of Police presence on the streets.

The PTT generally react to complaints made to the council, so residents can clearly see the response to their complaints which is always positive.

Reduced community engagement form specialist Police officers, offering a different dynamic to Policing for residents.

Key milestones

Formally give notice to the Metropolitan Police Service to end/change the contract in September 2019.

Key consultations

Not applicable as the Met Police would still provide a Policing service, albeit not targeted specifically in the areas that the Council and Safer Brent Partnership would like.

Key risks and mitigations

This service is over and above the existing borough Police provision. Borough Police have reduced numbers and focus the asset they do have on MOPAC priorities and more general targeted outcomes.
We will have reduced/zero Police asset to task/deploy and focus on our priorities based on the requests/needs of our residents.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	N/A
Deadline:	*N/A*

Lead officer for this proposal:	Amar Dave

Budget Options Information

Reference:	R&E022A
Service(s):	Community Protection
Lead Member(s):	Cllr Miller

Savings Proposals:	Stop Met Patrol Plus provision from April 2020

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	400k
Total post numbers in the services(s) (FTE):	12

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		400
	FTE	FTE
Proposed staffing reduction		12

Proposed savings

The 12 Met Patrol Plus officers known as the 'Partnership Tasking Team' (PTT) for year 17/18 have recorded over 4000 responses related to the Safer Brent Partnership priorities; namely, Anti-Social Behaviour, Gangs, Serious Violence, Domestic and Sexual Abuse, Child Sexual Exploitation, Offender Management and Hate Crime.

Such responses have included various outcomes:
1900 disruptions, over 200 arrests, over 100 weapon sweeps and 200 PSPO/CPN/FPN warnings and fines being issues. As well as enforcement the PTT have also lead positive Police engagement in our community, more than 120 times.

This resource and related responses as outlined above is additional asset to current borough Police resource. It is proposed to stop Met Patrol Plus service from April 2020.

This option is to remove the service altogether from 2020 thus saving £400k.

This will heavily reduce outcomes and responses.

How would this affect users of this service?

Impact on staff – Removed multi-faceted asset and resource to task/deploy on a proactive and more importantly reactive response. Our PTT are multifaceted police officers, as they have a specific understanding and knowledge base focused to our needs which can also be flexible. This would normally not be the case for any other borough Police officer.

Increased time liaising/advocating/waiting for borough Police to ensure Safer Brent Partnership priorities targeted.

No authority over Police tasking.

Impact of residents – reduced Police presence on the streets.

The PTT generally react to complaints made to the council, so residents can clearly see the response to their complaints which is always positive.

Reduced community engagement form specialist Police officers, offering a different dynamic to Policing for residents.

Key milestones

Formally give notice to the Metropolitan Police Service to end/change the contract in September 2019.

Key consultations

Not applicable as the Met Police would still provide a Policing service, albeit not targeted specifically in the areas that the Council and Safer Brent Partnership would like.

Key risks and mitigations

This service is over and above the existing borough Police provision. Borough Police have reduced numbers and focus the asset they do have on MOPAC priorities and more general targeted outcomes.

We will have reduced/zero Police asset to task/deploy and focus on our priorities based on the requests/needs of our residents.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	N/A
Deadline:	*N/A*

Lead officer for this proposal:	Amar Dave

Budget Options Information

Reference:	CYP001
Service(s):	School Effectiveness (Coordinating)
Lead Member(s):	Cllr Agha

Savings Proposals:	DSG to make appropriate contribution to the services that support schools and the priority projects agreed by Schools Forum.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**N/A**
Total post numbers in the services(s) (FTE):	**N/A**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	250	
	FTE	FTE
Proposed staffing reduction	0	

Proposed savings

- Work within the amended regulations to fund some statutory education functions (former ESG retained duties) from the Dedicated Schools Grant. This requires annual approval from the Schools Forum.
- The £250k would be a contribution from the DSG towards the cost of the responsibilities held for all schools. These responsibilities fall under 3 headings;
    - Statutory and regulatory duties (including planning for the education offer as a whole, financial responsibilities for the DSG, internal audit duties, Director of Children's Services)
    - Education Welfare (including statutory duties to promote the educational welfare of children and young people)
    - Asset Management (including general landlord duties for all buildings owned by the LA including those leased to Academies).
- There are approximately 60,000 3 to 19 year olds in maintained and academy settings in the borough. The proposed contribution equates to a cost of £4 per capita.
- 27 of the other London Boroughs make a contribution from DSG towards these retained duties. The average contribution in 2017/18 is £500K. It is recognised in Brent that school funding will be constrained as the national

funding formula is implemented, and a lower than average contribution is proposed.
- Nationally the average contribution to these retained duties by each Local Authority is benchmarked at £16 per head.

How would this affect users of this service?

The users of this service are the schools in the borough and implementing this arrangement would help secure and protect the current delivery levels of services.

Key milestones

- School Forum decision in December 2018.

Key consultations

- Schools will be consulted through Schools Forum on the detail of these proposals to secure approval of the use of these funds. A detailed business case would need to be presented, highlighting the benefits of the services provided, and benchmarking against local and leading authorities.

Key risks and mitigations

- Individual schools experience a lack of impact from these funded services. This risk will be mitigated through regular communication with schools regarding service delivery as part of Council business as usual activity.
- Consultation with Schools Forum on an annual basis leaves annual risk and uncertainty on the service level available. It is proposed to mitigate this risk by submitting Forum decision papers to ask Forum for a decision in principle for a 2 year period.
- Future changes to school funding by national government would remain a risk to this proposal. This risk will be mitigated by regular review of announcements from central Government by the Finance Team and actions being taken in response to any future announcements through Schools Forum to set a balanced DSG budget

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Brian Grady

Budget Options Information

Reference:	CYP002
Service(s):	Forward Planning, Performance and Partnerships
Lead Member(s):	Cllr Patel

Savings Proposals:	Maximising the benefits claimed by care leavers

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**(50) Income budget**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	150	
	FTE	FTE
Proposed staffing reduction	0	

Proposed savings

- Building on the current savings in the leaving care budget that have resulted from joined up working across the Council to improve the rate of take up of Housing Benefit support.
- Saving equates to a projected increase in benefits take up for a further 50 care leavers.

How would this affect users of this service?

- There should be minimal impact on service users. This saving action is to ensure maximum benefits, particularly housing benefits, are claimed to support users rather than utilise the existing Placements' budget.
- This will assist care leavers in their preparation for independence by moving them into mainstream, universal support.

Key milestones

- Monthly finance and data reporting on progress of benefits take up from October 2018 to Heads of Service and Operational Directors.
- Semi-independent accommodation providers for care leavers will be monitored against support to care leavers to enable improved benefit take up rates within their monthly reports to the Council from December 2018.

Key consultations

- None.

Key risks and mitigations

- Case complexity and structural issues with out of borough providers prevent rapid progress being achieved. Mitigated by enhancing the existing model, the established links with internal Council services (e.g. Housing Benefit) and connections with neighbouring authorities. Regular and consistent training for Personal Advisors on welfare benefits entitlements will ensure young people are able to claim the appropriate support.
- Any changes in welfare regulations will require adjustments to current systems. This will be mitigated by the using the lead in time to any changes to make adjustments to systems.
- Increased complexity/value of claims (rollout of Universal credit). This will be mitigated by utilising training for Personal Advisors and ensuring a joined up approach continues to be effective between the Leaving Care and Housing Benefit teams in the Council.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Onder Beter and Shirley Parks

Budget Options Information

Reference:	CYP003
Service(s):	Forward Planning, Performance and Partnerships
Lead Member(s):	Cllr Patel

Savings Proposals:	Placement commissioning across West London Alliance.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**16,000**
Total post numbers in the services(s) (FTE):	**0**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	150	
	FTE	FTE
Proposed staffing reduction	0	

Proposed savings

- Building on the cross LA joint work with the West London Alliance (WLA) to realise further savings and specific benefits from proposed new projects.
- Fully engage and implement the WLA dynamic purchasing system to reduce unit cost of spot purchased fostering and children's home placements, through increased competition.
- Agreeing block contracts for children's home places leading to cost-volume discounts on prices for the largest suppliers.

How would this affect users of this service?

- This will provide looked after children and care leavers with greater sufficiency of accommodation either within or closer to Brent.
- It will enable more effective quality assurance of provision through a block contracting approach.

Key milestones

- Foster care provider engagement November 2018
- Agree children's home demand subject to market test December 2018
- Market test children's home block contract options January 2019

Key consultations

- None.

Key risks and mitigations

- Market supply versus demand. There is a risk that there will not be sufficient capacity to meet demand. Incentives through DPS and block contracts should help mitigate this risk.
- When utilising block contracts the authority takes on more financial risk which is currently held by the supplier (e.g. management of voids). This is mitigated by demand for places being commissioned by several boroughs.
- Agreement by several boroughs may take additional time, due to complexity of approvals processes and this may dilute original aims resulting in slippage and unrealised savings. This risk will be mitigated by strong project governance and borough project representation with appropriate delegated responsibility.
- Legal challenge from suppliers to proposed schemes. This risk will be mitigated by regular provider dialogue and legal consultation as the process develops.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Shirley Parks

Budget Options Information

Reference:	CYP004
Service(s):	Looked After Children & Permanency
Lead Member(s):	Cllr Patel

Savings Proposals:	West London Shared Fostering Service

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**500**
Total post numbers in the services(s) (FTE):	**8**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		100
	FTE	FTE
Proposed staffing reduction		2

Proposed savings

- To work with other West London authorities to implement a shared fostering service from April 2020.
- Savings to be realised through staff efficiencies, with £100K broadly equivalent to a 2 FTE reduction.

How would this affect users of this service?

- Aim to increase the sufficiency and quality of placements with outcomes being more children remaining closer to home in stable settings.
- The Shared Service would provide greater capacity across boroughs to deliver commissioned services to foster carers which would improve their skills to work with children and young people.

Key milestones

- To take forward discussions with other West London boroughs through Strategic and Operational Directors by December 2018.
- To confirm agreement in principle to proceed by March 2019 with planning to take place during 2019/20.

Key consultations

- Shared service to be agreed with up to 3 other authorities.
- Children and young people in care and care leavers.
- Foster Carers support group.
- Looked After Children and Permanency staff.

Key risks and mitigations

- Agreeing scope and scale of the model as well as the implementation timescale with up to 3 other authorities could lead to delays. In mitigation there is a strong appetite for delivering a new service from at least two other WLA authorities. There are established strong working relationships in this field and an opportunity to learn from and build upon the current work on adoption regionalisation.
- Foster carers may be dissatisfied with plans. This will be mitigated by including foster carers in early discussions about proposals and involving them in the planning of any new shared service.
- Front loading of time/resource required to deliver a new service. The Government is keen to see innovation in this area following their response to the 2018 Fostering Stocktake and it is anticipated there will be a call for proposals to deliver services differently. A bid will be made should such a call for proposals be made to support with capacity. If this does not occur then the local authorities will plan to create a shared resource to support implementation.
- No certainty that more households will be recruited. A new organisation solely focused on fostering will be able to focus more resource on marketing and recruitment activity than currently happens – based on the greater success generally achieved by Independent Fostering Agencies.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	Yes
People of particular sexual orientation/s	No

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes
EIA to be completed by:	Onder Beter
Deadline:	*30.11.18*

Lead officer for this proposal:	Onder Beter

Budget Options Information

Reference:	CYP005
Service(s):	Inclusion
Lead Member(s):	Cllr Patel

Savings Proposals:	Create new alternative education provision with wrap around youth services from the Roundwood site

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**360**
Total post numbers in the services(s) (FTE):	**2**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	250	
	FTE	FTE
Proposed staffing reduction	2	

Proposed savings

- Transform the site to an educational setting with community activities. End delivery of council run youth services from Roundwood, creating a different model of community and voluntary provision.
- Other savings would be realised from the Council not being responsible for the building running and maintenance costs and ending service delivery.
- The focus will primarily be to create a different model of provision, supporting the community and voluntary sector to deliver services from the Roundwood site and focusing on a borough-wide co-ordinating role that publicises and provides regular updates about services available to children and young people across the borough.

How would this affect users of this service?

- Current provision of services delivered from the site will change to a different delivery model (see below). It is likely there will be a different mix of services that should enhance the current arrangements.

Key milestones

- Cabinet decision for alternative use of Roundwood site to be made by April 2019.
- Relevant human resources processes to have been completed with affected staff by April 2019.

Key consultations

- With young people who use the Roundwood Centre.
- With affected staff.

Key risks and mitigations

- Site to be used for an Alternative Provision educational setting with evening and weekend activities being provided by the voluntary sector.
- Work with voluntary sector (Young Brent Foundation) to ensure Youth Offer is comprehensive, updated and pulls in charitable funding
- The focus of youth services will primarily be on the statutory duty to deliver the Youth Offer and enhancing partnership working with voluntary sector, supported by a new contract from April 2019 to deliver targeted employment support and training for young people
- There could be community concerns about the future arrangements. However the transformation of the Roundwood site to an educational setting with a wrap-around activity offer will mitigate community concerns.
- There is potential for central government clawback of Myplace funding if the site is not used for ongoing youth provision. Risk is mitigated by similar sites in other authorities being used for different but related purposes where clawback has not occurred.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	Yes
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes

EIA to be completed by:	Sarah Miller
Deadline:	January 2019

Lead officer for this proposal:	Sarah Miller

Budget Options Information

Reference:	CYP006
Service(s):	Early Help
Lead Member(s):	Cllr Patel

Savings Proposals:	Reduction in Early Help Services.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£5.3m (Gen Fund)**
Total post numbers in the services(s) (FTE):	**124**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	250	
	FTE	FTE
Proposed staffing reduction	2	

Proposed savings

- Correct budget alignments through a 5% charge to the DSG for the administration of NEG 3 and 4 payments.
- Reduce the size of the learning and development budget for early years suppliers and by ensuring that income is maximised through charging appropriately.
- To ensure all non-statutory work within the Educational Welfare Service is charged appropriately. To reduce number of posts by one within that service.
- To consider other efficiency and service redesign opportunities within the Early Help service that would contribute to the proposed saving.

How would this affect users of this service?

- Childminders and nurseries delivering the Early Years Foundation Stage will be charged appropriately for training and development provided by the Council.
- It is not anticipated that there will be other impact upon users of these services.

Key milestones

- Implementation of new charging and budget arrangements within identified teams within the Early Help service to be in place by April 2019.

Key consultations

- With those key stakeholders who will be most affected by service reductions – such as childminders and nurseries within the borough.
- With affected staff as part of Council human resources consultation processes.

Key risks and mitigations

- Quality of local provision as measured by Ofsted declines. This is mitigated through ensuring charging is applied equitably and continues to fund high quality training for providers. The potential to join up Early Years services within the existing Setting and School Effectiveness and the Forward Planning, Performance and Partnership services is explored.

- Nurseries and childminders negative reaction to service changes. Mitigation in implementing the learning from recent Customer Services reconfiguration that provides a greater focus on a digital offer of support to childcare settings.

- Challenge to secure and maintain sufficient place provision to meet the 30 hour entitlement.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	
Lead officer for this proposal:	Sue Gates

Budget Options Information

Reference:	CYP007
Service(s):	CYP Department
Lead Member(s):	Cllr Patel

Savings Proposals:	Reduce CYP non-case holding staff by 5 FTE – supported by digital strategies

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**n/a**
Total post numbers in the services(s) (FTE):	**Posts across the CYP department**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	250	
	FTE	FTE
Proposed staffing reduction	5	

Proposed savings

- Reduction of management administrative support (2FTE) across the service through better use of digital technology for managing FOIs and core management support tasks.
- 1FTE performance post reduction through data quality project with changes to social work IT system - reduces the analyst capacity needed to cleanse data and manage statutory returns.
- 1FTE performance team reduction by digitally automating Troubled Families data capture and payment by results submissions.
- Commissioning capacity reduced by 1FTE through implementation of new digital placement sourcing system with WLA in 2019 – reduced process costs and the joining of LA commissioning and CCG commissioning teams together.

How would this affect users of this service?

Key milestones

- Digital solutions tested November 2018
- Relevant human resources processes to have been completed with affected staff by March 2019
- New Digital solutions to be online by April 1st 2019

Key consultations

- Employee consultation.

Key risks and mitigations

- Reduced commissioning capacity may impact on sourcing placements and negotiating contract costs.
- Commissioning risks mitigated by bringing together commissioning staff in Inclusion and Early Help within the Commissioning and Resources Team.
- Reduced performance management capacity may impact on FOI management, statutory return submissions and performance management support for frontline teams.
- Performance risks mitigated by bringing performance staff from Early Help together with Performance Team.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	
Lead officer for this proposal:	Shirley Parks

Budget Options Information

Reference:	CYP008
Service(s):	Early Help
Lead Member(s):	Cllr Patel

Savings Proposals:	Develop family hubs from children's centres

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**3,031**
Total post numbers in the services(s) (FTE):	

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		1,491
	FTE	FTE
Proposed staffing reduction		

Proposed savings

- To redesign Brent's Children's Centres through the creation of a Family Hub model. The aims and objectives of the Family Hubs will closely align with the agreed Outcome Based Reviews that considered children on the edge of care and involved in gang activity. The objectives will be closely aligned to key Public Health outcomes related to children and their families.
- This proposal covers the current Barnardo's contract for 14 children's centres (£2.544m) and 3 council run children's centres (£0.490m). There are 17 children's centres in total.
- The proposal would reduce total number of Children's Centres from 17 to 8 (leaving 2 in each cluster and two council run children's centres).

How would this affect users of this service?

- Families currently accessing Children's Centres will still be able to access services through the Family Hubs.
- Families affected will be informed at all stages of development, ensuring they are aware of their nearest Family Hub and what services they will still be able to access.

Key milestones

- New service design to be agreed by summer 2019.
- Planning for service implementation to take place during 2019/20.
- New model to be fully operational before the end of the current Children's Centre contract in October 2020.

Key consultations

- Families using children's centres.
- Barnardo's and the Fawood/Curzon partnership.

Key risks and mitigations

- Disproportionate impact on most vulnerable families. The risk is mitigated by the creation of family hubs that will widen the age range of support available to families who require support and target the hubs in the areas of the borough that have the greatest level of need.
- Early intervention outcomes worsen for children. The risk is mitigated by ensuring the design of the new family hub model uses research findings to make best use of available resources and that these are broadened to cover school age children. This will allow greater reach of new targeted services into families than is currently possible with the existing model.
- Public reaction following service redesign. This will be mitigated by ensuring effective consultation and engagement with local communities and engaging them in the design and delivery process.
- Quality of work provided to families from the new model deteriorates due to lack of investment. This risk is mitigated by moving to a targeted model, focusing the available resource on those families who most require support

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	Yes
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes
EIA to be completed by:	Sue Gates
Deadline:	*January 2019*

Lead officer for this proposal:	Sue Gates

Budget Options Information

Reference:	CYP009A
Service(s):	Inclusion
Lead Member(s):	Cllr Patel

Savings Proposals:	Reduction in Connexions Service

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**1,000**
Total post numbers in the services(s) (FTE):	**7.5**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:	£100	
Proposed staffing reduction		

Proposed savings

- The Connexions budget for 2018/19 totals £c1m, and is made up of a £400K commissioned information and advice and support service for young people, including vulnerable adolescents to access employment education and training provided by Prospects, an in-house team (£250k) working with children with SEND, Looked After Children, children known to the Youth Offending Service and Troubled Families and also children attending Brent's Pupil Referral Unit or other Alternative Provision with the balance spent on specialist projects for targeted priority groups.
- The provision exceeds the statutory minimum requirement, which is to track and monitor engagement and outcomes for vulnerable groups.
- Proposal CYP009A would seek to realise savings through the commissioning of a new contract for information, advice and support when the current contract ends in March 2019.

How would this affect users of this service?

- There would be no reduction in service for young people. Efficiencies would be found within the recommissioning process.

Key milestones

- The new service specification is in place to commence from April 2019.
- Employee consultation is concluded by March 2019.

Key consultations

- Employee consultation.

Key risks and mitigations

- There are likely TUPE issues to be considered.
- There is demographic growth in the cohort of young people in the borough which will proportionally increase demand for services.
- Mitigation through joined up working with other Council departments (e.g. Employment and Skills).

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Sarah Miller

Budget Options Information

Reference:	PPP001
Service(s):	Partnership & Engagement
Lead Member(s):	Cllr Hirani

Policy Proposals:	A review of the following grants provided to voluntary sector bodies and charities is proposed to take place to ensure value for money/stronger focus on service delivery and shift focus on these bodies becoming more sustainable and self-sufficient in the long term. CAB generalist contract - £35,000 Year 1 - £ 0 Year 2 - £35,000 Specialist Advice Contract - £18,000 Year 1 - £0 Year 2 - £18,000 Brent Advice Partnership Funding - £127,000 Year 1 - £62,000 Year 2 - £65,000 Voluntary & Community Sector Support - £80,000 Year 1 – £40,000 Year 2 - £40,000 Total Savings: £260,000 Year 1 : £102,000 Year 2 : £158,000

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	2,796
Total post numbers in the services(s) (FTE):	21

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£102	£158
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service?

- Advice service 5% savings are contractual – no change to service
- Voluntary sector infrastructure fund – savings per annum based on experience of underspends and for future projects increased / improved partnership working – should be little negative impact to service users
- Reduce the voluntary & community sector assistance budget by £40k per year. Future service will be based on the outcomes as the sector needs review and an improved delivery methodology. Links will be made with the London hub model currently in the modelling stage to provide additional support to the sector.
- Reduce Brent Advice Fund (BAF) – fund has underspent in 2016/7 and 2017/18.

Key consultations

- Voluntary and community sector needs review
- Grants and projects review recommendations

Key risks and mitigations

- Reputational due to reduction in 'grant funding' – dialogue at early stage with sector and promotion of support available
- Voluntary and community sector funding based on the sector needs review outcomes
- Improve partnerships and delivery model for projects

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	
Lead officer for this proposal:	Pascoe Sawyers

Budget Options Information

Reference:	PPP002
Service(s):	Strategy & Partnerships
Lead Member(s):	Cllr Butt

Policy Proposals:	Delete one Senior Policy Officer

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	2,796
Total post numbers in the services(s) (FTE):	21

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	60	0
	FTE	FTE
Proposed staffing reduction	1	0

How would this affect users of this service?

The primary customers of the service are internal, i.e. the leadership of the council (political and managerial), other departments, and the scrutiny committees (which are a statutory requirement). This would therefore reduce the capacity available to support these customers.

The team does have some external customers, including partners, the Multi-faith Forum, marginalised groups (through the delivery of the Stronger Communities Strategy or its successor), Syrian refugees (who are placed through the work of the team) and the public (through delivery of the Local Democracy Week programme). This would therefore reduce the capacity available to support these as well.

Overall, the work undertaken by the team would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.

Key milestones

- Business case (for HR Director and Chief Finance Officer, defining the purpose or business objective(s), a clear proposal, and taking account of the existing establishment and the extent to which this would need to be changed)

- consider ways of avoiding redundancy (including natural wastage, deleting a vacant post, recruitment restriction, freezing a post which may offer the prospect of redeployment and give “at risk” staff first consideration, voluntary reduction in hours, and applications for voluntary redundancy)
- Consult Human Resources prior to implementing job-matching, ring-fencing or redundancy selection procedures
- Carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this
- Assimilation or competitive assimilation
- Redeployment (depending on if redundancy required)
- Redundancy notice (depending on if redundancy required)

Key consultations

As above, must carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this. Consultation must include the:

- Reasons for the contemplated dismissals;
- Numbers and types of jobs of those who may be dismissed;
- Total number of people employed in those jobs at the establishment in question;
- Proposed method of selecting those who may be dismissed;
- The proposed method of carrying out the dismissals and the period over which they will take place.

Key risks and mitigations

Risk	Mitigation
Reduced capacity to respond to policy activity	• Prioritise activity undertaken by team, and explore reducing or ceasing lower-priority activity • Explore options for transferring activities • Manage expectations accordingly
Reduced capacity to support scrutiny task groups	• Offer support for fewer task groups per committee each year • Explore options for support for task groups from within relevant services • Manage member expectations
Uncertainty and lower morale within team	• Clear and regular communication about process, including support and advice required under Managing Change policy

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Pascoe Sawyers

Budget Options Information

Reference:	PPP003
Service(s):	Communications
Lead Member(s):	Cllr Butt

Policy Proposals:	It is proposed to restructure the Communications function in 2020/21 which is likely to result in further reductions in staff and the level of support offered by corporate communications. NB: The service has recently (October 2018) implemented a significant restructure which is set to deliver savings of around £170,000 predominantly by reducing the number of staff in communications. This proposal is separate and in addition to this restructure.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	685
Total post numbers in the services(s) (FTE):	17.8

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	0	100
	FTE	FTE
Proposed staffing reduction	0	2-3

How would this affect users of this service?

Internal departments would need to accept a reduced service level from corporate communications who are already focused on core business following the recent downsizing of the team. Client departments wishing to deliver more communications than the corporate communications team has capacity to deliver directly will need to deliver communications themselves, but with oversight and advice from the corporate communications team, or find one off budgets for short term project support.

Key milestones

Review the commercial income target in January 2019 to explore whether any of the above savings can realistically be achieved by generating more income or whether it all needs to come from the communications salaries budget (as there are no materials budgets held in corporate communications).

Key consultations

Consultation with communications team 2019/20

Key risks and mitigations

The council's ability to affect positive behaviour, boost and protect the council's reputation, manage demand, boost income and communicate effectively with a diverse range of audiences will be further eroded. Client departments will need to accept a reduced level of service from corporate communications and/or accept a higher degree of self-service than at present.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	No
Particular ethnic groups	No
Men or Women (include impacts due to pregnancy/maternity)	No (unless brought forward to 19/20)
People of particular sexual orientation/s	No
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	No
People in particular age groups	No
Groups with particular faiths/beliefs	No
Marriage / civil partnership	No

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	No
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Rob Mansfield

Budget Options Information

Reference:	PPP005
Service(s):	PPP Redesign
Lead Member(s):	Cllr McLennan / Cllr Butt

Policy Proposals:	Looking at an overall reduction in cost of the service by aligning specialism across the department. This will include looking how the Policy, Performance and Partnerships (PPP) departmental teams interrelate.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	9900
Total post numbers in the services(s) (FTE):	94

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	450	
	FTE	FTE
Proposed staffing reduction	9	0

How would this affect users of this service?

The primary customers of the service are the leadership of the council (political and managerial), other departments, and the scrutiny committees (which are a statutory requirement). This would therefore reduce the capacity available to support these customers.

The department does have external customers, including National and local media, Government departments, statutory partners, the Multi-faith Forum, marginalised groups e.g. Syrian refugees (who are placed through the work of the team) and the public as the team supports the Community Hub programme. This would therefore reduce the capacity available to support these as well.

Overall, the work undertaken by the department would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.

Key milestones

- Business case (for HR Director and Chief Finance Officer, defining the purpose or business objective(s), a clear proposal, and taking account of the existing establishment and the extent to which this would need to be changed)
- consider ways of avoiding redundancy (including natural wastage, deleting a vacant post, recruitment restriction, freezing a post which may offer the prospect of redeployment and give “at risk” staff first consideration, voluntary reduction in hours, and applications for voluntary redundancy)
- Consult Human Resources prior to implementing job-matching, ring-fencing or redundancy selection procedures
- Carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this
- Assimilation or competitive assimilation
- Redeployment (depending on if redundancy required)
- Redundancy notice (depending on if redundancy required)
- Implementation April 2019

Key consultations

As above, must carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this. Consultation must include the:

- Reasons for the contemplated dismissals;
- Numbers and types of jobs of those who may be dismissed;
- Total number of people employed in those jobs at the establishment in question;
- Proposed method of selecting those who may be dismissed;
- The proposed method of carrying out the dismissals and the period over which they will take place.

Key risks and mitigations

Risk	Mitigation
Reduced capacity to respond to PPP activities	• Prioritise activity undertaken by department, and explore reducing or ceasing lower-priority activity • Explore options for transferring activities • Manage expectations accordingly
Uncertainty and lower morale within team	• Clear and regular communication about process, including support and advice required under Managing Change policy

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Peter Gadsdon

Budget Options Information

Reference:	PPP007
Service(s):	Strategy and Partnerships
Lead Member(s):	Cllr Butt

Policy Proposals:	Reduction of Scrutiny Committees from 3 to 2 Deletion of 1 FTE Policy and Scrutiny Officer

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	2,796
Total post numbers in the services(s) (FTE):	21

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	£60	0
	FTE	FTE
Proposed staffing reduction	1	0

How would this affect users of this service?

The primary customers of the service are internal, i.e. the leadership of the council (political and managerial), other departments, and the scrutiny committees (which are a statutory requirement). This would therefore reduce the capacity available to support these customers.

The team does have some external customers, including partners, the Multi-faith Forum, marginalised groups (through the delivery of the Stronger Communities Strategy or its successor), Syrian refugees (who are placed through the work of the team) and the public (through delivery of the Local Democracy Week programme). This would therefore reduce the capacity available to support these as well.

Overall, the work undertaken by the team would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.

Key milestones

- Business case (for HR Director and Chief Finance Officer, defining the purpose or business objective(s), a clear proposal, and taking account of the existing establishment and the extent to which this would need to be changed)
- consider ways of avoiding redundancy (including natural wastage, deleting a vacant post, recruitment restriction, freezing a post which may offer the prospect of redeployment and give “at risk” staff first consideration, voluntary reduction in hours, and applications for voluntary redundancy)
- Consult Human Resources prior to implementing job-matching, ring-fencing or redundancy selection procedures
- Carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this
- Assimilation or competitive assimilation
- Redeployment (depending on if redundancy required)
- Redundancy notice (depending on if redundancy required)

Key consultations

As above, must carry out consultation with staff and recognised trade unions (15-30 calendar days), along with proportional Equality Analysis as part of this. Consultation must include the:

- Reasons for the contemplated dismissals;
- Numbers and types of jobs of those who may be dismissed;
- Total number of people employed in those jobs at the establishment in question;
- Proposed method of selecting those who may be dismissed;
- The proposed method of carrying out the dismissals and the period over which they will take place.

Key risks and mitigations

The reduction in a Scrutiny Officer will mean less flexibility in providing support resources to the remaining 2 committees. However each of the Committees will still have the support of a Scrutiny officer.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N

People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Pascoe Sawyers

Budget Options Information

Reference:	PPP008
Service(s):	Executive and Member Services
Lead Member(s):	Cllr Muhammed Butt, Leader of the Council

Policy Proposals:	Saving of £38k by ceasing refreshments provided to Councillors all Committee meetings

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	3,119
Total post numbers in the services(s) (FTE):	31

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	38	0
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service?

It is proposed to cease providing catering/refreshments to all committee meetings.

Key milestones

Catering provision was scaled back in May 2014 but continued for Councillor meetings. This proposals ceases all catering and/or refreshments at those meetings.

Implementation followed the May 2018 local elections.

Key consultations

None.

Key risks and mitigations

This may impact on attendance levels at meetings and also at Member Learning and Development sessions. Many Members attend meetings after work and do not have time to eat in advance of meetings. This may lead to a request to start meetings later placing pressure on staff.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Tom Cattermole

Budget Options Information

Reference:	PPP009
Service(s):	Executive and Member Services
Lead Member(s):	Cllr Butt

Policy Proposals:	Executive Support Team, reduction in overall corporate translation budget of £28,000

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	3,119
Total post numbers in the services(s) (FTE):	31

	2019/20	**2020/21**
	£000's	£000's
Budget implications:	Current budget: £235 Proposed budget: £207 Saving: of £28	0
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service?

Following a review of translation service usage across the Council it has been found that utilisation can be improved while reducing costs by approximately 12%. This includes better use of skype/conference call capabilities facilitated by the new telephony contract.

Key milestones

It is proposed to implement changes to working practices from April 1 2018. However, savings will not be fully realised until the 19/20 financial year.

Key consultations

The changes outlined above will require significant changes to ways of working in the Children and Young People and Community Wellbeing Departments. Training and staff communications and engagement will be required as will close monitoring of spend.

Key risks and mitigations

Making use of Skype etc. should not only reduce the cost of interpreting but will enable officers to access an interpreter quickly.

By using the technology available we will eliminate the need for the client to attend a second meeting with an interpreter, who would need to be booked and travel to the meeting. This will save time as well as ensuring clients who need an interpreter are fully supported.

An additional risk will be that staff simply choose not to adopt new ways of working; it is proposed that a Change Manager works on this project to fully support the successful implementation.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Tom Cattermole

Budget Options Information

Reference:	PPP011
Service(s):	Executive and Member Services
Lead Member(s):	Cllr Butt

Policy Proposals:	Restructure and re-grading of Executive Support Team 7.66 FTE scale 6 officers reduce to 6 FTE (5 SO1 & 1 Scale 4)

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	3,119
Total post numbers in the services(s) (FTE):	31

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	Current budget: £477k Proposed budget: £431k Saving: £45k	0
	FTE	FTE
Proposed staffing reduction	1.5 (positions not currently filled)	0

How would this affect users of this service?

The agreed proposal is to reduce the amount of scale 6 FTE from 7.66 to 6 FTE (5 at SO1 & 1 at scale 4). In order to ensure all Departments are supported appropriately, team members are cross trained to enable them to cover all required areas. This will encourage continuity during time of absence. We have started this process and so far it is working well, we will be advertising for the scale 4 post in November, to start in January 2018. This scale 4 post will assist officers with designated tasks.

Key milestones

Implemented September 1, 2018.

Key consultations

Staff were consulted appropriately according to the managing change policy.

Key risks and mitigations

To be managed operationally.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Tom Cattermole

Budget Options Information

Reference:	PPP012
Service(s):	Executive and Member Services
Lead Member(s):	Cllr Muhammed Butt, Leader of the Council

Policy Proposals:	Executive and Member Services, Proposed staffing changes in political offices

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	3,119
Total post numbers in the services(s) (FTE):	31

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	Review of support to political groups as a result of local elections - £37k	
	FTE	FTE
Proposed staffing reduction	1	0

How would this affect users of this service?

Following the local elections in May 2018, support to political groups will be reviewed. There are currently 2.5 posts supporting political groups.

Key milestones

May 2018

Key consultations

Manage change through the Managing Change Procedure;

Key risks and mitigations

None

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Tom Cattermole

Budget Options Information

Reference:	RES001
Service(s):	Resources- Legal Services
Lead Member(s):	Cllr McLennan

Policy Proposals:	Demand Management and income generation: Realising the impact of the Impower demand management review and income generation through raising new and existing fees and charges.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	3,183
Total post numbers in the services(s) (FTE):	50.5

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	50	50
	FTE	FTE
Proposed staffing reduction	0	0.4

How would this affect users of this service and what are the key risks and mitigations?

- Reduce support for contract and procurement activity – no longer routinely provide advice on contracts which do not require formal tendering in accordance with the council's standing orders.

  This might (subject to detailed consideration) enable the deletion of a 0.4 post or enable the undertaking in house of work that would otherwise be placed externally with more expensive providers. This would mean increased risk for the council in respect of these contracts and shift work to managers and/or the procurement team. Legal Services will provide a suite of basic contract and advice documents to support this.

- Increase in charges for work charged to 3rd parties (s106, s278, residential property work) and establish new 3rd party charges for some commercial property areas.

- Other Demand Management project savings.

This is very uncertain. Reductions in demand are likely to be spread thinly across many posts undertaking different types of legal work. The effect is likely to be increased resilience rather than an ability to delete specific posts. There may be a reduction in spend on external counsel's fees due to increased in-house capacity.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	In the event that a .4 post is deleted, an equality assessment will be undertaken in accordance with the council's Organisational Change policy.
Deadline:	

Lead officer for this proposal:	Debra Norman

Budget Options Information

Reference:	RES002
Service(s):	Resources - Insurance
Lead Member(s):	Cllr McLennan

Policy Proposals:	Savings to be achieved following a review of insurance provision

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	2,302
Total post numbers in the services(s) (FTE):	0

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	100	
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service and what are the key risks and mitigations?

The Insurance budget, held corporately, pays for the insurance contract with Zurich, legal fees and compensation claims. It also generates income by recharging maintained schools.

It is envisaged that through better risk management and claims handling will lead to lower premia in respect of the insurance contract with Zurich and less need to hold large insurance reserves. In addition, proposals are being developed to bring legal work in house that is currently placed with expensive external firms. This should lead to a reduction in the overall cost of legal fees.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N

People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Conrad Hall

Budget Options Information

Reference:	RES003 & RES004
Service(s):	Customer Services
Lead Member(s):	Cllr Southwood

Policy Proposals:	RES003: Further staff savings through demand management, in particular channel shift enabled via the digital strategy (for example webchat, reduced phone service, digital by default). RES004: Review of Customer Access arrangements across all services and the development of a new operating model to better respond to the needs of digitally enabled services.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	11,688
Total post numbers in the services(s) (FTE):	263.15

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	275	225
	FTE	FTE
Proposed staffing reduction	6	5

Proposed Savings

Further staff savings through demand management, in particular channel shift enabled via the digital strategy (for example webchat, reduced phone service, digital by default). In addition, a review of the Council's current operating model for managing contacts with a view to streamlining these to better meet the need for increasing digital assistance and improved confidence in using self service facilities.

These savings are dependent on further automation of processes and agreement of a revised operating model for customer access.

How would this affect users of this service?

Further development of the current strategy to accelerate channel shift by limiting access to face to face appointments but concurrently providing better support to those who require digital assistance and streamlining arrangements for supporting vulnerable residents. Service users will be better supported to use digital channels and should benefit from improvements to current self service facilities.

Key milestones

Feb – Mar 2019: Development of revised Access offer

April – Sept 2019: Consultation on new access offer and proposed Target Operating model to support this.

April 2020: New access offer goes live alongside new operating model

(Please note these milestones are subject to change while the scope and timescales of the various projects are established)

Key consultations

Members
Customers
Voluntary groups

Key risks and mitigations

Note that savings are profiled over two years - £275K in 2019/20 and £225K in 2020/21.

Brent Customer Services underwent a significant restructure in 2017/18 to deliver savings of £1.25m predicated on implementation of a new service model that was aimed at accelerating channel shift. Staffing resources reduced by circa 30 FTEs and a large number of staff were affected by changes to their role and grade changes.

Universal credit implementation commences in November 2018 and this will see the start of the migration of working age HB claims to the DWP.

The changes implemented in 2018 have resulted in some service disruption, backlogs of work and increased staff turnover which require attention and dedicated action to mitigate. In implementing further changes, the service will be mindful of these impacts and build in appropriate mitigation to support staff and customers. The service needs to stabilise from the previous changes which it is doing and we will apply the learning from this to the further phases proposed.

The Council Tax service is transitioning back to Brent on the 1 May 2019. This service has been outsourced since 1995 and as such the transition needs to be managed very carefully to prevent disruption to service delivery and Council Tax collection performance. There is a risk that the transition will result in disruption to Council Tax collection and will require significant focus to mitigate this as far as is possible.

It is recognised that these changes represent a transformation of the customer services operating model and we will make the necessary investment to ensure this is successful and delivers the savings.

Other risks and mitigations are:

Some customers unable to utilise digital offer –

- Officers available to help with self-service
- Expansion of Community Hibs to support vulnerable residents
- Promotion of IT skills courses
- Appointments available for the most vulnerable

- Customers experience of self service is poor discouraging use of this Continued improvement and promotion of the Council's digital offer
- Feedback on current self service facilities is used to improve this
- Residents are involved in the design and testing of new self service facilities

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	Y
Particular ethnic groups	Y
Men or Women (include impacts due to pregnancy/maternity)	Y
People of particular sexual orientation/s	Y
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	Y
People in particular age groups	Y
Groups with particular faiths/beliefs	Y
Marriage / civil partnership	Y

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	Yes
EIA to be completed by:	David Oates
Deadline:	*September 2018*

Lead officer for this proposal:	Margaret Read

Budget Options Information

Reference:	RES005
Service(s):	Customer Services
Lead Member(s):	Cllr Southwood

Policy Proposals:	Staff rationalisation following transfer of Council Tax to in house provision following expiry of Capita contract in May 2019.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	11,688
Total post numbers in the services(s) (FTE):	263.15

	2019/20	**2020/21**
	£'000	£'000
Budget implications:		200
	FTE	FTE
Proposed staffing reduction	0	5

Proposed saving

Staff rationalisation following transition of service to in house provision in 2019.

How would this affect users of this service?

Reductions will require acceleration of channel shift and thus less resident access to resolve enquiries by phone or face to face. See RES003 & RES004

Key milestones

Restructure of service
- Consultation Nov 2019
- Consultation closes Dec 2019
- Full Implementation by March 2020

Key consultations

Staff affected

Key risks and mitigations

Risks

Consideration has been given to bringing forward this saving of £200K from 2020/21 to 2019/20 however this is not recommended as this would place the Council Tax service at significant risk of becoming destabilised and a consequential risk of reduction to Council Tax collection. The Council Tax service has been outsourced since 1995 and significant efforts will be required to integrate this back to in house provision, harmonise staffing, develop staff, redesign processes and develop the system expertise within Digital services**.**

Decline in Council Tax collection

Backlogs of work arise

Decline in resident satisfaction with service

Mitigation

Reduction in contacts prior to restructure by channel shift

Review of processes to streamline and automate where possible.

Improve customer journey when using on line facilities and act on feedback provided.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	no
EIA to be completed by:	
Deadline:	
Lead officer for this proposal:	Margaret Read

Budget Options Information

Reference:	RES006
Service(s):	Resources- Digital Services
Lead Member(s):	Cllr McLennan

Policy Proposals:	Savings to be generated in relation to hosting One Oracle (£150k) through a reduction in payment to the external hosting company. In addition, income will be generated from other boroughs (£120k) in the One Oracle partnership by providing hosting and archiving services.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	4,693
Total post numbers in the services(s) (FTE):	78

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	270	0
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service?

There will be more users but significantly more resources to provide support, therefore there should not be an impact on Brent users.

Key milestones

July 2018 - End of Capgemini service and start up for Brent hosting

Key risks and mitigations

Key risks have been managed as part of the transition project to host One Oracle within Brent.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Prod Sarigianis

Budget Options Information

Reference:	RES007
Service(s):	Resources- Digital Services
Lead Member(s):	Cllr McLennan

Policy Proposals:	Income from selling IT Services to another Council/external companies and/or another partner within the current shared service model (£330k). Income from selling IT services to Air France (£74k).

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	4,693
Total post numbers in the services(s) (FTE):	78

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	74	326
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Provision of IT services to organisations outside the existing shared service; selling the services as opposed to expanding the shared service. Any income achieved has to be shared with the shared service partners, the proposed amount is what we estimate can be achieved for Brent.

How would this affect users of this service?

We would be looking to increase capacity accordingly to be able to deliver the service without any adverse effects to existing users

Key milestones

Existing service has to be stabilised by September 2018 and has to remain stable for a minimum of 6 months before we can progress any discussions with other organisations.

Key risks and mitigations

Agreement has to be sought by the Shared Service Management Board and the Shared Service Joint Committee.
The Management Board and/or Joint Committee do not have confidence on the service's ability to take on additional work. No partner is identified/secured.

In order to mitigate these risks we will be looking to stabilise the service, improve staff perception of ICT, and ensure the shared service overall receives wide range quality publicity.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Prod Sarigianis

Budget Options Information

Reference:	RES008
Service(s):	Resources- Digital Services
Lead Member(s):	Cllr McLennan

Policy Proposals:	Savings from reductions in print volumes (10%) and removing the option for colour printing.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	4,693
Total post numbers in the services(s) (FTE):	78

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	100	0
	FTE	FTE
Proposed staffing reduction	0	0

How would this affect users of this service?

Reduced ability to print in colour may cause inconvenience and frustration to some users.

Key risks and mitigations

The key risk is that print volumes do not reduce. It is proposed to target high cost/volume departments to consider alternative options, for example wider use of IPads, laptops and other digital solutions.

It is also proposed to work with the Transformation team to implement behavioural changes to help reduce print volumes.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N

Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Prod Sarigianis

Budget Options Information

Reference:	RES009
Service(s):	Resources- Digital Services
Lead Member(s):	Cllr McLennan

Policy Proposals:	Staff savings as result of consolidation of application support teams within the shared service.

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	4,693
Total post numbers in the services(s) (FTE):	78

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	100	0
	FTE	FTE
Proposed staffing reduction	2	0

How would this affect users of this service?

Should be no adverse impact on service users

Key Milestones

Restructure modelling and staff consultation to be begin in late 2018.

Key risks and mitigations

Staff, union and political resistance could result in the proposal being delayed. Early consultation is proposed with staff to ensure the option is fully understood.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N

People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Prod Sarigianis

Budget Options Information

Reference:	RES010
Service(s):	Resources
Lead Member(s):	Cllr McLennan

Policy Proposals:	General efficiencies across the entire Resources department

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	£1,300
Total post numbers in the services(s) (FTE):	

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	200	0
	FTE	FTE
Proposed staffing reduction		

Proposed savings

General efficiencies within the Resources directorate budget.

How would this affect users of this service and what are the key risks and mitigations?

No major impact is expected as a number of small budget items will be reduced.

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N

People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?:	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Althea Loderick

Budget Options Information

Reference:	RES011
Service(s):	Brent Customer Services
Lead Member(s):	Cllr Southwood

Policy Proposals:	Review and simplification of Council Tax Support Scheme.

Financial and Staffing Information

2018/19	
Total budget for the service(s):	c£26.7m
Total post numbers in the services(s) (FTE):	N/A

	2019/20	**2020/21**
	£'000	£'000
Budget implications:	0	£3.3m
	FTE	FTE
Proposed staffing reduction	0	0

Proposed savings

Review and simplification of Council Tax Support Scheme. The £3.3m saving is based on a reduction to Brent's share of expenditure, and equates to £3.96M gross saving including the GLA element, from a forecast spend of £26.7M in 2018/19 (14.8% gross saving).

How would this affect users of this service?

The revised savings options proposed would reduce annual expenditure within the local CTS scheme by £3.96m. As pensioners are protected by a prescribed national scheme, this means the impact of any reduction falls only on the working age CTS population. Thus the 14.8% cut is in reality a 25% cut in the expenditure for working-age claimants.

The options for reducing expenditure can be achieved either by applying reductions across all working age claimants; across specific sections of the caseload (i.e. exempting certain claimants, as in the current scheme); or by tightening eligibility criteria so that fewer claimants qualify.

The savings can be achieved via any scheme design, though other advantages such as simplification and transparency cannot easily be achieved merely by minor variations to the current scheme, therefore a completely new scheme mechanism is currently the favoured option.

Indicative impacts of the cuts are shown below, based on modelling via variations to the ***current*** scheme design.

(It should be noted that increasing the "minimum claimant contribution" is not the only mechanism which could be used to achieve the reduction in expenditure, but regardless of the mechanism used, the <u>average</u> impact on claimants would be to the extents quoted.)

£3.3M net saving (£3.96M gross)

i. Additional 19% claimant contribution for <u>all</u> working age claimants. Current exempt ("vulnerable") claimants pay 19%; non-exempt claimants pay 39%;

Or:

ii. Current exempt claimants remain protected; additional 31% claimant contribution for all non-exempt working age; i.e. Non-exempt claimants pay minimum 51% of Council Tax liability.

Or:

iii. Introduce mechanisms to taper off entitlement more steeply as income rises, therefore making the saving from reduced caseload volumes, rather than the rebates that the remaining claimants receive.

The above options all represent extremes which are unlikely to exactly represent the eventual scheme design, which will be more nuanced, with many aspects – in particular those claimants treated as "exempt" - under review and likely to be changed. However they illustrate the difficulty in maintaining the current size of caseload while attempting to protect the most financially vulnerable. The new scheme is therefore most likely to incorporate option (iii) to either fully or partially meet the saving while allowing the scheme still to protect the most financially vulnerable within it.

<u>Key milestones</u>

For implementation of a revised scheme in April 2020:-

October 2018	Project set-up
Nov 2018 - April 2019	Determine draft scheme proposals and liaise with software supplier regarding technical viability; detailed financial and impact modelling

May 2019	Reports to CMT and PCG
May 2019	Commence consultation with GLA (one week required)
June 2019	Publish draft CTS scheme and commence public consultation with wider stakeholders
September 2019	Close public consultation
September 2019	Evaluate consultation findings
October 2019	Reports to CMT and PCG
December 2019	Full Council report to formally set the new scheme. (NB statutory deadline for setting the scheme is 11 March 2020, but December is favoured in order to allow time for implementation and publicity etc.
Jan – Mar 2020	Publicity, system testing, staff training etc.
1 April 2020	New scheme commences
31 March 2021	Transitional protection (if any) expires

Key consultations

GLA
Benefits claimants
Council Taxpayers
Voluntary sector partners
Registered Social Landlords
Members and local MP's

Key risks and mitigations

The Council must be able to show that meaningful consideration has been given to meeting the saving from alternative measures, e.g. increasing Council Tax, cutting other services, etc., and why it is proposing to meet the saving by changing the CTS scheme. If it cannot show this, it leaves itself open to significant legal challenge.

- Ensure that consultation includes meaningful consideration of the of alternative funding methods to meet the saving
- Ensure that Cabinet and Full Council reports explore the alternative funding methods in sufficient detail and evidence that that Members have actively considered these

Financial hardship for residents –

- the scheme will be designed to protect the most vulnerable, but will necessarily will overall be harsher than the current scheme
- consideration of a discretionary hardship fund within the scheme
- consideration of transitional protection for the most impacted claimants

Council Tax collection decreases –

- review Council Tax collection processes to enable greater engagement with CTS claimants before enforcement action commences

Scheme is not agreed by Full Council by the deadline –

- robust project management

IT systems unable to provide the desired solution (on time) –

- early engagement with IT providers and strong project management

Scheme is subject to legal challenge –

- robust scheme modelling
- engagement with stakeholders
- sufficient time taken over drafting the formal scheme with Legal Services input

Revised scheme does not deliver sufficient savings and / or further cuts required in following year –

- model alternative schemes including one providing a larger cut
- design a scheme with further changes for Year 2 built into it

Equality impact screening

The proposed scheme has not ben designed yet and there are several options, so it is not possible to be precise at this stage, however one of the design principles is to build a scheme that is equitable and proportionate across protected groups (and other claimants), so specific impacts will be tested in due course and any inequities reviewed accordingly. That said, there is a *potential* risk of a disproportionate impact in certain groups, in particular disabled people, ethnic groups and (possibly) gender. There is considered to be a much lower risk in the other protected groups, as no potential scheme designs will feature these factors explicitly, and the chance of an unintended consequence is thought to be low – although all aspects will be considered in the EIA.

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	Y
Particular ethnic groups	Y
Men or Women (include impacts due to pregnancy/maternity)	Y
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?	Y
EIA to be completed by:	David Oates
Deadline:	*May 2019*

Lead officer for this proposal:	Margaret Read

Budget Options Information

Reference:	RES012
Service(s):	Property and Assets
Lead Member(s):	Cllr McLennan

Savings Proposals:	T*o review all existing leases and opportunities in the commercial portfolio with a view to increasing income.* *To reduce costs/increase income through the introduction of energy saving measures in the corporate portfolio.* *To review budget expenditure and re-prioritise spend.*

Financial and Staffing Information

2018/19	
Total budget for the service(s) £'000:	**£5,349,665**
Total post numbers in the services(s) (FTE):	**37**

	2019/20	**2020/21**
	£'000	£'000
Proposed saving:		200
	FTE	FTE
Proposed staffing reduction	-	-

Proposed savings

To review all existing leases and opportunities in the commercial portfolio with a view to increasing income.

To reduce costs/increase income through the introduction of energy saving measures in the corporate portfolio.

To review budget expenditure and re-prioritise spend.

How would this affect users of this service?

There would be limited impact on users of the services (other than initial works required)

Re-prioritisation of spend may mean a reduction in quality – this would have to be agreed and would be a last resort in most cases.

Key milestones

Capital Budget approval (invest to save potentially through Salix fund for energy reduction projects)

Key consultations

N/A

Key risks and mitigations

Impact or proposed reduction in RHI (Renewable Heat Incentive) will reduce the opportunity for income (e.g. solar projects may need delivery by early 2019).

Equality impact screening

Is there potential for the proposed saving to have a disproportionate adverse impact on any of the following groups:	
Disabled people	N
Particular ethnic groups	N
Men or Women (include impacts due to pregnancy/maternity)	N
People of particular sexual orientation/s	N
People who are proposing to undergo, are undergoing or have undergone a process or part of a process of gender reassignment	N
People in particular age groups	N
Groups with particular faiths/beliefs	N
Marriage / civil partnership	N

If the screening has identified a potentially disproportionate adverse impact, you will need to complete an Equality Impact Assessment.

EIA required?	N
EIA to be completed by:	
Deadline:	

Lead officer for this proposal:	Oliver Judges

Cumulative Equalities Assessment – Budget Proposals 2019/20 – 2020/21

1 INTRODUCTION

The purpose of this Equality Impact Assessment is to provide an analysis of the likely impact of the budget savings proposals, with a particular focus on 2019/20, on residents and community groups with 'protected characteristics' as defined by the Equality Act 2010. The nine protected characteristics are: age, disability, gender reassignment, marriage and civil partnership[1], race, religion or belief, sex and sexual orientation, pregnancy and maternity. Section 149, Public Sector Equality Duty (PSED) of the Equality Act 2010 requires the Council in the exercise of its functions to have regard to the need to:

1. eliminate discrimination, harassment, and victimisation and any other conduct prohibited under the act;
2. advance equality of opportunity between persons who share a relevant protected characteristic and those who do not;
3. foster good relations between persons who share a relevant protected characteristic and those who do not.

Whilst not a statutory requirement, it is our policy that where relevant an equality analysis should also cover human rights and socio-economic equality implications.

The Council is committed to equality, diversity and inclusion. It seeks to ensure that all residents, employees and stakeholders are treated fairly and receive appropriate, accessible services and fair and equal opportunities. This commitment requires that equality considerations play a key role in our decision making processes; and in understanding the effect of our policies and practices.

Approach to Considering Equalities

All the budget savings proposals have been subject to an initial Equality Impact Analysis (EIA) screening which helps to establish the relevance to the Council's equalities duties and whether or not a full EIA is required. Guidance is issued to all officers on how to undertake an EIA and provides that full EIA's will not be required if, through the initial screening, it is clearly demonstrated, for example that there will be no negative equality impacts. However, the council's approach is that EIAs are living documents. Accordingly, even after a screening has been undertaken as projects/proposals develop and further evidence of impacts becomes available, and any unforeseen

[1] Bullet point 2 and 3 does not apply to marriage and civil partnerships.

impacts emerge, they should be reviewed and updated to reflect any changes. In relation to the current budget proposals, after the initial EIA screenings, nine saving proposals were identified as requiring full EIA's the details of which are summarised in this report.

The Council must carefully consider and have regard to the impact of it's savings proposals on the PSED; and take a reasonable and proportionate view regarding the overall impact and seek to mitigate negative impacts where possible.

Overall Assessment

- There is no direct discrimination arising out of the budget saving proposals.
- A proportion of the savings:
  - may have a negative impact on equality of opportunity;
  - have the potential to result in indirect discrimination for some people with protected characteristics;
  - may have a negative impact on opportunities to promote good relations.

  However, these impacts will be kept under review and where possible mitigations have been identified to reduce the effect as set out below and in the individual savings descriptions.

In light of the above, the proposed budget saving proposals are considered reasonable and have shown due regard to the PSED.

2 Key Demographic Data

Key facts about Brent's demographic profile are taken from sources such as the Office for National Statistics, population projections and the 2011 Census. They show how the borough is made up, helps us to identify potential impacts; and identifies the increasing pressures and demand for council services.

- Brent is home to around 334,700 residents and is the 7th largest borough in London.

- The borough has a population density of 7,612 people per square kilometre – the 14th highest population density in the UK, and the highest in Outer London.

- Brent has high levels of population churn: in 2016-17, 32,900 people moved into the borough and 33,700 moved out - a population turnover rate of 202 per 1000 population – 22nd highest out of 391 areas nationally, and 2nd highest across Outer London.

- Brent has a relatively young population: the average age of the population is five years lower than the UK average (35 vs. 40 years).

- Women comprise almost half (49%) of the population but make up 62% of the population aged 85 and over.

- The Brent population increased by 29% between 1997 - 2017. The borough's population change is driven by natural change (more births than deaths) as opposed to net migration.

- Brent has the 6th highest birth rate in England & Wales.

- The population is expected to rise by a further 18% in the next twenty years - which equates to an additional 61,100 residents by 2038 – around 3,000 extra residents per year. This pace of growth is in line with the London average, but almost double the England average (10%).

- The population is ageing: in the next 20 years, the number of residents aged 65 and over is expected to increase by 67% – which will mean an additional 26,700 older residents by 2038. The child population is expected to grow far more slowly, rising by 6% by 2038 (+4,400 children).

- The two wards expected to see the fastest growth are: Tokyngton (+161% rise in population) and Alperton (+103%). Together, these two wards are expected to accommodate an additional 46,400 residents by 2038.

A summary of the key protected characteristics in Brent are as follows:

- Age
  - 22% of Brent population aged under 18.
  - 12% aged 65 and over; including 2% aged 85 and over (fastest growing group).

- Disability
  - Proportion of people registered Disabled, or with a work-limiting disability, is slightly lower in Brent (15%) compared with London (16%).

- Gender reassignment
  - There is no local data on gender re-assignment, though national estimates suggest that around 0.02% of the UK population will undergo gender transition and 1% will experience gender variance.

- Marriage and civil partnership
  - There were 954 marriages that took place in Brent in 2015.
  - 2.4% of marriages in Brent were same-sex, compared with 4.3% across London.

- Race
  - Black, Asian and Minority Ethnic (BAME) ethnicities make up 65% of Brent; the White Other group adds another 16%.
  - 12% of under 18s are White British/Irish; compared with 43% in the 85+ age group.

- Religion or belief
  - Christianity remains the largest religion in Brent; 41% of residents in the 2011 Census.
  - Islam grew 7 percentage points between the 2001 and 2011 Census.

- Sex
  - Slightly more males than females, of working age.
  - More females than males in the older age groups (as women generally live longer).

- Sexual orientation
  - 2.1% of the London population identify as gay or lesbian; equating to around 7,000 in Brent.
  - 0.6% of the London population identify as bisexual; equating to around 2,000 in Brent.

- Pregnancy and Maternity
  - 5,147 live births in Brent in 2016; 72% were to parents who were married or in a civil partnership.
  - The General Fertility Rate is higher in Brent; 72% compared with 64% across London.

3 IMPACT OF SAVING PROPOSALS

A number of the proposed savings generate an income for the Council, or have other positive impacts on residents and communities, for example the Shared Fostering Services and the Reasonable Rents Scheme proposal which are set out in further detail below.

Development of Shared Fostering Service (CYP004)

There is a national shortage off foster carers for children in care. The proposal is to develop a joint fostering service initially with Ealing Borough with the aim of recruiting and retaining a wider selection of in-house foster carers who can provide a stable family environment to looked after children in the respective boroughs. The future aim will be to roll this out to other members of the West London Alliance.

A positive impact is anticipated from this proposal. The joint working and wider recruitment campaigns should enable a wider range of prospective foster carers to be identified from groups falling within the protected characteristics

Reasonable Rents (CWB021)

This proposal is to create a new model to increase the supply of affordable accommodation to help meet the demand for homeless households. The contraction of affordable Temporary Accommodation in the borough is resulting in more homeless households being housed into emergency Bed & Breakfast and/or other forms of temporary accommodation outside of Brent. The Reasonable Rents model will enable Registered Providers (RP) to lease properties (at a more competitive rate) from the private sector and let them to our accepted homeless households. This model will also enable the council to discharge its full housing duty to accepted homeless households. If this proposal is implemented it will not have a retrospective effect and will only apply to newly accepted homeless applications.

The scheme will enable reasonable/more attractive rates to be paid to landlords, allow properties to be retained and the housing portfolio expanded at a reduced cost to the Council.

Some protected groups are over – represented among homeless households. This is partly due to the criteria through which priority need is established, e.g. age, physical disability, mental health and or pregnancy.

Further work will be undertaken to identify the protected characteristics of the households impacted by this proposal. Positive impacts are anticipated from this proposal in relation to a reduction in the loss of properties available and increasing the supply of affordable accommodation to help meet the homeless demand.

Stop Smoking Services (CWB003)

The proposal is to make the service more efficient by stopping the general untargeted smoking cessation services; but maintaining the focussed stop smoking service for mental health service users and pregnant women.

There is a general impact on smokers who would like to quit but do not fall within the focussed groups and would consequentially lose access to free nicotine replacement therapy and face to face support. The revised approach will have a positive effect on the protected characteristics, in particular by advancing equality of opportunity.

The service will focus on more vulnerable users where, for example, the health data supports a greater dependency on smoking, or significant health implications for example on foetal health. Non-eligible service users can access the free online and telephone support provided by the London Smoking Cessation Transformation Project. Stop smoking medication such as Champix/Zyban and Nicotine.

Below is a summary of the full EIA's where a mixture of neutral and negative impacts have been identified. Also attached to this report as Cii are the detailed saving proposal with supporting EIA screenings and Civ which contains the full EIA's where implications on the PSED have been identified

Community Wellbeing

Re-commission of Public Health 0-19 (CWB002)

This proposal is to recommission and redesign the public health provision for 0-19 service with Children's Centre Services. The rationale being both public health (0-19) and the proposed family hubs service (CYP008) cater for the same families. In streamlining some of the services – efficiencies in service deliver can be released.

The impact may affect (1) all families' with new births and children under 5 because the service location may change and the service delivery may also alter; and (2) schools, for example health promotion activities, as school aged children receive this service provision through the school.

Currently, within the health visiting component of the service an enhanced offer is made to vulnerable families through the Maternal Early Childhood Sustained Home-visiting (MESCH) programme. It is proposed to retain this aspect of the service because it targets the most vulnerable families.

The service re-design and procurement process will be implemented in such a way as to ensure the specifications include measures to minimise the negative impact. For example, having key performance indicators which monitor and specifically address the protected characteristics; and consulting with families, other health, care and education services to shape to the service design. It is also proposed to retain the mandated (statutory) elements of the Universal Healthy Child Programme and The MESCH model which caters to vulnerable families. This EIA should be read in-conjunction with the proposed saving regarding the development of family hubs. The service will also undertake a further EIA as part of the service redesign process.

Children & Young People

<u>Creation of new alternative education provision with wrap around youth services from the Roundwood Youth Centre site. (CYP005)</u>

The proposal is to transform the Roundwood Youth Centre to an alternative educational setting during weekdays with community activities delivered by the voluntary sector in the evenings, weekends and school holidays. Current Local Authority funded youth work programmes will end under this proposal to be replaced by the new model, run in partnership with the voluntary sector and education provider.

The proposal is assessed as more likely to enhance and improve the current offer to young people within the borough than through current service provision – primarily through the greater connectedness of services that will provide a co-ordinated approach to their educational, employment and social needs based around the individual young person.

The potential for any negative impact can be mitigated though effective Local Authority oversight of contract management, clear partnership expectations with the voluntary sector and alternative education provider, alongside robust governance arrangements. The procurement tendering process will ensure that the specification addresses activities for the impacted groups (please see the full EIA for

impacted groups) and the impact of the changes will be mitigated by continued engagement with the identified groups who currently use the centre.

The service will also undertake a further EIA as part of the service redesign process.

Development of Family Hubs (CYP008|)

It is proposed to replace the 17 Children's Centres with 8 family hubs. Children's Centre hubs currently cater for children aged 0-5, whereas the family hubs cater for the entire family aged 0-19 (and 25 with SEND). Services provided by the Children's Centres will still be accessible through the family hub.

The impact will be more significant on vulnerable families that live close to the Children's Centres which are closed. They will not be able to access those support services and may experience longer /additional traveling in order to access the service. This will particularly impact those on low incomes and with disabilities or SEND. There will also be an impact on services provided by the midwifery team around ante-natal and postnatal support and health visiting service, as new mothers/parents will have greater difficulty accessing the support. There could be an increase in isolated young parents and postnatal depression.

Part of the mitigation is to ensure that the family hubs continue to deliver the service which were available at the Children's Centre. Hubs will be targeted in areas that have the highest usage and deprivation levels as well as considering the size and locality of the individual centres. Research based assessments will make the best use of resources and ensure that these are broadened to cover school age children. This will enable a greater reach for targeted services into families. With respect to isolation and additional travelling difficulties, consideration will be given to sourcing assistance with travelling. This EIA should be read in-conjunction with the proposal regarding re-commissioning of public health 0-19. The service will also undertake a further EIA as part of the consultation service redesign process.

Resources

Service Modernisation, More Digital (RES003/004)

There are two parts to this proposal (1) increasing the digital self- service provision by reducing/migrating face to face and telephone enquires (003). This will include utilising Robotic Processing Automation which will improve the current customer offer and address

feedback arising out of the consultation process; and (2) launching a universal offer to all residents which will set an expectation to self-serve using digital channels (004) and a more tailored offer to vulnerable residents to ensure they have access to appropriate assistance.

No direct impact is envisioned by the first proposal as the robotic processing changes the way in which data is processed (thereby improving the service delivered).

In relation to proposal 2, there may be an impact on vulnerable users although the aim of the change is to better target assistance to those who most need it. Consequently, residents who can use self-service will be diverted to self-serve to enable the prioritisation of those service users that require additional support and or assistance. Older people are less likely to be confident in using digital service facilities, people with learning disabilities and those suffering with mental health issues may find it more difficult to use the digital service and require assistance or provision in another way. Users whose first language is not English may also find it more difficult to use digital self-service channels.

Service users who need additional assistance will be identified through a broad framework which will help to determine the type of assistance they need and where this can be accessed. This may include providing access to self service facilities, training and assistance with accessing services through Community hubs or provision of assistance in people's homes. A further EIA may be undertaken in relation to proposal 2 as the new universal offer is developed.

Review of Council Tax Support Scheme (RES011, RES011A, RES011B)

It is proposed to review and implement a revised Council Tax Support Scheme from 2020/21. The exact mechanism and model is still to be determined. With exception of pensioners who are protected by the prescribed national scheme, the proposal could impact on all residents of working age who are currently entitled to council tax support, approximately 18,500 claimants, or some sub-set of them depending on the detailed scheme design. The proposal may have some impact on groups falling within the protected characteristics, for example race, age, disability as they will receive less financial support.

There are a number of possible actions that can be employed to help mitigate any negative impacts. For example, hardship grants and transitional protection. These will be explored in further detail as the scheme design is consulted upon and developed. A further EIA will be undertaken as the proposal is developed; and a subsequent Cabinet decision sought, informed by this, prior to the planned implementation in 2020/21.

Council Tax Increase

It is proposed to increase Council Tax by 4.99% (2% ring fenced for Adult Social Care and 2.99% general increase). This will generate an additional £5.7m of recurring income for the council and avoid further savings having to be made to key council services.

This proposal will impact on all residents in the borough who are liable to pay Council Tax. As the increase has universal application no one particular group with protected characteristics is targeted.
In terms of mitigation, the Council Tax Support Scheme provides some assistance for vulnerable residents and households on low incomes. However, the Council Tax Support Scheme (RES011, RES011A, and RES011B) is subject to a review proposal. Consequently, a further analysis of the cumulative impact will be assessed as part of the modelling of the new scheme.

3 CUMULATIVE IMPACTS

Table 1 below summarises the potential cumulative impacts on groups which have a protected characteristic. No specific impacts have been identified in relation to religion & belief sexual orientation, gender re-assignment and marriage & civil partnership and accordingly these groups have not been included in the table.

The full EIA's have identified a potential for compounded impacts on young people and the elderly (age), those with disabilities, race (BAME and citizen's whose first language is not English) and to a lesser extent those who are pregnant or on maternity leave.

However, at this stage the impacts are considered to be medium to low as a range of mitigating actions have been and will be put in place to reduce the negative impacts and ensure the Council's commitment to making a real difference to the lives of local people is achieved.

A significant number of the proposals support income generation either by way of service design or introducing new initiatives which will have a positive impact on residents, communities and service delivery.

Although initial equality screenings have been undertaking to ascertain the PSED impact, many of the proposals are in their formative stages and are still to be developed and or subject to consultations. Consequently, as the proposals are developed further equality analysis will be undertaken to assess the PSED.

Table 1

Proposal	Age	Disability	Race	Sex	Pregnancy or maternity	Service Area
Recommission Children's Centre (CWB002)	✓ (children)	x	x	x	x	Community Wellbeing
Transform the site and end council run youth services delivered from Roundwood (CYP005)	✓ (young people)	✓	✓	x	x	Children & Young People
Develop family hubs form Children's Centres (CYP008)	✓ (children)	✓	x	x	✓	Children & Young People
Service Modernisation, more digital services (RES003 & RES004)	✓ (elderly)	✓	✓	x	x	Resources
Review of Council Tax Support Scheme (RES011,RES011a, RES011b)	✓	✓	✓	x	x	Resources

4 SOCIO – ECONOMIC IMPLICATIONS

According to the Brent Resident Attitude Survey 2018 (Lower income defined as residents living on household incomes below £20,000 per year, after tax and deductions); certain groups within the population are more likely than others to live in poverty. In Brent, survey analysis shows that those living on lower incomes are more likely to be: those from Black ethnic groups; residents with a disability or long-term illness; older residents; those with no qualifications; those who are not in work; and those who live in social housing.

The proposals regarding children's centres, youth centres and possibly the review of the Council Tax Support Scheme, cumulatively have the potential to negatively impact on families and residents from lower socio-economic groups. Some of the proposals will be mitigated by more effective working with partners to ensure resources are used effectively, retaining statutory parts of the service and the consideration of assistance/transitional protection where feasible. However, these risks which primarily affect women in lower socio – economic groups will need to be carefully monitored and considered by Community Wellbeing and Children & Young People.

5 STAFFING IMPLICATIONS

A number of proposals involve staff restructures or service redesign. In order to minimise the number of compulsory redundancies the council used voluntary redundancy where appropriate. Consequently, many of the budget saving proposals will be met by voluntary redundancies or deleting vacant posts.

Of the staff who were accepted for Voluntary Redundancy, during the Council's voluntary redundancy exercise in 2018/19, the majority were older members of staff, aged 51+ with a higher proportion of females (70%) successfully applying.

The proportion of officers who applied for Voluntary Redundancy in the older age group (79% of applicants) was much higher than the proportion of the overall workforce that this represents (34%).

This is explained by the access to early unreduced pension entitlements in the case of those aged 55 yrs. and over. Whist this will have an effect on the age profile of the workforce, this impact cannot be avoided whilst maintaining fair access to the Voluntary Redundancy scheme for this age group.

In terms of ethnicity, there was a higher proportion of black staff (35%) who were accepted for voluntary redundancy followed by White (27%) and then Asian (25%) staff.

In all other groups the figures for applications and approvals/rejections do not indicate an adverse impact arising from the application of the scheme criteria.

As further proposals which impact staff are developed further equality analysis will be undertaken.

Council's Equalities Profile

The Council has around 2100 employees. The current equalities profile is set out below. The Council as a whole has a diverse workforce both in terms of age with a roughly equal distribution of age between 31 and 60.

From an equalities perspective, there is a significant proportion of staff who have not identified their disability status (36%), ethnic origin (43%) or religion and belief (39%) and this is like most London Boroughs where equalities data can be improved. The Council has started the "Let Us Know" campaign which encourages officers across the council to update their personal information from an equalities perspective. Nonetheless, the current staffing equalities profile is broadly reflective of the borough's equalities profile.

Age

By Age Band	Headcount	Percentage of Total
Under 21	20	1%
21-30	335	16%
31-40	539	26%
41-50	552	26%
51-60	525	25%
61-70	130	6%
71-79	5	0%

Disability

By Disability	Headcount	Percentage of Total
Disabled	128	6%
Not Disabled	1218	58%
PNTS / Unknown	760	36%

Gender Re-assignment

Gender identity same as assigned at birth	Headcount	Percentage of Total
Yes	1425	68%
No	13	1%
PNTS / Unknown	668	32%

Marriage & Civil Partnership

Married or in a civil partnership	Headcount	Percentage of Total
Yes	537	25%
No	271	13%
PNTS / Unknown	1298	62%

Race

By ethnic origin	Headcount	Percentage of Total
Asian	340	16%
Black	400	19%
Mixed Heritage	37	2%
White	408	19%
Other	16	1%
PNTS / Unknown	905	43%

Religion or Belief

By Religion	Headcount	Percentage of Total
No religion	186	9%
Christian	644	31%
Hindu	232	11%
Muslim	108	5%
Other	107	5%
PNTS / Unknown	829	39%

Sex

By Gender	Headcount	Percentage of Total
Female	1341	64%
Male	765	36%

Sexual Orientation

By Sexual Orientation	Headcount	Percentage of Total
Lesbian, gay or bisexual	37	2%
Heterosexual/Straight	1251	59%
PNTS / Unknown	818	39%

Pregnancy & Maternity

Currently on Maternity	Headcount	Percentage of Total
No	2077	99%
Yes	29	1%

Individual Equality Analyses of Budget Proposals

This document:

- outlines the equality implications of individual budget proposals on equality and socio-economic groups;
- sets out the mitigating factors and monitoring arrangements put in place;
- informs the equalities implications section in the Budget and Council Tax report - 2019/20 to 2020/21.

The equality analyses in this report are subject to change in response to alterations to any of the individual budget proposals.

The table below sets out the equalities analysis for individual proposals:

Service Area	Index	Description	Page no.
CWB	CWB002	Recommission public health 0-19 services with children's centres	4 - 10
CWB	CWB003	Cease untargeted smoking cessation	11 - 16
CYP	CYP004	Develop a shared fostering service with the 3 other WLA boroughs, resulting in staffing efficiencies	17 - 23
CYP	CYP005	Create additional local alternative education provision with enhanced activities for young people at the Roundwood Centre site	24 - 34
CYP	CYP008	Develop family hubs from children's centres	35 – 43
RES	RES003/004	Service modernisation- reduced opening hours, more digital services and demand management	45 - 51
RES	RES011	Review of Council tax support scheme - estimated 3, 7% or 15% reduction in total expenditure	52 - 58
CWB	CWB021	Temporary housing to reasonable rents	59 - 66
Council Tax	N/A	Overall Council Tax increase of 4.99%	67 - 73

CWB002 Recommission public health 0-19 services with children's centres

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	CWB002
DEPARTMENT:	Community Wellbeing
TEAM:	Public Health
LEAD OFFICER:	Melanie Smith
DATE:	07/01/18

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

Recommission public health 0-19 service with children's centres contract to realise efficiencies

A fundamental redesign of the current public health 0-19 service and the Children's Centre services, leading to a joint CYP / PH re-commissioning of a new service which achieves public health and CYP outcomes

Note: should the CYP saving CYP 008 be progressed, it would not be possible to achieve the full saving as the overall contract would be reduced. The two proposals are interdependent and this one would need to be reduced if CYP008 is progressed

This EA should be read in conjunction with that for CYP008

2. Who may be affected by this policy or proposal?

All families with new births and children under 5. The public health 0-19 service is a universal service offered to all children and their families. The mandated universal elements of the service will be retained

School aged children receive a service through schools. Schools will therefore be affected by this proposal

Within the health visiting component of the current service an enhanced offer is currently made to vulnerable families through the MESCH service. These families may or may not have protected characteristics It is proposed to retain this aspect of the service

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes. The proposal has the potential to disproportionally impact on people with protected characteristics namely age and pregnancy / maternity

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	**IMPACT**		
	Positive	**Neutral/None**	**Negative**
Age			**X**
Sex		**x**	
Race		**x**	
Disability		**x**	
Sexual orientation		**x**	
Gender reassignment		**x**	
Religion or belief		**x**	
Pregnancy or maternity			**X**
Marriage		**x**	

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	**x**	
Does the policy or proposal relate to an area with known inequalities?		**x**
Would the policy or proposal change or remove services used by vulnerable groups of people?		**x**[1]
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**x**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

[1] As the MESCH service will be retained

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The achievement of savings has the potential to impact negatively on the service offered to pregnant women and children. The proposal will be implemented in such a way as to minimise this through the service redesign and procurement processes. In particular the retention of mandated elements of the universal healthy child programme and the MESCH model should mitigate any negative impact. However a further EA will be required as part of the service redesign.

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	The mandated universal elements of the service will be retained. I.e. all families will continue to receive a new birth visit, and the new service will be required to maintain or improve the completion of 6-8 week, one year and two and a half year checks.
DISABILITY	
Details of impacts identified	The current public health universal service works with and refers to other health, care and education services to provide for children with a disability. In the redesign of the service, this system working must be explicitly considered
RACE	
Details of impacts identified	Not Applicable
SEX	

Details of impacts identified	Not Applicable
SEXUAL ORIENTATION	
Details of impacts identified	Not applicable The current service is offered to same sex as well as heterosexual couples. No change to this provision is planned
PREGANCY AND MATERNITY	
Details of impacts identified	The mandated universal elements of the service will be retained. I.e. all families will continue to receive a new birth visit, and the new service will be required to maintain or improve the offer of antenatal support.
RELIGION OR BELIEF	
Details of impacts identified	Not Applicable
GENDER REASSIGNMENT	
Details of impacts identified	Not Applicable
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Not Applicable The current service is offered to all families irrespective of marital status or civil partnership. This will continue

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No, provided the mandated elements of the universal healthy child programme are maintained.

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Families were consulted in the development of the current service specification however further engagement in the development of the revised specification will be required

5. Please detail any areas identified as requiring further data or detailed analysis.

The public health service is a universal service which works with and refers to other health, care and education services to meet the needs of those families and children with more complex needs. Further work will be required to understand how the remodelled service will work with the wider system

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

The action plan should mitigate negative impacts.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

Through robust contract monitoring including the measurement of KPIs which specifically address the equality duty

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

The service redesign should retain the mandated elements of the healthy child programme, the MESCH model and be designed in consultation with families and other health, care and education services. A further EQIA will be required on the new specification.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**x**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Continuous engagement with the community.	Transparency and community being kept up to date with the developments.	Marie McLoughlin and CYP	Before commencement of procurement
Engagement with local health, care and education services	Ensure redesigned service works with the rest of the "system" and avoids families "falling through the gaps"	Marie McLoughlin and CYP	Before commencement of procurement
Specification of new service and KPIs to address equalities duties	A new service model which minimises any negative impacts on both protected characteristics and vulnerable families	Marie McLoughlin and CYP	To be agreed prior to October 2020 and be operational upon Family Hubs launch
Inclusion of mandated elements of healthy	A new service model which minimises any negative	Marie McLoughlin	Before contract award

child programme in new contract and evaluation of bidders against ability to deliver	impacts on both protected characteristics and vulnerable families	,Andy Brown and CYP	
Inclusion of MESCH model in new specification and evaluation of bidders against ability to deliver	A new service model which minimises any negative impacts on both protected characteristics and vulnerable families	Marie McLoughlin ,Andy Brown and CYP	Before contract award
Robust contract management	To ensure performance against specification and KPIs	Andy Brown and CYP	From award of contract and thereafter quarterly

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Melanie Smith
HEAD OF SERVICE:	Melanie Smith

CWB003 Cease untargeted smoking cessation

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Savings Proposal
DEPARTMENT:	Community and Wellbeing - Public Health
TEAM:	Stop Smoking Service
LEAD OFFICER:	Janice Constance and Clementine Djatmika
DATE:	24/12/2018

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

The proposal is to cease untargeted smoking cessation and retain the stop smoking service for mental health service users and pregnant women. Intended results is to make the service more cost-efficient.

2. Who may be affected by this policy or proposal?

In 17/18, 1143 smokers were supported to quit by public health commissioned services. Smokers who wish to quit would lose access to free nicotine replacement therapy and to face to face support.

NRT would still be available to purchase or on prescription. On line and telephone support would be available, provided by the London Smoking Cessation Transformation Project.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

The revised service will advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. For example those who are pregnant or those with a disability, i.e. mental health service users. Service outcome is designed to lower inequalities in smoking related outcomes in those with protected characteristics. For example those who are pregnant or those with a disability, i.e. mental health service users.

4. Please indicate with an “X” the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	**Neutral/None**	**Negative**
Age		**X**	
Sex		**X**	
Race	**X**		
Disability	**X**		
Sexual orientation		**X**	
Gender reassignment		**X**	
Religion or belief		**X**	
Pregnancy or maternity	**X**		
Marriage		**X**	

5. Please complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council’s public sector equality duty?	**X**	
Does the policy or proposal relate to an area with known inequalities?	**X**	
Would the policy or proposal change or remove services used by vulnerable groups of people?		**X**
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**X**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

Disability: People with disabilities who may also have mental health problems especially those with drug and alcohol problems are more likely to smoke than general population and less likely to quit without support.

Race: Some BME groups have higher smoking rates than average (e.g. Bangladeshi, Arab, Turkish and some Eastern Europeans).

Some groups such as the South Asian population will have lower smoking rates, however have an increased rate with the use of other tobacco products such as shisha and chewing tobacco.

Pregnancy and Maternity: The impact of smoking during pregnancy on maternal and foetal health is significant in terms of morbidity, mortality, long term infant health and healthcare costs. The smoking status at time of delivery in 2016/17 was 3.2%, this equates to 146 women smoking at time of delivery (fingertips).

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	Not Applicable
DISABILITY	
Details of impacts identified	The stop smoking service will be targeted to mental health service users. This will: • Increase available support and resources to aid in smoking cessation • Service will be tailored to the needs of this vulnerable group

RACE	
Details of impacts identified	The stop smoking service will be targeted to chewing tobacco/shisha service users. This will: • Increase available support and resources to aid in smoking cessation • Service will be tailored to the needs of this targeted group
SEX	
Details of impacts identified	Not Applicable
SEXUAL ORIENTATION	
Details of impacts identified	Not Applicable
PREGANCY AND MATERNITY	
Details of impacts identified	The stop smoking service will be targeted to pregnant service users. This will: • Increase available support and resources to aid in smoking cessation • Service will be tailored to the needs of this targeted group
RELIGION OR BELIEF	
Details of impacts identified	Not Applicable
GENDER REASSIGNMENT	
Details of impacts identified	Not Applicable

MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Not Applicable

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

None identified

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

None identified

5. Please detail any areas identified as requiring further data or detailed analysis.

None identified

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

None identified

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

- Continuous feedback received from the community,
- Recording demand for service
- Data analysis from Midwifery and mental health services and service users.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider

what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

As above.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**X**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Janice Constance and Clementine Djatmika
HEAD OF SERVICE:	John Licorish

CYP004 Develop a shared fostering service with other WLA boroughs, resulting in staffing efficiencies

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	CYP004
DEPARTMENT:	Children and Young People
TEAM:	Looked After Children and Permanency Service
LEAD OFFICER:	Onder Beter
DATE:	04/01/2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

Development of a joint fostering service with at least one other West London local authority. This would mean joint recruitment, assessment and approval of foster carers as well as support provided to them.

The aim is to recruit and retain more in-house foster carers who could provide a stable family environment to looked after children in those local authority areas. The outcomes are in line with the CYP Departmental Plan and the Borough Plan.

2. Who may be affected by this policy or proposal?

The aim is to attract Brent and other West London local authority residents into fostering. No one is considered to be affected by this change in a negative way. In fact, via joint and more effective recruitment campaigns more prospective foster carers could be reached.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Providing children in care with stable and caring homes and running a fostering service are amongst councils' public sector duties. Hence, making these changes, it is anticipated that the Council's public sector duty will be fulfilled in a more efficient way.

4. Please indicate with an “X” the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	**Neutral/None**	**Negative**
Age		**x**	
Sex		**x**	
Race		**x**	
Disability		**x**	
Sexual orientation		**x**	
Gender reassignment		**x**	
Religion or belief		**x**	
Pregnancy or maternity		**x**	
Marriage		**x**	

5. Please complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council’s public sector equality duty?	**x**	
Does the policy or proposal relate to an area with known inequalities?		**x**
Would the policy or proposal change or remove services used by vulnerable groups of people?	**x**	
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**x**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

There is a nationally acknowledged shortage of foster carers for children in care. Brent is not an exception. Whilst local authorities struggle to recruit and retain sufficient number of foster carers, the private and voluntary sector can offer a more flexible and financially attractive package for foster carers. This results in a competitive market. Foster carers recruited by the private and voluntary sector are commissioned by local authorities, especially when they lack in-house foster placements, which is financially burdensome. In preparation for this project, fostering data for both Brent and one other West London local authority has been reviewed alongside the relevant fostering strategies (marketing and sufficiency strategies).

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	It is a challenge to place older looked after children in fostering settings due to lack of sufficiency. A combined approach should enable a newly created agency to reach more potential foster carers who might be able to provide placements for children of all ages.
DISABILITY	
Details of impacts identified	Reaching out to more potential foster carers would broaden the profile of carers who could offer placements to children with disabilities.
RACE	
Details of impacts identified	Reaching out to more potential foster carers will improve the ability to offer better cultural and ethnic matches between children and their foster carers, including continuing high numbers of unaccompanied asylum seeking children.

SEX	
Details of impacts identified	Reaching out to more potential foster carers will improve the number of fostering households where the lead carer is male.
SEXUAL ORIENTATION	
Details of impacts identified	Reaching out to more potential foster carers will improve the ability to offer placements for children with carers who understand and identify with children's sexual orientation. With greater scope for marketing and recruitment activity in a new arrangement the proposed agency can target recruitment campaigns towards same sex households.
PREGANCY AND MATERNITY	
Details of impacts identified	Not Applicable
RELIGION OR BELIEF	
Details of impacts identified	Having a broadened profile of foster carers will increase the possibility of better matching of children with carers who share their families religion or belief systems.
GENDER REASSIGNMENT	
Details of impacts identified	Reaching out to more potential foster carers will improve the ability to offer placements for children with carers who understand and identify with gender reassignment issues.
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Not Applicable

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Further work is planned to take place in 2019 with fostering services in Brent and other West London authorities.

5. Please detail any areas identified as requiring further data or detailed analysis.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

Regular reviews – performance meetings and performance indicators for looked after children will be used.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

A remaining lack of sufficient fostering households to meet demand following the implementation of these changes. This risk is mitigated by making sure there will be regular performance management that puts recruitment and retention of foster carers under consistent scrutiny. One local authority may benefit from the new arrangement more favourably than another. The risk will be mitigated by transparent and open protocols and processes agreed and relevant levels of authorisations granted. Regular reviews of fostering panel activity as well as retention of foster carers will take place.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**x**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
N/A			

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Onder Beter
HEAD OF SERVICE:	Onder Beter

CYP005 Create additional local alternative education provision with enhanced activities for young people at the Roundwood Centre site

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	CYP005
DEPARTMENT:	Children and Young People
TEAM:	Inclusion
LEAD OFFICER:	Bhavna Bilimoria
DATE:	07/01/2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary of its objectives and the intended results.

This Equalities Assessment is in respect of the changes planned to the Youth Offer currently delivered by the Local Authority. In order to meet the needs of children at risk of permanent exclusion from school the Council intends to create more local provision by commissioning the creation of a new alternative provision school from the Roundwood Youth Centre site, enhancing the existing arrangements that are in place. Alongside this will be a greater youth and community offer from the site by enabling more use of the centre in the evenings, at weekends and school holidays.

The change of focus will be that an education provider, in partnership with the voluntary sector (including the Young Brent Foundation), will ensure new and enhanced services are offered to Brent's young people. The Local Authority will provide a co-ordinating function, making better use of its asset in the shape of the Roundwood site to meet the needs of children and young people who will benefit most from additional support outside the home.

The Local Authority has a responsibility under section 507b of the Education Act 1996 (as amended by Education and Inspections Act 2006) to secure, so far as reasonably practicable, sufficient educational and recreational activities which are for the improvement of young people's well-being, personal and social development, and sufficient facilities for such activities for young people aged 13 – 19, (or up to 25 for young people with additional needs).

The Council also has a statutory responsibility to publish a Youth Offer – a directory listing all provision across Brent. There is no requirement on the Local Authority to directly fund or deliver services to a particular level (or at all). Current Local Authority funded youth work programmes will end under the proposal.

Current Delivery Model:

1) Youth work activities. Following service reductions in 2016 the Council continued to directly provide youth work activities from the Roundwood Centre site. A team leader and a small part-time team of youth workers deliver activities for young people on 3 nights a week from the Roundwood site. A variety of activities are delivered on those 3 evenings including cookery, music production, table tennis, Wii sport, craft activities - as well as positive mentoring by local authority youth workers. Providers from the voluntary sector deliver services on the remaining weekday evenings. Providers include: Sport at the Heart; The SAAFI Project; Zest of Mind; St. Michael and All Angels Church Steel band; Middlesex Cricket Club; The Challenge Project; QPR Community Trust.

2) 'Right Track'. Also operating during the day within term-time is a project called 'Right Track' which provides classroom based activities for a small number of young people who have received fixed-term school exclusions. The project is funded by Brent secondary schools and has demonstrated an effective model of intervention for children. 'Right Track' operates independently of the youth work provision from the site.

3) 16+ Education, Employment and Training Advice (Connexions). A Brent Council funded offer to provide advice and guidance to young people regarding their education, employment and training options is also based from the Roundwood site. This successful project has helped Brent to be in the top 20% of Local Authority's nationally in terms of the number of young people who are in education, employment and training. The project operates independently of the youth work provision from the site.

Proposed Delivery Model:

The plan is to transition the Roundwood Youth Centre site to a new provider, enhancing the current youth offer whilst connecting up the needs of young people at risk of school exclusion to positive activities outside of the school day. The needs of all Brent's young people who have been excluded cannot currently be met within the borough. Establishing a new site for alternative education provision will increase the numbers of young people who will receive their schooling closer to home, rather than out of the borough which is currently the case.

It is planned that the 16+ education, employment and training advice (Connexions) offer would continue to operate from the site with clearer links established to the new alternative education provision and wraparound youth activities so there is co-ordination of the various services on offer, based around the needs of individual young people.

The intended governance arrangements would bring the voluntary sector, potentially through the Young Brent Foundation and the Local Authority into a formal partnership

that will ensure a co-ordinated approach to all services as well as the ability to access a wider network of grant funding.

The Council has a statutory responsibility to publish a Youth Offer – a directory listing all provision across Brent. In the proposed new delivery model the Local Authority will continue to publish a Youth Offer. Work has been undertaken in the Local Authority to develop the online Youth Offer, 'Brent Youth Zone'. Council officers will continue to gauge feedback to improve the site to make it accessible to young people. The Council is also looking into the potential development of an App. to go alongside 'Brent Youth Zone'.

The expected outcomes of the new alternative provision and enhanced youth offer will be:

- To improve the educational outcomes of young people at risk of exclusion or who have been excluded from mainstream secondary school.
- To provide alternative, structured pathways into education, employment and training for the 16-19 age group, reducing still further the numbers of 'NEET' young people in the borough.
- To provide a comprehensive, up to date and all-encompassing Youth Offer that will include positive diversionary activities for the universal cohort of young people, contributing towards overall Council objectives that will:
    - give every child the opportunity to succeed;
    - create a borough where all can feel safe, secure, happy and healthy.

2. Who may be affected by this policy or proposal?

Changes to the Youth Offer will affect young people aged 13 to 19 (and up to 25 for young people with Special Educational Need and Disability (SEND)). Further detail is included in section B. Some Brent Council officers will also be affected as the proposals will affect the direct work currently delivered by youth workers at Roundwood Youth Centre.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

There is a relevance to the public sector equality duty in relation to fostering good relations within the community.

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	Neutral/None	Negative
Age	**X**	**X**	
Sex		**X**	
Race	**X**	**X**	
Disability		**X**	
Sexual orientation		**X**	
Gender reassignment		**X**	
Religion or belief		**X**	
Pregnancy or maternity		**X**	
Marriage		**X**	

5. Please complete **each row** of the checklist with an "X".

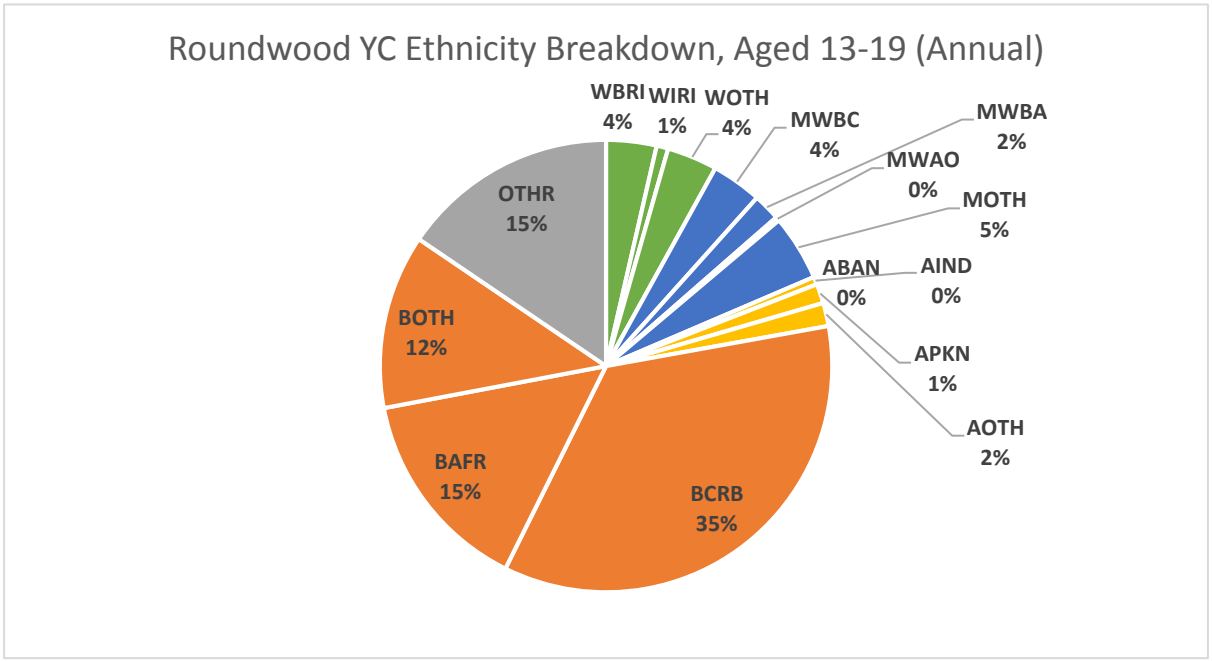
SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	**X**	
Does the policy or proposal relate to an area with known inequalities?	**X**	
Would the policy or proposal change or remove services used by vulnerable groups of people?	**X**	
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**X**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

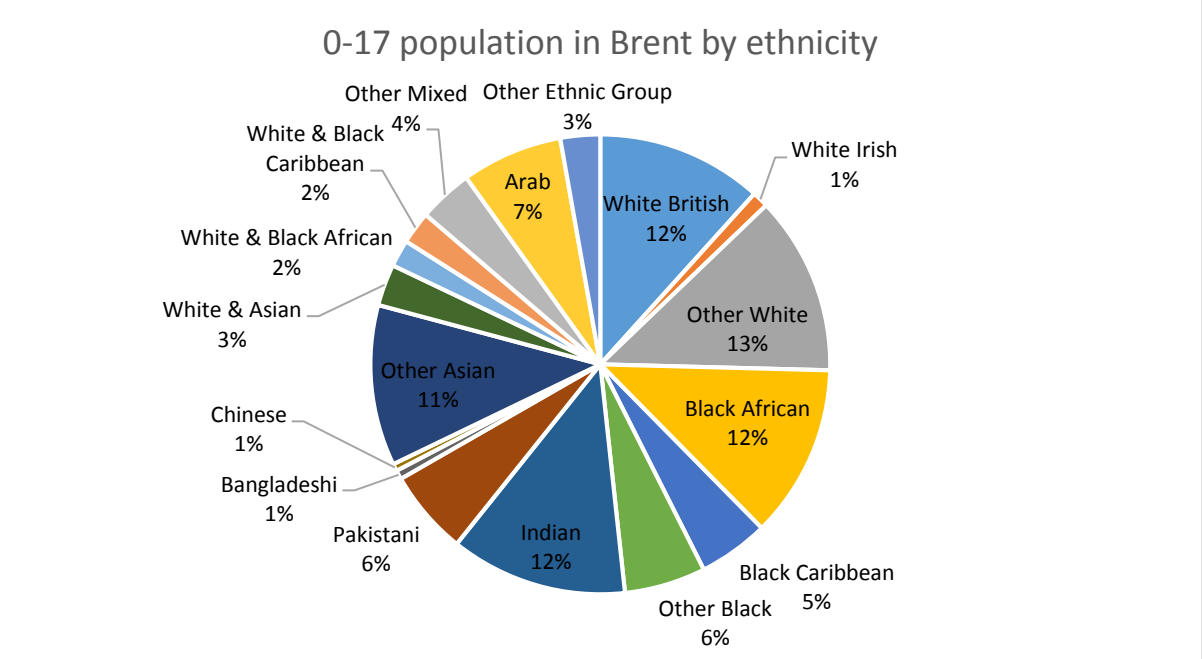
SECTION B – IMPACT ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The GLA 2016-based Housing-led Ethnic Group Population Projections have been used to compare the ethnicities of the borough wide 0-17 cohort and the cohort that attend Roundwood Youth Centre. The figures taken from Roundwood Youth Centre are based on number of individual contacts.

In 17/18 361 young people aged 13-19 attended Roundwood Youth Centre. The ethnicity of the majority of young people in attendance was Black Caribbean, followed by Black African and Black Other. The proportion of Black Caribbean attendees is significantly higher than the proportion of Black Caribbean young people across Brent.





Enhancing the youth offer will have a beneficial impact upon young people, particularly from black ethnic backgrounds as these groups have the highest attendance at current youth provision.

More than 80% (as at January 2019) of young people who require alternative education provision attend a setting out of the borough. Improving the number of places within the local area will ensure young people can be educated closer to home, reducing travelling time and potential safeguarding risks for some young people.

Further information is required to determine the overall impact of a new alternative provision educational setting for young people of secondary school age. Initial judgements are based on professional opinion within the Inclusion Service and focus group discussions with local secondary school Head teachers, as well as the voluntary sector including the Young Brent Foundation.

2. For each "protected characteristic" provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state "not applicable".

AGE	
Details of impacts identified	The proposed delivery model will continue to provide an open access youth offer and deliver positive diversionary activities for young people aged 13-19 (and up to 25 for young people with SEND). The proposed changes will see the Local Authority end their role in direct delivery of universal youth services by co-ordinating the alternative provision and voluntary sector offer. The potential positive impact will be the creation of more joined up, wraparound services being available to connect daytime educational provision with evening youth activities. This will also apply to the education, employment and training project. A potential negative impact for young people may be seen in any change to providers and individuals delivering services to them and some disruption to the continuity of service. The Council has a statutory responsibility to publish a Youth Offer – a directory listing all provision across Brent. In the proposed new delivery model this will continue and so there is no anticipated negative impact.
DISABILITY	

Details of impacts identified	The proposed delivery model aims to continue to provide a universal youth offer and deliver positive diversionary activities for young people aged 13-19 (and up to 25 for young people with SEND). There will be a positive impact for any young people with additional needs through the creation of alternative educational provision as the services will be available locally and can be connected to extra-curricular youth activities. This will enable any relevant young people with an education, health and care plan to receive services co-ordinated from the same venue. A potential negative impact for young people may be seen in any change to providers and individuals delivering services to them and some disruption to the continuity of service. The Council publishes information for children and young people with special educational needs and disabilities (and their parents/carers) via the Local Offer. The Local Offer signposts organisations and groups that are accessible to children and young people with special educational needs and disabilities (and their parents/carers) and this service will not be affected by the proposed changes.
RACE	
Details of impacts identified	Enhancing the youth offer will have a beneficial impact upon young from black ethnic backgrounds as these groups have the highest attendance at current youth provision. As young people from black ethnic backgrounds are the largest group attending current provision at the Roundwood site a potential negative impact may be seen in any change to providers and individuals delivering services and possible disruption to the continuity of service during a handover period.
SEX	
Details of impacts identified	Further investigation is required to understand the impact of the proposed changes on sex, however the proposed delivery model will aim to continue to offer a universal youth offer and deliver positive diversionary activities for young people aged 13-19 (and up to 25 for young people with SEND). Roundwood Youth Centre is accessed by young men and women (with a female only session run on a Thursday). Further detail will be gathered on the

	female only session to determine any impacts that a change in service and/or provider would have.
SEXUAL ORIENTATION	
Details of impacts identified	There are no anticipated impacts for sexual orientation.
PREGANCY AND MATERNITY	
Details of impacts identified	There are no anticipated impacts for pregnancy and/or maternity.
RELIGION OR BELIEF	
Details of impacts identified	There are no anticipated impacts for religion or belief.
GENDER REASSIGNMENT	
Details of impacts identified	The proposed delivery model will aim to continue to offer a universal youth offer and deliver positive diversionary activities for young people aged 13-19 (and up to 25 for young people with SEND) and any service provider would have to ensure they did not discriminate based on gender reassignment.
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	There are no anticipated impacts for marriage and civil partnership.

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Over the past few years the Local Authority has consulted with young people, Roundwood Youth Centre users, Council staff and other stakeholders on the Youth Offer. Young people's views were gained from users of the Roundwood Youth Centre as well as Brent Youth Parliament, Care in Action / Care Leavers in Action and other focus groups. Young people were also consulted with as part of the Outcome Based Reviews related to Gangs and children on the edge of care.

The Brent Youth Zone website has been developed in collaboration with young people across the borough including Brent Youth Parliament and users of Roundwood Youth Centre. A questionnaire was distributed with around 40 responses giving feedback on what they would like from the website.

There has been ongoing consultation with education providers and the voluntary sector around the proposed Alternative Provision and how it could work within Brent.

As firm plans are developed, that will set out the commissioning intentions for the new provision, young people will be consulted and any amendments made to the specification as a result of this.

5. Please detail any areas identified as requiring further data or detailed analysis.

Further consultation with young people is required related to the specific delivery model proposed. This is proposed to occur by April 2019.

Further investigation is required to understand the impact of the proposed changes on sex.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

The specification for the proposed Alternative Provision will clearly state the need for the inclusion of employment, advice and guidance services alongside an expanded youth and community offer aimed at young people after school, at weekends and during school holidays. The Local Authority also intends to be represented within the governance arrangements for the new provision in order to ensure wider Council objectives are realised. These approaches will mitigate any potential negative impact of the proposed changes. The Local Authority will have ongoing contract monitoring of any service specification, this will also include equalities monitoring. The Local Authority will signpost affected individuals to other services available including those within the Council's Early Help services or through the proposed Family Hubs.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

- Contract monitoring of any new procured service against service specification.
- Through data monitoring of school exclusion data and overall outcome measures for children attending the alternative provision.
- An annual survey of young people using the new out of school hours open access provision.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

The proposed policy to transform the Roundwood centre to an alternative educational setting with community youth activities will continue to provide positive diversionary activities for young people aged 13-19 (and up to 25 for young people with SEND) within Brent. It is more likely to enhance and improve the current offer to young people within the borough than through current service provision – primarily through the greater connectedness of services that will provide a more connected approach based around the needs of individual young people.

The potential for negative impact as described above in section B can be mitigated though effective Local Authority oversight of contract management, clear partnership expectations with the voluntary sector and alternative education provider alongside robust governance arrangements. Some further investigation into the impact of the proposed changes on grounds of gender is required.

The proposed Alternative Provision will also support young people at risk of exclusion through offering alternative pathways into education, employment and training. This element of the proposal will have a positive impact on Brent young people.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**X**

B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Identify the sex (gender) of Roundwood Youth Centre users	Identify any impacts that may arise from information	Sarah Miller	By April 2019
Consultation with young people across the borough (and directly in Roundwood Youth Centre) about the new service delivery model	Local Authority to gain the views of young people in the borough regarding the new service, and share the research with new provider	Sarah Miller	By April 2019
Consultation with voluntary/community organisations in the borough (and directly in Roundwood Youth Centre) about the new service delivery model	Local Authority to gain the views of the voluntary/community sector regarding the new service, and share the research with new provider	Sarah Miller	By April 2019
Consultation with current staff employed in Roundwood Youth Centre about the new service delivery model	Local Authority to inform and gain the views of the staff employed in Roundwood Youth Centre on the proposed changes	Sarah Miller	By April 2019
Contract monitoring of any Alternative Provision and community activities aimed at young people procured for Roundwood	New provider to meet service specification such that community/youth offer is delivered	Sarah Miller	Termly as per contract

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Bhavna Bilmoria
HEAD OF SERVICE:	Sarah Miller, January 10th 2019

CYP008 Develop family hubs from children's centres

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	CYP008
DEPARTMENT:	Children and Young People
TEAM:	Early Help
LEAD OFFICER:	Sue Gates
DATE:	12/12/18

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

Development of Family Hubs from the existing Children's Centres by reduction of the current number of 17 Children's Centres to 8 Family Hubs. Children's Centres remit is families with children 0-5 whereas Family Hubs will bring together the focus of whole family working from 0-19 (25 for those of SEND). Families currently accessing Children's Centres will still be able to access services through the Family Hubs. Children's Centres are well placed to transform into Family Hubs, they are well known, are non-stigmatising and are in a range of accessible locations and already offer a range of services delivered by Brent Council and partners. The actual sites are yet to be confirmed but the hubs will be targeted in areas of the borough with the highest usage and levels of deprivation as well as taking into consideration the size and locality of the current Children's Centre buildings.

The aims and objectives of the Family Hubs will closely align with the agreed Outcome Based Reviews that considered adolescents on the edge of care and involved in gang activity. The objectives will also be closely aligned to key public health outcomes related to children and their families in areas such as all children receiving timely ASQ reviews, childhood obesity and tooth decay.

It is anticipated that the affected families will be made aware of the changes through the centres, and formal reports that will be released after the budget consultation period. With the change / closure of any CC's, the council will also be required to carry out consultation as stated in accordance to statutory guidance from the DfE.

2. Who may be affected by this policy or proposal?

Families living in areas near to those children's centres that will close may not be able to access those support services as easily, meaning they will need to travel further, this can be more difficult for those with SEND.
Families affected will be informed at all stages of development, ensuring they are aware of their nearest Family Hub and what services they will still be able to access.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

People in particular age groups. Families with under 5's living in areas near to those children's centres that will close may not be able to access those support services as easily.

Brent Under 5 population estimates

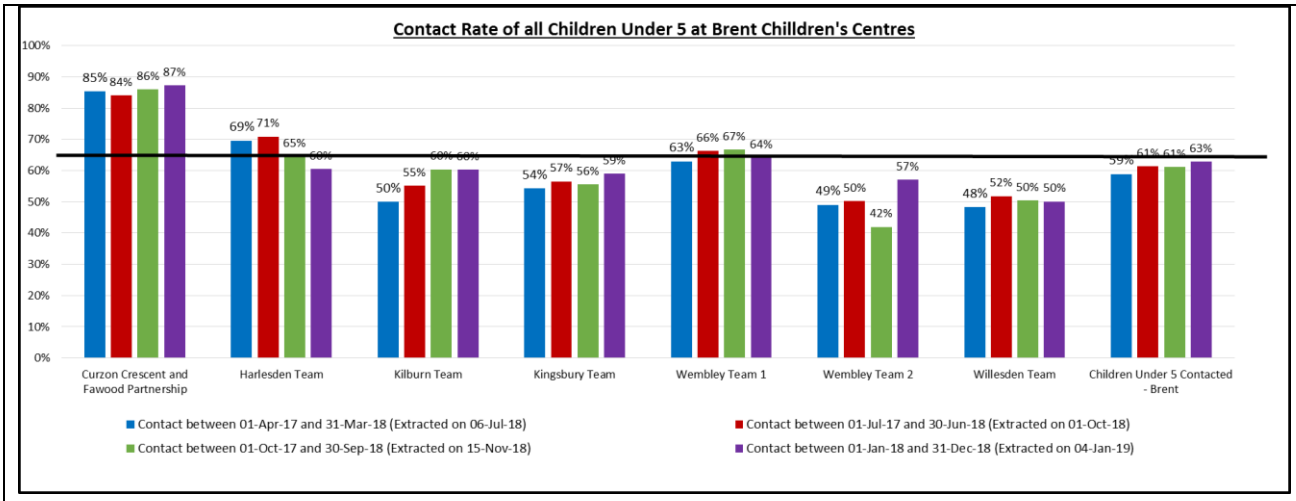
Data Source:
2016-based demographic projections, London ward population projections Housing-led Model, released in 2017
Citation: © GLA 2016-based Demographic Projections

Year / Age Group	Under 1	Age 1	Age 2	Age 3	Age 4	Total under 5 population	Difference each year
2018	5103	4970	4963	4880	4780	**24696**	
2019	5124	4986	4878	4864	4784	**24636**	-60
2020	5130	4991	4883	4777	4762	**24543**	-93
2021	5121	4992	4882	4773	4675	**24443**	-100
2022	5106	4980	4882	4770	4669	**24407**	-36
						Percentage decrease (from 2018 to 2022)	**1.17%**

NB: GLA population estimates are higher than the data provided by NHS

From this data the 5-year projection of the under 5's population is expected to remain broadly the same as in 2018.

Based on the 2011 census, the under 5's make up 21% of Brent's population and from the 2015 JSNA it had increased by 11% taking the population of 0-5's up to 32%.



The current contact rates for the Locality teams within the Early Help service can be seen in the above chart. The current target is to reach 65% of registered children.

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	Neutral/None	Negative
Age			x
Sex		x	
Race		x	
Disability		x	
Sexual orientation		x	
Gender reassignment		x	
Religion or belief		x	
Pregnancy or maternity			x
Marriage		x	

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	NO
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	x	
Does the policy or proposal relate to an area with known inequalities?		x

Would the policy or proposal change or remove services used by vulnerable groups of people?	**x**	
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**x**	

If you have answered YES to ANY of the above, then proceed to section B.

If you have answered NO to ALL of the above, then proceed straight to section D.

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.
2.

Outcome Based Reviews that were carried out by the council.

The community and affected families have been given the opportunity to complete the public consultation that opened in October 2018 and will run until the end of January 2019. Four Brent Connect meetings also took place for the public to attend to find out more about the proposed changes as part of the consultation. This consultation has also been promoted to the affected families through the existing Children's Centres.

Should this budget proposal be approved, statutory Children's Centre consultation will need to take place and consultation around the remit and location of the proposed Hubs will need to be carried out.

The annual impact study takes place for the Children's Centres, latest available data shows a 97% satisfaction rate for Brent CC's.

99% report positive impacts for themselves & 100% for their children from taking up support related to health & wellbeing.

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	A potential disproportionate impact on the most vulnerable families such as those requiring social care intervention mitigated by the creation of family hubs that will widen the age of support available and target the hubs in the areas of the borough with the greatest level of need. Early intervention outcomes may worsen for children, such as those requiring social care intervention, health outcomes may worsen – for example tooth decay continues to worsen and obesity levels continue to rise. Other poor outcomes may include children achieving below the expected level for the Early Years Foundation stage profile and children with SEND left being undiagnosed therefore unable to access intervention when needed – further impacting on their educational achievements once they reach formal school age.
DISABILITY	
Details of impacts identified	Some families with disabled members may find it harder to travel to the Family Hubs as these may be spread across the borough.
RACE	
Details of impacts identified	Not Applicable
SEX	
Details of impacts identified	Not Applicable
SEXUAL ORIENTATION	
Details of impacts identified	Not Applicable

PREGANCY AND MATERNITY	
Details of impacts identified	As integrated centres, there are services provided by the midwifery team around antenatal and postnatal support, closure of CC's may mean that some expectant / new parents will have difficulty accessing such support.
RELIGION OR BELIEF	
Details of impacts identified	Not Applicable
GENDER REASSIGNMENT	
Details of impacts identified	Not Applicable
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Not Applicable

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No as Family Hubs will be intended to have a 'whole family approach' allowing children and young people from 0-19 to access services from a hub, this is further extended to 25 if they have any SEND needs. The hubs will consist of targeted intervention and also some universal services that will be open to all.

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Public consultation of the Budget Proposals is currently open, commenced from October 2018 and will run until end of January 2019. There have been 5 Brent Connect meetings in different parts of the borough as part of the public consultation. Feedback is currently unavailable as this consultation is still open, the council will compile a report on the findings. The Family Hub concept was created as a result of

an outcome based review that included considerable consultation with members of the public and voluntary sector organisations.

5. Please detail any areas identified as requiring further data or detailed analysis.

'Take-up' data within the Hub areas needs to be analysed to ensure it is reflective of the families within the area. Proposed outcome targets need to be established for the Hubs.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

It is not anticipated that negative impacts will remain.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

Regular reviews - performance management cycle for the Family Hubs, (yet to be agreed) involves scrutiny on data against set targets which are also yet to be agreed, contract management with commissioned providers. Reviews are likely to take place on a quarterly basis.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

Disproportionate impact on most vulnerable families - This risk is mitigated by the creation of family hubs that will widen the age range of support available to families who require support and target the hubs in the areas of the borough that have the highest usage and deprivation levels as well as considering the size and locality of individual centres.

Early intervention outcomes worsen for children - This risk is mitigated by ensuring the design of the new family hub model uses research findings to make best use of available resources and that these are broadened to cover school age children. This

will allow greater reach of new targeted services into families than is currently possible with the existing model. The Local Authority will need to ensure engagement with affected communities with the transfer to Family Hubs from Children's Centres at all stages. Families will be informed via the existing Children's Centres, signposting to the relevant reports and having the information readily available through the Brent website.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**x**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Consultation with users and stakeholders	Transparency and open discussion with those affected to discuss the purpose of Family Hubs and what they may look like.	Sue Gates	October 2019
Identification and commissioning of key partnerships necessary for Family Hub services to be delivered.	Key partnerships in place with agreed SLAs prior to Family Hub launch.	Sue Gates	October 2019
Closure of Children's Centres and transfer to Family Hub model.	Identified centres transferred to Family Hubs, bringing together a more integrated approach	Sue Gates	October 2020

	of working. Governance will need to be explored and agreed, this will involve key stakeholders forming a management committee. This will support with ensuring integrated working is fully developed.		
Continuous engagement with the community.	Community being kept up to date with the developments.	Sue Gates	Continuous
Early intervention services continue to take place within the Family Hubs, paying particular focus to those in target groups and most in need.	Families to still be able to access a range of services to support their needs at the right time, avoiding the need to further escalation.	Sue Gates	Continuous
Performance Management Cycle to be agreed and in place for Family Hubs	Family Hubs are regularly monitored with clear targets (that are yet to be agreed) but are likely to combine educational, health and economic objectives to delivering to a high quality service with appropriate support and guidance from LA. These will be monitored against the Performance Management Cycle which will include scrutinising data.	Sue Gates	To be agreed prior to October 2020 and be operational upon Family Hubs launch

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Leena Choi
HEAD OF SERVICE:	Sue Gates

RES003 and RES004 Service modernisation- reduced opening hours, more digital services and demand management

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	RES 003 and RES 004
DEPARTMENT:	Resources
TEAM:	BCS
LEAD OFFICER:	Margaret Read
DATE:	January 2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

Implementation of digital services to migrate contact handling from more expensive channels such as face to face and telephony. This will include implementation of Robotic Processing Automation and improvements to the current on line offer for customers to increase the number of enquiries handled through self-service facilities including diverting customers away from using telephone and face to face access methods where appropriate. I.e. where services can easily be accessed in this way

It is also proposed to launch a new Universal Offer to all residents which will set an expectation to self-serve using digital channels – in order to provide more personalised and tailored support to those who are most vulnerable. Customers needing help will be identified through a framework which will determine the type of assistance needed with staff empowered to deliver bespoke support required.

Review of current contact to identify key causes of failure demand and remedial action to address root causes and prevent this reoccurring.

2. Who may be affected by this policy or proposal?

Robotic processing will not directly affect customers with any protected characteristic – as this will change the way in which work is processed but not the nature of the service being delivered. Automated processes will reduce the need for staff to carry out less complex tasks however staffing reductions will be managed through natural turnover and as such will not directly impact staff.

As our digital offer improves, this will have a beneficial impact for customers as it will improve the ease with which they can self-serve. Customers are already required to

self-serve through digital channels following a change to the BCS operating model agreed by cabinet in November 2017. As specific changes are developed, any groups specifically affected will be identified.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

The changes proposed to achieve savings will not reduce or adversely affect the current service provided to customers but will improve the ease with which customers can access self-service facilities (with assistance where required), reduce processing time and will release capacity in order to deliver more tailored assistance to vulnerable customers (as failure demand reduces). As specific changes are identified through development of a new universal access offer, potential impacts of protected groups may arise and will be addressed through a further Equalities Assessment

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	**IMPACT**		
	Positive	**Neutral/None**	**Negative**
Age	**x**		
Sex	**x**		
Race	**x**		
Disability	**x**		
Sexual orientation	**x**		
Gender reassignment	**x**		
Religion or belief	**x**		
Pregnancy or maternity	**x**		
Marriage	**x**		

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	**x**	
Does the policy or proposal relate to an area with known inequalities?	**x**	
Would the policy or proposal change or remove services used by vulnerable groups of people?		**x**
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**x**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

A review of Access arrangements was undertaken between Sept 2018 and Jan 2019 and this identified the need to improve aspects of the current self-service offer for residents via the My Account portal. Approximately 45% of visitors to the Customer Services Centre advised that they had tried to resolve their enquiry through other channels, before visiting –including attempts to use self-service facilities such as online systems and attempting to get through on the telephone. Improvements to address the difficulties that customers are experiencing using self-service facilities including providing computer/device access and assistance to be able to use these facilities where needed should have a positive impact for all protected groups.

The revised offer to vulnerable residents which is being developed as part of the wider customer access review will take account of the specific barriers that are faced when using online services, particularly those who fall into protected groups. For example, this will include those that are digitally excluded i.e. don't have access to facilities and/or do not how to use online services together with other barriers that some face where even with significant degrees assistance are unlikely to be able to self-serve successfully.

2. For each "protected characteristic" provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached

these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	Older people are less likely to be confident in using digital self service facilities. The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve. This may include providing access to facilities, training, and assistance with accessing services including through locality hubs and provision of assistance in peoples’ homes where appropriate. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support
DISABILITY	
Details of impacts identified	People with learning disabilities and those suffering from mental health may find it more difficult to use digital self-service facilities and require assistance or provision of services in a different way. However, in some cases there will be a positive impact through provision of webchat and improved online facilities e.g. in the case of hearing and visual impairment. The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them or providing services where they are unable to self-serve. This may include providing access to facilities, training, and assistance with accessing services including through locality hubs and provision of assistance in peoples’ homes where appropriate. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support
RACE	
Details of impacts identified	People whose first language isn’t English may find it more difficult to use digital self-service channels. The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve. This may include translation services and facilities

	through the Council website, training, and assistance with accessing services including through locality hubs. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support
SEX	
Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve. This may include providing access to facilities, training, and assistance with accessing services including through locality hub. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support.
SEXUAL ORIENTATION	
Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve. This may include providing access to facilities, training, and assistance with accessing services including through locality hubs. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support.
PREGANCY AND MATERNITY	
Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve.
RELIGION OR BELIEF	

Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve. This may include providing access to facilities, training, and assistance with accessing services including through locality hubs. Residents that are able to access services themselves by online self service will be diverted to use this method where appropriate in order to prioritise resources to assist those that need additional support.
GENDER REASSIGNMENT	
Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve.
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	The newly developed offer to residents will clearly set out the support and help available to them to access self service facilities and also the arrangements for assisting them where they are unable to self-serve.

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

As no negative impacts have been identified – engagement is not considered necessary at this stage, however it is likely that further engagement activities will be required as the new access offer is developed in order to test that it is fit for purpose.

5. Please detail any areas identified as requiring further data or detailed analysis.

A data set providing information on the breakdown of types of customers together with potentially protected groups will be captured and collated in order to inform development of the new access offer to Brent residents.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

Any remaining negative impacts will be identified and justified through another EA following development of the new access offer.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

A further EA will be carried out when the new access offer is developed further, including arrangements in place for vulnerable customers and those that will need assistance/support to self-serve.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

There are no further actions identified as this stage but will likely be identified through a further EA on development of the revised access offer.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**x**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Undertake EA of new universal access offer and offer to vulnerable residents	To ensure that the revised access offer does not adversely impact on any protected group and develop any associated action plan	Sally Hodgson	April – May 2019

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Sally Hodgson
HEAD OF SERVICE:	Margaret Read (Operational Director)

RES011, RES011A, RES011B Review of Council tax support scheme - estimated 3, 7% or 15% reduction in total expenditure

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	RES011
DEPARTMENT:	Resources
TEAM:	Benefits (Customer Services Operations)
LEAD OFFICER:	David Oates
DATE:	9 January 2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

It is proposed to review the Council Tax Support scheme from 2020/21. There are currently three options proposed, which range from producing savings of £0.6m, £2.3m and £3.3m.

The exact mechanism in which this will be achieved has yet to be determined as detailed financial modelling is required to be undertaken.

Note that the figures quoted in these options are gross figures, i.e. they include the GLA precept.

2. Who may be affected by this policy or proposal?

Other than pensioners (who are protected by a prescribed national scheme) this proposal will affect those residents of working age who are currently eligible for council tax support (approximately 17,000 claimants).

The level of changes to the current scheme are not yet known but the individuals / groups impacted by the selection of changes is.

The exact impact on individuals or groups with protected characteristics will be determined by the final design of the scheme.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes. This proposal may have negative impacts on some equality groups, because to make the required saving some or all current claimants will receive less financial support. Efforts will be made to not disproportionately weight the impacts towards one group or other, however a disproportionate impact cannot be ruled out, especially if groups with certain characteristics are disproportionately protected under the current scheme. The exact nature of the impacts will depend on the final design of the scheme

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	**IMPACT**		
	Positive	**Neutral/None**	**Negative**
Age	**X**		**X**
Sex	**Cannot be predicted until the scheme design has been determined. A draft scheme an d provisional EA will be available in May 2019**		
Race			
Disability			
Sexual orientation		**X**	
Gender reassignment		**X**	
Religion or belief		**X**	
Pregnancy or maternity	**Cannot be predicted until the scheme has been**		
Marriage		**X**	

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	**X**	
Does the policy or proposal relate to an area with known inequalities?		**X**
Would the policy or proposal change or remove services used by vulnerable groups of people?	**X potential**	

Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**X** **As far as possible**	

If you have answered YES to ANY of the above, then proceed to section B.

If you have answered NO to ALL of the above, then proceed straight to section D.

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The review of the current CTS scheme is still early in its design phase. The current scheme pays CTS entitlement based on a range of factors including age, disability, whether a claimant has dependent children or non-dependant adults in their household; level of income; size of property etc. Detailed equalities analyses have previously been made for the current scheme and found that the scheme impacts are spread evenly across protected and non-protected groups

The design of the new scheme has not yet been determined but similar factors need to be considered in its design, and the intention once again will be that impacts are not disproportionately felt by any particular group. However it is possible that the policy intentions of aspects of the scheme may result in a disproportionate impact on one of these groups. In such a case, the policy will be reviewed to establish whether or not the policy intention justifies the impact on the specific group.

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	Pensioners a protected group for the purposes of council tax support scheme so will not be financially affected, therefore the reduction in benefit will be borne by the remainder of those in receipt of Council Tax Support (those of working age) Working age

	Claimants of working age will bear all the financial impact of the changes.
DISABILITY	
Details of impacts identified	Cannot be predicted until the scheme design has been determined. There is no evidence at this stage of an impact.
RACE	
Details of impacts identified	Cannot be predicted until the scheme design has been determined. There is no evidence at this stage of an impact.
SEX	
Details of impacts identified	Cannot be predicted until the scheme design has been determined. There is no evidence at this stage of an impact.
SEXUAL ORIENTATION	
Details of impacts identified	There is no evidence at this stage of an impact.
PREGANCY AND MATERNITY	
Details of impacts identified	Cannot be predicted until the scheme design has been determined. There is no evidence at this stage of an impact.
RELIGION OR BELIEF	
Details of impacts identified	There is no evidence at this stage of an impact

GENDER REASSIGNMENT	
Details of impacts identified	There is no evidence at this stage of an impact
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	There is no evidence at this stage of an impact

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Yes, as part of the overall consultation exercise on the council's budget proposals. Further engagement is planned concerning the detailed proposals when formulated.

5. Please detail any areas identified as requiring further data or detailed analysis.

Detailed analysis of caseloads will take place as the new scheme design is designed.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

The Council is required to make significant savings in order to deliver a legally required balanced budget (c£40m over the next four years). In order to help contribute to this target it is proposed to review the council tax support scheme as it represents a significant proportion of council expenditure (c£26m). There are a number of actions that can be taken to help mitigate any negative impacts (including hardship grants and transitional protection), which will be explored further as the scheme design is developed and consulted on.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

If the Council Tax Support proposal is approved, the Council will continue to monitor the impact on equality groups to ensure that any unexpected consequences and/or adverse impact are promptly identified and mitigated. The existing powers under Section 13A of the Local Government Act 1992 allow the Council to reduce Council Tax by up to 100%.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

It is proposed to continue with the proposal despite the negative equality impacts. As reported above the Council is required to make significant savings in order to deliver a legally required balanced budget. The aim of the proposed changes is to save some scheme expenditure in light of further reductions to local government finance. There are a number of actions that can be taken to help mitigate any negative impacts (including hardship grants and transitional protection), which will be explored further as the scheme design is developed and consulted on. The Council will analyse its current caseload and produce figures showing the main groups of working age claimants getting Council Tax Support now and likely to be affected by changes to the current scheme. Extracts of the data will allow monitoring of the main types of people affected by the policy can take place as required.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**X**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Detailed financial and impact modelling	Better understand negative impacts and incorporate mitigating actions for negative impacts.	David Oates	April 2019
Public and stakeholder consultation	Better understand negative impacts and incorporate mitigating actions for negative impacts.	David Oates	June – September 2019

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Leigh Wood
HEAD OF SERVICE:	David Oates

CWB021 Temporary housing to reasonable rents

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	CWB021
DEPARTMENT:	Community Wellbeing
TEAM:	Housing Needs
LEAD OFFICER:	Omari Gayle
DATE:	14/01/2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

It is proposed to create a new scheme to increase the supply of affordable accommodation to help to meet the demand from homeless households. The Council currently makes use of 1200 properties in Brent under the Temporary Accommodation Housing Association Leased Scheme (HALS). These properties are leased from private sector landlords by partner Housing Associations. The number of these properties has been reducing year on year as the rates payable for HALS have increasingly diverged from the rents landlords can achieve elsewhere in the market. This contraction of affordable Temporary Accommodation in the borough is resulting in homeless households being housed in emergency B&B and other accommodation outside of Brent. The Reasonable Rent Scheme will enable the council to change the status of many of these leased properties, and to procure new properties as Registered Provider (RP) excluded tenancies and end the homelessness duty. In those circumstances, the accommodation would not be classified as Temporary Accommodation and the limits on Housing Benefit payable in RP leased accommodation would not apply. It would therefore be possible to pay landlords a more attractive lease rent, which would allow the properties to be retained, and the portfolio to be expanded at reduced cost to the Council

This will give tenants more stability and security, should halt the loss of properties and should allow more properties to be newly procured within the borough. This will reduce the need to place families in B&B accommodation or to accommodate them outside Brent.

2. Who may be affected by this policy or proposal?

The proposal primarily affects homeless households who the council has accepted the main rehousing duty to under homelessness legislation. The Council has been using the power under the Localism Act 2011 to end the main duty to homeless households with an offer of suitable accommodation in the private sector, called a Private Rented Sector Offer (PRSO). However, there is an insufficient supply of PRS accommodation that is affordable in Brent to meet this demand. Therefore, some accepted homeless households are still placed in to Temporary Accommodation. By increasing the supply of affordable accommodation to end the homelessness duty there will be a reduction in the need to use Temporary Accommodation to accommodate these households.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes, some protected groups are over-represented among homeless households. This is partly due to the criteria through which priority need is established under the relevant legislation: for example, a household may be regarded as being in priority need owing to age, to a physical disability or mental health condition or to pregnancy. It is also an effect of poverty and disadvantage: some ethnic groups, for example Black Africans, are over-represented among homeless households compared to their presence in the general population.

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	**IMPACT**		
	Positive	**Neutral/None**	**Negative**
Age	**X**		
Sex	**X**		
Race	**X**		
Disability	**X**		
Sexual orientation	**X**		
Gender reassignment	**X**		
Religion or belief	**X**		
Pregnancy or maternity	**X**		
Marriage	**X**		

5. Please complete **each row** of the checklist with an "X".

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council's public sector equality duty?	**X**	
Does the policy or proposal relate to an area with known inequalities?	**X**	
Would the policy or proposal change or remove services used by vulnerable groups of people?	**X**	
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**X**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The proposal is part of the ongoing consultation on proposed amendments to the Council's Allocation Scheme, which is due to end on 21 January 2019. Once consultation has ended a paper will go to Cabinet in March 2019 for a final decision. However at this stage the proposal is recommended to be approved and therefore data is being collected to identify all the homeless households who the council has accepted the main rehousing duty in the last 3 financial years.

Further will be undertaken to break this data down to identify households with one or more of the protected characteristics to illustrate the impact of the proposal on each group.

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	See 1 above
DISABILITY	
Details of impacts identified	See 1 above
RACE	
Details of impacts identified	See 1 above
SEX	
Details of impacts identified	See 1 above
SEXUAL ORIENTATION	
Details of impacts identified	See 1 above
PREGANCY AND MATERNITY	
Details of impacts identified	See 1 above

RELIGION OR BELIEF	
Details of impacts identified	See above
GENDER REASSIGNMENT	
Details of impacts identified	See 1 above
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	See 1 above

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

As the proposal will affect households who the council accepts the main rehousing duty to in the future. Therefore it is not possible to engage with these. However, the homeless households who the council has already accepted the main rehousing duty to have been consulted as part of the consultation into the review of the Allocations Scheme

5. Please detail any areas identified as requiring further data or detailed analysis.

See 1 above

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

Further work is required, however it is not anticipated that there will be any negative impacts

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

All allocations of properties made under this proposal will be monitored in line with the Council's Allocation Scheme

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

Further work is required, however it is not anticipated that there will be any negative impacts and that the positive impact will be a reduction in the loss of properties available as well as an increase in the supply of affordable accommodation to help meet the demand from homeless households. This positive impact will be enhanced by working in partnership with the Housing Associations to procure more properties than are currently in the HALS scheme to increase supply

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**X**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Complete the data analysis as part of the EA for the review of the Allocation Scheme	Confirm the positive impact of the proposal	Omari Gayle	February 2019

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Omari Gayle
HEAD OF SERVICE:	Laurence Coaker

Overall Council Tax increase of 4.99%

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Increase Council tax by 4.99% in 2019/20
DEPARTMENT:	Council wide
TEAM:	n/a
LEAD OFFICER:	n/a
DATE:	14 January 2019

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

The Council is required to make significant savings in order to deliver a legally required balanced budget. In order to help overcome this it is proposed to increase Council Tax by 4.99%, where 2% is ring fenced for Adult Social Care and 2.99% is a general increase. This will generate an additional £5.7m of recurring income for the Council and therefore avoid having to make further savings to key council services such as adult social care, children's services, etc.

This will impact on all residents within Brent who are eligible to pay Council Tax. Under the changes that are being made to local government funding there is more emphasis on generating more funding locally (i.e. becoming more self-determinant). This proposal is linked to one aspect of local government funding where the Council has some discretion to raise additional funds by increases to Council Tax

2. Who may be affected by this policy or proposal?

All households in Brent, apart from those eligible for 100% Council Tax discount.

The increase by band and the number of properties affected are shown below.

Amount payable in 2018/19 (Brent share)	Amount payable in 2019/20 (Brent share)	Increase per annum	Increase per month	Increase per week	Total number of dwellings affected
£801.54	£841.56	£40.02	£3.34	£0.77	5,586

£935.13	£981.82	£46.69	£3.89	£0.90	12,979
£1,068.72	£1,122.08	£53.36	£4.45	£1.03	36,264
£1,202.31	£1,262.34	£60.03	£5.00	£1.15	34,565
£1,469.49	£1,542.86	£73.37	£6.11	£1.41	22,063
£1,736.67	£1,823.38	£86.71	£7.23	£1.67	6,379
£2,003.85	£2,103.90	£100.05	£8.34	£1.92	3,385
£2,404.62	£2,524.68	£120.06	£10.01	£2.31	249

If this proposal is approved, it will affect all households in Brent (121,470) that will see their Council Tax bills increase, unless they are eligible for 100% Council Tax support. Currently, approximately 16% (19,132 households out of the 121,470) of households in Brent receive full or partial Council Tax support, which means that they will receive full or partial protection from the increase. In addition those households where there is only one adult resident (33,942 households) receive a 25% reduction in their bill.

The Council Tax increase will mean that the budget of Adult Social Care services will grow by a further £2.3m which will enable the service to meet increasing demand of current and future service users who are among the most vulnerable members of Brent's community. This is a positive impact.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes. This proposal will have both positive and negative impacts on some equality groups. However, since the council tax is applicable to all properties it is not considered that the increase targets any one particular group rather it is an increase that is applied across the board. At the same time because the increase is applied to all properties it is not possible to exempt any particular groups. However, on the latter point there is a council tax support scheme that offers support to vulnerable people and people on low incomes. It should be noted that the council tax support scheme is also proposed to be reviewed from 2020/21 and therefore further analysis on the cumulative impact will be assessed as part of the modelling of the new scheme design. See equalities analysis on proposal RES011 for further details.

4. Please indicate with an “X” the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	**Neutral/None**	**Negative**
Age		**X**	
Sex		**X**	
Race		**X**	
Disability		**X**	
Sexual orientation		**X**	
Gender reassignment		**X**	
Religion or belief		**X**	
Pregnancy or maternity		**X**	
Marriage		**X**	

5. Please complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST		
	YES	**NO**
Have you established that the policy or proposal *is* relevant to the council’s public sector equality duty?	**X**	
Does the policy or proposal relate to an area with known inequalities?		**X**
Would the policy or proposal change or remove services used by vulnerable groups of people?		**X**
Has the potential for negative or positive equality impacts been identified with this policy or proposal?	**X**	
If you have answered YES to ANY of the above, then proceed to section B. **If you have answered NO to ALL of the above, then proceed straight to section D.**		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

The council has analysed the statutory council tax base return which shows the total number of households that are required to pay council tax and the households who are eligible for council tax support. Other than this is not possible to conduct further impact analyses as the proposed Council Tax increase will affect households in Brent in different ways based on their financial circumstances. However low income households are likely to be protected as they will see increases in their Council Tax support which will either offset in full or partially this increase. The council tax support scheme is also proposed to be reviewed and further analysis on the cumulative impact will be assessed as part of the modelling of the new scheme design.

2. For each “protected characteristic” provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state “not applicable”.

AGE	
Details of impacts identified	N/A
DISABILITY	
Details of impacts identified	N/A
RACE	
Details of impacts identified	N/A

SEX	
Details of impacts identified	N/A
SEXUAL ORIENTATION	
Details of impacts identified	N/A
PREGANCY AND MATERNITY	
Details of impacts identified	N/A
RELIGION OR BELIEF	
Details of impacts identified	**N/A**
GENDER REASSIGNMENT	
Details of impacts identified	N/A
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	N/A

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

Yes to both. Significant engagement/ consultation has taken place since October 2018 and more is planned in January and February ahead of the decision being made by full council on 25 February 2019.

5. Please detail any areas identified as requiring further data or detailed analysis.

None required.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

If the proposal is rejected, the Adult Social Care budget will not grow by £2.3m, which could pose challenges to the service to meet growing demand of current and future service users. Failure to meet the increasing demand and diverse needs of current and future service users would have a potential negative impact on those most at need. The 1.99% increase in Council Tax for general use should have a positive impact on some equality groups as it prevents an additional reduction of £3.4m in the Council's budget. Without a specific alternative proposal the exact benefit to specific groups of residents, staff and external stakeholders is uncertain, but a reduction in budget at short notice will limit the scope of the Council to reduce the impact on services used by vulnerable groups of people. While the Council Tax proposal will increase the financial pressure on some households, the Council Tax support scheme will partially or fully mitigate this impact for those households who are living on low incomes and are eligible for Council Tax support. Further, single households will have the impact mitigated by the 25% discount offered to single households.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

If the Council Tax proposal is approved, the Council will continue to monitor the impact on equality groups to ensure that any unexpected consequences and/or adverse impact are promptly identified and mitigated. This will take place when the council tax

support scheme is reviewed by undertaking a detailed analysis of caseloads. See equality assessment of RES011 for further details. The existing powers under Section 13A of the Local Government Act 1992 allow the Council to reduce Council Tax by up to 100%. The process for applying is detailed on the Council's website.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

It is proposed to continue with the proposal despite the negative equality impacts. The reason for this is that the Council Tax increase will help to protect front line services. The Council Tax increase proposed is equivalent to approximately £5.7m of additional funding, which if not made would have to be saved by services. Brent has processes in place for applying a Council Tax support/reduction/exemption to those eligible, therefore whilst this increase will impact across the board, it is anticipated that the impact will be proportionate dependent on an individual's circumstances and whether they receive a Council Tax support/reduction/exemption. It should also be noted that the council tax support scheme is also proposed to be reviewed and further analysis on the cumulative impact will be assessed as part of the modelling of the new scheme design and where possible any negative impacts mitigated.

SECTION D – RESULT

Please select one of the following options. Mark with an "X".		
A	**CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED**	**X**
B	**JUSTIFY AND CONTINUE THE POLICY/PROPOSAL**	
C	**CHANGE / ADJUST THE POLICY/PROPOSAL**	
D	**STOP OR ABANDON THE POLICY/PROPOSAL**	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
Review impact of council tax increases at the same time as council tax support scheme is reviewed.	Better understanding of negative impacts, which can be reflected in the new scheme design	David Oates	September 2019

SECTION F – SIGN OFF

Please ensure this section is signed.

OFFICER:	Ravinder Jassar / David Oates
HEAD OF SERVICE:	Ravinder Jassar / David Oates

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London Borough of Brent

Report of the Budget Scrutiny Panel 2018/19

Contents

1. Introduction 3
   - Scrutiny process 3
   - Two-year budget 4
   - Legal statement 4
2. Recommendations 5
3. Context 9
   - Local government budgets 9
   - Speaking up 9
   - The ‘B’ word 11
   - Council Tax 11
4. Process 13
   - Budget or policy 13
   - Consultation 14
   - Sponsorships and partnerships 15
5. Budget proposals 17
   - Overview 17
   - Housing 17
   - Voluntary sector 19
   - Borough of Culture 19
   - Public health 21
   - Libraries 22
   - Schools 23
   - Roundwood Youth Centre 23
   - Family hubs 25
   - Environment 25
   - Community safety 28
   - Scrutiny 29
6. Reserves 29
7. Conclusion 30

1. Introduction

Scrutiny process

Brent's constitution gives a clear and important role to overview and scrutiny in its budget setting process. We take this responsibility very seriously and hope to act as a critical friend and second pair of eyes when it comes to examining the cabinet's budget proposals. This report summarises our investigations, conclusions and recommendations with regards to the proposed two-year budget for 2019/20 and 2020/21. It is intended to begin a constructive debate about the specific proposals in the budget and also the wider way in which Brent sets a budget and its priorities. It will be presented to for adoption to the Resources and Public Realm Scrutiny Committee and then to the Cabinet and Full Council and so we hope it will allow all councillors to have their say about these important issues.

As the budget cuts across all departments in the council, our Panel was compromised of members of all three Brent scrutiny committees. Each of the committee chairs was represented on the Panel, alongside backbench committee members and representatives from the opposition group. As chair of the scrutiny committee which has responsibility for council resources, Matt Kelcher had overall responsibility to chair the Panel.

Thank you for to all of the members for giving up their time to take part in this process, and also to the many council officers who worked very hard to provide us with all of the information and support we needed.

Councillor Afzal

Councillor Colwill

Councillor Johnson

Councillor Long

Councillor Kelcher, Budget Panel Chair

Councillor Kansagra

Councillor Nerva

Councillor Sheth

Councillor Stephens

The panel held a series of evening meetings between September and December 2018 to prepare this report. This included private meetings where we discussed our own findings and ideas, and evidence sessions where we questioned lead members and relevant officers about the proposals they are responsible for bringing forward.

Two-year budget

For the past few cycles Brent has set two-year budgets, the second year being formally adopted (with any necessary changes) at the Council's budget setting meeting prior to that financial year as is required by law. Overall, we endorse this approach as it allows for longer term planning and gives the organisation as a whole some breathing space to consider big issues and trends outside of annual budgetary pressure.

This policy also influences the format of budget scrutiny. At the start of a two-year cycle there are many new budget proposals to consider – around 70 on this occasion – which take up a huge amount of the Panel's time. In the middle of a two-year cycle there are far fewer new policies to consider, and so we have more time to examine larger strategic issues. For example, last year, we took the time to analyse the impact of business rates devolution to the London pilot pool on local government finances as a whole.

For reasons outlined already, there is insufficient time and resources for such broad stroke work at this point in the cycle, and so this report will focus much more heavily on specific plans in the draft budget.

Next year we intend to again take a more strategic approach.

Legal statement

Local authorities have a legal duty to set a balanced budget. We are happy to confirm that we believe that this budget meets this test.

We would also like to commend the council's team overall for the prudent, if tough, financial decisions it has taken in recent years which ensure that Brent is able to achieve a balanced budget, despite facing huge cuts from central government.

We are pleased there is no immediate prospect of the council falling into the kind of deep financial difficulties we have seen in places like Northamptonshire County Council.

2. Recommendations

Speaking up

1. Advocate for the introduction of a locally set "tourist tax".

Council Tax

2. The council continues with the approach of increasing Council Tax at the permitted annual rate, and encouraging development and regeneration that will bring housing to the borough.

Budget or policy?

3. In future years an additional column or categorisation is added to the budget proposals. This would clearly define a proposal as one of: **Cut**; **Income generation**; **Service transformation**; **Efficiency**.

Consultation

4. For future budget consultations, the council looks for clear comparisons with similar authorities and explicitly benchmarks itself against criteria such as number and quality of responses to ensure its processes are working well and continuing to improve.

Sponsorship and partnerships

5. Brent to consider the idea of whether it could coordinate all public sector spending to boost local employment and business. We are ideally placed to act as a central coordinator bringing together all public sector bodies which procure services in Brent

and getting them to synchronise their pre-qualification policies. This would give the strong message that Brent is open for business.

Budget proposals

6. In future, full equality impact assessments should be done for every budget proposal. This is more transparent and helps prepare for possible outcomes from actions.

Housing

7. To ensure the selective licensing scheme can have the impact we all want to see, an investment is made into acquiring the temporary staff needed to clear the backlog and process new landlords quickly.
8. Housing Scrutiny Committee examines the issue of housing acquisition and what mitigation might be undertaken within the next six months. They should also consider the idea of merging First Wave and i4B into a single company, and if this would ensure that all of Brent's private property acquisitions have an additional social benefit goal.

Voluntary sector

9. Every time the council scales back funding to a voluntary organisation it simultaneously offers advice and support about where other funding may be available. Most specifically, it should actively promote the possibility of acquiring money from strategic CIL funds.

Borough of Culture

10. Strong overview and scrutiny of London Borough of Culture, by putting a backbench member on the board of the charitable trust which will oversee its delivery, and also with quarterly financial updates sent to the chair of the relevant scrutiny committee.

Social care

11. The introduction of 15-minute care visits does not go forward.
12. Recommissioning of care provisions is a large and important topic. A full report on the matter should come before the Community and Wellbeing Scrutiny Committee within six months.

Public health

13. Ceasing of untargeted smoking cessation services – policy should be reviewed in two years and if smoking rates have increased then it should be reconsidered.

Libraries

14. Serious consideration is given to the idea of transferring libraries to a charitable trust.
15. Every effort should be made to see if volunteers can take over some of the services to prevent closures.
16. Exploration of all options which help to maximise the use of library buildings and extract additional financial value from them.

Roundwood Youth Centre

17. Once the site is handed over, Brent must clearly measure and benchmark activities undertaken at the centre.
18. Community and Wellbeing Scrutiny does some further investigations into their long-term financial viability as part of its work programme on children's services.
19. The council and YBF to conduct a review of the best ways to promote what is happening at Roundwood.

Family hubs

20. Hubs should have a strong triage service, so anyone dropping into the centre is quickly assessed.
21. Council should pay close attention to public transport routes and geographical areas when choosing potential sites.

Environment

22. Launch of a 'Considerate Builders Scheme' which promotes local tradespeople who set high standards.
23. Some investment is made in providing more suitable bins and disposal areas at Brent's transport hubs – mainly tube stations and bus stops – to give people an easy and ethical way of disposing of items such as cigarette ends.
24. Additional income from increased licensing activity in the Wembley area should be ring-fenced for a project which will be of benefit to affected residents.
25. The benefits to urban wildlife of turning down street lights should feature prominently in future publicity around the concept.
26. Litter patrol activity should be targeted at areas missing out, so our response is joined-up.

27. The Cleaner Brent app should be amended so that people can report piles of uncollected leaves.
28. A review into how the council can ensure applications for new residential developments – in particular car-free developments – always include appropriate waste disposal options.
29. The council should try to persuade all sites in the WLWA to agree to a ‘no black bags’ policy.

Community safety

30. A report to come to RPR Scrutiny by the end of 2019 looking at how Brent can mitigate against cuts to the Met Patrol Plus Scheme, by beefing up our own internal patrol/enforcement teams.

Scrutiny

31. Instead of making cuts via the very blunt instrument of axing one committee, a clear budget for scrutiny is set and the three current chairs work with officers and backbenchers to come up with a proposal to deliver scrutiny within that budget.

Reserves

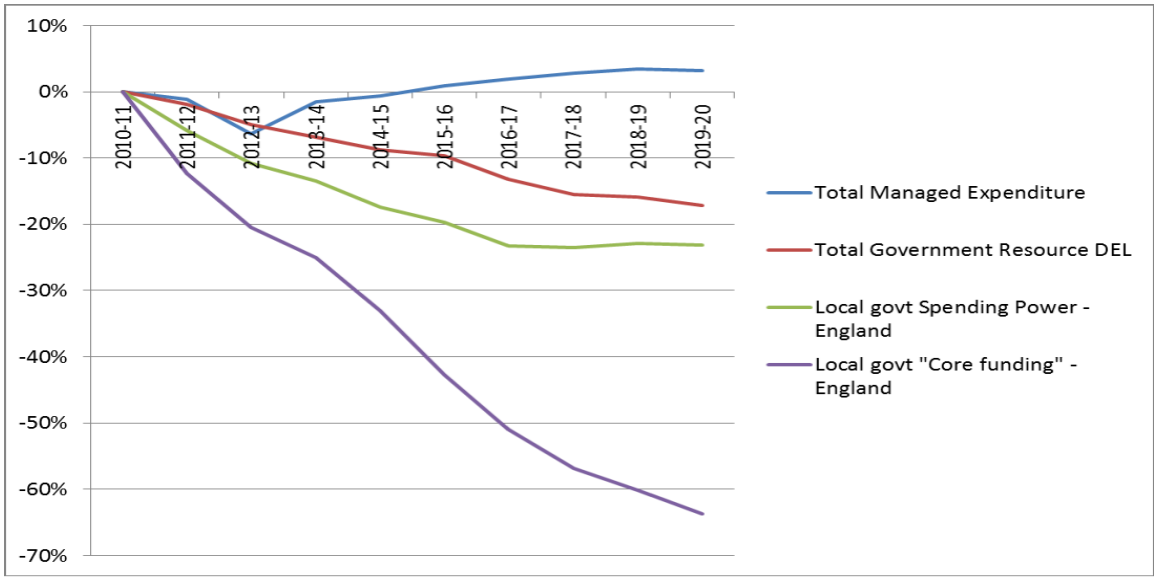
32. A paper on reserves is brought to RPR Scrutiny within six months. It should include information on each fund in reserves, when it was established and when it was last accessed.

3. Context

Local government budgets

During the course of our work, the Panel heard a bizarre rumour emanating from central government. This rumour was that austerity was now over.

Unfortunately, this does not seem to be the case for local government. As this chart demonstrates, however the devolution of business rates to local government is achieved, there will still be a significant budget gap across the short- and medium-term future. As noted above, such gaps are illegal and must be filled no matter how much pain they cause.



Cumulative like-for-like change in public spending - 2010-11 to 2019-20

In our opinion, constrained finances are likely to be the new norm for local authorities. It is hard to envisage a return to the financial position that existed before 2010, a time when, as recently described to the Panel Chair by a retired Chief Financial Officer, 'a bad year was when your increased grant was just below the rate of inflation'. We therefore must continue to work innovatively to find savings and cuts and to closely target the resources we do have towards our top priorities.

Speaking up

It was clear from our conversations with cabinet members and officers, that there is a perception that county councils have a much stronger influence in central government than communities like Brent.

This is undoubtedly influenced by the political alignment of central government and most current county council administrations. We also heard that this is partially attributable to the fact that they have their own influencing body in the shape of the County Councils Network (CCN), which lists 'securing concessions from national governments' as one of its main activities in the 'What we do' section of its website.

The CCN recently took credit for a successful campaign which persuaded the Chancellor to announce 'new funding for adult social care, children's services, and for potholes'.

In theory, London Councils should perform a similar role for Brent and the other 31 London boroughs. However, there is a far greater divergence of interests between members of London Councils – for example inner and outer London boroughs and those controlled by different parties – than there appears to be amongst the councils in the CCN. This makes consistent lobbying on agreed policies and priorities more difficult.

The Panel appreciates some of the work being done to highlight the problems facing councils like Brent by advocates of our sector. We would particularly mention the Local Government Association's "Breaking Point" campaign and the "Red Lines" campaign in London. If Brent can play its role in promoting and supporting similar initiatives in future this is something we would support.

At this point, we should note that many county councils may look at Brent's situation with some degree of envy. The level of regeneration we have, particularly in Wembley, will ensure we have a Community Infrastructure Levy (CIL) account far larger than most counties, and also that many thousands of young professionals – who are net contributors to council coffers – will be moving into Brent in coming years.

Despite this, we agree that it is hard to be heard without a voice and think it can only be a good thing for Brent to push vocally for its interests.

We would **strongly recommend** that a first step should be to campaign for the introduction of a locally set "tourist tax". At present, hundreds of thousands of tourists visit our borough from around the world every year, particularly to attend events at the sporting and musical venues in Wembley. Of course, these people boost the local economy, but they also make asks of Brent's finances in areas like street cleansing and licensing. Presently they make no direct contribution to the local authority to compensate for this.

This is not the case in many European countries or the United States, where visitors pay a small “tourist tax” every time they make an overnight stay in a hotel or rental property.

If Brent had the power to set something similar this would be fair, as it would ensure we have the funds to cope with the large numbers of people who visit us every year. It would also be proportionate as it could be set at the level of just a few pounds something that would surely not discourage tourists from attending the kinds of world class events that take place in our borough. Unfortunately, the law in the UK does not currently allow us to do this.

We do know that the Local Government Association has previously advocated something similar and we would hope that Brent plays its part to push this issue back to the top of the local government agenda.

The “B” word

Brexit, and its potential impact on the local economy, loomed large in our thoughts throughout this process.

We welcome the fact that Brent published, as part of the December 2018 Full Council meeting, a report on the implications of Brexit and we certainly gave this consideration.

However, with so much uncertainty hanging over the process and with the picture changing on a daily basis it has been impossible to include a comprehensive section on what the impact of Brexit will be for Brent.

One area that we would like to highlight, however, is the potential impact on the council workforce. Around half of the employees who work for our biggest contractor, Veolia, and around ten per cent of directly employed staff in Brent, are from European Union countries. There would be huge consequences if all of these people were asked to leave following Brexit. Furthermore, if the government pushes through with plans for a £30,000 immigration salary cap this may make it extremely hard to recruit for many important positions within the council. The council needs to plan carefully for this eventuality.

Council Tax

This budget is built on the assumption that Brent will continue to increase Council Tax at the annual rate permitted. We believe that local authorities have little choice but to do this, and

it is therefore no surprise at all that the majority of authorities in the UK are taking the same approach.

With the central government grant due to be abolished imminently, all councils will soon be entirely reliant on internal sources of revenue; council tax, business rates and charges. To ignore one of these few sources would not be prudent, particularly because council tax rises are cumulative, meaning if it is frozen at any point the income deferred is lost forever.

Of course, increasing council tax is not the only way to increase the council tax base and so we also must continue to encourage development and regeneration that will bring new housing to our borough. But as the below table demonstrates, Brent's current council tax levels are not in any way out of sync with London averages.

London Borough	Band D 2018-2019
Westminster	710.5
Wandsworth	745.81
City of London	933.41
Hammersmith and Fulham	1022.04
Kensington and Chelsea	1123.07
Newham	1258.77
Tower Hamlets	1280.37
Southwark	1329.54
Hackney	1374.67
Lambeth	1386.27
Hillingdon	1407.16
Barking and Dagenham	1411.85
Islington	1429.45
Ealing	1440.12
Bromley	1452.71
Hounslow	1461.99
Barnet	1483.57
Camden	1488.43
Merton	1492.89
Brent	1496.54
Lewisham	1498.10
Greenwich	1543.45
Redbridge	1549.98
Enfield	1555.40
Haringey	1575.80
Bexley	1588.04
Sutton	1602.75
Waltham Forest	1614.97

Croydon	1636.96
Havering	1658.06
Harrow	1688.92
Richmond upon Thames	1706.94
Kingston upon Thames	1770.97

We therefore **recommend** that the council continues with its approach.

4. Process

Budget … or policy?

It is clear that the proposals in this budget go much wider than a few cuts to services. Also contained within the proposals are wider ranging reforms to the way we deliver services, like the move to a "Family Hub" model. This is an innovative reform that we believe the council would be right to consider whatever its financial pressures. In better times the savings accrued from this reform would perhaps be ploughed back into other priorities rather than used to plug a savings gap.

We believe the fact that all such ideas are only publicised as part of the budget setting process can create unnecessary suspicion amongst the public that they are solely being done to save money.

At a public meeting in December the Panel Chair mentioned the budget item relating to uniformed litter patrols as a positive development. One constituent told him that they did not understand why it would be in the budget as it is good news which does not cost money. In our experience people assume budget items are only about saving money and are never positive.

To overcome this, we **recommend** that in future years an additional column or categorisation is added to the budget proposals. This would clearly define a proposal as one of the following:

- **Cut** – a clear reduction in a service to save money, for example shutting the household recycling centre on certain days
- **Income generation** – when the council generates new revenue for itself, for example by selling its ICT services to another borough

- **Service transformation** – a political reform which has incidental savings, for example moving to a family hubs model
- **Efficiency** – a change which saves money without having an impact on frontline services, for example restricting colour printing at the civic centre

We believe that this approach would make it immediately clear to local people that the budget setting process is actually a much broader and more significant reform process than simply cutting services. Furthermore, if local people were aware that the budget papers also contained fresh new ideas that they could influence the development of, they may be more inclined to take part.

Consultation

We can only commend the intentions of the council to carry out a thorough consultation. They have gone far beyond what is legally necessary or most would expect in an attempt to allow local residents to say what they think about the budget proposals. This includes using new technology such as the online budget calculator as well as getting out onto the streets for consultation events at local supermarkets.

However, we do have some doubts about the ability of local people to fundamentally change and influence what will be passed in the budget. To summarise simply:

- The council needs to save around £20 million in this two-year budget
- The budget proposals add up to roughly £26 million
- The proposals are ranked in order of the impact they will have, with the most difficult making up Appendix D of the proposals
- The ideas in Appendix D are extremely unpalatable and total around £6 million, so if these ideas are rejected, people will have to accept all of the other proposals to make the budget balance

Therefore, to some extent we believe the public are being presented with a *fait accompli* in the way the savings are ordered. As one member of our Panel put it; 'if I were a betting person, I think I could make quite good money on predicting which proposals will ultimately end up in the budget'.

This could perhaps be avoided in future by grouping the proposals by department or total savings, then people could categorise themselves what they believe to be most unpalatable and have a greater influence over what will ultimately be rejected from the budget proposals.

We heard that by now many people in Brent are suffering from "consultation fatigue" and perhaps not giving as many new ideas and free text responses as they once were. We therefore also **recommend** that for future budget consultations the council looks for some clear comparisons with similar authorities and explicitly benchmarks itself against criteria such as number and quality of responses to ensure its processes are working well and continuing to improve.

Consultation cannot be done for free – this year it has cost around £11,000 – and if the level of participation is stagnating or declining then our process must be questioned on a value for money basis.

Sponsorships and partnerships

As ever, the Panel took a significant interest in the council's attempts to engage with business and generate income through additional sponsorship and partnerships. We are pleased that some progress seems to have been made since our recommendations in this area last year.

As we recommended, the council has undertaken a wider review of all potentially available advertising space in the borough and is set to bring some of the operation in house next year at the end of the current contract with JCDecaux. This will allow the borough to have more control over local advertising and hopefully generate more income.

However, one area we believe the council still can go further on is in the area of public sector procurement. Reforms to the machinery of government – local or national – to support our own businesses are long overdue in this country. It is amazing to think that the Government is still debating about whether it is a good idea to have an industrial strategy or not, decades after many of our competitors developed their own.

The head of the US Small Business Administration reports directly to the US President whereas none of the 15 direct reports to the permanent secretary in the Department for Business, Energy and Industrial Strategy (BEIS) is responsible for small British businesses. No wonder 45 per cent of US Federal procurement spend goes to home grown American

small businesses - a figure which represents roughly eight times the lending rate of the UK Enterprise Finance Guarantee scheme after taking into account the relative sizes of the two economies.

Brent should not be afraid to think big, and realise the huge role it can play in creating a virtuous cycle where local businesses are supported to grow and then contribute back into the community and council coffers.

One in every seven pounds in the UK is spent by the state (equating to approximately 40% of GDP), making procurement one of the key levers that any public sector body has to boost business, employment and the economy.

Currently many businesses feel frustrated and locked out of the public sector procurement process. All public sector bodies set their own prequalification test for procurement contracts, so in any given area the council might ask for copies of accounts dating back five years and a biography of the CEO, the Fire Service might ask for six years of accounts and a biography of every director, the NHS Clinical Commissioning Group for something different altogether.

Some authorities are already realising this and working to coordinate all public sector spending in their area to boost local employment and business. Preston is one such and its model is also now being studied by academics in conjunction with local authorities in Hertfordshire.

We **recommend** that Brent Council joins this movement. We are ideally placed to act as a central coordinator bringing together all public sector bodies which procure services in Brent and get them to synchronise their pre-qualification policies. This would give a strong message that Brent is open for business and encourage businesses to base themselves here so that they can access many different procurement opportunities, and in the long term pay more business rates back into Brent.

We would emphasise that within this there would also be a golden opportunity to ensure further Living Wage payment within local supply chains if such a commitment became a more regular requirement to secure local procurement opportunities.

5. Budget proposals

Overview

One of our biggest responsibilities is to scrutinise the budget proposals put forward by the cabinet. There are around 70 of these, which were set out in the report (which all members can access on ModGov) to cabinet in October 2018.

At our first meeting, we decided it would not be practical to conduct in depth investigations into each of these. We therefore selected a range of proposals which most concerned us and called in the relevant cabinet members and directors to question them further on their plans. The section below summarises and elaborates on these discussions and makes recommendations emerging from our work.

At points during this process we came across some proposals which were extremely hard to scrutinise. This is simply because there is no service delivery rationale for pursuing them, they are simply cuts to a service to plug the financial gap that the council has been placed in by central government.

It would be the easiest thing in the world for us to criticise these cuts and point out all of the ways in which they might impact on people in Brent. However, this would not be constructive scrutiny and would ultimately not achieve anything as there is no doubt that the council has to make cuts, and that cuts have consequences.

We will refer to some of these proposals as we move forward through this section but will also look at proposals which are more clearly policy reforms and new ideas, and suggest how we think they might be improved or enhanced.

The final thing to say at this point is that we do believe impact assessments can help councillors and the public to understand exactly what kind consequences cuts will have.

We are aware that in the past the decision has been made not to carry out detailed impact assessments on every plan, but we would **recommend** that in future this is done for every proposal. This is more transparent and helps the council to prepare for possible outcomes from our actions.

Housing

We discussed at length proposal CWB007, which aims to extend the selective licencing scheme for private landlords to more parts of the borough and also have the positive attendant benefit of raising income through more licence fees.

We agree with the principles of selective licencing and believe that if done correctly this policy could certainly improve standards in the private rental sector in Brent. Our concern is that the current processing time thwarts these aims. There is still a backlog of applications and sign ups six months after the scheme was extended into five new wards. This means that a huge amount of officer (and ward member) time that could be used on enforcement and taking corrective action is only allocated to getting people on the register.

We therefore **recommend** that, to ensure the scheme can have the impact we all want to see, an investment is made into acquiring the temporary staff needed to clear the backlog and process new landlords quickly. Once an appropriate tipping point is reached and the large majority of landlords are signed up this can then mean all council resources in this area are used for enforcement and changing behaviours.

Additionally, we looked at proposal CWB010 which seeks to generate income for the council by acquiring 50 new properties for rent at the market rate under Brent's First Wave company. Unlike investments through i4B (Investing 4 Brent), this project does not have a clear social objective of acquiring affordable units for temporary accommodation, it is purely to raise income.

We understand the council's need to do this, but are still concerned that it may have an impact on some first-time buyers in Brent. It is difficult enough already to get onto the property ladder for many local people. If the council enters the private rental market – even in a limited way – its clout and financial backing will surely lead to it jumping ahead of first-time buyers in the race to acquire property as it comes onto the market. It would be difficult to ever measure accurately how many local young people might be forced to move out of the borough, or stay living with parents or in rented accommodation, as a result of this policy. But it is certainly an issue we should all be aware of.

As a result, we **recommend** that the Housing Scrutiny Committee examines this issue and what mitigation might be undertaken within the next six months. They should also consider

the idea of merging First Wave and i4B into a single company, and if this would ensure that all of Brent's private property acquisitions have an additional social benefit goal.

Voluntary sector

Despite promises to reinvigorate a "Big Society", the policy of austerity has actually led to a hollowing out of the voluntary sector across the UK. Local government has for many years been one of the biggest funders of charities and voluntary organisations through grants and commissioning, but with so few funds in council coffers these have inevitably declined. This much was clear from our own experiences and interviews with officers and cabinet member on this topic.

In this context we understood the need for the council to further reduce the grants we offer to the voluntary sector through proposals like PPP001A. But we do not believe this should be the end of the story. We **recommend** that every time the council scales back funding to a voluntary organisation it simultaneously offers them advice and support about where other funding may be available. Most specifically, it should actively promote the possibility of acquiring money from strategic CIL funds for projects which will benefit people in the borough. Our aim should be to save as many projects as possible, even if we cannot directly fund them.

Similarly, we discussed the idea of aggregating CIL money for particular outputs. The clear example given was for tree planting. Currently, members and the council are encouraging community groups and individuals across the borough to apply for one off sums of money for tree planting in the area. We believe it would be more efficient if a certain amount of the CIL budget was allocated as the "Brent Trees Fund" which fund a certain number of trees per year. People would bid into this fund directly, making the process of allocating new trees more strategic and efficient.

Borough of Culture

During the period of this two-year budget Brent will have the status as London Borough of Culture 2020. This is undoubtedly a great opportunity for Brent and we hope that communities across the borough enjoy what will be a fantastic occasion in the year our borough hosts the European Championships final.

However, it would be remiss of a budget scrutiny panel not to examine the financial implications of such a project at this point and we therefore also asked the relevant cabinet member several questions about their plans.

The simple facts about Borough of Culture costs are as follows:

- The total budget for the London borough of Culture is £4.6m.
- The Mayor of London and Greater London Assembly contribute £1.35m.
- The council have a series of bids, in progress or planned to make up the remaining amount.
- Examples of some of these are as follows: £250k from Paul Hamlin Foundation, £250k from Heritage Lottery Funding and £120k from the Arts Council.
- The Council has budgeted to provide £1m of which £250k is Neighbourhood CIL.
- With this in mind, there is currently a shortfall of £1.5m, for which the council is actively fundraising.

Overall this seems like a prudent financial approach with most of the income coming from external sources. The only problem would come if the council's fundraising efforts are not successful in raising some or all of the remaining £1.5m. We discovered that in this eventuality the current policy is to take what funding is needed from usable reserves.

Given the importance of this project and the not insignificant financial stake the council is putting into it, we believe that there needs to be strong overview and scrutiny of the project at all stages. The priority for this scrutiny would be to ensure that funds are spent appropriately and generate the maximum legacy for local residents, particularly young people who were at the heart of our bid.

We **recommend** that this is achieved by putting a backbench member on the board of the charitable trust which will oversee delivery of the year of culture, and also with quarterly financial updates sent to the chair of the relevant scrutiny committee.

Social care

Proposal CWB019 – to introduce 15-minute care visits is rightly included in the "Most Difficult" appendix. When this idea was proposed a couple of years ago the Panel took a strong stance that this should only be done as a final resort. Such a reform would undoubtedly have a negative impact on the most vulnerable.

According to research by Unison (*Suffering Alone at Home*, January 2016) a large number of councils do commission 15-minute home care visits including 45 per cent of those in London. Their research suggests that such short visits are affecting the ability of homecare workers to deliver quality care. The United Kingdom Homecare Association, which represents providers, has further said that it is concerned that domiciliary care such as help with washing, dressing and meal preparation cannot be crammed into a 15-minute slot.

We should be proud to stand apart from the many councils which have chosen to take this drastic step whilst not considering other income generation options, such as charges for garden waste. We therefore clearly **recommend** that this proposal does not go forward.

We also discussed at length the council's plans for recommissioning its care provisions, the risks and rewards that come with having fewer providers and the implications for our Real Living Wage commitments. This is a very large and important topic and therefore we **recommend** that a full report on the matter comes before the Community and Wellbeing Scrutiny Committee within six months.

Public health

It is a relatively recent development that local authorities have been responsible for public health provision and received a ring-fenced grant from Public Health England to deliver this service. Even within this short time period the level of funding for this service has been continually cut – a trend which was confirmed in an announcement from the Department for Health and Social Care made whilst we were finalising this report – in a way which we doubt would have been done had funding remained with the NHS and its protected budget.

Therefore, the council is still developing the best possible model to deliver these services and ensure that all appropriate schemes are funded inside the ring fence and not taken from the general pot.

We support this broad strategic work but also have some specific concerns about individual public health proposals. For example, CWB003 ceases untargeted smoking cessation services. We acknowledge that this might have excellent effects on those who most need support to break this life shortening habit, but remain concerned that it could lead to some increase in smoking amongst the general population who will no longer get any support. We therefore **recommend** that this policy is reviewed in two years' time and if general smoking rates have increased then it should be reconsidered.

Likewise, CWB004 would decommission the universal health check offer to target those at higher risk. Again, a general review of this policy should be undertaken at the appropriate time.

Libraries

CWB006 proposes to reduce library hours and offers no argument that residents will benefit from a better service if this is implemented. We do not agree with this proposal and believe it should have been place in the "Most Difficult" appendix.

We are pleased that residents in Brent know they have six council-run libraries in the borough that they can go to seven days per week. Scaling back on this universal service would undermine the trust the council has slowly rebuilt with the community following the closure of several libraries before 2014. We also believe there is a real danger that demand will be dampened if people become confused about which libraries they can go to at certain times and which they can go to at others.

There are other options we feel the council could consider before passing this proposal. The first of these is transferring the library service to a charitable trust as other authorities – including Glasgow, Luton and Fife - have done. If our library service were run in this way, the six buildings could become eligible for business rates relief of at least 80 per cent, presenting significant savings without a loss in the service.

We **recommend** that the council gives serious consideration to this idea.

Secondly, the largest mistake, in our view, that the council made before adopting its proposal of library closures a few years ago, was refusing to give local community and volunteer groups any opportunity to run the service. We **recommend** that this time every effort should be made to see if volunteers can take over some of the services to prevent closures. We are aware that some libraries require a permanent security presence and that this work cannot be done by volunteers, but this is not the case in every library and so should not prevent a volunteer team from keeping these branches open.

Thirdly, we **recommend** that Brent explore all options which help to maximise the use of library buildings and extract additional financial value from them. For example, residents in flats above shops often struggle to get hold of council recycling bags for their waste. If they could collect these easily from their local library this would be easier for them and give the

library further status as a local hub for council services. Likewise, there is much potential to rent out event space in some of our libraries, like the upstairs floors in Harlesden Library, and we think more work needs to be done to sweat those assets.

This are just some starting ideas, but it is our fundamental belief that any alternative to make savings in the service are considered before we resort to the drastic step of partial closures.

Schools

Proposal CYP001 proposes to fund some statutory education functions from the Dedicated Schools Grant. We agree with the lead member and director that this would be fair and appropriate as we are only requesting around £250k from a pot of over £300m.

However, we are naturally wary of any budget proposal over which the council is not fully in control. This money would need to be approved by the Schools Forum an organisation of hard working volunteers we have a huge amount of respect for. We appreciate the hard work Brent has done to build up a relationship of trust with this organisation by openly sharing all of its plans around school funding in the past and would be hopeful that Brent's bid is successful.

Perhaps, in future, budget proposals which are contingent on external approval should be highlighted as such to ensure all possible contingencies are made to cover the gap if the bid is unsuccessful.

Roundwood Youth Centre

Members of the Panel were very interested in proposal CYP005 which relates to the future of the Roundwood Youth Centre. All agree that the facility is one with great potential but is currently underused and is therefore a drain on the council's revenue budget.

The council should not wish to dispose of this asset, but even if it did, this would not be straightforward as the facility was built with a National Lottery grant of £4.997m as part of the Government's Myplace programme. Under the terms of the grant agreement, the council is required to notify the Cabinet Office of any planned changes of use or ownership and could be required to repay the grant in whole or in part.

Therefore, the only solution is to increase the use of the site. We are satisfied that the proposal CYP005 has a strong potential to achieve this. It would establish alternative

education provision on site for local children who have been temporarily suspended from school. This would actually enhance our local offer as currently pupils have to travel out of the borough to places like Hammersmith when under a school suspension. Crucially this would mean that the youth centre is not empty and costing money to maintain during the school day.

It is far from ideal, in our opinion, that this new school would be a free school, but unfortunately the law ensures that new schools opening are always outside of local education authority control. Perhaps a change of central government policy in future may allow the school to one day become part of the Brent family.

The arrangement is also not perfect for Brent because the asset would transfer to Brent Special Academies Trust meaning any additional income they derive from hiring out other rooms on site would not be retained by the council. However, we will retain some oversite of the organisation as a senior officer will sit on the Trust's board.

The proposal would hand over youth provision at the site to a new provider, with the Brent Youth Foundation in particular having expressed an interest in becoming that provider. The council's clear intention is that more activities would be run at the Centre than there are currently. We **recommend** that once the site is handed over Brent must clearly measure and benchmark this.

On the face of it, Brent Youth Foundation is an excellent partner to deliver these services. It is a local charity which exists to deliver services to young people in just this way. We would, however, note that much of their funding comes from the City Bridge Trust and John Lyons' grants. We believe some more investigation needs to be done into the long-term viability of these sources. We would therefore **recommend** that the Community and Wellbeing Scrutiny does some further investigations into their long-term financial viability as part of its work programme on children's services.

Finally, we would note that activities are only beneficial to Brent's young people if they are sufficiently advertised and promoted. Members of the Panel who represent the wards surrounding the Youth Centre report that even those young people who live very close by have often not heard about activities on their doorstep. Therefore, we **recommend** that the council and their new partner conduct a review, including asking young people themselves, of the best ways to promote what is happening at Roundwood to the target audience.

Family Hubs

As already noted earlier in this report, the move to a "Family Hubs" model (proposal CYP008), is a policy which could have benefits to service delivery as well as making overall savings.

To summarise, the plan is close some children's centres (though we noted that the name sometimes gives a misleading description, few children's centres are full buildings which are open on a daily basis, most are single rooms, often attached to schools, which deliver specific services at limited times) to consolidate our offer at fewer sites. These sites would then deliver more comprehensive services all the way to the age of 18 and become a central hub for families in each area of Brent.

The bulk of this reform will be delivered in the second year of this budget and so many questions about the precise make-up of the new hubs have yet to be answered. It is probably beneficial that the council has a bit of extra breathing space to develop this policy as 2020 will also see the end of the Troubled Families Programme funding. The new service will have to be designed in a way to compensate for this.

With this in mind we would make **two recommendations** to cabinet as they seek to finalise the policy.

Firstly, we think it is hugely important that hubs have a strong triage service, so that anyone dropping into a centre is quickly assessed and directed to the most appropriate means of support. The Resource and Public Realm Scrutiny Committee saw the importance of this at its recent site visit to the Harlesden Hub, a project which operates along similar lines.

Secondly, we would suggest that when the council is choosing sites for the hubs they pay close attention to public transport routes as well as geographic areas. For example, as the crow flies, Kilburn and Kensal Green are not far apart, but there are few direct transport links which would make it very hard for residents in one of the two area to access services in the other.

Environment

We have no doubt that members of the public will have many concerns with savings, cuts and reforms proposed in the environment department. This is because it is perhaps the only universal set of services delivered by Brent. Not everyone in our borough accesses

children's services and not all of us will need social care. But everyone has a bin that needs to be collected and everyone walks on our streets or drives on our roads. This means that any changes in the public realm will be controversial, even if they do not specifically affect the poorest or most vulnerable.

We discussed various proposals in this department with the lead member and relevant officers. To begin, one member of the panel was particularly passionate about ensuring that builders, whose use of vans and skips damages pavements and curbs, are charged for this damage. For works that require planning permission, or where Brent is the building regulation authority, this is easier to achieve as we can demand a bond up front for the use of skip, for example, and keep this if damage is made.

In circumstance where permission is not required the council will not know work is going on. So, if a skip is dropped in a resident's front garden and the crane dropping it off damages the pavement in the process we will eventually incur the cost as no bond will have been charged.

Our imperfect solution to this conundrum was to **recommend** the introduction of a "Considerate Builders Scheme", as has already been seen in Westminster, in our borough. Those who sign up to the principles of this would get a window sticker and be listed on our website. This would benefit the builders and also raise awareness more generally about the need to be considerate. All materials pushed out about the scheme would have to advertise a way for residents to whistle blow when builders do not follow the principles of the scheme in order to ensure some level of oversite.

Moving on, we welcomed the expansion of litter patrol activity in proposal R&E006 and that an in-house service will give the council more control over where patrols are targeted. This seems to follow on exactly from recommendations made by the Resources and Public Realm Scrutiny Committee a couple of years ago. We detected that the cabinet and senior officers had assumed that councillors would be uneasy with litter patrol activity that was low level, such as fining people for dropping cigarette ends outside of tube stations. In fact, no one on the panel felt like this and all believed that tackling low level problems will help to ensure that people do not progress to more serious environmental offences. Though we would add a **recommendation** at this point that some investment is made in providing more suitable bins and disposal areas at Brent's transport hubs – mainly tube stations and bus stops – to give people an easy and ethical way of disposing of these items.

When it came to proposal R&E008, which predicts an increase in income of £50k due to more licensed activity in the Wembley area, we did have a clear **recommendation**. Many residents who live close to the stadium feel that their lives are disrupted on event days and do not receive sufficient compensation for this despite the boost to local businesses. Therefore, we suggested that this additional income is ring fenced for a project which directly benefits these residents in Wembley.

We supported the provisions of proposal R&E001 which refers to turning down many of the street lights across the borough. Many councillors reported that people have contacted them asking for less bright lights outside their houses and we also know that urban wildlife benefits from lower lighting levels at night. We **recommend** that this latter aspect, often overlooked, features prominently in future council publicity about the scheme.

After discussing these overall positive proposals, we turned to more controversial ideas - which, like the libraries example discussed above - can only be described as cuts.

R&E002A/B remove litter patrols and litter bins from zone 5, which constitutes 456 roads or a quarter of land in the borough. We were less concerned about the removal of litter bins on residential streets which often attracts additional illegally dumped waste, but felt that stopping litter picking would lead to less clean and attractive pavements. Of course, as already stated every department must contribute to savings and cuts and these will sadly have consequences, so we do not feel as though we can oppose these proposals out right.

Instead, as mitigation we **recommend** that the litter patrol activity already discussed is targeted at the areas missing out so our response to problems is joined up and collaborative. We also **recommend** that the Cleaner Brent app is amended so that people can report piles of uncollected leaves through it, as it was noted without people on the street such issues may not be noticed.

Most difficult of all was R&E001A which proposes to partially close the Abbey Road Household Recycling Centre, probably for two non-consecutive days each week. We felt that a complete closure of the site would be a step too far, but some reduced hours could be justified given the huge financial pressures weighing down on the authority. Some members of the Panel suggested that this change might increase illegal rubbish dumping in the borough, however, a majority of us felt that this was unlikely. The kind of resident who does the right thing in taking their waste to the recycling centre is unlikely to become a law

breaker and dump their waste on the street because they cannot gain access on two days a week, no matter how frustrated they might feel.

We also noted that there will be a significant group of local residents who will not be affected by this change as they find it extremely difficult to access the site at all. This are primarily people in the south of the borough where car ownership is low. Without a car it is pretty near impossible to take bulky waste to Abbey Road and with the council approving more and more car free developments we will have even more residents in this position in future.

It seems clear that things can be done through the planning system to provide solutions to this problem. We **recommend** a review into how the council can ensure that applications for new residential developments – in particular car free developments – always include appropriate waste disposal options.

Overall, we do believe that not as much income is generated from the Abbey Road site as could be. This is primarily because it is run by the West London Waste Alliance and we do not have full control over it. The Chair of the Panel recently attended a national waste conference where Welsh authorities reported a percentage increase of three figures in income generated through textile sales. They achieved this through a "no black bags policy", meaning that residents could not simply throw black bags into the general waste section of their recycling centre. All material had to be opened and separated. This led to many old clothes being salvaged to be sold onto textile traders. Brent could only benefit from such a scheme if all sites in the WLWA agreed to the policy and to split the profits. It will not be easy to persuade them all to do so but we **recommend** that the council does try.

Community safety

The main community safety proposal in this budget is the ending of a service. Currently, the council funds 12 additional local police officers through the Met Patrol Plus scheme. Members and residents are offered two alternatives in this area: R&E022 would halve the service and save £200k, and R&E022A would abolish it completely and save £400k.

Reluctantly, and aware once again that cuts have consequences, we would agree with the council's plans to end this service. Ultimately, we believe that the council has many, many vital services that it needs to deliver to the local community, from social care to fostering, and it is not sustainable to take money away from these to fund a service that another part of government – in this case the Home Office – should be responsible for.

Of course, the situation should be closely monitored, and we should keep a particular eye on how the new three borough command structure influences levels of local policing. All members should also continuously advocate for additional policing in their wards and ask every resident to report incidents so the local crime database is as accurate as possible.

Finally, we would **recommend** that the council bring a report to Resources and Public Realm scrutiny by the end of 2019 which looks at how Brent can mitigate against this cut by beefing up our own internal patrol and enforcement teams.

Note: The Met Patrol Plus scheme is under review as of January 2019. One possible outcome may be that the scheme is scrapped.

Scrutiny

This budget contains many difficult cuts that will directly impact upon the lives of our residents. We therefore did not want to spend much time in this report focusing on ourselves but we do feel that proposal PPP007, to reduce the number of scrutiny committees from three to two, should be questioned. The number of cabinet members recently increased by two, and therefore it is reasonable to question if the number of councillors involved in scrutinising the cabinet should be decreased at the same time the number of councillors in cabinet is increased.

Despite this, we do recognise that it is beholden upon us to make savings like every other department of the council. So, we **recommend** that instead of making these cuts via the very blunt instrument of axing one committee, the three current chairs are given a clear budget for scrutiny and work with officers and backbenchers to come up with a proposal to deliver scrutiny within that budget. We would do this by starting from the bottom up, like the council's Outcome Based Reviews, and not simply slicing away from the existing three committee structure. We also believe it would be essential to benchmark our scrutiny service against those of other boroughs when conducting this process.

6. Reserves

We took some time to review of all of the ring fenced and general reserves held by the council as part of our budget scrutiny process.

When councillors, and members of the public, talk about “reserves” they are usually only referring to the general reserves pot which currently sits at a safe, but comparatively low, figure of £12million. In fact, it is probably safe to say that many people think this is the only money the council holds in reserve. But of course, there are many other pots of ring-fenced money in the council’s accounts which have been established and set aside for particular projects over the years.

We were assured that these are assessed annually to see if there is still a need for them. Despite this, we think it would be helpful to cast a new set of eyes on these and so **recommend** that a paper on reserves is brought to the resources and public realm scrutiny committee within six months. The paper should include information on each fund in reserves, when it was established and when it was last accessed. This information is currently not collated together in a single usable document and so this could be an informative exercise for the whole council, driven by the scrutiny process.

7. Conclusion

We hope this report is seen as a fair and balanced one. We have tried at all times to understand the huge financial pressures that the council is under as a result of the severe reduction of the central government grant.

Many of the cuts in the budget proposals are unpalatable, but we do not oppose these for opposition’s sake because we know if these were taken out of the budget money would have to be found elsewhere and that such alternative cuts could be even more painful.

We have tried to make constructive comments about how some of these negative impacts could be mitigated and also praised the council for its more innovative ideas wherever appropriate.

This report is not the end of the budget scrutiny process and we look forward to discussing our recommendations, and the budget as a whole, in more depth at future scrutiny, cabinet and full council meetings.

Portfolio Holder	Portfolio	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Total
		£000	£000	£000	£000	£000	£000	£000
Resources: Cllr Margaret McLennan	Barham Park Trust	50	0	0	0	0	0	**50**
	Utilising surplus property *NEW*	0	5,000	5,000	5,000	5,000	0	**20,000**
	CNWL/ Education Quarter *NEW*	0	5,000	6,500	0	0	0	**11,500**
	Discount Market Sale (DMS) *NEW*	0	40,000	0	0	0	0	**40,000**
	Civic Centre	641	5	5	5	5	274	**935**
	Digital Strategy	1,945	1,674	1,590	0	0	0	**5,209**
	Energy	265	6	0	0	0	0	**271**
	ICT	3,386	0	0	0	0	0	**3,386**
	Libraries	67	0	0	0	0	0	**67**
	Property Management	100	478	145	0	0	0	**724**
Regeneration: Highways, Planning: Cllr Tatler	South Kilburn Estate Regeneration	18,413	3,851	12,497	17,720	27,147	16,620	**96,249**
	Bridge Park Regeneration	1,485	1,000	0	0	0	0	**2,485**
	Grants to outside bodies	500	0	0	0	0	0	**500**
	Neighbourhood CIL	148	19	0	0	0	0	**167**
	New Homes Bonus	93	0	0	0	0	0	**93**
	Olympic Way Pedestrian Improvements	5,691	0	3,400	8,700	0	0	**17,791**
	Barham Park	0	0	0	0	0	0	**0**
	Housing Zones	1,216	215	115	0	0	0	**1,546**
	Small Schemes	100	0	0	0	0	0	**100**
	Town Centre Regeneration	494	0	0	0	0	0	**494**
	St. Raphael's Estate Regeneration	140	860	0	0	0	0	**1,000**
Community Safety: Cllr T Miller	CCTV	2,285	0	0	0	0	0	**2,285**
Regeneration: Highways, Planning: Cllr Tatler	Landscaping	903	292	0	0	0	0	**1,194**
	Regen & South Kilburn - S106	1,378	0	0	0	0	0	**1,378**
	Highways & Infrastructure S106	3,065	300	0	0	0	0	**3,365**
	Highways & infrastructure *NEW*	0	5,000	5,000	5,000	5,000	0	**20,000**
	Highways & Infrastructure	4,101	3,500	3,500	3,500	3,500	3,500	**21,601**
	Transport For London [TFL]	3,197	2,345	2,145	2,145	2,145	2,145	**14,122**
Public Health: Culture & Leisure: Cllr Krupesh Hirani	Sports	417	485	20	0	0	0	**922**
Environment: Cllr Krupa Sheth	Parks	1,209	152	0	0	0	0	**1,361**
	Cemeteries	8	0	0	0	0	0	**8**
	Environmental Health	77	0	0	0	0	0	**77**
	Parking & Street Lighting	4,677	192	0	0	0	0	**4,869**
Schools: Employment & Skills: Cllr Amer Agha	Academies	0	0	0	0	0	0	**0**
	Children & Youth Facilities	159	0	0	0	0	0	**159**
	Completed School Projects	609	353	0	0	0	0	**962**
	Expansion of School Places	537	1,797	0	0	0	0	**2,334**
	Phase 3 Permanent Primary	18,375	963	0	0	0	0	**19,338**
	Phase 4 Permanent Primary	60	0	0	0	0	0	**60**
	PSBP Phase 2 Secondary	178	0	0	0	0	0	**178**
	School Capital Improvement	3,855	4,097	4,567	2,587	3,155	0	**18,262**
Housing & Welfare Reform: Cllr Eleanor Southwood	Aids & Adaptations	5,385	1,854	0	0	0	0	**7,239**
	GLA Housing Schemes *NEW*	0	3,900	69,200	75,100	27,900	3,700	**179,800**
	Northwick Park *NEW*	0	500	1,200	6,000	2,200	0	**9,900**
	In Borough Acquisition Strategy *NEW*	0	100,000	0	0	0	0	**100,000**
	Travellers Site	600	0	0	0	0	0	**600**
	Energy, Health & Safety	0	0	0	0	0	0	**0**
	Mixed Development	5,522	12,886	12,000	6,000	0	0	**36,408**
	Feasibility	0	0	0	0	0	0	**0**
	PRS I4B	34,000	21,555	0	0	0	0	**55,555**
	Condition Surveys	0	0	0	0	0	0	**0**
	GLA Housing Schemes *NEW*	0	9,645	39,976	37,700	5,400	500	**93,221**
	Energy, Health & Safety	0	0	0	0	0	0	**0**
	Infill Development - Phase 1	3,852	1,272	0	0	0	0	**5,124**
	Infill Development - Phase 2	5,836	7,018	856	0	0	0	**13,710**
	Major Repairs & Maintenance	22,327	14,106	15,703	0	0	0	**52,136**
	Feasibility	367	405	0	0	0	0	**772**
Adult Social Care: Cllr Harbi Farah	NAIL	3,928	1,863	4,902	0	0	0	**10,693**
	Honey Pot Lane *NEW*	0	1,000	10,000	7,000	500	0	**18,500**
	NAIL Refurbishment Programme	0	4,000	402	0	0	0	**4,402**
All	Pipeline Remainng Balance	0	0	0	0	0	32,364	**32,364**
		161,643	**257,587**	**198,724**	**176,457**	**81,952**	**59,103**	**935,466**
Funding Sources	Grants & Other Contributions	33,175	34,107	52,182	10,732	7,500	2,145	**139,843**
	S106 & CIL	14,135	557	13,162	8,700	0	0	**36,554**
	Capital Receipts	33,472	15,536	15,783	17,720	27,147	16,620	**126,278**
	Reserves	29,019	24,122	35,971	0	0	0	**89,112**
	Major Repairs Allowance	10,860	7,110	8,072	0	0	0	**26,042**
	Revenue Contribution	11,582	3,500	3,500	8,500	3,500	3,500	**34,082**
	Prudential Borrowing	29,399	172,656	70,053	130,805	43,805	36,838	**483,556**
		161,643	**257,587**	**198,724**	**176,457**	**81,952**	**59,103**	**935,466**

Total new schemes £492.9m

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Treasury Management Strategy Statement 2019/20

Introduction

1.0 Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

2.0 Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2017 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

External Context

3.0 **Economic background:** The UK's progress negotiating its exit from the European Union, together with its future trading arrangements, will continue to be a major influence on the Council's treasury management strategy for 2019/20.

4.0 UK Consumer Price Inflation (CPI) for December was 2.0%, down from 2.2% in November 2018. The most recent labour market data shows that the number of people in work increased, the number of unemployed people was little changed but the number of people aged from 16 to 64 not working and not seeking or available to work decreased across the period.

5.0 The unemployment rate was 4.0%, it has not been lower since December 1974 to February 1975. The employment rate was 75.8%, higher for a year earlier (75.3%) and the highest estimate since comparable estimates began in 1971. Nominal wages including bonuses increased by 3.4% and wages excluding bonuses increased by 3.3%. Real wages excluding bonuses increased by 1.1% and including bonuses increased by 1.2% compared to a year earlier.

6.0 The rise in quarterly GDP growth to 0.6% in Q3 from 0.4% in the previous quarter was due to weather-related factors boosting overall household consumption and construction activity over the summer following the weather-related weakness in Q1. At 1.5%, annual GDP growth continues to remain below trend. Looking ahead, the BoE, in its November Inflation Report, expects GDP growth to average around 1.75% over the forecast horizon, providing the UK's exit from the EU is relatively smooth.

7.0 Following the Bank of England's decision to increase Bank Rate to 0.75% in August, no changes to monetary policy has been made since. However, the Bank expects that should the economy continue to evolve in line with its November forecast, further increases in Bank Rate will be required to return inflation to the 2% target. The Monetary Policy Committee continues to reiterate that any further increases will be at a gradual pace and limited in extent.

8.0 While US growth has slowed over 2018, the economy continues to perform robustly. The US Federal Reserve continued its tightening bias throughout 2018, pushing rates to the current 2.5% in December. Expectations are fading that the further hikes previously expected in 2019 will materialise as concerns over trade wars drag on economic activity.

9.0 **Credit outlook:** The big four UK banking groups have now divided their retail and investment banking divisions into separate legal entities under ring-fencing legislation. Bank of Scotland, Barclays Bank UK, HSBC UK Bank, Lloyds Bank, National Westminster Bank, Royal Bank of Scotland and Ulster Bank are the ring-fenced banks that now only conduct lower risk retail banking activities. Barclays Bank, HSBC Bank, Lloyds Bank Corporate Markets and NatWest Markets are the investment banks. Credit rating agencies have adjusted the ratings of some of these banks with the ring-fenced banks generally being better rated than their non-ring-fenced counterparts.

10.0 The Bank of England released its latest report on bank stress testing, illustrating that all entities included in the analysis were deemed to have passed the test once the levels of capital and potential mitigating actions presumed to be taken by management were factored in. The BoE did not require any bank to raise additional capital.

11.0 European banks are considering their approach to Brexit, with some looking to create new UK subsidiaries to ensure they can continue trading here. The credit strength of these new banks remains unknown, although the chance of parental support is assumed to be very high if ever needed. The uncertainty caused by protracted negotiations between the UK and EU is weighing on the creditworthiness of both UK and European banks with substantial operations in both jurisdictions.

12.0 **Interest rate forecast:** Following the increase in Bank Rate to 0.75% in August 2018, the Council's treasury management adviser is forecasting two more 0.25% hikes during 2019 to take official UK interest rates to 1.25%. The Bank of England's MPC has maintained expectations for slow and steady rate rises over the forecast horizon. The MPC continues to have a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. Arlingclose believes that MPC members consider both that ultra-low interest rates result in other economic problems, and that higher Bank Rate will be a more effective policy weapon should downside Brexit risks crystallise when rate cuts will be required.

13.0 The UK economic environment remains relatively soft, despite seemingly strong labour market data. Arlingclose's view is that the economy still faces a challenging outlook as it exits the European Union and Eurozone growth softens. While assumptions are that a Brexit deal is struck and some agreement reached on transition and future trading arrangements before the UK leaves the EU, the possibility of a "no deal" Brexit still hangs over economic activity *(at the time of writing this commentary in mid-December).* As such, the risks to the interest rate forecast are considered firmly to the downside. ***See Appendix A.***

14.0 As a budget assumption (and not necessarily a statement of policy) for the purpose of setting the budget, it has been assumed that new investments will be made at an average rate of 1%, and that new long-term loans will be borrowed at an average rate of 3%.

Local Context

15.0 On 31st December 2018, the Council held £397m of borrowing and £114m of investments. This is set out in further detail at ***Appendix B***. Future forecasted borrowing requirements are shown in the balance sheet analysis in table 1 below.

Table 1: Balance sheet summary and forecast

	31.3.18 Actual £m	31.3.19	31.3.20	31.3.21
General Fund CFR	522.3	533.1	676.8	718.0
HRA CFR	148.6	158.4	178.2	197.0
Total CFR	**670.9**	**691.5**	**854.9**	**915.0**
Existing Borrowing	408.0	397.0	355.0	331.0
Borrowing required to meet CFR	**262.9**	**294.5**	**499.9**	**584.0**
Projected Usable Reserves	303.4	244.6	337.6	327.5
Projected Working Capital	141.3	112.5	100.0	90.0
Available Cash Reserves	**444.7**	**357.1**	**437.6**	**417.5**
Investments (or New borrowing)	**181.8**	**62.6**	**(62.4)**	**(166.6)**

16.0 The Council's CFR is greater than its borrowing, as to minimise interest costs the Council utilises its internal resources over the short term instead of undertaking more expensive external borrowing. However, the increased focus on capital

investment to transform the financial position as set out in the capital pipeline report may require some new external borrowing over the coming years.

17.0 As demonstrated in the September 2018 Cabinet report "Brent Council Borrowing Strategy 2018/19 – 2020/21" the Council will need to seriously consider borrowing at some point in 2019/20. In recent years the Council's strategy has been to maintain borrowing at the lowest level possible unless interest rate prospects present a clear case for taking long term borrowing ahead of immediate requirements. However current interest rate forecasts along with the significant levels of planned capital investment over the next three years means that this approach may no longer be sustainable or optimal.

18.0 CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during 2019/20.

BORROWING STRATEGY

19.0 The Council currently holds £397 million of loans, a decrease of £14.6 million on the previous year, following the early redemption of some of the LOBO loans and repayments on EIP borrowing. The balance sheet forecast in table 1 shows that the Council expects to borrow up to £166 million by 2020/21 however this is largely dependent on how the capital programme progresses. In accordance with the September 2018 strategy report the Council may also borrow additional sums to pre-fund future years' requirements, providing this does not exceed the authorised limit for borrowing of £1.1 billion.

20.0 **Objectives:** The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change is a secondary objective.

21.0 **Strategy:** Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. With short-term interest rates currently much lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow short-term loans instead. By doing so, the Council is able to reduce net borrowing costs (despite foregone investment income) and reduce overall treasury risk. The benefits of internal borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may

determine whether the Council borrows additional sums at long-term fixed rates in 2019/20 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

22.0 The Council will also be seriously considering the use of forward starting loans during 2019/20, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

23.0 In addition to above, the Council may borrow short-term loans to cover unplanned cash flow shortages.

Sources of borrowing: The approved sources of long-term and short-term borrowing are:

- Public Works Loan Board (PWLB) and any successor body
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body
- UK public and private sector pension funds (except the local Brent Pension Fund)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

24.0 **Other sources of debt finance:** In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- leasing
- hire purchase
- Private Finance Initiative
- sale and leaseback

25.0 Although we do not anticipate entering into any new PFI arrangements, we would not rule this out should the terms become sufficiently favourable. However, the council has previously raised the majority of its long-term borrowing from the PWLB but it continues to investigate other sources of finance, such as local authority loans and bank loans that may be available at more favourable rates.

26.0 **Municipal Bonds Agency:** UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It plans to issue bonds on the capital markets and lend the proceeds to local authorities. This will be a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a joint and several guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between

committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to full Council.

27.0 **LOBOs:** The Council holds £70.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan. Although the Council understands that lenders are unlikely to exercise their options in the current low interest rate environment, there remains an element of refinancing risk. The Council will take the option to repay LOBO loans at no cost if it has the opportunity to do so.

28.0 **Short-term and variable rate loans:** These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below.

29.0 **Debt rescheduling:** The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving and/or a reduction in risk.

INVESTMENT STRATEGY

30.0 The Council holds significant invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's investment balance has ranged between £190 and £89 million. These balances are forecast to decline as the Councils begins the implementation of its ambitious capital programme and pipeline.

31.0 The 2018/19 investment strategy allowed the Council flexibility to invest cash for periods of up to 370 days with the ability to lend any amount to any UK local government body for up to 5 years. The minimum long term rating for counterparties is A- (or equivalent) whilst the prudential indicators allowed up to £40m to be invested for longer than 364 days.

32.0 **Objectives:** The CIPFA Code requires the Council to invest its funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested.

33.0 **Strategy:** Given the increasing risk and very low returns from short-term unsecured bank investments, the Council aims to further diversify into higher yielding asset classes during 2019/20. However it is worth noting that this approach might be limited to the extent that this the capital investment plans are delivered in line with current expectations. Should this prove to be the case, surplus funds may not be available to invest over longer durations as set out below.

34.0 The average rate of interest received on investments during the year to December 18 was 0.71%. Comparison data for other local authorities from Arlingclose's benchmarking club (which uses the data of 136 Local Authorities) places Brent around average compared to our peers - ***Appendix C***. However, this strategy now provides the opportunity improve this performance. During the first quarter of 19/20 council officers, in conjunction with our advisors will undertake a more detailed review to assess the potential for realistically doubling the current average rate of return by making use of the full range of options listed in paragraphs 42.0 – 49.0 and contained within this strategy.

35.0 The majority of the Council's surplus cash is currently invested short-term with other Local Authority's, money market funds and certificates of deposit. This diversification will therefore represent a change in strategy over the coming year.

36.0 In order to diversify a portfolio largely invested in cash, for 19/20 investments will be placed with a number of approved counterparties over a range of maturity periods. Maximum investment levels with each counterparty will be set by the Chief Finance Officer to ensure that prudent diversification is achieved.

37.0 The minimum credit rating for non-UK sovereigns will be set at AA+ (or equivalent) and the minimum long term rating for counterparties is A- (or equivalent). Within these criteria the Chief Finance Officer (CFO) will have discretion to accept or reject individual institutions as counterparties on the basis of any information which may become available.

38.0 The Council uses the lowest rating quoted by the main rating agencies, as recommended by CIPFA. Where instrument credit ratings are available, the instrument credit rating will be used if different from the counterparty rating. Credit ratings are monitored continually by the Council, using the advice of Arlingclose on ratings changes, and action taken as appropriate.

39.0 Any institution will be suspended or removed should any factors give rise to concern, and caution will be paramount in reaching any investment decision regardless of the counterparty or the circumstances. Should an entities credit rating be downgraded so that it does not meet the Council's approved criteria then:

- No new investments will be made;

- Full consideration will be made to the recall or sale of existing investments with the affected counterparty.

40.0 Having an appropriate lending list of counterparties, remains critically important to protecting Brent's investments. A list of extremely secure counterparties would be very small, and the limits with each would be correspondingly high. This would expose the Council to a risk of an unlikely but potentially large loss. This arises because the arrangements for dealing with banks in difficulty now require a loss to be imposed on various categories of liabilities of the banks to allow the bank to recapitalise itself and continue in business (sometimes referred to as bail in).

41.0 When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2011, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government via the Debt Management Office or invested in government treasury bills for example, or with other local authorities. This will cause a reduction in the level of investment income earned, but will protect the principal sum invested.

42.0 **Unsecured deposits:** unsecured deposits with banks could be exposed to credit loss by the 'bail-in' process. This is where depositors are expected to make a significant contribution to recapitalise a bank that is failing or likely to fail before government support is provided and public money is invested in the organisation. There is no upper limit to the maximum credit loss that the authority could suffer in the event of a bail-in scenario.

43.0 **Secured deposits:** secured deposits of various kinds are not included in bail in provisions where investments are secured on the bank's assets. It is likely that the Council's preferred instruments in lending to institutions without some kind of government guarantee will increasingly be in the form of secured or marketable instruments. The Council and its advisors remain alert for signs of credit or market distress that might adversely affect the Council.

44.0 **Money market funds (MMFs):** will be utilised but good treasury management practice prevails, and whilst MMFs provide good diversification, the Council will also seek to mitigate operational risk by using at least two MMFs where practical. They will not exceed 0.5% of the net asset value of the MMF. *In addition, each Fund will be limited to a maximum deposit of £20m.*

45.0 **Government:** Loans, bonds and bills issued or guaranteed by national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. *Investments with the UK Central Government may be made in unlimited amounts for up to 50 years.*

The investment strategy will provide flexibility to invest cash for longer periods in order to access higher investment returns. *The upper limit for lending beyond a year is £50m*. In practice, lending for more than one year will be only to institutions of the highest credit quality and at rates which justify the liquidity risk involved. Marketable instruments may have longer maturities, though the maturity will be considered in conjunction with the likely liquidity of the market and credit quality of the institution. *Other than UK Central Government the council may invest its surplus funds subject to a maximum duration of 20 years.*

Alternative investment options will include:

46.0 **Corporate bonds:** These can give significantly higher yields than our current deposits but give exposure to risks from economic, commercial and operational difficulties. Diversification would involve investing small amounts with a large number of companies or buying diversified Funds. Seeking additional security could involve exchanging our deposit for known high credit quality assets, or a claim on a pool of assets. Seeking capital strength would involve investing in companies with high levels of assets in relation to liabilities or a strong fixed asset base, or whose business is not subject to marked fluctuations in activity or profitability.

47.0 **Registered Providers (Housing Associations and Registered Social Landlords):** Loans and bonds issued by RP's have been included as an approved investment counterparty for 2019/20. Any investments with Registered Providers will be analysed on an individual basis and discussed with Arlingclose prior to investing. *Investments with registered providers will be limited to £20m in 2019/20.*

48.0 **Collective Investment Schemes (Pooled Funds):** Shares or units in diversified investment vehicles consisting of the any of the above investment types, plus equity shares and property. The Council has evaluated the use of Pooled Funds and determined the appropriateness of their use within the investment portfolio. Pooled funds enable the Council to diversify the assets and the underlying risk in the investment portfolio and provide the potential for enhanced returns. Investments in pooled funds will be undertaken with advice from Arlingclose. Although considered as pooled funds, MMF's are discussed separately in paragraph 44. The Council currently has no investments in Pooled Funds (other than MMFs) at present, but may make prudent use of them in the future. *Investments in pooled funds will be limited to £20m in 2019/20.*

49.0 **Real estate investment trusts:** Shares in companies that invest mainly in real estate and pay the majority of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties*. Investments in REITs will be limited to £20m in 2019/20.*

50.0 **Operational bank accounts:** The Council may incur operational exposures, for example though current accounts, collection accounts and merchant acquiring services. These are not classed as investments but are at risk of bank bail-in. The Council banks with National Westminster Bank (NatWest) who meet the Council's minimum credit criteria. Should Natwest's creditworthiness deteriorate below the Council's minimum credit criteria, then as far as is consistent with operational efficiency, no money will be placed with NatWest and credit balances in the various Council accounts will be kept to a minimum level.

51.0 **Investment limits**: The Council's revenue reserves available to cover investment losses are forecast to be £240 million on 31st March 2019. In order that no more than 10% of available reserves will be put at risk in the case of a single default, *the maximum that will be lent to any one organisation (other than the UK Government) will be £20 million*. A group of banks under the same ownership will be treated as a single organisation for limit purposes.

52.0 **Liquidity management:** The Council uses internal purpose-built cash flow modelling tools to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

TREASURY MANAGEMENT INDICATORS

53.0 The Council measures and manages its exposures to treasury management risks using the following indicators.

54.0 **Security:** The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Table 2

Credit risk indicator	Target
Portfolio average credit rating	A

55.0 **Liquidity:** The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling [three] month period, without additional borrowing.

Table 3

Liquidity risk indicator	Target
Total cash available within 3 months	£50m

56.0 **Interest rate exposures:** This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Table 4

Interest rate risk indicator	Limit
Upper limit on one-year revenue impact of a 1% rise in interest rates	£5m
Upper limit on one-year revenue impact of a 1% fall in interest rates	£5m

The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

57.0 **Maturity structure of borrowing:** This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing will be:

Table 5

Refinancing rate risk indicator	Upper limit	Lower limit
Under 12 months	40%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	60%	0%
10 years and within 20 years	75%	0%
20 years and within 30 years	75%	0%
30 years and within 40 years	75%	0%
Over 40 years	75%	0%

Time periods start on the first day of each financial year. LOBOs are classified as maturing on the next call date i.e. the earliest date that the lender can require repayment.

58.0 **Principal sums invested for periods longer than a year:** The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the long-term principal sum invested to final maturities beyond the period end will be:

Table 6

Price risk indicator	**2019/20**	**2020/21**	**2021/22**
Limit on principal invested beyond year end	£50m	£50m	£50m

Related Matters

59.0 The CIPFA Code requires the Council to include the following in its treasury management strategy.

60.0 **Financial Derivatives:** The Authority does not currently use standalone financial derivatives (such as swaps, forwards, futures and options) and will only do so where they can be clearly demonstrated to reduce the overall level of the financial risks that the Authority is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be taken into account when determining the overall level of risk. Embedded derivatives will not be subject to this policy. Where schemes contain an embedded derivative they will be subject to evaluation as part of the appraisal of the particular scheme.

61.0 Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria. The current value of any amount due from a derivative counterparty will count against the counterparty credit limit and any relevant foreign country limit.

62.0 The Authority will only use derivatives after seeking expertise, receiving a legal opinion and ensuring officers have the appropriate training for their use.

63.0 **Housing Revenue Account:** As of 1 April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. Individual loans or parts of loans have been allocated to the HRA, on the basis of achieving the same long term rate as that which applied to the General Fund at the self-financing date.

64.0 Differences between the value of the HRA loans pool and the HRA's underlying need to borrow results in a notional element of internal borrowing. This balance will be assessed over the year and interest charged to the HRA at an appropriate rate for short term borrowing. The HRA will also hold reserves and balances which

will be invested with the Council, and interest will be paid on identified balances at a rate which recognises that any investment risk is borne by the General Fund.

65.0 **Markets in Financial Instruments Directive**: The MiFID II regulations took effect from January 2018 which saw the council reclassified as a retail client with the opportunity to opt up to professional client status. Retail clients have access increased protection however this would be balanced against potentially higher fees and access to a more limited range of products. The council has opted up to professional client status with its providers of financial services, including advisors, banks, brokers and fund managers. The CFO believes this to be the appropriate status for the Council's treasury management activities.

Other options considered

66.0 The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The strategy below in Table 7 represents alternative approaches, along with the associated financial and risk management implications.

Table 7: Alternative Strategies

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller
Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Appendix A – Arlingclose Economic & Interest Rate Forecast December 2018

Underlying assumptions:

- Our central interest rate forecasts are predicated on there being a transitionary period following the UK's official exit from the EU.
- The MPC has a bias towards tighter monetary policy but is reluctant to push interest rate expectations too strongly. We believe that MPC members consider that: 1) tight labour markets will prompt inflationary pressure in the future, 2) ultra-low interest rates result in other economic problems, and 3) higher Bank Rate will be a more effective policy weapon if downside risks to growth crystallise.
- Both our projected outlook and the increase in the magnitude of political and economic risks facing the UK economy means we maintain the significant downside risks to our forecasts, despite the potential for slightly stronger growth next year as business investment rebounds should the EU Withdrawal Agreement be approved. The potential for severe economic outcomes has increased following the poor reception of the Withdrawal Agreement by MPs. We expect the Bank of England to hold at or reduce interest rates from current levels if Brexit risks materialise.
- The UK economic environment is relatively soft, despite seemingly strong labour market data. GDP growth recovered somewhat in the middle quarters of 2018, but more recent data suggests the economy slowed markedly in Q4. Our view is that the UK economy still faces a challenging outlook as the country exits the European Union and Eurozone economic growth softens.
- Cost pressures are easing but inflation is forecast to remain above the Bank's 2% target through most of the forecast period. Lower oil prices have reduced inflationary pressure, but the tight labour market and decline in the value of sterling means inflation may remain above target for longer than expected.
- Global economic growth is slowing. Despite slower growth, the European Central Bank is conditioning markets for the end of QE, the timing of the first rate hike (2019) and their path thereafter. More recent US data has placed pressure on the Federal Reserve to reduce the pace of monetary tightening – previous hikes and heightened expectations will, however, slow economic growth.
- Central bank actions and geopolitical risks have and will continue to produce significant volatility in financial markets, including bond markets.

Forecast:

- The MPC has maintained expectations of a slow rise in interest rates over the forecast horizon, but recent events around Brexit have dampened interest rate expectations. Our central case is for Bank Rate to rise twice in 2019, after the UK exits the EU. The risks are weighted to the downside.

- Gilt yields have remained at low levels. We expect some upward movement from current levels based on our central case that the UK will enter a transitionary period following its EU exit in March 2019. However, our projected weak economic outlook and volatility arising from both economic and political events will continue to offer borrowing opportunities.

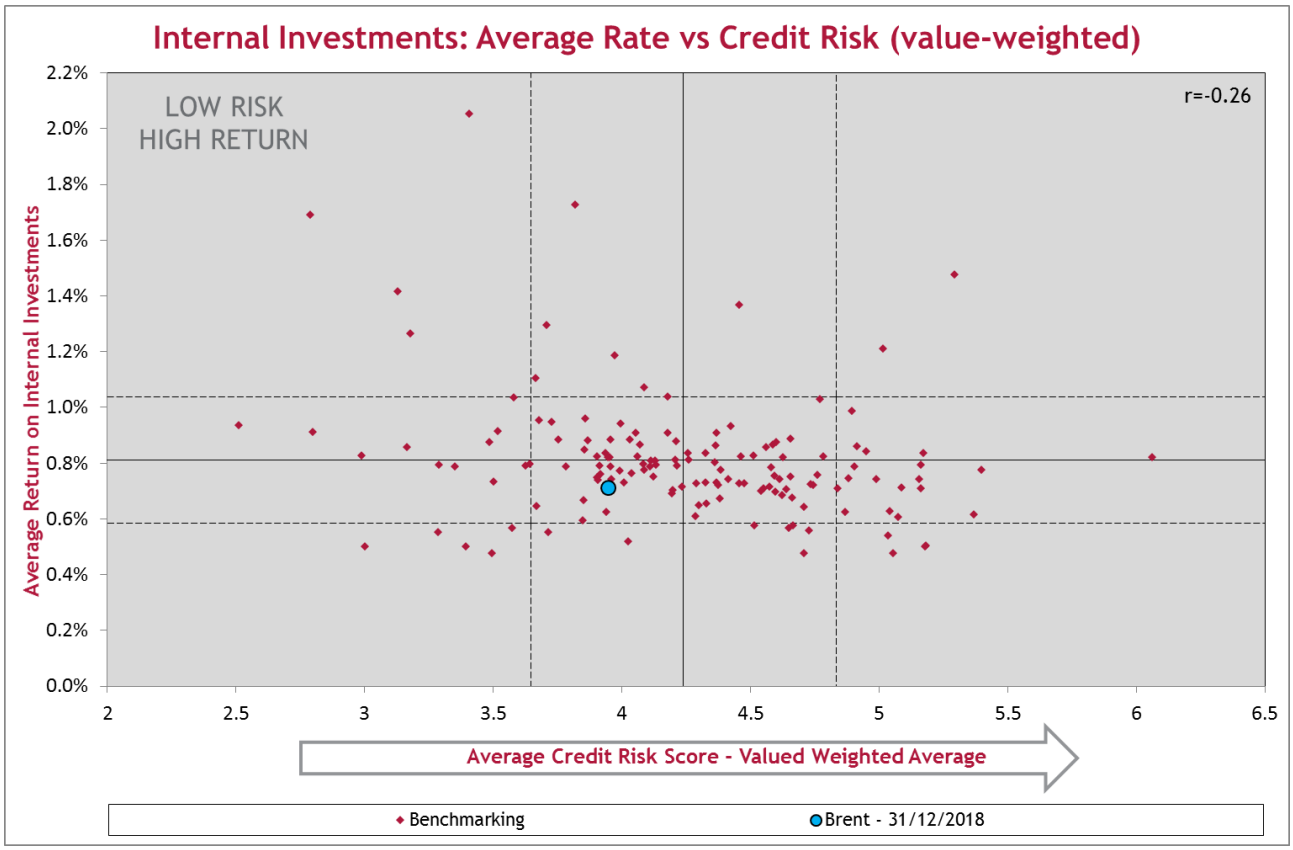
	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	Sep-21	Dec-21	Average
Official Bank Rate														
Upside risk	0.00	0.00	0.00	0.00	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	**0.17**
Arlingclose Central Case	**0.75**	**0.75**	**1.00**	**1.00**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.25**	**1.13**
Downside risk	0.00	-0.50	-0.75	-0.75	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	-1.00	**-0.85**
3-mth money market rate														
Upside risk	0.10	0.10	0.10	0.10	0.15	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	**0.17**
Arlingclose Central Case	**0.90**	**0.95**	**1.10**	**1.30**	**1.40**	**1.40**	**1.40**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.27**
Downside risk	-0.20	-0.45	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	**-0.76**
1-yr money market rate														
Upside risk	0.20	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	**0.33**
Arlingclose Central Case	**1.15**	**1.25**	**1.35**	**1.50**	**1.70**	**1.60**	**1.50**	**1.40**	**1.35**	**1.35**	**1.35**	**1.35**	**1.35**	**1.40**
Downside risk	-0.35	-0.50	-0.60	-0.80	-0.90	-0.90	-0.90	-0.85	-0.85	-0.85	-0.85	-0.85	-0.85	**-0.77**
5-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.15**	**1.25**	**1.35**	**1.50**	**1.50**	**1.40**	**1.35**	**1.35**	**1.30**	**1.30**	**1.30**	**1.30**	**1.30**	**1.33**
Downside risk	-0.50	-0.60	-0.65	-0.80	-0.80	-0.70	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	-0.65	**-0.66**
10-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.50**	**1.65**	**1.70**	**1.80**	**1.80**	**1.75**	**1.75**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**	**1.70**
Downside risk	-0.55	-0.70	-0.70	-0.80	-0.80	-0.75	-0.75	-0.70	-0.70	-0.70	-0.70	-0.70	-0.70	**-0.71**
20-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**2.00**	**2.10**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.20**	**2.18**
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	**-0.73**
50-yr gilt yield														
Upside risk	0.25	0.30	0.30	0.35	0.35	0.40	0.40	0.40	0.40	0.40	0.40	0.40	0.40	**0.37**
Arlingclose Central Case	**1.90**	**1.95**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**2.00**	**1.99**
Downside risk	-0.60	-0.70	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	-0.75	**-0.73**

PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
PWLB Infrastructure Rate (Maturity Loans) = Gilt yield + 0.60%

Appendix B – Existing Investment & Debt Portfolio Position

	Dec-18 Actual Portfolio £m	Dec-18 Average Rate %
External borrowing:		
Public Works Loan Board	311.4	4.83%
LOBO loans from banks	70.5	4.64%
Fixed Rate Loans	15	4.27%
Total external borrowing	**396.9**	**4.78%**
Other long-term liabilities:		
Private Finance Initiative	26.5	
Finance Lease	2.6	
Total other long-term liabilities	**29.1**	
Total gross external debt	**426.0**	
Treasury investments:		
Banks & building societies (unsecured)	5.2	0.71%
Government (incl. local authorities)	70.8	
Money Market Funds	37.7	
Total treasury investments	**113.7**	**0.71%**
Net debt	**312.3**	

Appendix C – Internal Investments: Average Rate vs Credit Risk



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1.0 Introduction

1.1 This capital strategy is a new report for 2019/20, giving a high-level overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of local public services along with an overview of how associated risk is managed and the implications for future financial sustainability. It has been written in an accessible style to enhance members' understanding of these sometimes technical areas.

2.0 Capital Expenditure and Financing

2.1 Capital expenditure is where the Council spends money on assets, such as property, vehicles or other assets that will be used for more than one year. In local government this includes spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets. The Council has some limited discretion on what counts as capital expenditure, for example assets costing below £5,000 are generally not capitalised and are charged to revenue in year. Details of the Council's policy on capitalisation is provided in the annual Statement of Accounts.

2.2 In 2019/20, the Council is planning capital expenditure of £257.6M as summarised below:

Table 1: Prudential Indicator: Estimates of Capital Expenditure in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
General Fund services	91.3	209.2	177.8	166.5	72.0	47.1
Council housing (HRA)	32.4	26.8	17.0	0.0	0.0	0.0
Capital investments	38.0	21.6	4.0	10.0	10.0	12.0
TOTAL	**161.6**	**257.6**	**198.7**	**176.5**	**82.0**	**59.1**

2.3 The main General Fund capital projects include (South Kilburn Estate Regeneration £96M, Investment in council subsidiary i4B £55M, Major Repairs and maintenance of the Council's housing stock £52M, School capital improvements works £18M and investments in roads and pavements £39M. The Council also plans to incur capital expenditure on investments, which are detailed later in this report in paragraph 9.3.

2.4 The Housing Revenue Account (HRA) is a ring-fenced account which ensures that council housing does not subsidise, or is itself subsidised, by other local services. HRA capital expenditure is therefore recorded separately, and includes the building of new homes as well as expenditure and improving and maintaining council homes over the forecast period.

2.5 During the year capital sub-boards (led by Operational Directors) have developed a comprehensive list of possible areas for future additional capital investment to potentially

draw down against the pipeline budget provision. Outline bids are collated by the PMO (Programme Management Office) in conjunction with Finance who calculate the financing cost (which can be nil if the project is fully externally financed).

2.6 This process included the assimilation of over 100 individual capital proposals with a total value of c£1bn and a spend profile spanning 3 to 5 years. This has since been reworked and consolidated to c50 projects so that they can be considered at a more strategic level. The detailed steps taken to arrive at this point are described below, however it is worth noting that at this stage, the proposals are mostly at an early draft or outline business case form. The capital programme and capital pipeline proposals 2019/20 – report sets out the potential next steps in prioritising these proposals for incorporation into the main capital programme for 2019/20 to 2021/22 which will be presented to Council in February 2019 as part of the annual budget setting cycle.

2.7 Full details of the Council's capital programme, including the project appraisals undertaken can be found within the capital programme and capital pipeline proposals 2019/20 considered by Cabinet in January 2019.

2.8 All capital expenditure must be financed, either from external sources (government grants and other contributions), the Council's own resources (revenue, reserves and capital receipts) or debt (borrowing, leasing and Private Finance Initiative). The planned financing of the above expenditure is as follows:

Table 2: Capital financing in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
External resources	47.3	34.7	65.3	19.4	7.5	2.1
Own Resources	84.9	50.3	63.3	26.2	30.6	20.1
Debt	29.4	172.7	70.1	130.8	43.8	36.8
TOTAL	**161.6**	**257.6**	**198.7**	**176.5**	**82.0**	**59.1**

2.9 Excluding external grants and other resources most assets are funded from debt. (The position in 2018/19 to 2020/21 is somewhat unusual as the council has accumulated capital receipts and other reserves planned to be used to fund capital expenditure). As with any debt, it must be repaid over time, and for a local authority there is a statutory requirement to set aside "minimum revenue provision" (MRP) in each year's budget for debt repayment. Planned MRP to 2023/24 is as set out in the table below.

Table 3: Replacement of debt finance in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
MRP	8.9	9.2	9.9	11.0	13.1	12.8
TOTAL	**8.9**	**9.2**	**9.9**	**11.0**	**13.1**	**12.8**

2.91 The Council's full minimum revenue policy statement is presented as an Appendix to the annual Council Tax and Budget Setting Report.

2.92 The Council's cumulative outstanding amount of debt finance is measured by the capital financing requirement (CFR). This increases with new debt-financed capital expenditure and reduces with MRP and capital receipts used to replace debt. The CFR is expected to increase to £855M during 2019/20, and to over £1bn, a 27% increase on the 2018/19 figure, by 2023/24. Based on the above figures for expenditure and financing, the Council's estimated CFR is as follows:

Table 4: Prudential Indicator: Estimates of Capital Financing Requirement in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Opening CFR	**670.9**	**691.5**	**854.9**	**915.0**	**1,034.8**	**1,065.5**
Capital Expenditure	161.6	257.6	198.7	176.5	82.0	59.1
External resources	(47.3)	(34.7)	(65.3)	(19.4)	(7.5)	(2.1)
Own Resources	(84.9)	(50.3)	(63.3)	(26.2)	(30.6)	(20.1)
MRP	(8.9)	(9.2)	(9.9)	(11.0)	(13.1)	(12.8)
Closing CFR	**691.5**	**854.9**	**915.0**	**1,034.8**	**1,065.5**	**1,089.5**

3.0 Asset management

3.1 To ensure that capital assets continue to be of long-term use, the Council has an asset management strategy in place. The Property and Asset Strategy 2015-19 was approved by cabinet on 1 June 2015.

4.0 Asset disposals

4.1 When a capital asset is no longer needed, it may be sold so that the proceeds, known as capital receipts, can be spent on new assets or to repay debt. The Council is currently also permitted to spend capital receipts on service transformation projects until 2021/22. Repayments of capital grants, loans and investments also generate capital receipts. The Council plans to receive £25M of capital receipts in the coming financial year as follows:

Table 5: Capital receipts in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Asset Sales	18.4	3.9	12.5	17.7	27.1	16.6
Loans Repaid	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL	**18.4**	**3.9**	**12.5**	**17.7**	**27.1**	**16.6**

5.0 Treasury Management

5.1 Treasury management is concerned with keeping sufficient but not excessive cash available to meet the Council's spending needs, while managing the risks involved. Surplus cash is invested until required, while a shortage of cash will be met by borrowing, to avoid excessive credit balances or overdrafts in the bank current account. The Council is typically cash rich in the short-term as revenue income is received before it is spent, but cash poor in the long-term as capital expenditure is incurred before being financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce overall borrowing.

5.2 Due to decisions taken in the past, the Council currently has £396M borrowing at an average interest rate of 4.83% and £130M treasury investments at an average rate of 0.8%.

6.0 Borrowing strategy

6.1 The Council's main objectives when borrowing are to achieve a low but certain cost of finance while retaining flexibility should plans change in future. These objectives are often conflicting, and the Council therefore seeks to strike a balance between cheap short-term loans (currently available at around 0.75%) and long-term fixed rate loans where the future cost is known but higher (currently 2.0 to 3.0%).

6.2 Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities and leases are shown below, compared with the capital financing requirement (see above).

Table 6: Prudential Indicator: Gross Debt and the Capital Financing Requirement in £ millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Debt (incl. PFI & leases)	396.0	355.0	331.0	316.0	305.0	654.0
Capital Financing Requirement	691.5	854.9	915.0	1,034.8	1,065.5	1,089.5

6.3 Statutory guidance prescribes that debt should remain below the capital financing requirement, except in the short-term. As can be seen from table 6, the Council expects to comply with this regulation.

7.0 Affordable borrowing limit

7.1 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower "operational boundary" is also set as a warning level should debt approach the limit.

Table 7: Prudential Indicators: Authorised limit and operational boundary for external debt in £m

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Authorised Limit	1,100.0	1,200.0	1,200.0	1,300.0	1,400.0	1,500.0
Operational Boundary	900.0	1,000.0	1,000.0	1,100.0	1,200.0	1,300.0

7.2 Further details on borrowing are contained within the Council's treasury management strategy.

8.0 Investment strategy

8.1 Treasury investments arise from receiving cash before it is paid out again. Investments made for service reasons or for pure financial gain are not generally considered to be part of treasury management.

8.2 The Council's policy on treasury investments is to prioritise security and liquidity over yield and to focus on minimising risk rather than maximising returns. Cash that is likely to be spent in the near term is invested securely, for example with the government, other local authorities or selected high-quality banks, to minimise the risk of loss. Money that will be held for longer terms is invested more widely, including in bonds, shares and property, to balance the risk of loss against the risk of receiving returns below inflation. Both near-term and longer-term investments may be held in pooled funds, where an external fund manager makes decisions on which particular investments to buy and the Council may request its money back at short notice.

Table 8: Treasury management investments in £millions

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Short term investments	130.0	115.0	100.0	85.0	70.0	55.0
Long term investments	83.5	105.1	109.1	119.1	129.1	141.1

8.3 Further details on treasury investments are contained within the Council's treasury management strategy.

8.4 Decisions on treasury management investment and borrowing are made daily and are therefore delegated to the Chief Finance Officer, who must act in line with the treasury management strategy approved by Council. Reports on treasury management activity are presented to Cabinet and Full Council, whilst the Audit & Standards Advisory Committee is responsible for scrutinising treasury management decisions.

9.0 Investments for Service Purposes

9.1 The Council makes investments to assist local public services, including making loans to council subsidiaries and local businesses / service providers to promote economic growth. In light of the public service objective, the Council is willing to take more risk than with treasury investments, however it still plans for such investments to break-even / generate a profit after all costs.

9.2 Decisions on service investments are either made by Cabinet or under delegated authority, or set down in the approved investment strategy. Most loans and shares are capital expenditure and purchases will therefore also be approved as part of the capital programme. Further details on service investments are contained within the investment strategy.

9.3 The proposed budget includes sums for investment in the Council's subsidiary i4B as well as the Queen's Park Joint Venture. Both schemes aim to alleviate affordable housing pressures.

10.0 Commercial Activities

10.1 The Council can invest in commercial property purely or mainly for financial gain. Total commercial investments are currently valued at £8.6M consisting of 34 individual property assets generating £0.5M PA, or a yield of 6.4%.

Table 9: Property asset types and income generated in £millions

ASSET TYPES	No. of Assets	Value £M	Income PA £M
Operational	48	165.0	0.84
Commercial	34	8.6	0.55
Community Groups	40	15.0	0.18
Education	48	280.0	0
Regeneration	35	25.0	0.12
Non HRA Housing	7	3.9	0.1
TOTAL	**212**	**497.5**	**1.79**

10.2 With financial return being the main objective, the Council accepts higher risk on commercial investment than with treasury investments. The principal risk exposures include voids, diminution of capital values, etc. These risks are managed by the existing risk management framework. In order that commercial investments remain proportionate to the size of the authority they are under constant review and contingency plans are in place should expected yields not materialise.

11.0 Liabilities

11.1 In addition to debt of £396M detailed above, the Council is committed to making future payments to cover its pension fund deficit (valued at £562M - March 2016).

12.0 Revenue Budget Implications

12.1 Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and MRP payments are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs; this is compared to the net revenue stream i.e. the amount funded from Council Tax, business rates and general government grants.

Table 10: Prudential Indicator: Proportion of financing costs to net revenue stream

£M	2018/19 forecast	2019/20 budget	2020/21 budget	2021/22 budget	2022/23 budget	2023/24 budget
Financing costs	13.5	14.9	17.1	21.2	24.9	32.1
Proportion of net revenue stream %	5.1%	5.6%	6.4%	7.9%	9.3%	12.0%

12.2 Due to the very long-term nature of capital expenditure and financing, the revenue budget implications of expenditure incurred in the next few years will extend for up to 50 years into the future. The detailed information contained within the treasury management strategy and the Budget & Council Tax Report 2019/20, as well as the prudential indicators included above demonstrates how this is prudent, affordable and sustainable.

13.0 Knowledge and Skills

13.1 The Council employs professionally qualified and experienced staff in senior positions with responsibility for making capital expenditure, borrowing and investment decisions. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, ACT (treasury) & AAT for example.

13.2 Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach can be more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

Investment Strategy Report 2019/20

Introduction

1. The Authority invests its money for three broad purposes:

- because it has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure (known as **treasury management investments**),
- to support local public services by lending to or buying shares in other organisations (**service investments**), and
- to earn investment income (known as **commercial investments** where this is the main purpose).

2. This investment strategy is a new report for 2019/20, meeting the requirements of statutory guidance issued by the government in January 2018, and focuses on the second and third of these categories. The Council does not hold any investments principally to earn income.

Treasury Management Investments

3. The Authority typically receives its income in cash (e.g. from taxes and grants) before it pays for its expenditure in cash (e.g. through payroll and invoices). It also holds reserves for future expenditure and collects local taxes on behalf of other local authorities and central government. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy. The balance of treasury management investments is expected to fluctuate between £50m and £100m during the 2019/20 financial year.

4. The contribution that these investments make to the objectives of the Authority is to support effective treasury management activities.

5. Full details of the Authority's policies and its plan for 2019/20 for treasury management investments are covered in a separate document, the treasury management strategy, available here:

http://democracy.brent.gov.uk/ieListDocuments.aspx?CId=717&MId=4733&Ver=4

Service Investments: Loans

6. The Council lends money to its subsidiaries, its suppliers, local businesses, local charities, housing associations, local residents and its employees] to support local public services and stimulate local economic growth.

7. For example the Council has agreed to loan its subsidiary (i4B Holdings Limited) up to £100m to complete the purchase of 300 properties to support the Councils Temporary Reform Accommodation Plan. Similarly the Council intends to contribute £3.2m of equity into a Limited Liability Partnership to bring about the comprehensive development of the Queens Park/Cullen House & Falcon P.H. site in the South Kilburn Regeneration Programme Area.

8. The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, and ensure that total exposure to service loans remains proportionate to the size of the Authority, upper limits on the outstanding loans to each category of borrower have been set as follows:

Table 1: Loans for service purposes in £ millions

Category of borrower	31.3.2018 actual	2019/20
	Balance owing	Approved Limit
Subsidiaries	46.9	500.0
Local businesses	0.2	100.0
Local charities	0.0	100.0
Housing associations	0.0	20.0
Local residents	0.0	5.0
TOTAL	**47.1**	**725.0**

9. Accounting standards require the Authority to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Authority's statement of accounts from 2018/19 onwards will be shown net of this loss allowance. However, the Authority makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

10. The Authority assesses the risk of loss before entering into and whilst holding service loans by undertaking various financial checks and utilising specialists (where required) to advise on technical aspects of the investment. In addition

to this credit ratings are regularly used to determine the suitability of prospective partners.

Commercial Investments: Property

11. The Council has in the past invested in property locally to secure a financial return as well as supporting regeneration activities. Total commercial investments are currently valued at £8.6Mm consisting of 34 individual property assets generating £0.5M PA, or a yield of 6.4%. The forecast for 19/20 expects similar returns to 18/19.

Table 2: Property held for investment purposes in £ millions

	Actual 18/19			
Asset Types	**No. of Assets**	**Gain or (losses)**	**Value in accounts in £m**	**Income PA in £m**
Operational	48	3.3	165.0	0.84
Commercial	34	0.2	8.6	0.55
Community Groups	40	0.3	15.0	0.18
Education	48	5.6	280.0	0.00
Regeneration	35	0.5	25.0	0.12
Non HRA Housing	7	0.1	3.9	0.10
TOTAL	**212**	**10.0**	**497.5**	**1.79**

12. A fair value assessment of the Authority's investment property portfolio has been made within the past twelve months, and the underlying assets provide security for capital investment. This exercise is generally conducted annually and the results are reflected in the Council's balance sheet.

13. The Authority assesses the risk of loss before entering into and whilst holding property investments by developing an intelligent repairs and maintenance strategy to minimise unplanned reactive expenditure, improve the sustainability of the estate as a whole, maximise value, reduce running costs, and thereby risk and liability. In having a planned and proactive approach to maintenance the following priorities for investment are proposed:

- Ensuring full compliance with relevant legislation - this includes DDA, health and safety, fire regulations, legionella and asbestos;

- Ensuring the Council's contractual or legal obligations are met in respect of repairs and maintenance obligations detailed in leases or management agreements;
- Preserving asset life - protecting heritage assets and minimising obsolescence on existing assets;
- Income/ efficiency - investing in assets where there is a clear potential to generate income as a consequence of by improving the quality of the asset;
- Corporate objectives - making improvements required to meet changing service demand i.e. new facilities, new fit-out, in support of community resilience; and
- Business continuity - minimising the risk of asset failure causing unexpected interruptions to service delivery.

14. Compared with other investment types, property is relatively difficult to sell and convert to cash at short notice, and can take a considerable period to sell in certain market conditions. To ensure that the invested funds can be accessed when they are needed, for example to repay capital borrowed, the Authority takes the steps maintains a disposals programme that forms part of the capital strategy and the MTFP.

Other categories of investment

Loan Commitments and Financial Guarantees

15. Although not strictly counted as investments, since no money has exchanged hands yet, loan commitments and financial guarantees carry similar risks to the Authority and are included here for completeness. The Council holds does not hold any loan commitments of financial guarantees.

Capacity, skills and culture

16. The Council employs professionally qualified and experienced staff in senior positions with responsibility for making recommendations and decisions on commercial activities. The Council pays for junior staff to study towards relevant professional qualifications including CIPFA, ACT (treasury) & AAT for e.g.

17. Where Council staff do not have the knowledge and skills required, use is made of external advisers and consultants that are specialists in their field. The Council currently employs Arlingclose Limited as treasury management advisers. This approach can be more cost effective than employing such staff directly, and ensures that the Council has access to knowledge and skills commensurate with its risk appetite.

18. Our retained advisors provide a comprehensive training and awareness programme for elected Members, including training in relation to scrutiny of the Treasury Management function and the annual Statement of Accounts. The training programme covers, Local Government Finance, Corporate Governance, The Role of the Governance / Audit Committee and capital Programme Prioritisation.

19. The Council's treasury activity (including investments and borrowing) is reported to the Audit & Standards Advisory Committee and full Council twice a year via a mid-year report as well as the full year outturn report.

Investment Indicators

20. The Authority has set the following quantitative indicators to allow elected members and the public to assess the Authority's total risk exposure as a result of its investment decisions.

Total risk exposure

21. The first indicator shows the Authority's total exposure to potential investment losses. This includes amounts the Authority is contractually committed to lend but have yet to be drawn down and guarantees the Authority has issued over third party loans.

Table 3: Total investment exposure in £millions

Total investment exposure	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Treasury management investments	119.8	100.0	50.0
Service investments: Loans	47.1	120.0	240.0
Commercial investments: Property	497.5	522.4	530.0
TOTAL INVESTMENTS	**664.4**	**742.4**	**820.0**
TOTAL EXPOSURE	**664.4**	**742.4**	**820.0**

How investments are funded

22. Government guidance states that these indicators should include details of how investments are funded. Since the Authority does not normally associate particular assets with particular liabilities, this guidance is difficult to comply

with. However, the following investments could be described as being funded by borrowing. The remainder of the Authority's investments are funded by usable reserves, grants and other income.

Table 4: Investments funded by borrowing in £millions

Investments funded by borrowing	31.03.2018 Actual	31.03.2019 Forecast	31.03.2020 Forecast
Service investments: Loans	47.1	120.0	240.0
Commercial investments: Property	497.5	522.4	530.0
TOTAL FUNDED BY BORROWING	**544.6**	**642.4**	**770.0**

Rate of return

23. This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 5: Investment rate of return (net of all costs)

Investments net rate of return	2017/18 Actual	2018/19 Forecast	2019/20 Forecast
Treasury management investments	0.71%	0.72%	0.95%
Service investments: Loans	2.2%	2.2%	6.1%
Commercial investments: Property	6.5%	6.4%	6.4%

Table 6: Other investment indicators

Indicator	2017/18 Actual	2018/19 Forecast	2019/20 Forecast
Debt to net service expenditure ratio	1.55	1.50	1.34
Commercial income as a % of net service expenditure ratio	0.64%	0.68%	0.68%

Appendix I

Minimum Revenue Provision – 2019/20

1.1. The council is required to pay off an element of the accumulated General Fund capital spend financed by borrowing each year through a revenue charge (the Minimum Revenue Provision), although it is also allowed to undertake additional voluntary payments where it is seen to be in its best interests to do so. Regulations have been issued by the Ministry of Housing Communities and Local Government (MHCLG) which require full Council (or a delegated body) to approve an MRP policy statement in advance of financial each year.

1.2. In accordance with the current regulations for the calculation of MRP the following policy for non-HRA assets has been applied:

1.2.1. For supported borrowing, the Council will use the asset life method (Option 3) and an 'annuity' approach for calculating repayments. Based on the useful economic lives of the council's assets a single annuity has been calculated, which results in the outstanding principal being repaid over the course of one hundred years.

1.2.2. For prudential borrowing, the Council will adopt Option 3, 'the asset life method', and an 'annuity' approach for calculating repayments. This option allows provision for repayment of principal to be made over the estimated life of the asset. The use of the 'annuity' method is akin to a mortgage where the combined sum of principal and interest are equalised over the life of the asset.

1.2.3. In line with the statutory guidance MRP will be charged for finance leases at a rate equal to the writing down of the lease liability.

1.2.4. MRP will include a charge equal to any capital lifecycle additions within the lease.

1.2.5. Where borrowing is undertaken for the construction of new assets, MRP will only become chargeable once such assets are completed and operational.

1.2.6. The Council reserve the right to charge a £nil MRP where the conditions set out in paragraph 26 of the statutory guidance have been met.

1.3. The asset lives which will be applied to different classes of assets are as shown in table 1, however the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

Table 1

Asset Type	**Years**
Vehicles and equipment	5 to 15 years
Capital repairs to roads and buildings	15 to 25 years
Purchase of buildings	30 to 40 years
New construction	40 to 60 years
Purchase of land	50 to 100 years

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Appendix J

ADVICE FROM THE DIRECTOR OF LEGAL AND HR SERVICES

1. INTRODUCTION

This appendix sets out in some detail Members' individual responsibilities to set a legal budget and how Members should approach the task. It also reminds Members about the rules concerning pecuniary and other interests.

2. WHEN THE BUDGET MUST BE SET

Under Section 31A of the Local Government Finance Act 1992, budget calculations have to be made before 11th March, but they are not invalid merely because they are made on or after 11th March. However, delay in setting the Council Tax will have very serious financial consequences. It will render the Council vulnerable to legal proceedings requiring it to set the tax. In any event, it is important that the tax is set well in advance of 1st April as no sum is payable for Council Tax until 14 days after the date of posting bills. Serious financial losses will accrue very soon from a late setting of Council Tax as income is delayed and interest is foregone.

An important feature of Council Tax is that the statutory budget calculation must be followed exactly. If not the Council Tax resolution will be invalid and void.

3. NOTICE

There is a requirement to publish notice of the amount set for Council Tax in at least one local paper within 21 days of the Council's decision under section 38(2) of the Local Government and Finance Act 1992. There is also a duty to consult with representatives of Non-Domestic Ratepayers about the proposed revenue and capital expenditure before the budget requirement is calculated under section 65 of the Local Government and Finance Act 1992.

4. MEMBERS' FIDUCIARY DUTIES

The obligation to make a lawful budget each year is shared equally by each individual Member. In discharging that obligation, Members owe a fiduciary duty to the Council Taxpayer.

The budget must not include expenditure on items which would fall outside the Council's powers. Expenditure on lawful items must be prudent, and any forecasts or assumptions such as rates of interest or inflation must themselves be rational. Power to spend money must be exercised bona fide for the purpose for which they were conferred and any ulterior motives risk a finding of illegality. In determining the Council's overall budget requirement, Members are bound to have regard to the level of Council Tax necessary to sustain it. Essentially the interests of the Council Taxpayer must be balanced against those of the various service recipients.

Within this overall framework, there is of course considerable scope for discretion within the 2018/19 financial year, especially on the part of the Cabinet. Setting a budget is not the same as deciding what expenditure will in fact be incurred. To budget for expenditure is to estimate likely expenditure and/or make financial provision for such expenditure.

However, Members will bear in mind that in making the budget commitments are being entered which will have an impact on future years. Some such commitments are susceptible to change in future years, such as staff numbers which are capable of upward or downward adjustment at any time. Other commitments however impose upon the Council future obligations which are binding and cannot be adjusted, such as loan charges to pay for capital schemes. For some specific proposals within the overall Budgetary framework, Cabinet decisions have already been made. For some other proposals, subject to relevant consultation where necessary, decisions by the Cabinet will need to be made, especially where the making of such a decision would result or would be likely to result in the permanent closure of a facility used by the public or a permanent and significant reduction in the level of services or facilities provided to the public other than where such closure or reduction in service is considered necessary by the relevant strategic director for reasons of health and safety.

In making those subsequent decisions the Cabinet will be required to consider all relevant matters including the results of any consultation and the Council's equality duties. This will include that should the Cabinet (or other decision maker) consider it appropriate, for example when being asked to make service changes to achieve a budget reduction and having taken into account all relevant facts (including but not limited to the results of any consultation and after due consideration of the Council's equalities duties) they have the option of not making the budget reductions detailed within the overall budget. They will still be required to balance the budget overall using the appropriate constitutional procedures, for example, finding the savings from elsewhere or using reserves and otherwise complying with the Council's rules on budget setting and management.

Only relevant and lawful factors may be taken into account and irrelevant factors must be ignored. A Member who votes in accordance with the decision of his or her political group but who does so after taking into account the relevant factors and professional advice will be acting within the law. Party loyalty and party policy are capable of being relevant considerations for the individual Member provided the member does not blindly toe the party line without considering the relevant factors and professional advice and without properly exercising any real discretion.

Under the Brent Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer and the Monitoring Officer (the Director of Legal and HR Services). If the Council should fail to set a budget at all or fail to set a lawful budget, contrary to the advice of these two officers there may be a breach of the Code by individual members if it can be demonstrated that they have not had proper regard to the advice given.

5. ARREARS OF COUNCIL TAX AND VOTING

In accordance with section 106 of the Local Government Finance Act 1992 ("the 1992 Act"), where a payment of Council Tax that a member is liable to make has been outstanding for two months or more at the time of a meeting, the Member must disclose the fact of their arrears (though they are not required to declare the amount) and cannot vote on any of the following matters if they are the subject of consideration at a meeting:

(a) Any decision relating to the administration or enforcement of Council Tax.

(b) Any budget calculation required by the Local Government Finance Act 1992 underlying the setting of the Council Tax.

(c) Any recommendation, resolution or other decision which might affect the making of the Annual Budget calculation.

Members should note the following points:

(i) These rules are extremely wide in scope. Virtually any Council decision which has financial implications is one which might affect the making of the budget underlying the Council Tax for next year and thus is caught. The former DoE (now MHCLG) shared this interpretation as it made clear in its letter to the AMA dated 28th May 1992.

(ii) The rules do not apply just to full Council meetings but extend to committees and sub-committees of the Council and to the Cabinet and its Highways Committee.

(iii) Members who make a declaration are not entitled to vote on the matter in question but are not prevented by the section from taking part in the discussion.

(iv) Members will have a defence under section 106 of the 1992 Act if they did not know that the section applied to them (i.e., that they were in arrears to the relevant extent) at the time of the meeting. Thus unwitting Members who for example can prove that they did not know and had no reason to suppose at the time of the meeting that their bank has failed to honour a standing order will be protected should any prosecution arise.

(v) It is not enough to state that a benefit application has been submitted which has not yet been determined, as Members remain liable to pay pending determination.

(vi) Breach of the rules is a criminal offence under section 106 of the 1992 Act which attracts a maximum fine of £1,000.

Members' attention is also be drawn to the effect of the Local Authorities (Standing Orders)(England)(Amendment) Regulations 2014 which came into effect on 25 February 2014 which is that where any vote is taken at a Council meeting on setting the budget for the authority, the Minutes of the meeting will record the names of all Councillors present at the vote and how each Councillor voted (for or against) or the fact that they abstained from voting.

6. DISCLOSABLE PECUNIARY INTERESTS

Members are reminded to consider whether they have a disclosable pecuniary interest or a personal interest in the setting of the council's budget. If a member has a relevant interest they must disclose the interest at the meeting, subject to the provisions in the Code in respect of sensitive interests. If the interest is:

- a disclosable pecuniary interest; or
- a personal interest which a member of the public knowing the facts would reasonably regard it as so significant that it is likely to prejudice their judgement of the public interest (and it affects their financial position or the financial position of a connected person (as defined in the Code) or relates to a regulatory matter affecting or likely to affect them or a connected person.

the member may not participate in the discussions or vote on the matter, although if the interest is prejudicial only, the member may remain for the purposes of making representations or asking questions.

Members should seek early advice to avoid any confusion on the night of the meeting if they consider they have a relevant interest.

Dispensations

The Council's Monitoring Officer may, on written request from a Member, grant a dispensation to relieve the applicant from the restrictions on participation and voting. Dispensation may be granted if:-
- Without the dispensation the number of persons prohibited from participating would be so great a proportion to impede the effectiveness of the meeting;
- The representation of different political groups would be affected and likely to alter the likely outcome of any voting at the meeting;
- Granting the dispensation is in the interests of persons living in the Borough;
- Every Member of the Council's Cabinet would be precluded from participating in the meeting;
- It is appropriate to grant a dispensation.

Dispensation may be granted for up to 4 years. A dispensation will mean that the Member to whom it is granted can speak and vote on a matter in which they have a relevant interest. Where the Monitoring Officer is undecided on the best response, and time is not of the essence, the decision could be passed to Standards Committee for decision and there is no Standards Committee meeting currently fixed before the budget setting meeting.

7. RESPONSIBILITIES OF CHIEF FINANCIAL OFFICER AND AUDITORS' POWERS

Chief Financial Officer and Monitoring Officer

Section 114 of the Local Government Finance Act 1988 places the Chief Financial Officer under an obligation to prepare a report (to full Council) if it appears to him that the expenditure the Authority proposes to incur in a financial year is likely to exceed its resources available to meet that expenditure. A failure to take note and act on such a report could lead to a complaint to the Standards Board. Similarly, the Council's Monitoring Officer is required to report to Full Council if it appears to her that a decision has been or is about to be taken which is or would be unlawful or would be likely to lead to maladministration.

Under section 25 of the Local Government Act 2003 the Chief Financial Officer is required to report to the authority on the robustness of the estimates made for the purposes of the calculations required to be made by the Council and the adequacy of the proposed financial reserves. These are the estimates which the Cabinet is required to determine and submit to Full Council and are contained within this report. However, if the Council were minded to agree a budget based on different estimates e.g. if Council did not agree with the estimates provided by the Cabinet then those estimates which the Council would adopt would effectively become 'the estimates' for the purpose of Section 25 and as such should be subject to a report by the Chief Financial Officer.

External Auditors' Powers

Section 91 of the Local Government Act 2000 and section 19A of the Audit Commission Act 1998 provide that an External Auditor may issue an "Advisory Notice" if he has reason to believe that an Authority is about to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency. This power is to be used where the matter is significant either in amount or in principle or both.

While the advisory notice has effect it is not lawful for the authority to implement or take the course of action in question unless it has considered the issues raised in the notice and given the auditor notice that it intends to proceed with that course of action in a specified period and that period has expired.

In addition, it is also open to the Auditor to apply for judicial review on any decision of an Authority or failure to act which it is reasonable to believe would have an effect on the accounts of an Authority.

8. SPECIFIC BUDGET ADVICE

Balances and Other Budget Calculations

A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular local authorities are required by section 31A(2)(b) and (c) of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council faces various contingent liabilities set out in the main budget report. Furthermore the Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. Members will need to pay careful attention to the advice of officers here. As set out previously, under section 25 of the Local Government Act 2003 the Chief Finance Officer is required to report to the authority on the adequacy of the proposed financial reserves.

In addition to advising on the robustness of the estimates as set out above, the Chief Finance Officer is also required to report on the robustness of the proposed financial reserves. The same advice applies to these as to the other calculations required to be made by the Council.

Having considered the officer's report the Council is then required to *"have regard to the report"* but it is not required to adopt the recommendations in it. However, Members must demonstrate they have acted reasonably if they do not adopt the recommendations.

Localism Act 2011

Sections 72 to 79 and Schedules 5 to 7 of the Localism Act 2011 amended the legislation regarding the calculation of council tax. Schedule 5 of the Localism Act provides for a council tax referendum to be held if an authority increases its relevant basic amount of council tax in excess of principles determined by the Secretary of State. Authorities will not be able to exceed the Secretary of State's principles without having held such a referendum. The principles applicable for 2019/20 are discussed at paragraphs 6.4 to 6.6 of the main report.

Alternative Proposals

If alternative proposals to those contained in this report are moved at the budget setting meeting, the Chief Finance Officer will need to consider if the estimates or proposed financial reserves contained in this report are affected and whether a further report (which may be oral) is required under section 25 of the Local Government Act 2003. If the Chief Finance Officer is unable to report on the estimates or the reserves because of the lateness of the alternative proposals then he will not be able to comply with this statutory requirement. The Act does not say what happens if this duty is not fulfilled and nor does it say whether the Council can set the budget without that advice. It follows from this then that there is no express statutory prohibition. However, the authority is at risk of a Judicial Review by an interested person, e.g. a resident, if the Council has failed to have regard to a report of the Chief Finance Officer on the estimates and reserves used for its budget calculations.

Capital Programme

The requirements of the *"Prudential Code"* established in the Local Government Act 2003 are set out in the report.

Expenditure Charged to the Housing Revenue Account

Members will be aware that the Housing Revenue Account (HRA) is by law to be maintained separately from the General Fund and there are strict rules which determine to which account any expenditure must be charged. There are only very limited areas of discretion here. Members should bear in mind that if they wished to review any current determination which affects the apportionment of charges between the General Fund and HRA, they would need to do so on the basis of an officers' report and specific legal advice. The Housing Revenue Account must be maintained in balance throughout the year and the Council is under a duty to prevent a debit balance in the Housing Revenue Account pursuant to Section 76 Local Government and Housing Act 1989.

Equalities Legislation

Section 149 of the Equality Act 2010 sets out the public sector equality duty which requires the Council, when exercising its functions to have 'due regard' to the need to eliminate discrimination (both direct and indirect discrimination), harassment and victimization and other conduct prohibited under the Equality 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.

A 'protected characteristic' is defined in the Equality Act as:

- age;
- disability;
- gender reassignment;
- pregnancy and maternity;
- race; (including ethnic or national origins, colour or nationality)
- religion or belief;
- sex;
- sexual orientation.

Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

Having due regard to the need to 'advance equality of opportunity' between those who share a protected characteristic and those who do not, includes having due regard to the need to remove or minimize disadvantages suffered by them. Due regard must also be had to the need to take steps to meet the needs of such persons where those needs are different from persons who do not have that characteristic, and encourage those who have a protected characteristic to participate in public life.

Complying with the duty may involve treating some people better than others, as far as that is allowed by the discrimination law. Due regard to the need to eliminate discrimination, advance equality, and foster good relations must form an integral part of the decision making process. The Council must consider the effect that implementing a particular policy will have in relation to equality before making a decision.

There is no prescribed manner in which the equality duty must be exercised. However, the council must have an adequate evidence base for its decision making. This can be achieved by gathering details and statistics on who use the facilities. A careful consideration of this assessment is one of the key ways in which the Council can show "due regard" to the relevant matters. Where it is apparent from the analysis of the information that the proposals would have an adverse effect on equality then adjustments should be made to avoid that effect (mitigation).

The duty is not to achieve the objectives or take the steps set out in s.149. Rather, the duty on public authorities is to bring these important objectives relating to discrimination into consideration when carrying out its functions. "Due regard" means the regard that is appropriate in all the particular circumstances in which the authority is carrying out its functions.

There must be a proper regard for the goals set out in s.149. At the same time, the council must also pay regard to any countervailing factors, which it is proper and reasonable for them to consider. Budgetary pressures, economics and practical factors will often be important. The weight of these countervailing factors in the decision making process is a matter for the Council.

The equality and diversity implications of budget proposals are considered at all stages of the budget process, from the development of the initial budget strategy, through consideration of individual growth and savings proposals, to the production of service development plans. The processes in place are therefore aimed at ensuring that the budget proposals in this report do not discriminate against communities or individuals because of age, ethnicity, gender, disability, religion, or sexual orientation, and support the council in meeting its other duties to promote equal opportunities and good race relations.

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Appendix K(i)

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
COMMUNITY WELLBEING	**Housing Needs**			
COMMUNITY WELLBEING	Housing Needs	Furniture Storage and Removals	£28 per container, up to a maximum of £56; Non Working	£28 per container, up to a maximum of £56; Non Working
COMMUNITY WELLBEING	**Private Housing Services**			
COMMUNITY WELLBEING	Private Housing Services	Houses in Multiple Occupation Mandatory licences	840.00	840.00
COMMUNITY WELLBEING	Private Housing Services	Houses in Multiple Occupation Additional licences	840.00	840.00
COMMUNITY WELLBEING	Private Housing Services	Other Houses Selective licences	540.00	540.00
COMMUNITY WELLBEING	Private Housing Services	Admin charge for Work in Default	100.00	100.00
COMMUNITY WELLBEING	Private Housing Services	Notices	330.00	330.00
COMMUNITY WELLBEING	Private Housing Services	Specifications for Empty Property Grant	550.00	550.00
COMMUNITY WELLBEING	Private Housing Services	DFG and SWG Agency Service	16.5% of cost of works or minimum of £66	16.5% of cost of works or minimum of £66
COMMUNITY WELLBEING	**Libraries**			
COMMUNITY WELLBEING	Libraries	Reservations - If an item is not on the catalogue and has to be ordered	3.00	3.00
COMMUNITY WELLBEING	Libraries	Audio Visual loans	2.00	2.00
COMMUNITY WELLBEING	Libraries	Overdue charges on items returned late	0.30	0.30
COMMUNITY WELLBEING	Libraries	Printing and photocopying charges	0.20	0.20
COMMUNITY WELLBEING	Libraries	Reserved book from the British Library	10.00	10.00
COMMUNITY WELLBEING	The Library at Willesden Green	Education Room - per hour commercial hire charges	30.00	30.00
COMMUNITY WELLBEING	The Library at Willesden Green	Performance Space- per hour commercial hire charges	50.00	50.00
COMMUNITY WELLBEING	The Library at Willesden Green	Reading Room- per hour commercial hire charges	30.00	30.00
COMMUNITY WELLBEING	The Library at Willesden Green	Education Room - per hour cocessionary hire charges	18.00	18.00
COMMUNITY WELLBEING	The Library at Willesden Green	Performance Space- per hour concessionary hire charges	25.00	25.00
COMMUNITY WELLBEING	The Library at Willesden Green	Reading Room- per hour concessionary hire charges	18.00	18.00
COMMUNITY WELLBEING	**Culture, Sports and Recreation**			
COMMUNITY WELLBEING	Sports	B.Active card (Resident standard card)	41.00	41.00
COMMUNITY WELLBEING	Sports	B.Active card (Non resident standard card)	72.00	72.00
COMMUNITY WELLBEING	Sports	B.Active card (60+ or disabled resident Concession)	6.75	6.75
COMMUNITY WELLBEING	Sports	B.Active card (Resident Concession - 6 months)	3.50	3.50
COMMUNITY WELLBEING	Culture, Sports and Recreation	Sports Hall Hire - Peak	59.45	60.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Sports Hall Hire - Juniors Peak	44.60	45.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Sports Hall Hire - Off Peak	35.60	36.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
COMMUNITY WELLBEING	Bridge Park Sports Centre	Sports Hall Hire - Juniors Off Peak	26.70	27.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Dance Studio Peak	40.00	40.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Dance Studio - Off Peak	24.00	24.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Badminton Court Peak	10.75	11.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Badminton Court - Off Peak	6.45	7.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Table Tennis Peak	6.15	6.30
COMMUNITY WELLBEING	Bridge Park Sports Centre	Table Tennis - Off Peak	4.00	4.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Gym Membership	25.60	26.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Gym Membership - Joint	42.50	43.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Gym Membership - Annual	256.00	256.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym Membership - concessions	20.60	21.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym Membership - off peak use	18.60	19.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym Membership - corporate	24.00	24.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym Induction - Adults	19.50	19.50
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym Induction - Youth 14-16	6.00	6.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Gym casual use - Adults Peak	6.70	6.70
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym casual use - Adults Off Peak	4.00	4.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Gym casual use - Youth 14-16	5.10	3.10
COMMUNITY WELLBEING	Culture, Sports and Recreation	Sauna and Steam - Peak	6.70	7.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Sauna and Steam - Off Peak	5.00	5.30
COMMUNITY WELLBEING	Culture, Sports and Recreation	Parties	110.00	110.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Active Brent - (60+)	3.70	0.00
COMMUNITY WELLBEING	Bridge Park Sports Centre	Holiday Scheme	11.30	11.30
COMMUNITY WELLBEING	Bridge Park Sports Centre	Junior Crs/session	3.80	3.80
COMMUNITY WELLBEING	Culture, Sports and Recreation	Boardroom - Full Day	69.00	69.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Community Suite - Full Day	139.90	139.90
COMMUNITY WELLBEING	Culture, Sports and Recreation	Tropics Suite - Full Day	209.00	209.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Syndicate Room - Full Day	258.00	258.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Conference Room - Full Day	404.00	404.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Function Hall - Full Day	800.00	800.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Sports hall - Full Day	1,900.00	1,900.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
COMMUNITY WELLBEING	Culture, Sports and Recreation	Boardroom - Per Hour	12.00	12.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Community Suite - Per Hour	24.00	24.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Tropics Suite - Per Hour	35.00	35.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Syndicate Room - Per Hour	43.00	43.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Conference Room - Per Hour	68.00	68.00
COMMUNITY WELLBEING	Culture, Sports and Recreation	Function Hall - Per Hour	90.00	90.00
COMMUNITY WELLBEING	Bridge Park Room Hire	Kitchen	420.00	420.00
COMMUNITY WELLBEING	Bridge Park Room Hire	Servery	265.00	265.00
CHILDREN & YOUNG PEOPLE	**Early Help**			
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	220.00	220.00
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	165.00	165.00
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	275.00	275.00
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	192.50	192.50
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	165.00	165.00
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	247.50	247.50
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	192.50	192.50
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	148.50	148.50
CHILDREN & YOUNG PEOPLE	Early Help	Childcare Nursery places (Willows Nursery)	220.00	220.00
CHILDREN & YOUNG PEOPLE	**Gordon Brown OEC**			
CHILDREN & YOUNG PEOPLE	Gordon Brown OEC	Residential stays for Brent Schools	156.00	156.00
CHILDREN & YOUNG PEOPLE	Gordon Brown OEC	Residential stays for non Brent Schools	172.50	172.50
CHILDREN & YOUNG PEOPLE	Gordon Brown OEC	Non-residential day visit for non Brent Schools	6.05	6.05
CHILDREN & YOUNG PEOPLE	Gordon Brown OEC	Non-residential day visit for Brent Schools	8.25	8.25
CHILDREN & YOUNG PEOPLE	**Setting and School Effectiveness Service**			
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Compliance and Governor Training Annual package	1,906.30	1,906.30
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Compliance and Governor Training Pay as you go rate (blended course rate)	121.00	121.00
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	FFT annual subscription (Primary)	181.50	181.50
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	FFT annual subscription (Secondary)	907.50	907.50
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Moderation of Teacher Assessment	567.60	567.60
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Newly Qualified Teachers - Acting as Appropriate Body for NQT Induction Standard (3 term) rate	330.00	330.00
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Brent Music Service Instrumental/vocal tuition	660.00	660.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Brent Music Service Large group tuition	743.00	743.00
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Brent Music Service Music'sCool' where class teacher remains with BMS teacher	1,584.00	1,584.00
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Brent Music Service Music'sCool' where BMS teacher provides PPA cover	2,013.00	2,013.00
CHILDREN & YOUNG PEOPLE	Setting and School Effectiveness Service	Brent Music Service Wider Opportunities	1,089.00	1,089.00
REGENERATIONERATION & ENVIRONMENT	**Environmental Health**			
REGENERATION & ENVIRONMENT	Environmental Health	Return of stray dog (maximum)	30.00	30.00
REGENERATION & ENVIRONMENT	Environmental Health	Dog Fouling Fixed Penalty	100.00	100.00
REGENERATION & ENVIRONMENT	Environmental Health	Works in default - Single property or shared dwellings	110.00	150.00
REGENERATION & ENVIRONMENT	Environmental Health	2nd Post Mortems - Defence cases	754.00	830.00
REGENERATION & ENVIRONMENT	**Pest Control**			
REGENERATION & ENVIRONMENT	Pest Control	Pest - Bedbugs (2 visits)	220.00	220.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Bedbugs 5-8 bedrooms (2 visits)	0.00	250.00
REGENERATION & ENVIRONMENT	Pest Control	Combined Rats and cockroaches	227.00	227.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Beetles, garden ants (1 visit)	99.00	99.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Cockroaches (1 visit)	139.00	139.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Fleas (2 visits)	144.00	144.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Mice (3 visits)	110.00	110.00
REGENERATION & ENVIRONMENT	Pest Control	Combined mice and cockroaches	227.00	227.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Rats (3 visits)	110.00	110.00
REGENERATION & ENVIRONMENT	Pest Control	Pest - Wasps (1 visit)	60.00	60.00
REGENERATION & ENVIRONMENT	Pest Control	Pest treatment, Pharoah Ants	220.00	220.00
REGENERATION & ENVIRONMENT	Pest Control	Pest treatment, Clothes Moths	199.00	199.00
REGENERATION & ENVIRONMENT	Pest Control	Pest treatment, Squirrels	110.00	110.00
REGENERATION & ENVIRONMENT	Pest Control	Pest treatment - appointment missed/treatment not carried out	35.00	35.00
REGENERATION & ENVIRONMENT	Pest Control	Pest Control price differential - paying by card instead of cheque	0.00	0.00
REGENERATION & ENVIRONMENT	**Building Control**			
REGENERATION & ENVIRONMENT	Building Control	Building Regulations Table A (newbuild housing - small domestic buildings	990.00	990.00
REGENERATION & ENVIRONMENT	Building Control	Building Regulations Table B (Standard Charges for extensions, loft conversions etc)	990.00	990.00
REGENERATION & ENVIRONMENT	Building Control	Building Regulations Table C (Standard Charges for Domestic Alteration work	990.00	990.00
REGENERATION & ENVIRONMENT	Building Control	Building Regulations Table D (Charges for Other Works)	21.87	21.87
REGENERATION & ENVIRONMENT	Building Control	Demolition Notices	300.00	300.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Building Control	Dangerous Structures	22.03	22.03
REGENERATION & ENVIRONMENT	Building Control	Copy of Decision Notice	21.99	21.99
REGENERATION & ENVIRONMENT	Building Control	Copy of Section 25 PHA certificate/notice	25.00	25.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (house/property name change)	100.00	100.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (Rename of street)	500.00	500.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 1-2 plots)	150.00	150.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 3-5 plots)	186.00	186.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property -10 plots)	246.00	246.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 11-20 plots)	366.00	366.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 21-50 plots)	726.00	726.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 51-100 plots)	1,000.00	1,000.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property 100+ plots plots)	7.00	7.00
REGENERATION & ENVIRONMENT	Building Control	Street Naming & Numbering (New property additional charge where this includes naming a street)	200.00	200.00
REGENERATION & ENVIRONMENT	**Public Safety**			
REGENERATION & ENVIRONMENT	Public Safety	Stadium Safety Certification (General/New Style)	104.00	104.00
REGENERATION & ENVIRONMENT	Public Safety	Stadium Safety Certification (Special)	104.00	104.00
REGENERATION & ENVIRONMENT	Public Safety	Revision of Safety Certificate	104.00	104.00
REGENERATION & ENVIRONMENT	**Highways and Transportation**			
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Failed Core Samples, Cost Neutral sample inspection	150.00	150.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Section 50 Licence Application, varies on depth	Variable	Variable
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 1+2 Roads - DfT Maximum £105	105.00	105.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 1+2 Roads - DfT Maximum £240	223.00	223.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 1+2 Roads - DfT Maximum £130	130.00	130.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 1+2 Roads - DfT Maximum £65	65.00	65.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 1+2 Roads - DfT Maximum £60	60.00	60.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 3+4 Roads - DfT Maximum £75	75.00	75.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 3+4 Roads - DfT Maximum £150	150.00	150.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 3+4 Roads - DfT Maximum £75	75.00	75.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 3+4 Roads - DfT Maximum £45	45.00	45.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA CAT 3+4 Roads - DfT Maximum £40	40.00	40.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA Section 72 Inspection of defective reinstatement	47.50	47.50

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA Section 72 Defective reinstatement reported	68.00	68.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA Section 74 charges	varies £100 - £2500 per day	varies £100 - £2500 per day
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA Major offence (discount for early pay)	500.00	500.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	NRSWA Minor offence (discounted for early pay)	120.00	120.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Nonrefundable admin charge Domestic Vehicle Crossing	70.00	100.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Nonrefundable admin charge Industrial Vehicle Crossover	70.00	100.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Crossings - White Line Access Bar <6m fixed £	50.00	100.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Crossings -White Line Access Bar 6-10m	60.00	100.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Crossings - White Line Access Bar >10m	POA	POA
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Crossings - White Line Access Bar application	0.00	25.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Crossings - Mark Up on Constructing a crossing	40% Mark up	40% Mark up
REGENERATION & ENVIRONMENT	Highways and Infrastructure	TM, cost of officer resource at events	4037.33 (per event)	4037.33 (per event)
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Temporary Traffic Management Order	2,250.00	2,300.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Emergency Traffic Manag. Order s14(2)	1,150.00	1,180.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Traffic Road Order	4,500.00	4,610.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Permanent Orders	3,500.00	3,580.00
REGENERATION & ENVIRONMENT	Highways and Infrastructure	Stopping Up Orders	4,000.00	4,100.00
REGENERATION & ENVIRONMENT	**Public Realm (Recreation)**			
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Hire of pavilion per hour	51.35	52.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Hire of pavilion per hour after 8pm in Winter, after 10pm in summer per hour	65.72	67.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Partial cost recovery of events in parks - Category 2	1,027.00	1,027.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Partial cost recovery of events in parks - Category 3	2,054.00	2,054.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Reinstatement (Refundable deposit)- category 3	2,567.50	2,700.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Partial cost recovery of events in parks (ticketed events) up to 300 hundred attendees	205.40	205.40
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Partial cost recovery of events in parks (ticketed events) up to 600 hundred attendees	410.80	410.80
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Reinstatement (Refundable deposit)- category 1 (+£200)	200.00	200.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Ad-hoc street parties and special events on non-traffic sensitive streets	200.00	200.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Regular special events	1,125.00	1,125.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Special events hosted by commercial groups	1,325.00	1,325.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Circus or funfair similar in size or scope to a BSAG Category 2 event (daily fee)	1,000.00	1,000.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Refundable damage deposit for a circus or funfair event similar in size or scope to a BSAG Category 2 event (whole event)	1,000.00	1,000.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Circus or funfair similar in size or scope to a BSAG Category 3 event or a circus and funfair combined (daily fee)	2,000.00	2,000.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Refundable damage deposit for a circus or funfair similar in size or scope to a BSAG Category 3 event or a circus and funfair combined (whole event)	2,000.00	2,000.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	£500 -Reinstatement (Refundable deposit)- category 2 (+500)	500.00	500.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Small Events	65.00	65.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Partial cost recovery of events in parks (ticketed events) up to 1000 hundred attendees	924.00	924.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Adult Single	79.07	81.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Adult Short Season [13 week pre booked]	926.35	945.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Adult Long Season [17 weeks pre-booked]	1,209.00	1,240.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 11-a-side Single	47.34	48.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 9-a-side Single	41.08	42.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 7-a-side Single	27.73	28.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 5-a-side Single	18.95	19.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 11-a-side Short Season [13 week pre booked]	554.58	565.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 11-a-side Long Season [17 weeks pre-booked]	726.09	740.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 9-a-side Short Season [13 week pre booked]	482.69	495.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 9-a-side Long Season [17 weeks pre-booked]	628.52	640.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 7-a-side Short Season [13 week pre booked]	325.55	335.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 7-a-side Long Season [17 weeks pre-booked]	424.15	435.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 5-a-side Short Season [13 week pre booked]	220.80	230.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Soccer Junior 5-a-side Long Season [17 weeks pre-booked]	287.56	295.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Rugby Adult Single	86.27	88.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Rugby junior Single	50.32	51.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Gaelic Adult single (with changing)	104.75	107.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Gaelic Adult single (without changing)	73.43	75.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Gaelic junior single (with changing)	61.62	63.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Gaelic junior single (without changing)	42.10	45.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Hurling Adult single	104.70	107.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Hurling Junior single	54.90	56.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Cricket single	112.97	115.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Cricket Adult [11 week season]	1,146.13	1,170.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Cricket Junior (11 week season)	571.01	580.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Cricket junior single	66.24	68.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Artificial cricket wicket (Adults) per match	77.03	79.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Artificial cricket wicket (juniors) per match	46.22	48.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Bowls - per green	2,345.00	2,345.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Bowls - per rink per season	474.00	474.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Tennis Court - adult, per hour	6.80	7.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Tennis Court - junior, per hour	2.05	2.20
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Tennis Court - where no more than 50% of players are Adults	3.38	3.50
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Multi Use Games Areas (not including changing rooms)	17.71	18.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Netball Court - adult per hour (not including changing rooms)	30.81	32.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Netball Court - junior per hour (not including changing rooms)	20.54	22.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Adult training soccer/rugby/Gaelic/Hurling not on a pitch (per 2 hours including changing rooms, excluding floodlights)	61.62	63.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Junior training soccer/rugby/Gaelic/hurling not on a pitch (per 2 hours including changing rooms, excluding floodlights)	35.94	37.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Floodlights per hour	20.54	22.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Yoga in the park unmarked ground	16.43	17.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Unmarked ground school/sports use (Morning or afternoon - 3 hours including changing rooms)	51.35	53.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Hire of changing rooms only (during normal staffing hours)	49.30	50.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Power Driven Model Aircraft Flying Licence	41.00	42.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Late cancellation fees	25.00	26.00
REGENERATION & ENVIRONMENT	Public Realm (Recreation)	Bootcamp/ personal fitness sessions (per hour)	51.35	52.00
REGENERATION & ENVIRONMENT	**Public Realm (Waste)**			
REGENERATION & ENVIRONMENT	Public Realm (Waste)	Garden Waste Collection	60.00	60.00
REGENERATION & ENVIRONMENT	Public Realm (Waste)	Bulky Waste Collection	35.00	35.00
REGENERATION & ENVIRONMENT	**Cemeteries**			
REGENERATION & ENVIRONMENT	**Applicable to only Brent residents - New Graves**	**Fees & Charges applicable to only Brent residents - New Graves**		
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Person Aged 16 yrs or over (Earth) Burial Rights	2,420.00	2,662.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Interment - Person 16yrs (ADULT) + (earth)	770.00	847.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Burial rights - Baby/Child under 16 full grave space	2,420.00	2,420.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Interment - Baby/Child under 16 full grave space	275.00	275.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Burial rights - Baby/Child under 16 half grave space	1,045.00	1,045.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Interment - Baby/Child under 16 half grave space	220.00	220.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Burial rights - Path side graves (earth)	3,575.00	3,932.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Interment - Path side graves (Earth)	770.00	847.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Burial rights - Woodland grave for 1 interment (includes 1 tree)	2,695.00	2,964.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Woodland grave for (1 interment) Interment	770.00	847.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Burial rights - Woodland grave for ashes	2,695.00	2,964.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Woodland grave for ashes Interment	242.00	266.00
REGENERATION & ENVIRONMENT	**Applicable to only Brent residents -Re-open Graves**	**Fees & Charges applicable to only Brent residents - Re-open Graves**		
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Person Aged 16 yrs or over (Earth) Reopen	1,056.00	1,161.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Person 16+ Vault (reopen)	385.00	423.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Baby / Child under 16 years Reopen Full Grave Space	275.00	275.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Baby / Child under 16 years Reopen Half Grave Space	220.00	220.00
REGENERATION & ENVIRONMENT	**Applicable to only Brent residents - Common Graves**	**Fees & Charges applicable to only Brent residents - Common Graves**		
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Common Grave - Person aged 16 years or over (Earth)	1,100.00	1,210.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Common Grave - Chiild in full grave size (coffin3"6" or over)	660.00	660.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Common Grave - Baby / child	385.00	385.00
REGENERATION & ENVIRONMENT	**Applicable to only Brent residents - Cremated Remains / Ashes**	**Fees & Charges applicable to only Brent residents - Cremated Remains / Ashes**		
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Cremated Remains In New Half Grave Space Burial Rights & Internment	1,166.00	1,282.50
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Cremated Remains In existing Grave Space Interment	242.00	266.00
REGENERATION & ENVIRONMENT	Cemeteries - Brent Residents	Cremated remains in existing vault	143.00	157.00
REGENERATION & ENVIRONMENT	**Applicable to only Non Brent residents - New Graves**	**Fees & Charges applicable to only Non Brent residents - New Graves**		
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial Rights Person Aged 16 yrs or over (Earth)	3,696.00	4,065.50
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Interment - Person 16yrs (ADULT) + (earth)	1,127.00	1,239.50
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial Rights Baby / Child under 16 years	3,696.00	3,696.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Baby / Child under 16 years In full grave space Interment	369.00	369.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial rights - Baby/Child under 16 half grave space	1,265.00	1,265.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Baby / Child under 16 years In half grave space Interment	313.50	313.50
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial rights - Path side graves (earth)	5,390.00	5,929.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Interment - Path side graves (earth)	1,127.50	1,240.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial rights - Woodland grave for 1 interment (includes 1 tree)	3,905.00	4,295.50
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Burial rights - Woodland grave for ashes	3,905.00	4,295.50
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Interment - Woodland grave for ashes	363.00	399.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	**Applicable to Non Brent residents - Re-open Graves**	**Fees & Charges applicable to Non Brent residents - Re-open Graves**		
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Person Aged 16 yrs or over (Earth) Reopen	1,127.50	1,240.00
REGENERATION & ENVIRONMENT	Cemetaries - Non-Residents	Baby / Child under 16 years Reopen Full Grave Space	275.00	275.00
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Baby / Child under 16 years Reopen Half Grave Space	220.00	220.00
REGENERATION & ENVIRONMENT	**Applicable to Non Brent residents - Common Graves**	**Fees & Charges applicable to Non Brent residents - Common Graves**		
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Interment - Person 16yrs + (earth)	1,606.00	1,766.50
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Interment - Baby/Child under 16 full grave space	1,001.00	1,001.00
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Common Grave Baby / child	506.00	506.00
REGENERATION & ENVIRONMENT	**Applicable to Non Brent residents - Cremated Remains / Ashes**	**Fees & Charges applicable to Non Brent residents - Cremated Remains / Ashes**		
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Burial rights - Cremated Remains In new half grave space	1,798.50	1,978.00
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Interment - Cremated Remains In new half & existing grave space	429.00	472.00
REGENERATION & ENVIRONMENT	Cemeteries - Non Residents	Cremated remains in existing vault	143.00	157.00
REGENERATION & ENVIRONMENT	**Applicable for both Brent residents & non residents**	**Additional Charges for both Brent residents & non residents**		
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Coffin/casket 7' long or 28" wide in earth grave	451.00	496.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Coffin/casket 7' long or 30+" wide in earth grave	594.00	653.50
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Earth Grave for 3 where applicable	599.50	659.50
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Shroud timbers & slats	143.00	157.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Grave surround	49.50	54.50
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Transfer burial rights	88.00	97.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Burial Register search fee	33.00	36.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Chapel hire	82.50	91.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Saturday burials at Alperton, Paddington and Willesden	660.00	726.00
REGENERATION & ENVIRONMENT	Cemeteries - Additional Charges	Cancellation of an interment or late arrival of funeral cortege of more than 20 mins	275.00	302.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Memorial [full with Landing]	324.50	357.00
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Headstone / plaque	275.00	302.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Inscriptions / works	99.00	109.00
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Memorial removal for interment	154.00	169.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Memorial replacement after interment	154.00	169.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Memorial raise and level (full memorials)	60.50	66.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Memorial raise and level (plaques)	41.80	46.00
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Tree Plaque at Carpenders Park (inc. VAT) (Single)	220.00	242.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Tree Plaque at Carpenders Park (inc. VAT) (Double)	297.00	326.50
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Bench with plaque on to existing landing (inc. VAT)	1,210.00	1,331.00
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Bench Plaques only at Carpenders Park (inc. VAT - 5 years)	143.00	157.00
REGENERATION & ENVIRONMENT	Cemetaries - Memorial Permits	Concrete based bench with plaque (inc. VAT not at Carpenders Park)	1,320.00	1,452.00
REGENERATION & ENVIRONMENT	**Allotments**			
REGENERATION & ENVIRONMENT	Allotments	Allotment type site 126m2 (5 pole)	85.75	90.00
REGENERATION & ENVIRONMENT	Allotments	Allotment cost per pole	17.15	18.40
REGENERATION & ENVIRONMENT	**Planning**			
REGENERATION & ENVIRONMENT	Planning	Correspondence Service L 1 (Householder & Small Business)	220.00	220.00
REGENERATION & ENVIRONMENT	Planning	Correspondence Service L2 (up to 4 residential units/400m2 floorspace)	550.00	550.00
REGENERATION & ENVIRONMENT	Planning	Meeting Service L 1 (householder & small business)	330.00	330.00
REGENERATION & ENVIRONMENT	Planning	Meeting Service L 1 + optional Site Visit Service (householder & small business)	520.50	520.50
REGENERATION & ENVIRONMENT	Planning	Meeting Service L 2 (up to 4 residential units or up to 499m2 of floorspace)	880.00	880.00
REGENERATION & ENVIRONMENT	Planning	Meeting Service L3 (5 to 9 residential units or 500 to 999m2 of floorspace)	1,650.00	1,650.00
REGENERATION & ENVIRONMENT	Planning	Meeting Service L4 (more than 10 residential units or more than 1,000m2 of floorspace)	4,400.00	4,400.00
REGENERATION & ENVIRONMENT	Planning	Initiation, programming, 1st review (up to 149 units or 2,500m2))	9,000.00	9,000.00
REGENERATION & ENVIRONMENT	Planning	Initiation, programming, 1st review (150 plus units or over 2,500m2)	12,000.00	12,000.00
REGENERATION & ENVIRONMENT	Planning	Strategic Meeting (up to 149 units or 2,500m2)	4,500.00	4,500.00
REGENERATION & ENVIRONMENT	Planning	Strategic Meeting (150 plus units or 15,000m2)	6,000.00	6,000.00
REGENERATION & ENVIRONMENT	Planning	Issue Meeting	2,000.00	2,000.00
REGENERATION & ENVIRONMENT	Planning	Presentation to Planning Committee	4,000.00	4,000.00
REGENERATION & ENVIRONMENT	Planning	Planning/development briefs/ frameworks/ masterplans	8,250.00	8,250.00
REGENERATION & ENVIRONMENT	Planning	Copies of planning decision notices	16.50	16.50
REGENERATION & ENVIRONMENT	Planning	Copies of archived documents	16.50	16.50
REGENERATION & ENVIRONMENT	Planning	Confirmation of compliance with clauses in a S106	500.00	500.00
REGENERATION & ENVIRONMENT	Planning	S106 Legal Fee (per hour)	200.00	200.00
REGENERATION & ENVIRONMENT	Planning	S106 Planning Negotiation Fee - Simple (1-3 obligations)	825.00	825.00
REGENERATION & ENVIRONMENT	Planning	S106 Planning Negotiation Fee - Moderate (4-7 obligations)	1,400.00	1,400.00
REGENERATION & ENVIRONMENT	Planning	S106 Planning Negotiation Fee - Complex (8+ obligations / review mechanisms)	1,925.00	1,925.00
REGENERATION & ENVIRONMENT	Planning	S106 Planning Negotation Fee - Simple Deed of Variation	410.00	410.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Initial for Simple Agreement	440.00	440.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Initial for Moderate Agreement	495.00	495.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Initial for Complex Agreement	550.00	550.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Standard Simple Obligation	110.00	110.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Standard Moderate Obligation	330.00	330.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - General - Standard Complex Obligation	575.00	575.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Affordable Housing	575.00	575.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Viability Review	1,000.00	1,000.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Sustainability	715.00	715.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Energy	715.00	715.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Sustainability and Energy	1,430.00	1,430.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Highway Works (No Verification)	330.00	330.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Travel Plan	1,430.00	1,430.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Car Club (Off Site)	715.00	715.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Permit Fee (No Approval)	110.00	110.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Permit Free (Approval)	330.00	330.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Training and Employment	715.00	715.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Community Access Plan	575.00	575.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Notices	55.00	55.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Financial Contributions	165.00	165.00
REGENERATION & ENVIRONMENT	Planning	S106 Monitoring Fee - Specific - Considerate Constructors Scheme	110.00	110.00
REGENERATION & ENVIRONMENT	**Brent Start**			
REGENERATION & ENVIRONMENT	Brent Start	Learning and skills - Accredited courses	3.30	3.30
REGENERATION & ENVIRONMENT	Brent Start	Learning and skills - Accredited courses, concessions	0.00	0.00
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - Famlily learning	0.00	0.00
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - Personal and community development learning	4.40	4.60
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - Personal and community development learning - concessions (A)	2.20	2.30
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - Personal and community development learning - concessions (B)	1.10	1.15
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - targeted community development courses	3.20	3.35
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - targeted community development courses - concessions (A)	1.60	1.70
REGENERATION & ENVIRONMENT	Brent Start	Learning and Skills - targeted community development courses - concessions (B)	0.00	0.00
REGENERATION & ENVIRONMENT	Brent Start	Full cost recovery courses	15.00	16.50

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Brent Start	Room hire	25.00	25.00
REGENERATION & ENVIRONMENT	**Food and Health & Safety**			
REGENERATION & ENVIRONMENT	Food and Health & Safety	Cadaver certificate (3 working days' notice)	63.80	67.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Cadaver certificate (urgent next day service)	124.30	131.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Food Export Health Certificates (3 working days)	65.00	68.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Food Export Health Certificates (urgent next day service)	125.00	131.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Food destruction certificate	242.00	254.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Freezer breakdown certificate	242.00	254.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Pool water analysis single pool	220.00	242.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Pool water analysis double pool	412.50	412.50
REGENERATION & ENVIRONMENT	Food and Health & Safety	Schools Legionella Water Sampling	1,585.00	1,585.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Schools Drinking Water Sampling	530.00	530.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Food Hygiene Rating Scheme (FHRS) rating re-assessment	286.00	300.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments exhibition including any treatment from categories B, C or D	£1,300 plus £95 per company administering	£1,365 plus £95 per company administering
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments - lasers (Cat A)	825.00	866.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments - massage, acupuncture, tattooing etc (cat B)	670.00	704.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments - beauty treatments, etc (Cat C)	400.00	420.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments - manicure, nose and ear piercing, etc (Cat D)	220.00	231.00
REGENERATION & ENVIRONMENT	Food and Health & Safety	Special treatments - licence variation including addition or change of therapist	115.00	121.00
REGENERATION & ENVIRONMENT	**Licensing**			
REGENERATION & ENVIRONMENT	Licensing	Animal Boarding Establishment Licence	275.00	275.00
REGENERATION & ENVIRONMENT	Licensing	Breeding of Dogs Licence	297.00	297.00
REGENERATION & ENVIRONMENT	Licensing	Leaflet distribution (application)	198.00	198.00
REGENERATION & ENVIRONMENT	Licensing	Occasional sales except educational establishments (application)	197.00	197.00
REGENERATION & ENVIRONMENT	Licensing	Performing Animals Registration	275.00	275.00
REGENERATION & ENVIRONMENT	Licensing	Pet Animals (Pet Shop Licence)	200.00	200.00
REGENERATION & ENVIRONMENT	Licensing	Poisons Act Licence	50.00	50.00
REGENERATION & ENVIRONMENT	Licensing	Sex establishments	360.00	360.00
REGENERATION & ENVIRONMENT	Licensing	Street trading (new application)	81.50	81.50
REGENERATION & ENVIRONMENT	Licensing	Street trading (daily fee)	3.00	3.00
REGENERATION & ENVIRONMENT	Licensing	Street trading (variation)	55.00	55.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Licensing	Licensing Surgeries (to help small businesses)	165.00	165.00
REGENERATION & ENVIRONMENT	Licensing	Rejected searches	30.00	30.00
REGENERATION & ENVIRONMENT	**Land Charges**			
REGENERATION & ENVIRONMENT	Land charges	Full Official Search (LLC1 and CON29 2016)	280.00	280.00
REGENERATION & ENVIRONMENT	Land charges	Full Official Search and each additional Parcel	50.00	50.00
REGENERATION & ENVIRONMENT	Land charges	LLC1	80.00	80.00
REGENERATION & ENVIRONMENT	Land charges	LLC1 Additional Parcel	25.00	25.00
REGENERATION & ENVIRONMENT	Land charges	CON 29 - 2016	200.00	200.00
REGENERATION & ENVIRONMENT	Land charges	Con 29 - 2016 each additional Parcel	30.00	30.00
REGENERATION & ENVIRONMENT	Land charges	CON 29O requested each question submitted with LLC1 and CON 29 - 2016 forms	30.00	30.00
REGENERATION & ENVIRONMENT	Land charges	CON 29 O each question requested separately	40.00	40.00
REGENERATION & ENVIRONMENT	Land charges	Copy Search of replies	40.00	40.00
REGENERATION & ENVIRONMENT	Land charges	CON29 O requested separately for each additional parcel	30.00	30.00
REGENERATION & ENVIRONMENT	Land charges - EIR	CON29 2016 Individual first question	25.00	25.00
REGENERATION & ENVIRONMENT	Land charges - EIR	CON29 2016 Individual each additional question	3.00	3.00
REGENERATION & ENVIRONMENT	Land charges - EIR	CON29 2016 Individual All questions listed on our website under Environmental Informational Regulations details 'Local Land Charges	100.00	100.00
REGENERATION & ENVIRONMENT	Land charges - EIR	CON29 2016 Individual each additional parcel	6.00	6.00
REGENERATION & ENVIRONMENT	Land charges - EIR	Copy of replies CON29 2016 individual replies	15.00	15.00
REGENERATION & ENVIRONMENT	**Public Realm (Highways)**			
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Temporary Crossing – Commercial:	500.00	550.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Crane Oversail	350.00	385.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Crane (mobile platform):	300.00	330.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Scaffold Licence Fee (0-10m)	211.00	230.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Scaffold Licence Fee (10-15m)	270.00	295.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Scaffold Licence Fee (15m+)	565.00	610.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Hoarding Licence Fee(0-10m)	211.00	230.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Hoarding Licence Fee (10-15m)	270.00	295.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Hoarding Licence Fee (15m+)	565.00	620.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Skip Licence Fee	49.50	54.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Skips (fines)	207.00	250.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Building Material licences (Residential)	150.00	160.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Builders Material Licences (Commercial)	300.00	325.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Skip Company - Annual Registration fee:	297.00	327.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Container/Portacabin licences:	300.00	330.00
REGENERATION & ENVIRONMENT	Public Realm (Highways)	Admin fee for refunds processing	0.00	30.00
ENVIRONMENTAL IMPROVEMENT	Public Realm	Bulky Waste Collection	35.00	35.00
ENVIRONMENTAL IMPROVEMENT	Public Realm	Garden Waste Collection	60.00	60.00
REGENERATION & ENVIRONMENT	**Trading Standards**			
REGENERATION & ENVIRONMENT	Trading Standards	Registration of Premises for Auction	335.00	346.00
REGENERATION & ENVIRONMENT	Trading Standards	Primary Authority - bulk purchase	58.18	60.00
REGENERATION & ENVIRONMENT	Trading Standards	Primary Authority - pay as you go	72.77	75.00
REGENERATION & ENVIRONMENT	Trading Standards	Verification of Weights & Measures Equipment	61.32	62.70
REGENERATION & ENVIRONMENT	Trading Standards	Calibration of Weights for Business	61.32	62.70
REGENERATION & ENVIRONMENT	Trading Standards	Testing of Working Standards and Testing Equipment for other LAs	61.32	62.40
REGENERATION & ENVIRONMENT	Trading Standards	Extra Staff Member assisting with above W&M fees	36.74	40.00
REGENERATION & ENVIRONMENT	Trading Standards	Use of Safety Lab	65.00	70.00
REGENERATION & ENVIRONMENT	Trading Standards	Licence to store explosives	Various Fees from 54.00 - 500.00	Various Fees from 54.00 - 500.00
REGENERATION & ENVIRONMENT	Trading Standards	Financial Investigator	37.00	40.00
REGENERATION & ENVIRONMENT	Trading Standards	Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014, Full Charge Penalty Notice	5,000.00	5,000.00
REGENERATION & ENVIRONMENT	Trading Standards	Redress Schemes for Lettings Agency Work and Property Management Work (Requirement to Belong to a Scheme etc) (England) Order 2014, Reduced Charge Penalty Notice	2,500.00	2,500.00
REGENERATION & ENVIRONMENT	Trading Standards	Penatly Charge Notice under Part 3, Chapter 3 Consumer Rights Act 2015	5,000.00	5,000.00
RESOURCES	**Registration and Nationality**			
RESOURCES	Registration and Nationality	Approved Premises Weddings BCC Internal Monday - Thursday Before 4pm	160.00	210.00
RESOURCES	Registration and Nationality	Approved Premises Weddings BCC internal Monday - Thursday After 4pm	400.00	425.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Friday Before 4pm	185.00	235.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Friday After 4pm	400.00	425.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Saturday Before 4pm	275.00	325.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Saturday After 4pm	450.00	475.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Sunday Before 1pm	350.00	400.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Sunday After 4pm	500.00	525.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal & External Venues Bank Holidays Exc Christmas and Easter weekends	700.00	700.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal & External Venues Christmas and Easter bank holidays	N/A	1,000.00
RESOURCES	Registration and Nationality	Approved Premises Weddings Internal Venue 7:00am to 9:00am & 7:00pm to 9:00pm	N/A	700.00
RESOURCES	Registration and Nationality	Approved Premises Weddings External Venues 7:00am to 9:00am & 7:00pm to 9:00pm	1,000.00	1,000.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Monday - Friday Before 4pm	325.00	400.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Monday - Friday After 4pm	400.00	450.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Saturday Before 4pm	400.00	450.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Saturday After 4pm	500.00	550.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Sunday Before 4pm	450.00	500.00
RESOURCES	Registration and Nationality	Approved Premises Weddings external Sunday After 4pm	600.00	650.00
RESOURCES	Registration and Nationality	Private Ceremonies (M- F)	120.00	125.00
RESOURCES	Registration and Nationality	Citizenship Private Ceremony-weekend	160.00	170.00
RESOURCES	Registration and Nationality	EEA Passport check PR & QP Mon - Fri	25.00	25.00
RESOURCES	Registration and Nationality	EEA Passport check PR & QP Sat	30.00	30.00
RESOURCES	Registration and Nationality	EEA Passport check PR & QP Sun	40.00	40.00
RESOURCES	Registration and Nationality	EEA Passport check postal charge 5KG to 10 KG	27.00	27.00
RESOURCES	Registration and Nationality	EEA Passport check Postal charge 10KG above	42.00	42.00
RESOURCES	Registration and Nationality	Change of date	45.00	45.00
RESOURCES	Registration and Nationality	Admin charge priority certificates	10.00	35.00
RESOURCES	Registration and Nationality	Assisted Digital Service	N/A	200.00
RESOURCES	Registration and Nationality	European Pre Settlement Scheme	N/A	£14-£20
RESOURCES	Registration and Nationality	Priority Fee for Appointments	N/A	20.00
RESOURCES	**Conference and Events**			
RESOURCES	Conference and Events	The Grand Hall 10 hours hire package (Monday to Sunday)	5,750.00	5,900.00
RESOURCES	Conference and Events	The Grand Hall 12 hours hire package (Saturday and Sunday only)	7,900.00	8,100.00
RESOURCES	Conference and Events	The Grand Hall 18 hours hire package (Saturday and Sunday only)	9,500.00	9,800.00
RESOURCES	Conference and Events	The Grand Hall additional set up or de-rig hire (per hour)	250.00	260.00
RESOURCES	Conference and Events	The Grand Hall bank holiday surcharge fee	1,000.00	1,030.00
RESOURCES	Conference and Events	Conference Hall (per hour, min 3 hours required)	250.00	260.00
RESOURCES	Conference and Events	Conference Hall additional set up or de-rig hire (per hour)	150.00	150.00
RESOURCES	Conference and Events	The Bridge (available only with the Grand Hall)	450.00	460.00

DIRECTORATE	SERVICE CATEGORY	SERVICE PROVIDED	18/19 CHARGE	19/20 PROPOSED CHARGE
RESOURCES	Conference and Events	Garden hire, min 3 hours (per hour)	200.00	210.00
RESOURCES	Conference and Events	One Board Room (per hour)	40.00	41.00
RESOURCES	Conference and Events	Two Board Rooms together (per hour)	60.00	62.00
RESOURCES	Conference and Events	Three Board Rooms together (per hour)	80.00	82.00
RESOURCES	Conference and Events	Four Board Rooms together (per hour)	100.00	103.00
RESOURCES	Conference and Events	Foyer stall hire (4 hours, one extra hour allowed for set and one hour for clearing)	100.00	103.00
RESOURCES	Conference and Events	Foyer stall hire (8 hours, one extra hour allowedfor set and one hour for clearing)	150.00	155.00
RESOURCES	Conference and Events	Day Delegate Rate (with sandwich lunch and 3 servings of tea and coffee) per person, min numbers apply	45.83	47.00
RESOURCES	Conference and Events	Day Delegate Rate (with finger buffet lunch and 3 servings of tea and coffee) per person, min numbers apply	54.16	56.00
RESOURCES	Conference and Events	Charitable discount. A discount of 20% - 50% on Conference Hall and Board Rooms hire are available for charitable purpose events that are closely aligned to the Council's Borough Plan and will benefit the borough and its local residents.	50%	20% - 50%
RESOURCES	Conference and Events	Discretionary discount to attract bookings at quiet times	10%	10%

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Appendix K(ii)

Brent Council Fees and Charges Policy

1 Introduction

1.1 By using its powers to charge for goods and services and imposing fines, fixed penalties and other such financial sanctions, Brent Council is able to generate additional income to support investment in services and/or reduce the overall level of expenditure to be met by local tax payers.

1.2 The aim of this Fees and Charges Policy is to ensure that the Council makes use of all the powers available to it in order to recover the full cost of providing services. In using these powers however, the Council will wish to take care to ensure that the consequences of charging on individuals, the wider aims of the Council itself and / or organisations do not adversely impact on those who are vulnerable or in difficulties. The Policy therefore is aimed at meeting the following objectives from the Borough Plan and 2020 Vision:-

Borough Plan

Our Values: Fairness, Respect, Equality and Excellence

2020 Vision

Raising income through our assets – to support the delivery of core services

2 Background

2.1 The overriding aim of the charging policy is to maximise income generation and collection to enhance the social and economic well being of the community the council serves, whilst ensuring a fair price for all services reflecting the ability of the community to pay and the relative demand for the service. Maximisation of income, following a decision to charge, is also dependent on a charge being raised and that amount being collected, both in a timely way.

Legal Position

2.2 The majority of the Council's statutory services, Building Control being a key exception, are funded directly from the Council's other main sources of revenue, i.e. government grants and local taxation.

2.3 Income received by Brent from fees and charges is generated by both statutory and discretionary services. Where fees and charges apply to statutory services these are often set nationally, for example, some planning and licensing fees.

2.4 The remaining income generating services where the Council levies fees and charges are of a discretionary nature. Discretionary services are those that an authority has the power to provide but is not obliged to. They include services provided directly to the public in general such as leisure services as well as charges for the costs incurred by the council (such as legal costs) when entering into planning or highways agreements with specific persons.

2.5 The legal powers that the Council has to raise fees and charges are set out in the final section of this policy.

3 Managers' Guidance

Overview

3.1 The Managers' Guidance has been written to provide information to managers in Brent Council responsible for applying fees and charges to goods and services delivered. The aim is to encourage a consistent and cost effective approach to the setting of charges for services provided by:

a. Specifying the process and frequency for reviewing existing charges for all areas of the council's work for which charges could in principle be set

b. Providing guidance on the factors that need to be taken into consideration when charges are being reviewed

c. Requiring more active use of market intelligence when setting charges

d. Establishing parameters for calculating different levels of charges

e. Recommending the criteria for applying concessions or discounted charges consistently across the council

Calculation of Fees and Charges

3.2 Fees and charges raised must be based on the full cost of the service. Charges cannot be set at a level to recover more than cost if that is all the Council has the legal power to do, but the definition of cost includes direct costs of service provision together with overhead and central costs. The cost recovery limit applies to the overwhelming majority of services which the Council can set a charge for. If, however, the Council has the legal power to do so careful consideration should be given to charging more than the full cost of the service. For example, charging could be used as a tool to manage excess demand for limited spaces on leisure centre classes. In overview there are 3 ways in which fees and charges may be set:

a. Fees and charges prescribed by legislation, usually in a regulatory context, and varied from time to time which the person liable has an obligation to pay;

b. Fees and charges reviewed and set by members (e.g. Individual Cabinet Members, Cabinet or Full Council) from time to time (usually annually); and

c. Fees and charges reviewed and set by officers from time to time acting under delegated powers.

3.3 As part of the annual budget cycle each department will carry out a recalculation of existing fees and charges together with opportunities to raise additional income from new areas of charging, and present proposals for revised charges.

Approvals

3.4 In broad terms setting fees for regulatory services (i.e. licensing, planning, etc) are non-executive functions. These therefore need to be submitted to Full Council for approval. Full Council can, however, delegate this function to a committee, officer etc.

3.5 Fees and charges for discretionary services are usually executive functions and therefore need to be approved by Cabinet or Cabinet Members. Cabinet and Cabinet Members can, however delegate this function.

Concessionary Charging

3.6 The purpose of offering concessions must be to support council priorities. Generally the reasons for operating concessionary charges will fall into one of two categories: to influence the level of demand for a service or to reflect the circumstances of service users. Concessions must also be reviewed at least on an annual basis, to confirm both the level of subsidy and also their ongoing relevance.

3.7 The Finance Department will maintain a list of concessions in operation and keep under review requests for concessions to be offered. For customer / clients who cannot pay, action must be taken to ensure that there are sufficient safeguards in place to allow access to service, and that appropriate steps are taken to recognise the realistic payment capacity of vulnerable individuals.

3.8 Concessionary charges should not normally apply at times when it would result in a loss of income from customers paying the full charge, unless prior approval has been given by a senior Council officer.

3.9 No concessions will be provided to non-Brent residents.

Education related services

3.10 With regards to education related services, services and packages will be based around the academic year and not on the municipal financial year.

VAT

3.11 Managers must ensure that the correct treatment of VAT is applied to the fees and charges they are responsible for. The correct treatment should be agreed with Finance in advance of application.

Other statutory requirements

3.12 Managers must also ensure that when setting fees and charges or reporting to members they are aware of any special statutory requirements that need to be complied with. For example, before changes to some fees and charges can be implemented, there may be a statutory requirement to consult and/or publish a notice in a local newspaper.

4 Payment Methods

4.1 All collection methods and payment terms must be effective, efficient and appropriate for the service. The preferred methods of payment are those direct to the bank such as direct debits and standing orders.

4.2 Wherever practical do to so payment for services provided should be sought in advance to minimise debt recovery issues.

4.3 The full cost recovery analysis will need to factor in the cost of processing payments and that some payment methods are preferred.

5. Equality impact Assessments

5.1 Under Section 149 of the Equality Act 2010, the Council has a duty when exercising its functions to have 'due regard' to the need to eliminate discrimination and other conduct prohibited under the Act and advance equality of opportunity and foster good relations between those who share a "protected characteristic" and those who do not. This is the public sector equality duty. The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, 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.

5.2 Before the Council exercises its fees and charging powers, the impact on individuals or groups of individuals who share a protected characteristic must be carefully considered and properly factored into the decision making process using the Council's EA screening template.

5 Review of Policy

6.1 This Policy is to be reviewed a minimum of every two years to ensure consistency with wider council and departmental objectives and priorities. The next review of this policy is scheduled to take place in April 2019.

Fees and Charges - Legal Powers

Under the Localism Act 2011 there is a general power of competence which explicitly gives councils the power to do anything that an individual can do which is not prohibited by other legislation. This activity can include **charging** (i.e. to recover the costs of providing a discretionary service which the person has agreed to) or can be undertaken for a commercial purpose (i.e. to generate efficiencies, surpluses and profits) through a special purpose trading company. This is what is more commonly known as **trading**. Charging and trading activities can be aimed at benefiting the Council, the borough or its local communities.

These powers are in addition to similar powers set out in the Local Government Act 2003. The 2003 Act empowers councils to charge for any discretionary services (i.e. services councils have the *power* to provide but do not have a *duty* to provide by law) on a cost recovery basis. For example, the Council could decide to provide a new discretionary service, that is an addition to or enhancement of a statutory service, and then charge for it.

The 2011 Act power and the 2003 Act power cannot be used where charging is prohibited or where another specific charging regime applies. Statutory guidance published in 2003 outlines how costs and charges should be established and that guidance remains in force (see: '*General Power for Best Value Authorities to Charge for Discretionary Services'*, ODPM, 2003). The Council must have regard to the guidance when charging for discretionary services under the 2003 Act.

In particular, the guidance contains useful advice on setting charges. It explains that for each discretionary service for which a charge is made, councils need to secure that, taking one year with another, the income from charges for that service does not exceed the costs of provision. The requirement to take one year with another recognises the practical difficulties council will face in estimating the charges. It establishes the idea of balancing the books over a period of time (not less than 1 year and no more than 3 years). Any over or under recovery that results in a surplus or deficit of income in relation to costs in one period should be addressed by the council when setting its charges for future periods so that over time income equates to costs.

The 2003 Act also enables councils to trade in activities related to their functions on a commercial basis with a view to profit through a company.

Under the Local Authorities (Goods and Services) Act 1970 councils also have powers to enter into agreements with each other and a long list of designated bodies. These activities are not limited to cost recovery and a profit can be generated from these activities.

In terms of leisure and recreational facilities, section 19 of the Local Government (Miscellaneous Provisions) Act 1976 permits councils to charge for these beyond cost recovery limitations.

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Appendix K(iii)

Fees and Charges Policy - Guidance for Managers

1) Frequency for reviewing charges

The setting of appropriate fees and charges should be an integral part of service planning and improvement. Fees and charges (which includes fines, fixed penalties and other such financial sanctions) can be varied in-year and should be reviewed regularly through the year. An annual review is the **minimum** requirement to ensure they are consistent with the Council's priorities, are fully recovering all costs and take account of service aims, market sensitivity and customer preferences.

2) Factors to consider when reviewing charges

Reviews of charges will need to consider the following factors:

- whether the particular service is applying the council's definition of full cost recovery
- competitor charges and market conditions
- inflationary pressures - charges should be increased in line with inflation unless there is a good reason why not. It is good practice to use a consistent measure of inflation across services where possible.
- trends in user demand and the forecast effect of price changes
- customer survey results
- whether it is being subsidised, and to what extent
- council wide and service budget targets
- cost structure implications arising from developments such as investments made in the service
- alternative charging structures that could be more effective
- proposals for targeted promotions during the year, and evaluation of any that took place in the previous year
- method and cost of income collection
- any bad debt provisions as appropriate
- time factors where advance bookings have been taken, notifications to customers of any change to fees must be timely and in advance
- if fees are amended regularly during the year, considerations need to be given to amending internal systems, particularly re: paid customers
- the public sector equality duty (i.e. section 149 of the Equality Act 2010)

A list of questions is provided at **Annex B** to assist service managers to review fees and charges.

3) The use of market intelligence

All managers of services for which a new charge is introduced (particularly for services that have previously been provided for free) should consult with the market and users of the service who are most likely to be affected on the range, quality and cost of the services. Where cost effective to do so, comprehensive and accurate usage statistics, commensurate to the size of the service, should be maintained for all services and at all facilities where charges are made. This will enable analysis of usage, justification of any subsidy given by the Council and

accurate forecasting of the effect of price changes on usage. This is necessary to understand the needs, behaviour and expectations of the market and its users, and their ability to pay. This information should be used in the review of charges.

All managers of services for which a charge is made should take steps to identify competitors offering similar or related services, and make use of comprehensive and dynamic market intelligence in evaluating:

- their charging policy
- the range of services provided
- the quality of services provided
- their cost structure

Benchmarking should be undertaken regularly with other councils in the local area, service providers and with relevant national groupings of authorities, to ensure that charges are at comparable levels and that significant differences are understood and justified.

4) Parameters for calculating different levels of charges

Charges should be set at a level to maximise both take-up and income targets. Wherever possible the income raised should cover the full cost of providing the service in question. If a service is unable to cover the full cost then the subsidy to the service should be fully justified in terms of achieving the Council's priorities. There are restrictions on making a profit from charging in many cases. Guidance on calculating full costs is set out in **Annex C**.

Full cost should be based on the direct cost of service provision including staff, supplies and services, equipment, premise costs including support service costs where appropriate but not capital charges – however the revenue implications of capital charges can be considered after consultation with Finance.

For certain services it will be normal entrepreneurial practice to set promotional charges, differential charging and frequent user discounts:

- Promotional charges are defined as short term charges that are targeted to increase take-up or awareness of the services that are available

- Differential charges can be used to dampen demand at peak times and increase revenue from spare capacity

- Frequent user discounts are to be used only for commercial reasons such as generating customer loyalty where alternative provision from competitors exists, and where market analysis shows a real risk of reduced income if they are not offered.

Fines/Penalties - There may be circumstances where income generation is not the only key driver for the way in which charges are set, for example, where the Council wishes to manage demand, or deter or incentivise certain behaviours such as encouraging re-cycling, discouraging trade use of civic amenity waste sites etc. In this context, however, the general principles of charging should apply and in particular that any charged activities, enforcement etc. must at least recover cost.

5) Concessions

There are two potential areas of concessions, the first type based on an individual's status, for example child, student, pensioner, disabled person plus a second level based on ability to pay linked to receipt of means-tested benefits, such as housing benefit.

Concessionary charges should not normally apply at times or in situations which would result in the loss of income from customers paying the full charge. No concessions will be provided to non-Brent residents.

Within the overall aim of minimising any social or economic barriers to the take-up of services, Managers should at all times consider ways in which a proportion of income generated from charges could be used in the interests of social inclusion. The types of mechanisms that might be made available to encourage take-up of council services by disadvantaged groups might include transport to facilities, provision of child care, additional promotional discounts to encourage use, or development activity to raise levels of aspiration. Accurate user statistics should be maintained to ensure that a subsidy being provided on social inclusion grounds is effective.

6) Parking

The level of on-street parking charges must be set for traffic management reasons, such as to ration available space and ensure that there is a rapid turnover of parking spaces, rather than to maximise revenue. Whilst it is reasonable for a Council to take due regard of estimated costs and income arising from the management of parking, it is not lawful for a local authority to use the Road Traffic Regulation Act 1984 to justify imposing charges to raise revenue. This is because section 122 of the Road Traffic Regulation Act 1984 does not include the maximisation of revenue from parking charges as one of the relevant considerations to be taken into account in securing the safe, expeditious and convenient movement of traffic.

7) Process for Reviewing Charges

The following arrangements for reviewing charges will be applied to all areas of the Council where charges for services already exist or could in principle be set:

- Reviews should be carried out in consultation with the relevant Cabinet Member**.**

- The Chief Executive or the relevant Strategic Director, in consultation with the relevant Cabinet Member, have the delegated power to set and vary fees and charges either annually or more frequently where this is considered necessary. For example, in order to protect usage and income in response to significant market developments. The parameters within which officers can set and vary fees are set out in **Annex A**. However, there are some fees and charges which officers cannot set or vary because it requires a decision by members. The fees and charges which have been excluded from the scope of officer delegated powers are also set out in **Annex A**.

- When introducing a new charge it will be necessary to establish the lawful basis of any charge.

Fees and Charges Charging Policy Framework

Annex A

Setting of Fees and Charges by Officers

1) *Statutory Fees*

These are set by Government and the Council is unable to vary the amounts to be charged. The Chief Executive or the relevant Strategic Director can implement any changes to statutory fees in accordance with the law and any changes shall be reported to Cabinet and Full Council as part of the annual budget process.

2) *All other fees and charges*

i) The following fees and charges must be approved by Cabinet, the relevant Cabinet Member or Full Council (in the absence of any other delegation) before any changes are made:-

- Parking fees
- Garden waste fees

ii) Other than those fees and charges set out in 2(i) above, all other fees and charges may be set or varied from time to time to reflect increases in inflation or market conditions on the following basis:-

a) The Chief Executive and relevant Strategic Director may impose new fees and charges, or vary current fees and charges up to +/-20% overall in any one calendar year period.

b) However, if the fees and charges are below £1, they can be increased by up to £1 overall in any one calendar year period.

c) The relevant Cabinet Member can agree any other changes to existing fees and charges which are the responsibility of the Executive.

d) Any new or varied fees and charges must be reported to Cabinet and Full Council as part of the annual budget process.

Annex B

The Head of Service is responsible for the target setting and performance management of income generation.

Charging Review – Questions to be considered

The following questions, based on the Audit Commission's 2008 document *"Positively Charged"*, are provided to assist service managers to undertake a review of their charges.

1. What do we want to achieve including:

- How much income is being targeted for and why?
- Whose use of services does the Council wish to subsidise and by how much?
- Whose behaviour does the Council wish to influence and in what ways?
- How will charges help improve value for money, equity and access to services?

2. What's the current picture?

- What is the current charge?
- How do charges compare to similar councils and other service providers?
- How are charges structured and why?
- Are cost effective mechanisms available for paying and collecting charges?
- Are income targets being achieved?
- What is the impact, intended or unintended, of charges on local people?
- Which people are using services and which aren't?
- Which users are paying for services and which aren't?
- Are concessions being taken up by the people at whom they are targeted?
- Are the take-up of related benefits in this area being maximised?

3. What do local people think of our charges?

- Have service users and the public been consulted about the current and proposed charges plus their views on value for money of the service?

4. What are the next steps?

- What changes, if any, should be made to the level and structure of charges?
- How will the impact of charges be evaluated?
- What data will be required?
- Can the data be collected cost effectively?
- When will approach be reviewed?

Annex C

Calculation of Overheads Costs in Fees

1. Introduction

The full cost of running the organisation will not be visible to service managers who may be making commercial decisions as to the setting of fees and charges. The basis upon which the costs of delivering a service are calculated can be used to determine if charging or trading is an appropriate model for maximising income.

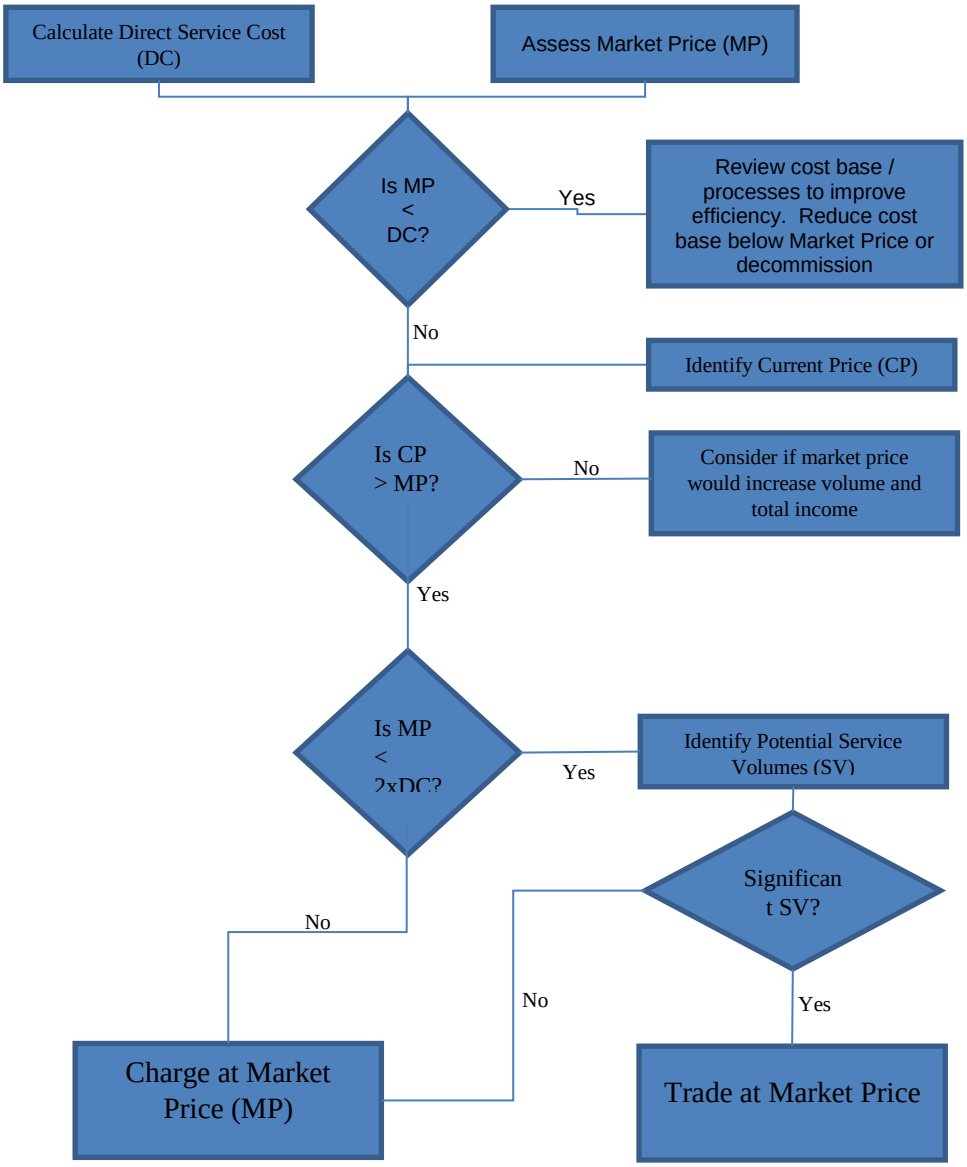
2. The difference between Charging and Trading

Charging in the context of this policy means the power to charge for a service. The limiting factor in charging for goods and services provided is that in most cases it is limited to cost recovery only. Whereas trading for services allows for fees and charges to be regulated by the market. The limiting factor for trading for services is the market price for the service and the sustainability of any company set up specifically to trade for that service.

Ultimately, the maximum price for a service is set by the market, the decision as to whether to charge or to trade in that service is determined by the cost base for delivery of that service.

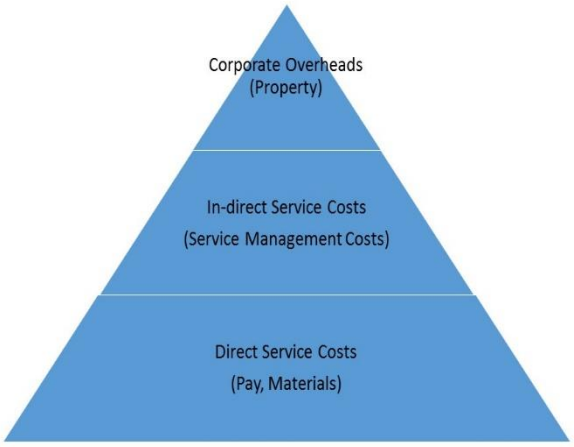
3. Trade or Charge 'Acid Test' decision matrix

The following flowchart is a simplification of the process for assessing whether charging or trading is appropriate.



4. Calculating the total cost of delivery

Calculating the costs of a service is a complex process that overlays direct costs, service overheads and corporate overheads to produce a total service unit cost.



Direct service costs
Direct service costs include pay, national insurance and pension plus any associated costs such as travel, materials, printing, stationery – any costs that the service manager has within their budgetary control. The unit of cost would be based upon the sevice being offered – per instance, per hour, per session and would include all of the direct service costs for providing that unit of service. Units may be combined if appropriate such as visits per week to calculate the cost of a visit.

In-direct service costs
This could include annual leave, statutory holiday and training (non-chargeable time), service management and administration & support, service specific IT etc.

Corporate overheads
Corporate overheads would include the political and management infrastructure of the Council, property and support services.

5. Applying corporate overheads

The audited accounts of the Council have been reviewed to assess the value of corporate overheads in relation to staff costs. The corporate overhead costs that may be included within the calculation of the total service unit cost is **80% of the staff cost** of service provision.

Incorporating this level of corporate overheads into a total service unit cost enables the Council to set fees and charges at as close to the market rate as possible, this maximising income from fees and charges, only considering setting up companies to trade for services where there is a compelling case to do so.

6. Recommendation

In considering which charging basis to use it is recommended that services charge the **market or benchmarked rate for fees and charges**. Where the market price is greater than double the direct cost of providing the service, a review of the actual costs of delivering the service should be undertaken and consideration as to whether trading in that service is appropriate.

Equality Analysis- Blank Form – Online EA System

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 proposals are intended to vary levels of fees and charges across a range of council services to raise additional income to support the delivery of core services. The proposed fees and charges have been adjusted in line with Outer London Averages (2013-14). In some cases the fees have been adjusted downwards to be in line with competitors' charges. No additional net income is planned for Adult Social Care, Children's services or Education / Schools.

The work stream is part of the Council's Brent 2020 vision and is one of the projects the Council needs to take over the next five years so that it can continue to deliver priorities and support the residents of Brent.

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

The proposals will affect anyone in receipt of these services.

Any potential staff implications will be assessed separately.

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

Any increase in fees and charges, regardless of the service provided, will have a more adverse impact on those individuals and socio-economic groups who are less able to meet the cost.

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

Fees imposed for waste collection, for example, will have a more adverse impact on those less able to transport waste themselves due to a mobility difficulty, disability or age. Increased charges of burial services will have an impact on age and socio-economic groups. Decreased gym membership fees may have a positive impact on residents.

Most proposals require only a modest revision of fees and charges. Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

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

No services will be removed but charges may increase / decrease to bring the Council in line with Outer London Averages (2013-14) or with competitors' charges. No additional net income is planned for Adult Social Care, Children's services or Education / Schools.

This work is intended to sustain and support the delivery of core services across the Council.

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

The proposals relate to the affordability of Council services. Any increase in fees and charges, regardless of the service provided, will have a more adverse impact on those individuals and socio-economic groups who are less able to meet the cost.

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

Yes.

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

Yes. It relates to the following equality objective: 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. At this stage a high level analysis has been carried out given the broad range of services involved.

4. Use the comments box below to give brief details of what further information you will need to complete a Full Equality Analysis. What information will give you a full picture of how well the proposal will work for different groups of people? How will you gather this information? Consider engagement initiatives, research and equality monitoring data.

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

Stage 2: Analysis

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

5.1 Age *(select all that apply)*

☐ Positive

☐ Neutral

☑ Negative

Please give details: Some charges may particularly impact on specific age groups (e.g. burial service charges and fees) those who are less mobile or have a disability (e.g. waste collection charges). On the whole, however, children, young people and vulnerable adults are protected from the proposed fees and charges. No additional net income is planned for Adult Social Care, Children's services or Education / Schools.

5.2 Disability *(select all that apply)*

☐ Positive

☐ Neutral

☑ Negative

Please give details:

Some charges may particularly impact on those who are less mobile or have a disability (e.g. waste collection charges). On the whole, however, children, young people and vulnerable adults are protected from the proposed fees and charges. No additional net income is planned for Adult Social Care, Children's services or Education / Schools.

5.3 Gender Identity *(select all that apply)*

☐ Positive

☑ Neutral

☐ Negative

Please give details:

5.4 Marriage and civil partnership *(select all that apply)*

☐ Positive

☑ Neutral

☐ Negative

Please give details:

5.5 Pregnancy and maternity *(select all that apply)*

☐ Positive

☐ Neutral

☑ Negative

Please give details:

Some charges may particularly impact on those who are less mobile (e.g. waste collection charges).

5.5 Race *(select all that apply)*

- ☐ Positive
- ☑ Not known
- ☐ Negative

Please give details:

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

5.7 Religion or belief *(select all that apply)*

- ☐ Positive
- ☑ Not known
- ☐ Negative

Please give details:

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

5.8 Sex *(select all that apply)*

- ☐ Positive
- ☑ Not known
- ☐ Negative

Please give details:

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

5.9 Sexual orientation *(select all that apply)*

☐ Positive
☑ Neutral
☐ Negative

Please give details:

5.10 Other (please specify): socio-economic groups

☐ Positive
☐ Neutral
☑ Negative

Please give details:

Any increase in fees and charges, regardless of the service provided, will have a more adverse impact on those individuals and socio-economic groups who are less able to meet the cost.

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

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

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

A benchmarking exercise was undertaken to establish the arrangements and charges of comparable services at neighbouring boroughs. Those areas identified as offering services that attract a fee, make a charge or impose a fine were contacted to provide a record of those charges. Potential new charges/fees were also sought. Information was also sought with respect to the level of demand for each service.

What did you find out from consultation or data analysis?

It was established that the council offers comparable services at non-comparable charges and that there were significant opportunities to adjust charges in line with those imposed by neighbouring boroughs and local competitors.

Were the participants in any engagement initiatives representative of the people who will be affected by your proposal?

The proposals are wide-ranging and cover a number of unrelated different council services.

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

How did your findings and the wider evidence base inform the proposal?

The proposals were informed by analysis of charges made for similar / comparable services in neighbouring boroughs.

STAGE 3: ACTION PLANNING

8. What actions will you take to enhance the potential positive impacts that you have identified?

Any proposed changes that may have a more significant impact on service users with protected characteristics, will require individual equality analyses and will be subject to separate decisions around policy and implementation.

9. What actions will you take to remove or reduce the potential negative impacts that you have identified?

Please refer to point 8 above.

10. Please explain how any remaining negative impacts can be justified?

Raising additional income is crucial for the Council so that it is able to sustain and support the delivery of core services.

Appendix L

The Budget 2019/20 2021/22

Consultation Report

Summary

The Budget 2019/20 - 2021/22 online consultation opened on 15 October 2018 and is due to close on 31 January 2019. Up to and including 10 January 2019 there were one hundred and seventy five (175) respondents.

The online consultation asked Brent residents to respond to a single question:
'We want to know what services are the most important to local people so we can make the best decisions about where to make savings. Help us decide the shape of the council's budget going forward by reading our proposal and inputting your comments about The Budget below:'

The key themes respondents felt were most important are:

- Children & young people
- Children centres and Children & families
- Youth clubs and youth facilities
- Special needs services
- Libraries,
- Leisure centres
- Adult social care
- Older peoples services
- NHS, GP's, hospitals and health
- Social services
- Crime and community safety
- Police
- Anti-social behaviour (ASB) teams
- Housing
- Environmental health
- Refuse collection
- Parking control
- Road maintenance
- Citizens Advice Bureau
- Community hubs
- Voluntary services
- Employment

The most popular theme, by some way, was in relation to refuse collection, re-cycling and fly-tipping. Over 20% of respondents to stated refuse collection, re-cycling facilities, clean streets and a clean environment around their homes was important to them.

In regards to clean streets one respondent stated:

‘I believe it is important that street cleaning and improving town centres is the most important services as clean streets help to make the area much more attractive for visitors and for residents and helps to improve the reputation of the area. Moreover having clean and attractive town centres help encourage more people to shop locally instead of travelling to 2 large shopping centres or shopping online which in turn further benefits the local economy of the town and help the town to flourish.’

Other popular choices included Children Centres and services around childcare and children. Over 10% of the respondents so far are in favour of keeping Children Centres. With reference to Children Centres one respondent stated:

‘Children Centres are very important to me and many others. It has been my link to gaining information and advice since my baby was born. I have made friends and shared experiences with other parents, I am a single mum and sometimes you feel so alone. The centre have been amazing I even did a course whilst my child was being looked after to understand how to introduce books to your child.’

Another respondent stated:

‘I believe Brent have some of the best Children's Centres in the country, and the training and support we offer have a positive impact on the families in our Borough.’

Crime, community safety, Police and ASB Teams were another reoccurring theme. Approximately 9% of respondents have indicated Brent Council should prioritise Community Safety, Policing and try to reduce Anti-Social Behaviour.

Adult social care and services for older people and vulnerable people was high in residents list of priorities. In relation to adult social care one respondent stated:

‘Help needed by disabled and vulnerable people is the most important service.’

Another respondent stated:

‘The most important services in my opinion are Adult Social Care and Children's Services, but my family and I are not users of these services at present.’

On the same theme another respondent stated:

‘I don't see how a further a £250k saving can be achieved from the Supporting People budget without a major impact on quality and scope of service to some of the most vulnerable people in Brent.’

Feedback so far to The Budget 2019/20 2021/22 online consultation demonstrates a wide range of views, many common viewpoints and emphasises the fact that Brent residents are concerned over what the budget cuts mean not only for them but for the wider community.

BRENT COUNCIL PAY POLICY STATEMENT

Financial Year 2019/20

April 2019

Contents

Purpose 3
Strategic Context 3
Employee Benefits 4
Pay Rates and Scales 4
Remuneration of Senior Management (Chief Officers) 4
Remuneration of Lowest Paid Employees 5
London Living Wage 5
Pay Multiple 5
Job Grading 6
Local Conventions for the GLPC Job Evaluation Scheme 6
Public Health Transfer 7
Pay on Appointment 7
Annual Pay Progression 7
Performance Related Pay and Bonuses 8
National / Regional Pay Agreements 8
Market Supplements 9
Fees for Election Duties 9
Pensions 9
Payments on Termination of Employment 9
Re-employment of Employees 9
Tax avoidance 10
Publication and access to information 10

BRENT COUNCIL PAY POLICY STATEMENT

Financial Year 2019/20

Purpose

The council's pay policy outlines Brent's policy on pay and benefits for all employees (excluding Schools) and has been developed to meet the relevant statutory provisions of the Localism Act 2011.

The pay policy will be reviewed on an annual basis and will be approved by Full Council in advance of each new financial year.

The pay policy statement can be amended during the course of any financial year, but only by a resolution of the Full Council. The revised version of the statement will be published as soon as reasonably practicable.

Strategic Context

The current and future pay and benefit arrangements are embodied in the council's Workforce Strategy which reflects the Borough Plan priorities. The council's Borough Plan and Brent 2020 programme provide the strategic framework for the council's workforce and people priorities.

The overarching objective for the Workforce Strategy is to have the right people, with the right skills, attitudes and experience, in the right place at the right time to enable the organisation to deliver on its strategic priorities and corporate objectives.

Key strategic aims of the Workforce Strategy are:

- Achieving organisational effectiveness and strong performance management
- Recruiting, retaining and rewarding a diverse, highly skilled and motivated workforce
- Valuing diversity and reducing inequalities
- Developing high performing managers and talented staff
- Building the professionalism and skills of the workforce to support projects aligned to the council's strategic priorities and the delivery of high quality services

The council is committed to being a good employer and maintaining its excellent track record in employing a diverse workforce which reflects the local community. In order to recruit and retain a high quality workforce, the council will pay its staff at appropriate salary levels to attract and retain staff, throughout the council, particularly those in hard to recruit roles.

Employee Benefits

The council's pay arrangements and terms and conditions play a key role in enabling the council to fully realise its objectives and ensuring the workforce is 'fit for purpose'. The council is committed to fair and equitable pay and benefits arrangements to maintain a flexible, talented and performance focused workforce. The council published its Gender Pay Gap Report on 18 March 2018. This revealed that the overall mean gender pay gap based on data taken from the HR databases on 31 March 2017 was 6.5% and the median gender pay gap was 6.8%. This compares with a mean gender pay gap for local government of 6.8% and a median pay gap of 5%.

All the council's pay arrangements are contained within a single policy document.

Pay Rates and Scales

Pay scales are reviewed annually in line with the National Joint Council agreements and any changes are usually effective from 1 April or 1 September each year depending on the pay scales applicable to different groups of staff.

The following pay scales have been adopted by the council:

- Greater London Provincial Council (GLPC) London Pay Scales (main pay scales)
- Senior Manager Pay Scales (senior managers including Chief Officers)
- Soulbury Pay Scales (Education Psychologists, Advisors and Inspectors)
- Soulbury Pay Scales (Youth and Community Service, Young People and Community Service Managers)
- Teaching Pay Scales (for centrally employed local authority teachers)

Remuneration of Senior Management (Chief Officers)

The council defines its senior management as the top 3 tiers in the management structure. This includes all statutory and non-statutory Chief Officers and Deputy Chief Officer roles. It comprises the Chief Executive, Strategic Directors and Operational Directors.

Currently the pay, expenses and key benefits for the Council Management Team are published on the council's website. The Council Management Team comprises the Chief Executive and the Strategic Directors, together with the Chief Finance Officer and the Director of Legal and HR Services.

The rates of pay of the Chief Executive and Strategic Directors and other Senior Managers are in accordance with the council's senior manager pay scales.

The council may, from time to time, engage senior managers under contracts for services. The council generally will aim to pay such individuals at a rate consistent with the pay of directly employed staff performing a comparable role, although there may be exceptional circumstances which support a higher pay rate for a short term period to ensure continuity of service and meet any statutory obligations.

Remuneration of Lowest Paid Employees

The council defines its lowest paid employees as those staff paid on the lowest established grade and scale point which in Brent is Scale 2 spinal point 12 of the Greater London Provincial Council (GLPC) Pay Scales currently £19,914 per annum. This will increase to £20,133 on 1 April 2019.

London Living Wage

The council has implemented the London Living Wage. All staff are paid at or above the London Living Wage. Level 2 Apprentices are paid at the highest National Living Wage rate for apprentices and Level 3 Apprentices are paid a higher hourly rate of £8.01 per hour. The Council is an accredited London Living Wage Employer and asks its contractors supplying services to the Council to pay their staff the London Living Wage. As contractors are employers in their own right, the council cannot force contractors to pay the London Living Wage but has built into its procurement procedures a requirement to do so in relation to council contracts where possible. The Council also encourages schools to pay the London Living Wage.

Pay Multiple

The ‘pay multiple’ is the ratio between the highest paid salary and the lowest/median average salary of the council’s workforce. The council’s highest paid employee is the Chief Executive. The current median salary is £34,133.

The lowest pay multiple is 1:9.99; the median pay multiple is 1:5.82.

This is within what is regarded as good practice for the median salary multiple as described by Will Hutton in his 2011 Fair Pay Review in the Public Sector which identified multiples at or around 8.00. The council has not set a target for a maximum multiple. The lowest pay multiple has decreased from 1:10:6 in 2016/2017.

Job Grading

Single Status was introduced in 2009 for staff on the main pay scales. Single Status introduced common job evaluation schemes and pay scales for the council's former manual workers, administrative, professional, technical and clerical employees with the exception of education psychologists, nursery nurses, youth and community workers, chief officers and the chief executive.

Staff who transferred to the council from Brent Housing Partnership in 2017 have not yet moved over to Single Status.

Senior managers including chief officers have locally determined rates of pay which are linked to national negotiations for the determination of pay awards. A revised pay and grading structure for senior managers was introduced on 1 April 2013. The aim of the review was to reduce costs whilst ensuring the council's pay arrangements remained competitive.

Also in 2013, the council rationalised the terms and conditions for senior managers. Those senior management posts which fall within the Joint National Committee (JNC) Chief Officer definition are employed on JNC terms and conditions and all other senior managers are employed on National Joint Committee (NJC) for Local Government Services terms and conditions with some local variations. The senior management posts which fall within the JNC definition are predominately the strategic directors and other directors with statutory responsibilities e.g. Section 151 officer. This means that the majority of senior managers have terms and conditions which are largely consistent with those for other staff. A number of changes were also made to the JNC for Chief Officer terms and conditions to align them more with the terms and conditions for all other staff.

Local Conventions for the GLPC Job Evaluation Scheme

Virtually all local authorities and organisations that use the GLPC Scheme have local conventions in place. A convention is the term given to the local interpretation of the wording of a job evaluation scheme, which are usually written down. Without local conventions, evaluators may interpret the scheme's factor level definitions differently. This exposes the authority to the potential risk of inconsistency and can lead to

inaccurate gradings.

The council in March 2013 introduced local conventions to ensure that the scheme is applied consistently and fairly to all employees. These have been reviewed and amended in accordance with refreshed guidance notes on the job evaluation scheme issued by the GLPC in 2016.

Public Health Transfer

Following major changes to the public health system, responsibility for public health transferred to local authorities on 1 April 2013. Fifteen staff transferred into the council under NHS terms and conditions including pay, seven of which are still employed by Brent. A Director of Public Health was recruited on Brent terms and conditions.

Pay on Appointment

All employees are normally appointed on the lowest pay spinal column point for their job evaluated grade. Employees may be appointed at a higher point, where they are currently earning more than the lowest pay spine for the role and where it is considered that they already possess the skills and experience needed to justify a higher salary within the grade. Appointment at a higher point on the salary scale has to be authorised by the service Operational Director and the Head of HR or Director of Legal and HR Services.

The council delegates authority to the Senior Staff Appointments Sub-Committee to make appointments to the council of all officers at Operational Director level and above, with the exception of the Chief Executive, in which case a recommendation to appoint is made to Full Council for its final decision to confirm the appointment or not. The starting salary for new appointments to these posts is agreed by the body making the appointment. The starting salary for any other post where the overall remuneration package on new appointment (excluding pension contributions in accordance with the Local Government Pension Scheme regulations) is to exceed £100,000 will normally be agreed by full council or a committee of the council unless the Chief Executive agrees otherwise.

Annual Pay Progression

Brent's pay policy is primarily based on evaluated pay grades, each having a salary range comprising a number of incremental points. Other pay grades are nationally prescribed and also have incremental progression arrangements. Most employees incrementally progress through the pay grade for their job. Progression will normally be one increment (pay spine column point) on the 1st of April each year until the top of the grade is reached for those on the main pay scales. Separate arrangements

apply during the first year of service where the start date is between 1 October and 31 March and on the anniversary of joining for those on senior manager pay scales.

Pay progression takes place on an annual basis and can be withheld if there is a disciplinary sanction or where performance is currently being addressed.

Performance Related Pay and Bonuses

Council employees including the Chief Executive and directors do not receive performance related payments or bonuses.

National / Regional Pay Agreements

The council operates the national (JNC/NJC) and regional (GLPC) collective bargaining arrangements for pay and conditions of service for all employees, including senior managers. Pay is increased in line with national and regional pay agreements.

Details of the 2018/19 pay award agreement are:
From 1 April 2018:

- Salary increase of 2% applied to all spinal column points.

From 1 April 2019:

- Salary increases ranging from 2% to 2.8'%. Most grades will receive a 2% increase with higher percentage increases applying only to the lowest paid staff.

- The individual basic salaries and salary scales of all officers within scope of the JNC for Chief Officers of Local Authorities increased by 2% with effect from 1 April 2018 and will increase by a further 2% with effect from 1 April 2019.

Market Supplements

The council has recently re-introduced a market supplement policy and the General Purposes Committee recently agreed recruitment and retention allowances for some social work staff. Individual service areas do not have discretion to apply market supplements or other recruitment and retention payments and there is a governance structure in place to agree any new supplements based on a sound business case.

Fees for Election Duties

Election fees paid to employees (including chief officers) who assist in elections are in line with the rates agreed by the Government whenever general, regional or European elections occur. In light of the referendum vote on 23 June 2016 for the UK to leave the European Union, there are unlikely to be further European elections to assist with. Where local elections occur fees will be determined using the cross-London agreed rates.

Pensions

All non-teaching employees are able to join the Local Government Pension Scheme (LGPS). Teachers are able to join the Teachers' Pension Scheme. Benefits for both schemes are paid in accordance with government regulations. National Health Service employees who transferred to the council under TUPE have access to the NHS Pension Scheme under special provisions agreed as part of the transfer into local government. Employees joining Public Health after the transfer are employed on Council terms and conditions and do have access to the LGPS.

Payments on Termination of Employment

In the event that the council terminates the employment of an employee on the grounds of redundancy the terms of the council's redundancy and early retirement arrangements will apply. Termination payments will be subject to any caps introduced by government legislation as will repayment of severance payments set by legislation. It is anticipated that regulations on capping payments and repayment of severance will be introduced although the timescale is unclear. Where practicable, and unless the Chief Executive agrees otherwise, termination payments which exceed £100k will normally be agreed by full council or a committee of the council.

Re-employment of Employees

Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.

The re-engagement of employees including chief officers who are made redundant is subject to the council's re-engagement arrangements (contained within the council's Managing Change Policy). The policy sets out the minimum period a former employee must wait before being eligible to work for the council again, as well as outlining other restrictions.

Employees who are made redundant may not be re-engaged within twelve months of their termination of employment for reasons of redundancy. After twelve months the employee may be re-engaged via the normal recruitment procedures either to carry out similar work or a different job. Re-engagement is subject to the approval of the relevant Operational Director and Director of Legal and HR Services.

Tax avoidance

All permanent Brent staff including senior managers are paid through payroll which means that all taxes are deducted at source. A review of temporary staff is regularly conducted and it is Brent's policy to cover vacancies through the use of approved agency workers or by appointing staff on fixed term contracts. Temporary workers providing services through their own companies will be carrying out projects and generally not covering permanent roles other than in exceptional circumstances e.g. where interim cover is essential whilst a permanent appointment is recruited. Where these situations do occur they will be limited in duration, usually to less than 6 months.

The council's approach to dealing with Her Majesty's Revenue and Customs' (HMRC) changes to regulations for provision of personal services from April 2017 is to use the HMRC online assessment tool to determine the employment status of individuals for income tax purposes. Most agency workers, consultants and interims are required to pay tax on a PAYE basis, like council employees.

Publication and access to information

Brent's annual Pay Policy Statement will be published on the website where it can be easily accessed. Information about chief officers' remuneration is published on the council's website www.brent.gov.uk in the section Senior Managers' pay.

Brent	**Cabinet** 11 February 2019
	Report from the Strategic Director of Resources

Approval to trigger the award stage two of the Two Stage Design and Build contract for the redevelopment of Knowles House

Wards Affected:	Kensal Green
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)	Exempt - Appendices 1 and 2 are exempt from publication as they contain 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:	Two (both contain exempt info) Appendix 1 - Value for Money Report Appendix 2 - Summary of costs
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Gordon Cooper Project Manager Email: Gordon.cooper@Brent.gov.uk Tel: 020 8937 1739

1.0 Purpose of the Report

1.1 This report requests authority to trigger the award of the Stage Two of the two stage design and build contract for the redevelopment of Knowles House to Wates Residential Ltd for £28,588,687. The report outlines the progress and current position of the project since previous Cabinet approvals.

2.0 Recommendations

2.1 That Cabinet give approval to trigger the entry into the contract for Stage Two of the Two Stage design and build contract for the redevelopment of Knowles

House to Wates Residential Ltd.

2.2 That Cabinet note the budget for the redevelopment of Knowles House as set out in Appendix 2.

2.3 Approval of the redevelopment of this site will reduce the number of people in unsuitable temporary accommodation in Brent.

3.0 Detail

3.1 On 19th June 2017 Cabinet approved a capital investment for delivery of the Knowles House Scheme. Since the approval, GLA grant of £65m (to deliver a five year programme of affordable housing) has been awarded to Brent, part of which will be allocated to this scheme. The Knowles House Project Team also considered and amended the scheme specification to ensure that measures are put in place as part of the construction to minimise fire risks.

3.2 In addition, the scheme was originally to be delivered in two phases but it has been recommended that it be delivered in one phase instead, for reasons detailed in this report. There remain some items of risk that are not quantifiable at this stage of the redevelopment, as the existing building is still occupied.

3.3 Under a Delegated Authority Report dated 9th March 2018, approval to award contract to Wates Residential Ltd was obtained to enable the commencement of the Pre Construction Service Agreement (PCSA), being the Stage One of the Two Stage design and build contract (which commenced in May 2018), for the sum of £684,911. This has enabled the contractor to develop the design from a planning permission, to a full set of construction drawings, and to tender works packages to its sub-contractor supply chain. Based on that, a stage two (construction) contract sum of £28,588,687 (including Stage One cost) has been received from Wates Construction Ltd calculated on the basis of the current economic situation. It should be noted however that execution of the PCSA does not give Brent a legal obligation to enter into the main contract with Wates.

3.4 Wates Construction Ltd has proposed that specific contractual provisions dealing with Brexit-related risks be included in the contract. The provisions will deal with any increase in the cost of the redevelopment or any delay in the carrying out of the works arising as a result of or in connection with Brexit due to the imposition of a Tariff (all taxes, duties, charges, levies, assessments and other fees of any kind imposed on the import or purchase of goods or materials), currency fluctuation, and the imposition of checks, whether in physical or electronic form and/or at the EU border or UK border, of any products, goods and materials to be incorporated into or specialist equipment used in the works and/or specialist services.

3.5 Appendix 1, the tender report prepared by Baily Garner (the council's costs consultants on the project) sets out the process undertaken by the contractor during the pre-construction services period and validates the stage two contract sum. Baily Garner recommends triggering execution of the stage two contract with Wates Construction Ltd.

3.6 The scheme will provide 149 units of new accommodation in the Borough, and a replacement community centre. Detailed in the table below is the mix of properties in the scheme:

Temporary Accommodation ("TA")		New Accommodation for Independent Living ("NAIL")		Community Centre	Total
1b2p	62	1b1p	57	1	
2b4p (WC)	7				
2b4p	23				
Total	92		57	1	150

3.7 Although not originally included in proposals, the designers have allowed for a sprinkler system in the NAIL and TA buildings and non-combustible cavity wall insulation to minimise fire risk for this particular development. The additional cost is as set out in Appendix 1, and is included in Wates contract sum. These measures are not required by current building regulations, but are far easier and more cost effective to incorporate now, than retrospectively in an occupied building. Given the vulnerable nature of tenants in NAIL accommodation, and the transient occupancy of the TA building, Adult Social Care support this recommendation.

3.8 The pre-construction services period has been used to quantify and where possible eliminate building risks but as Knowles House is an occupied building certain risks, such as asbestos, ground conditions under building etc. are yet to be assessed and eliminated until the existing building is demolished. Therefore should any unforeseen hazards arise (outside the main contract), they will need to be managed by utilising existing programme wide contingencies.

3.9 The project team have worked closely Wates to consider the options of building out the scheme as two phases (as originally envisaged), or one phase. Single phase delivery has more onerous decanting requirements, and puts back start on site, as full demolition can only take place when vacant possession is granted. This is offset by a reduction in the construction programme of approximately 40 weeks, simpler construction and reduced contract sum, NAIL delivered earlier, full rental stream earlier and revenue savings achieved earlier. The project team agreed the benefits of a single phase delivery were significant and should be adopted.

3.10 Wates are forecasting a construction period of 130 weeks, for single phase delivery. 6-8 weeks are required to provide vacant possession of the existing building, and terminate the management contract. Handover is anticipated winter 2021. It is anticipated there will be a phased handover, with each block being handed over separately.

3.11 The form of contract will be JCT 2016, design and build, with Brent's standard amendments.

4.0 Financial Implications

4.1 In June 2017 Cabinet approval was granted for total scheme costs of £31.5m. This sum includes provision for the main contract as well a number of additional Brent costs such as furniture, consultants, surveys etc. This overall sum has

been incorporated into the Cabinet January 2019 capital pipeline report and a detailed breakdown of the scheme costs is provided in Appendix 2.

4.2 As noted above (para 3.2) this scheme will attract c£5.7m grant funding as part of the GLA affordable housing programme. This is part of a wider allocation of £65m awarded to the council to increase the supply of affordable housing in Brent. Approval of the recommendations in this report will facilitate a start on site to be made in 2018/19 financial year, in accordance with the stipulations set out in the GLA funding confirmation.

4.3 Once delivered the scheme will reduce the council's dependency on bed and breakfast and care homes resulting in revenue savings.

5.0 Legal Implications

5.1 The value of this contract over its lifetime is in excess of the EU threshold for works and the award of the contract is therefore governed by the Public Contracts Regulations 2015 (the "EU Regulations"). The EU Regulations provide the rules for use of framework agreements and contracts may be called off under framework agreements without the need to separately advertise such contracts or procure them through a full procurement process. The procurement was undertaken and concluded through a framework and there is no issue from the EU procurement perspective with the Council triggering entry into Stage Two of the contract.

5.2 Should members be satisfied with the proposed contract sum following conclusion of Stage One, they may agree that Stage Two is triggered (the main construction phase) by Officers giving Wates Construction Limited the relevant notice that is required to enter into the main contract.

5.3 As detailed at paragraph 3.4, Wates Construction Ltd. have submitted their bid on the basis that a Brexit clause is included in the contract. Such clause is essentially an extension of a change in law provision found in many contracts that acknowledges that a contractor has bid on the basis of the law as it currently stands and that if there are changes, it should not be prejudiced by such changes. This permits contractors to price without building in significant contingencies. A Brexit clause results in the Council assuming additional risks and if this approach is accepted, care will need to be taken to ensure that any Brexit clause is tightly drafted to ensure the Council only accepts liabilities that are directly attributable to Brexit and that cannot be mitigated.

6.0 Equality Implications

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

7.0 Human Resources/Property Implications

7.1 There are no staffing or accommodation implications for Council staff.

8.0 Public Services (Social Value) Act 2012

8.1 Whilst the Public Services (Social Value) Act 2012 (the "Social Value Act") does not apply to works contracts, Officers have had regard to considerations

relevant to the Social Value Act in this procurement, namely how the contract might improve the economic, social and environmental wellbeing of the borough.

8.2 Wates have developed a package of social value measures such as opportunities for local sub-contractors and local people to gain experience and employment in the construction industry. This will be developed with Brent officers, once the contract is let.

Related Documents

- Report to Cabinet – 11 April 2016
- Report to Cabinet – 19 June 2017
- Delegated Authority to Award Report – 9 March 2018

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

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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** 11 February 2019
	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: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	Two Appendix 1: NNDR Discretionary Discount Scheme – Revaluation Support Scheme Appendix 2: NNDR Discretionary Discount Scheme - Retail Rate Relief Scheme for 2019/20 and 2020/21
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Richard Vallis, Revenues & IT Client Manager Richard.Vallis@brent.gov.uk 020 8937 1503

1.0 Purpose of the Report

1.1 The powers to grant local discounts in respect of non-domestic rates are contained within section 47 of the Local Government Finance 1988 as amended by s69 of the Localism Act 2011. To award discounts under this provision any discount scheme needs committee approval. The council agreed the discretionary scheme for revaluation support for 2017/18 on 24 July 2017 and for 2018/19 on 12 February 2018, it now needs to consider and agree the schemes for 2019/20 and 2020/21. In addition approval is also sought for the retail rate relief scheme announced by the government in its Autumn statement on 29 October 2018.

1.2 The Discretionary Discount Scheme (Revaluation Support) came into effect on 1 April 2017 when the government provided funding to local authorities to design their own scheme in order to provide assistance to those businesses most affected by the 2017 rates revaluation. Funding is available for 4 years from 2017/18 to 2020/21 and whilst businesses may have their increases phased in annually over 4 years, the Revaluation Support Scheme provides further help to those who are worst affected. The amount of funding decreases

year on year, with £219,000 available for Brent in 2019/20, and £31,000 for 2020/21 meaning that any scheme needs to target those seeing the largest increases in their bills for 2019/20 and 2020/21. It should be noted that the design of the scheme is down to each local authority and consultation on scheme criteria and principles was undertaken in June 2017 which resulted in the main scheme principles being agreed.

1.3 The Discretionary Discount Scheme (Retail Rate Relief) was announced in the Autumn Statement in October 2018 and is aimed at providing help to retail businesses in town centres and "high streets". The scheme is aimed at occupied retail properties with a rateable value of less than £51,000 and provides relief for each of the years 2019-20 and 2020-21. The value of relief will be one third of the bill after all other reliefs have been applied (including revaluation support). The government has provided guidance on the operation of the scheme and expects councils to implement the scheme using its discretionary powers under section 47 of The Local Government Act 1988 as amended.

1.4 Both of these schemes are funded by central government, although in respect of the Revaluation Support Scheme only up to the funding allocation (£219,000 for 2019/20 and £31,000 for 2020/21). 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 where the set criteria are met (as detailed in this report)

2.0 Recommendations

2.1 That the Discretionary Discount Scheme (Revaluation Support) for 2019/20 and 2020/21 as detailed in sections 3.1 to 3.9 and in Appendix 1 of this report be approved pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988 as amended.

2.2 That the Discretionary Discount Scheme (Retail Rate Relief) for 2019/20 and 2020/21 as detailed in sections 3.10 to 3.13 and in Appendix 2 of this report be approved pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988 as amended.

2.3 That the Chief Finance Officer be delegated authority to implement the two schemes as detailed in Appendices 1 and 2 of this report so that the agreed discretionary discounts for business rates can be awarded in compliance with the schemes 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 ((VOA) 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 changed dramatically between 2010 and 2017 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
***For 2019/20 inflation of 2.5% is also added

In 2017/18 over 53% of businesses in Brent were entitled to transitional relief. In 2019/20 this has fallen to 10%, but this still represents nearly 1,000 businesses. It should be noted that the percentage increase before transitional relief is applied is much higher - 10% plus inflation for small businesses and 20% plus inflation for medium sized businesses, so many businesses are seeing very large increases in their bills for 2019/20.

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.

3.5 The Council agreed the schemes for 2017/18 and 2018/19 based on the following criteria:-

- that only businesses who have seen increases in their rate bills due to the 2017 revaluation of more than specified percentages 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.

The schemes were based on relief being a percentage of the net charge, the percentage applied being determined by the increase in rates bill. However in estimating the percentages it has always been a best estimate in trying to ensure that the total relief awarded equals the council's funding allocation. In 2017/18 relief totalling £955,000 was awarded against an allocation of £1,096,000 and in 2018/19 relief totalling £425,000 has to date been awarded against an allocation of £532,000. It is therefore recommended that in 2019/20 rather than award a percentage discount a lump sum discount of £500 is awarded to the 500 accounts that are seeing the biggest percentage increase in their rates bill in 2019/20 when compared to 2018/19 due to the revaluation. By using this methodology we can be sure of using up our allocation. It should be noted that 500 awards of £500 totals £250,000 which is more than our allocation but due to vacations and changes in circumstances there is always at least a 10% downward movement in relief awarded.

3.6 Relief should be focused on small and medium sized businesses. Therefore of the 500 awards it is recommended that 400 are made to small businesses, i.e., those with a rateable value of £28,000 or less and 100 awards be made to medium sized businesses, i.e., those with a rateable value between £28,001 and £100,000. There are 800 small businesses who will see increases in their bills of more than 12.53% in 2019/20 and 121 medium sized businesses who will see increases of more than 22.76%. Bearing in mind the relatively small allocation of £219,000 it is best to "spread" this amongst many businesses rather than award it to a few, particularly as relief can only be up to the amount of the increase in the rates bill due to the revaluation.

3.7 As the allocation for 2020/21 is £31,000 it is recommended that that a similar scheme be adopted. 75 awards of £500 are recommended to those businesses seeing the biggest percentage increase in their rates bill due to the revaluation but this being limited to small businesses only, i.e., those with a rateable value of £28,000 or less. Again this totals more than the allocation but there will be a downward movement in this to reflect vacations, etc.

3.8 It should be noted that many of the businesses seeing large increases in their bills for 2019/20 and 2020/21 will qualify for a third reduction in their bill for these 2 years under the retail rate relief scheme as detailed below.

3.9 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. Full details of the scheme are in Appendix 1.

Discretionary Discount Scheme (Retail Rate Relief)

3.10 The government announced it is Autumn Statement on 29 October 2018 the introduction of a retail rate relief scheme for 2019/20 and 2020/21. This will be in respect of occupied retail properties with a rateable value of less than £51,000 and the amount of relief will be a third of the net bill after all other reliefs have been applied. Rather than introduce new legislation the government expects local authorities to introduce the scheme using its discretionary powers under section 47 of the Local Government Finance Act 1992 as amended. It will reimburse councils the cost of all relief awarded.

3.11 Guidance on the administration of the scheme was issued in November 2018. It clarifies the classes of retail properties that will be entitled to relief. Shops, restaurants, cafes and drinking establishments are entitled and the guidance provided details of the types of other businesses that fall within these categories – these are detailed in Appendix 2. It also specifies the types of business that will not qualify for relief – this includes financial services (including betting shops, payday lenders, etc.,), estate agents, medical services and professional services. It also excludes, for example cinemas, theatres, night clubs and gyms. It should be noted that this scheme is similar to the retail rate relief scheme introduced in 2014 when a discount of £1,000 was awarded to occupied retail premises with a rateable value of less than £50,001. In effect those businesses who qualified under this scheme will also qualify under the new scheme.

3.12 Modelling has been undertaken to identify the numbers of businesses that may qualify. It is estimated that approximately 1,820 businesses will qualify for a third reduction in their bill and that the total value of relief will be around £5.3M. Rather than invite businesses to apply relief will be auto awarded and it is hoped that this relief will be included on the annual bills for 2019/20 due to be dispatched in March.

3.13 Entitlement to relief is also 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. 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.

4.0 Financial Implications

4.1 The Revaluation Support Scheme was originally announced by the government in its Spring 2017 Budget. The cost of the Revaluation Support Scheme will be funded by a separate grant with fixed allocations. As this is intended to be a locally designed scheme the total cost may vary from the Government's allocation, this being £219,000 in 2019/20 and £31,000 for 2020/21. 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 2019/20 is 30 September 2020 and for 2020/21 is 30 September 2021.

4.2 The government has made funding of £12,000 available for administering the scheme for years 1 and 2; this largely covers the software changes required with a small element for administration, printing and postage of bills. There may be some additional funding for this latter element in respect of the last 2 years of the scheme.

4.3 The Retail Rate Relief scheme was announced in the 2018 Autumn Statement and the government will fully fund the cost of relief awarded. The scheme is very similar to the previous retail rate relief scheme so it is estimated the cost of administering this scheme will be less than £10,000. There may be some additional government funding to meet this new burden but otherwise these costs will need to be met from within existing resources.

5.0 Legal Implications

5.1 The Discretionary Discount Scheme (Revaluation Support) was announced by the government in the Chancellor's Spring Budget in March 2017, whereas the Retail Rate Relief scheme was announced in the 2018 Autumn statement. Rather than introduce legislation the government expects authorities to implement these schemes by using their discretionary relief powers in s47 of the Local Government Act 1988 as amended by s69 of The Localism Act 2011 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. However, in accordance with the amendments, the local authority is required to have regard to any relevant guidance issued by the Secretary of State when deciding whether to grant relief under s47 of the Local Government Act 1988 as amended; and any such scheme needs to be approved by the Council's Cabinet.

5.2 Normally the authority would have to fund its share of the cost of awarding reliefs, however the government will fully fund the costs of the Retail Rate Relief Scheme as it expects authorities to implement the Scheme in accordance with the guidance. With regards to the Revaluation Support Discount scheme the government will fund relief up to its funding allocation for 2019/20 of £219,000 and £31,000 for 2020/21. Any underspends or overspends in these years cannot be transferred or offset against subsequent years.

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 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 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

6.2 The Equality Act 2010 and the Public Sector Equality Duty (outlined above) cover the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.

6.3 There are not thought to be any direct equalities implications arising from the report at this stage. Indeed the schemes will provide help to small businesses as they will reduce their rates bills and so help their sustainability. Those who are likely to be entitled to these reliefs in 2019/20 and 2020/21 will have their relief automatically awarded after having carried out checks to ensure they met the criteria. 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 With regards to Revaluation Support 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 the 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.

7.2 No consultation has been carried out in respect of the Retail Rate Relief scheme as guidance has been issued by the government on how this scheme should be operated, and the government expects local authorities to implement it using its section 47 powers. The Rate Relief Scheme also provides for a third reduction in the bills of many small/medium sized businesses that are located in town centres or on the “high street”; this will help sustain their viability and hopefully lead to less closures in these key areas.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Related Documents:

Revaluation Support:-

- DCLG Consultation Paper March 2017 – Proposals on the design and implementation of the locally administered Business Rates Relief Scheme
- DCLG Letter 15 May 2017 – Spring Budget 2017 – Business Rates Relief Schemes
- DCLG Business Rates Information Letter (BRIL 4/2017) dated 20 June 2017 – Spring Budget
- DCLG Business Rates Information Letter (BRIL 9/2017) dated 22 December 2017 – Administration

Retail Rate Relief:-

- MHCLG – Business Rates Information Letter 4 (BRIL 4/2018) – 2 November 2018
- MHCLG – Business Rates Retail Discount Guidance, November 2018

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

APPENDIX 1 NNDR Discretionary Discount Scheme – Revaluation Support Scheme

A. Scheme Criteria

1. The Revaluation Support Rate Relief Scheme applies for 4 years from 1 April 2017 to 31 March 2021. 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, less than £100,000 for 2018/19 and 2019/20 and less than £28,001 for 2020/21

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, 2018/19, 2019/20 and 2020/21 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. For 2019/20 businesses must have seen an increase in their bills when compared to 2018/19 due to the 1/4/2017 revaluation, again the increase being calculated in accordance with the above criteria. For 2020/21 businesses must have seen an increase in their bills when compared to 2019/20 due to the 1/4/2017 revaluation, again the increase being calculated in accordance with the above criteria.

4. For 2017/18 and 2018/19 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%
5.00% - 6.99%	5%
Over 7.00%	6%

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%
8.00% - 10.99%	6%
Over 11.00%	7%

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. **For 2019/20** an award of £500 will be made to:-
    - The 400 small businesses (i.e., whose rateable value is less than £28,001) with the highest increase in rates bill in 2019/20 when compared to 2018/19 which is due to the revaluation and where the ratepayer meets all the criteria detailed above relief
    - The 100 medium businesses (i.e., whose rateable value is more than £28,001 but less than £100,000) with the highest increase in rates bill in 2019/20 when compared to 2018/19 which is due to the revaluation and where the ratepayer meets all the criteria detailed above relief

    For 2020/21 an award of £500 will be made to:-
    - The 75 small businesses (i.e., whose rateable value is less than £28,001) with the highest increase in rates bill in 2020/21 when compared to 2019/20 which is due to the revaluation and where the ratepayer meets all the criteria detailed above relief

NOTE – For 2019/20 and 2020/21 should the increase in the bill due to the revaluation be less that £500.00 then the amount of relief will be the amount of the increase due to the revaluation

6. Where a qualifying ratepayer's 2020/21, 2019/20, 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

7. Relief for 2017/18 can only be awarded up until 30 September 2018, relief for 2018/19 relief can only be awarded up until 30 September 2019, relief for 2019/20 can only be awarded up until 30 September 2020, relief for 2020/21 relief can only be awarded up until 30 September 2021

8. 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.

APPENDIX 2 – NNDR Discretionary Discount Scheme - Retail Rate Relief Scheme for 2019/20 and 2020/21

1. Properties that will benefit from the relief will be occupied hereditaments with a rateable value of less than £51,000, that are wholly or mainly being used as shops, restaurants, cafes and drinking establishments.

2. Shops, restaurants, cafes and drinking establishments are defined as:

- **Hereditaments that are being used for the sale of goods to visiting members of the public:**
  - Shops (such as: florists, bakers, butchers, grocers, greengrocers, jewellers, stationers, off licences, chemists, newsagents, hardware stores, supermarkets, etc)
  - Charity shops
  - Opticians
  - Post offices
  - Furnishing shops/ display rooms (such as: carpet shops, double glazing, garage doors)
  - Car/ caravan show rooms
  - Second hand car lots
  - Markets
  - Petrol stations
  - Garden centres
  - Art galleries (where art is for sale/hire)

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**
  - Hair and beauty services (such as: hair dressers, nail bars, beauty salons, tanning shops, etc)
  - Shoe repairs/ key cutting
  - Travel agents
  - Ticket offices e.g. for theatre
  - Dry cleaners
  - Launderettes
  - PC/ TV/ domestic appliance repair
  - Funeral directors
  - Photo processing
  - Tool hire
  - Car hire

- **Hereditaments that are being used for the sale of food and/ or drink to visiting members of the public:**
  - Restaurants
  - Takeaways
  - Sandwich shops
  - Coffee shops
  - Pubs
  - Bars

3. To qualify for the relief the hereditament should be wholly or mainly being used as a shop, restaurant, cafe or drinking establishment. In a similar way to other reliefs (such as charity relief), this is a test on use rather than occupation. Therefore, hereditaments which are occupied but not wholly or mainly used for the qualifying purpose will not qualify for the relief.

4. The list below sets out the types of uses that are not considered to be retail use for the purpose of this relief

- **Hereditaments that are being used for the provision of the following services to visiting members of the public:**
  - Financial services (e.g. banks, building societies, cash points, bureaux de change, payday lenders, betting shops, pawn brokers)
  - Other services (e.g. estate agents, letting agents, employment agencies)
  - Medical services (e.g. vets, dentists, doctors, osteopaths, chiropractors)
  - Professional services (e.g. solicitors, accountants, insurance agents/ financial advisers, tutors)
  - Post office sorting offices
- **Hereditaments that are not reasonably accessible to visiting members of the public**
  - Cinemas, theatres and museums are outside the scope of the scheme,
  - Nightclubs and music venues which are not similar in nature to the hereditaments described above
  - Premises used for sport or physical recreation (e.g. gyms) are also outside the scope of the discount

5. The total amount of relief available for each property for 2019-20 and 2020/21 under this scheme is one third of the bill, after mandatory reliefs and other discretionary reliefs funded by section 31 grants have been applied, excluding those where local authorities have used their discretionary relief powers introduced by the Localism Act which are not funded by section 31 grants2. There is no relief available under this scheme for properties with a rateable value of £51,000 or more.

6. Ratepayers that occupy more than one property will be entitled to relief for each of their eligible properties, subject to State Aid De Minimis limits.

7. **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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Brent	**Cabinet** 11 February 2019
	Report from the Strategic Director of Resources

Council Tax– Empty Homes Premium

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)	Open
No. of Appendices:	None
Background Papers	None
Contact Officer(s): (Name, Title, Contact Details)	Richard Vallis, Revenues & IT Client Manager – 2nd Floor, Civic Centre Tel 020 8937 1503 Richard.Vallis@brent.gov.uk

1.0 Purpose of the Report

1.1 The Council levies a 50% council tax premium on domestic properties that have been empty for more than 2 years and has been doing so since 1 April 2013 when powers were given to enable local authorities to charge a premium. From 1 April 2019 the premium can be increased from 50% to 100% to further encourage owners to make their properties available for use. As this is a discretion Cabinet needs to approve increasing the premium from 50% to 100%.

1.2 Further changes enable local authorities, from 1 April 2020, to charge a 200% premium for properties that have been empty for more than 5 years, and from 1/4/2021 to charge a premium of 300% for those that have been empty for more than 10 years. Again this is a discretion and cabinet needs to agree this. Whilst these changes take effect one and 2 years from now it is suggested that these be agreed now so that owners of such properties are forewarned of these changes and can make preparations to bring their properties back into use.

2.0 Recommendations

2.1 That the council increases the council tax premium from 50% to 100% from 1 April 2019 in respect of domestic properties that have been empty for longer than 2 years.

2.2 That the council increases the council tax premium to 200% from 1 April 2020 in respect of domestic properties that have been empty for longer than 5 years.

2.3 That the council increases the council tax premium to 300% from 1 April 2021 in respect of domestic properties that have been empty for longer than 10 years.

3.0 Detail

3.1 The Local Government Finance Act 2012 gave local authorities the discretion to apply a premium of up to 50% in respect of domestic properties that had been empty for more than 2 years. This 50% premium is in addition to the council tax due for the property. This came into effect from 1 April 2013 and was agreed and dealt with in conjunction with the decision agreeing the council tax reduction scheme (council tax support). It was further agreed by Cabinet at its meeting on 18 November 2013

3.2 The government announced in its 2017 Autumn Statement that it would be introducing legislation to further increase the premium and this has now been introduced. Not only does it enable local authorities to increase the premium form 50% to 100% from 1 April 2019 but it further enables local authorities to charge a premium of 200% for properties that have been empty for more than 5 years and 300% for properties that have been empty for more than 10 years. These latter 2 provisions come into effect from 1 April 2020 and 1 April 2021 respectively.

3.3 The aim of the premium is to encourage owners of long term empty properties to bring their properties back into use. When the premium was introduced in April 2013 there were 323 properties subject to it, there are now 188. It should be noted that the biggest reduction was in the first 18 months of its introduction when numbers fell to around 200, it has not dropped significantly since. By increasing the premium to 100% from 1 April 2019 a reduction in numbers of during the first 12 – 18 months of its introduction may be expected

3.4 Of the 188 properties that have been empty for more than 2 years there are 49 properties that have been empty for between 5 and 10 years and 34 that have been empty for longer than 10 years. By increasing the premium on these over the next 2 years a reduction can also be anticipated. By agreeing these now the council can publicise this so that owners can make plans to bring their properties back into use prior to the introduction of the premium.

4.0 Financial Implications

4.1 Any additional income from these changes is shared between the council (80%) and the GLA (20%). By increasing the premium from 50% to 100% this would raise additional charges of £140,000 based on the current number of properties subject to the premium (188). Brent's share of this would therefore be £112,420.

4.2 By increasing the premium from 100% to 200% for properties that have been empty for more than 5 years this would raise additional charges of £73,000 based on the current number of properties in this class. Brent's share of this would therefore be £58,600.

4.3 By increasing the premium from 200% to 300% for properties that have been empty for more than 10 years this would raise additional charges of £51,000 based on the current number of properties in this class. Brent's share of this would therefore be £41,000.

5.0 Legal Implications

5.1 The Local Government Finance Act 2012 inserted section 11B into the Local Government Finance Act 1992. This enabled Local Authorities to apply a premium of up to 50% in respect of properties that have been empty for over two years in order to encourage their owners to bring them back into use. In effect the owner has to pay 150% council tax on a property that has been empty for more than 2 years. The council previously agreed to introduce the additional 50% premium in respect of properties' that have been empty for more than two years.

5.2 The Government announced in its Autumn Statement of 2017 its intention to increase the premium from 50% to 100%. This required primary legislation. This has now been passed in The Rating (Property in Common Occupation) and Council Tax (Empty Dwellings) Act 2018

5.3 In addition to being able to increase the premium from 1 April 2019 for properties that have been empty for more than 2 years from 50% to 100% the council has also been given powers to increase the premium to 200% for properties that have been empty for more than 5 years and to 300% for properties that have been empty for more than 10 years. These latter 2 provisions come into effect from 1 April 2020 and 1 April 2021 respectively.

5.4 These are maximum amounts a council can charge; it is necessary for Cabinet to approve this as it is a discretion.

6.0 Equality Implications

6.1 An Equality Impact Assessment was carried out in 2012 when it was originally agreed to charge the premium as well as amend the discounts applicable to other empty properties. The changes affected non-resident owners and there was no evidence to suggest any particular group would be disadvantaged by the changes, indeed the most significant impact was that it will encourage owners to make their empty properties available for occupation. A further assessment has been carried out in the light of these proposals and the results are the same.

7.0 Consultation with Ward Members and Stakeholders

7.1 None, although ward members have previously supported the charging of the premium in order to encourage the use of long term empty properties

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

Brent	**Cabinet** 11 February 2019
	Report from the Strategic Director of Resources

Contingency Planning: Authorisation of Third Parties to Make Decisions for Council Tax Functions

Wards Affected:	All
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)	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Margaret Read – Operational Director Resources Margaret.read@brent.gov.uk Tel: 0208 937 1521

1.0 Purpose of the Report

1.1 This report seeks agreement for the provision of cost-effective resilience for Brent's Council Tax Service during a period of potential instability caused by the Council Tax service transferring back to direct Brent Council provision from Capita Business Services Ltd. This will enable a small proportion of Council Tax work to be undertaken by a third party, if required, to mitigate against the risk to the Service in the event that the required numbers and skills of staff needed to provide the service, should not transfer to the Council under the TUPE provisions. Cabinet is therefore asked to authorise for decisions on Council tax matters to be made by a third party service provider within the scope of the recommendations set out in Section 2.0 below and as further set out within this report.

2.0 Recommendation(s):

That Cabinet:

2.1 Authorise a third party service provider to make decisions relating to Council Tax matters for the purposes set out within this report where the appropriate approvals have been obtained in compliance with Council Standing Orders and Financial Regulations.

2.2 Delegate authority to the Strategic Director of Resources in consultation with the Lead Member to authorise a third party service provider to make decisions relating to Council Tax for any other specific and ad-hoc purposes that may arise subsequent to the circumstances set out within this report subject to the appropriate approvals being obtained in compliance with Council standing orders and financial regulations.

3.0 Detail

3.1 The Revenues and IT Support contract expires on 30th April 2019. At that time, the Council Tax and associated IT Support service shall transfer back to direct Council provision. As far as reasonably practicable, the knowledge and skills needed to provide the service shall be obtained by ensuring effective knowledge transfer arrangements are undertaken prior to the service transfer date and by recruitment and / or training, as appropriate. However, it is not possible to predict with certainty the precise number of personnel (and hence associated knowledge and skills) that will transfer to the Council.

3.2 In order to mitigate against the above, it is proposed that resilience arrangements be established to provide contingency, should it be needed and to mitigate against any potential risks that could otherwise arise as a consequence.

3.3 Brent Customer Services would like to be able to access a framework agreement to procure any potential support that may be needed, as referred to in paragraph 3.2 above. A framework arrangement with an offsite provider would permit a short term contingency plan to be effected, should the need arise, and permit a timely and cost-effective response to any resource shortage that might occur.

3.4 Council Tax matters are a function generally reserved for Local Authorities. However, the Deregulation and Contracting Out Act 1994 and The Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996, as amended, provides that such a function may also be exercised by such persons as the authority may authorise.

3.5 Under the Brent constitution, such an authorisation referred to in paragraph 3.4 above, is a matter reserved for Cabinet decision and in order to facilitate the use of third party assistance to process Council Tax matters, prior Cabinet approval is required.

3.6 The recommendations set out within this report do not extend to an approval to access and use the relevant framework agreement referred to in paragraph 3.3 above, which is instead subject to separate delegated authorities to specified officers under the Brent constitution.

4.0 Financial Implications

4.1 There are no financial implications arising from the recommendations proposed within this report, as these concern a general permission for third parties to make decisions concerning Council Tax. The call off of any services required from the framework agreement referred to in paragraph 3.3 above will have financial implications that will be considered as part of the contract award approval process under Officer delegated powers.

5.0 Legal Implications

5.1 The provisions regarding Council Tax decision making are regulated by virtue of the Deregulation and Contracting Out Act 1994 and The Local Authorities (Contracting Out of Tax Billing, Collection and Enforcement Functions) Order 1996, as amended.

5.2 These provide in general terms that aside from some specified statutory obligations reserved exclusively for a Local Authority, decisions on Council Tax matters, may be exercised by such persons as the authority may authorise.

5.3 Brent Council's constitution provides that the authorisation of such persons to make decisions on Council Tax matters, as referred to in paragraph 5.2 above, is a matter that is reserved for Cabinet decision.

6.0 Equality Implications

6.1 There are no equality implications arising from the recommendations set out within this report.

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. As service delivery will remain unchanged for Brent residents, consultation with Brent stakeholders has not been conducted.

8.0 Human Resources/Property Implications (if appropriate)

8.1 There are no HR implications arising from the recommendations set out within this report.

Report sign off:

ALTHEA LODERICK
Strategic Director of Resources

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Brent	**Cabinet** 11 February 2019
	Report from Strategic Director of Regeneration & Environment

Business Rates Relief Scheme for businesses accredited with the Living Wage Foundation

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)	Open
No. of Appendices:	Three Appendix A: Criteria for awarding NNDR Discount to Businesses Accredited with LWF Appendix B: List of accredited organisations and rates relief awarded from 2014-2018 Appendix C: London Boroughs ranked by order of number of LW accredited businesses
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Kaya Chatterji Economic Development Manager kaya.chatterji@brent.gov.uk 0208 937 6673

1.0 Purpose of the report

1.1 This report concerns the council's Business Rates Relief Scheme for businesses accredited with the Living Wage Foundation. The scheme was first trialled as a pilot in January 2015 in order to encourage more businesses to become accredited as Living Wage employers.

1.2 The scheme was reviewed in 2016 to assess its effectiveness and a three year extension to the programme was subsequently agreed. The current scheme runs until 31 March 2019.

1.3 This paper seeks Cabinet approval for the continuation of the scheme for a further four years until March 2023, and provides various options for Cabinet to choose from regarding how the scheme is implemented in this next phase.

1.4 Under section 47 of the Local Government Finance 1988 the council has the discretion to award business rates discounts to businesses. Cabinet approval is required to implement a discount scheme and accompanying criteria must also be approved by Cabinet. The suggested qualifying criteria is set out in Appendix A.

2.0 Recommendations

2.1 That Cabinet approves the continuation of a discretionary business rates discount scheme for businesses accredited with the London Living Wage Foundation, using the qualifying criteria set out in Appendix A.

2.2 That Cabinet approves the continuation of the scheme for a four year period from 1st April 2019 to 31st March 2023.

2.3 That Cabinet approves the introduction of a cap on the maximum discount a business can receive, in line with Option 2 detailed in 3.19 - 3.20 below, and that the cap be set at £15,000 to guard against the Foundation increasing their costs again and large businesses being eligible for a higher discount.

2.4 That Cabinet notes that officers in Employment, Skills, and Enterprise and Customer Services will monitor the scheme in terms of take up and costs and will report back to Cabinet at a later date should any changes to the scheme be required.

3.0 Detail

Summary

3.1 The London Living Wage (LLW) is the hourly rate of pay a person living in London needs to earn to cover their basic living costs. The rate is set annually by the Resolution Foundation based on the Minimum Income Standard and overseen by the Living Wage Commission. The current LLW is £10.55 per hour[1]. All accredited organisations must ensure they have raised their hourly rate of pay to £10.55 by May 2019 in order to retain their accreditation.

3.2 In 2017 the Conservative Party re-named the Minimum Wage so that it is now known as the 'National Living Wage'. The current National Living Wage is £7.83 for people aged 25 and over. In other words, the National Living Wage is the legal minimum wage, and is separate to the voluntary 'London Living Wage (LLW)' which this paper discusses.

3.3 Businesses who choose to adopt the LLW can seek accreditation to formalise their status as a Living Wage employer. This accreditation is run by the Living Wage Foundation (the Foundation) who will verify the organisation is paying the correct rate each year and formally recognise them as Living Wage employers. The Foundation charge for the process of accreditation, with tiered charges depending on the size of the organisation.

[1] A new LLW rate is announced annually in November and accredited organisations who wish to retain their accreditation have 6 months to implement the new rate.

3.4 In January 2015 Brent became the first local authority to award a Business Rates discount to companies who agreed to pay their employees the LLW and become accredited with the Foundation. Cabinet agreed to award a discount of five times the cost of accreditation as a one-off reward where accreditation had taken place.

3.5 The cost of accreditation varies depending on the size and sector of the business, but in 2015 the highest tier was £1,000 and the highest discount offered was therefore £5,000 at the time that Cabinet approved the existing scheme.

Progress to date

3.6 To date, there are 31 accredited organisations in the borough. Of those, 22 have taken up their business rates discount, to a total value of **£10,590**.

3.7 Of the London boroughs, Brent has the twelfth-highest number of accredited businesses in London, and the second-highest number of accredited businesses in Outer London. It has the highest number of accredited businesses in West London.

3.8 A full list of accredited organisations and the value of their rates discount can be found in Appendix B. A full list of all London boroughs and the number of their accredited businesses can be found in Appendix C.

Details of the rates relief package

3.9 The rates relief package currently follows the current criteria and process:

- The rates relief package is a one-off discount to incentivise more businesses to proceed with the LLW accreditation process.
- It is not intended to act as a long term benefit or a wage subsidy.
- Rates relief is applied once the Foundation has verified a LLW employer's status, and the discounts are subsequently applied to the organisation's business rates.
- Businesses who pay the LLW but are not accredited by the Foundation are not eligible for the council's discount scheme, due to the difficulty and expense of having to verify their status, monitor compliance, and the potential for inconsistency amongst those awarded rates relief.
- These functions are all carried out by the Foundation as part of their due diligence before accreditation and on an ongoing basis thereafter. This is why the council will only award rates relief once the Foundation has verified the status of a given employer.
- Accredited businesses who are not headquartered in Brent but have a branch or office space in the borough (e.g. Barclays bank or Work Rights Centre) are not eligible for the rates relief on their properties.
- Previously, when a Brent-based business became accredited, the Foundation would pass their details to the council in order for officers to begin processing the discount. Now, due to GDPR, the Foundation is no longer able to pass the contact details of accredited employers to the council. If the council has not had prior contact or engagement with a particular employer who becomes accredited, officers will try to make contact independently in order to offer the incentives package. This may not be possible in all cases.

3.10 The Economic Development team have developed communications strategies to encourage the uptake of accredited London Living Wage employers in Brent since 2016.

3.11 To advertise and promote the scheme to date, the following action has been taken:

- The council writes annually to every business in the borough promoting the scheme and advising of the benefits of paying their employees the London Living Wage at the same time as their business rates bills are sent.
- The scheme is publicised on the council website, as well as through the Brent Business Newsletter (quarterly email publication).
- The Economic Development team have run sector-specific events promoting the London Living Wage.
- Regulatory Services and Town Centre Managers have distributed leaflets about the business rates discount to local businesses.
- The Employment, Skills and Enterprise team have spoken at registered housing providers forums to inform attendees of the scheme
- The scheme has also been featured in the head teachers' bulletin various times between 2016-2018 – a publication that is received by all schools in the borough
- Annual Living Wage Week events and promotion in November – engaging businesses from across the borough to celebrate the impact paying a Living Wage can have on employees and business resilience.

Next steps and continuation of the scheme until 2022

3.12 Cabinet needs to take a decision about whether or not to continue to offer rates relief for accredited businesses, and if so, whether to offer the discount on the same terms.

3.13 Low pay continues to be an issue in the borough, and continuing the rates relief scheme would meet the commitments contained within the 2018 local Labour Manifesto. [2]

3.14 There are, however, contextual changes that have occurred since the scheme was first launched in 2015 which must be considered in light of the current financial climate.

Contextual changes since 2015

3.15 As explained above, the cost of accreditation varies depending on the size and sector of the business. In 2018 the Foundation increased the cost of accreditation in each tier. Table 1 below shows the costs in 2015 and the current costs:

[2] Brent Labour Manifesto 2018 states that the Brent Labour Administration will '*Press our partners and Brent-based employers to pay at least the London Living Wage, ensure equal pay for equal work, and demonstrate integrity in all aspects of their business'*.

Table 1

Organisation type	Size of organisation (no. of employees)	Annual charge 2015	Annual charge 2018
Private sector	≥ 501	£1,000	£3,000
	251 ≤ 500	£400	£480
	51 ≤ 250	£200	£240
	11 ≤ 50	£100	£120
	≤ 10	£50	£60
Charity and Public Sector	≥ 251	£400	£480
	51 ≤ 250	£200	£240
	11 ≤ 50	£100	£120
	≤ 10	£50	£60

This means that the maximum business rates discount that could be claimed increased from £5,000 to £15,000 in 2018 (5x the cost of accreditation).

3.16 Cabinet should be aware that since the council introduced the Rates Relief Scheme in 2015, none of the accredited businesses in Brent have fallen into the highest cost bracket and so the impact of the increase to the council in terms of an increased discount has thus far been negligible. It remains theoretically possible, however, for a large private sector business with 500+ employees headquartered in Brent to receive up to £15,000 of rates relief should they gain accreditation with the Foundation.

3.17 The impact of business rates devolution must also be considered. Whereas previously the local authority retained only 30% of local business rates income, this has now increased to 64% under the current devolution pilot. Any loss of rates income must be considered in this context.

3.18 In the budget on 29th October 2018 the Treasury announced that certain businesses with a rateable value of less than £51,000 would receive a one third reduction in their business rates. Any discount the council awards under this proposed scheme would be in addition to this.

Options

3.19 Cabinet may choose not to renew the scheme, or to renew it whilst updating certain variables to reflect the above considerations and changing contexts.

Option 1: Retain the scheme exactly as it is, with business rates relief being offered at 5x the cost of accreditation. If the Foundation increases the cost of accreditation again, the council's liability will also rise accordingly.

Option 2: Retain the rates relief scheme at 5x the cost of accreditation but impose a maximum value of the relief – e.g. 5x the cost of accreditation up to a maximum of £15,000. If the Foundation increased their costs, an organisation would be entitled to rates relief worth 5x the cost of accreditation up to a maximum of £15,000. Smaller organisations subject to any future Foundation cost increases would therefore still benefit from the council's rate relief of 5x the cost of accreditation. Only the largest private companies with 300+ employees would be affected by the cap on the relief rate should the Foundation increase their costs again.

Option 3: Retain the rates relief scheme but at a lower value e.g. 3x the cost of accreditation. This will reduce loss of business rates income in the short term but if the Foundation increase their costs in the future the council will need to match the rise with an increased rise in its rates relief offer. The council must also consider to what extent the incentive for businesses still exists if a lower rate of discount is implemented.

Option 4: Do not renew the scheme. This would mean that the council would no longer offer a financial incentive to businesses who become accredited with the Living Wage Foundation.

3.20 Officer's recommendation is to implement Option 2. Option 2 provides the strongest incentive to businesses to pay the LLW whilst capping the financial risk to the council. Option 1 leaves the council open to a higher financial risk, Option 3 dilutes the incentive to an extent that it may no longer serve its purpose and Option 4 removes it altogether.

3.21 Cabinet should note that any of the above options would be complemented by a range of other promotional activity led by the Economic Development team in Employment, Skills, and Enterprise, e.g. bulletin updates to businesses, social media posts, and good news stories on accredited businesses.

Exceptions

3.22 Some organisations will not be able to draw down any business rates relief despite being accredited with the Foundation. This could be for one of the following reasons:

- The organisation is not headquartered in Brent, rather it has only branches or an office base – e.g. Barclays, Ikea, or the Work Rights Centre.

- The organisation does not qualify due to state aid rules. Business rates relief counts as 'state aid'. Legally, organisations can only receive a fixed amount of state aid over a given time period. If the business rates relief the council is offering would result in them exceeding that amount, the organisation will not be able to draw down their discount despite being eligible in theory.

4.0 Financial implications

4.1 As detailed above, it is a requirement under section 47 of the Local Government Act 1988 that the Cabinet will need to consider whether the proposal regarding the discount in business rates as set out in this report is reasonable having regard to the interests of the council tax payers in the borough of Brent. This proposal will not impact on the level of council tax levied on council tax payers.

4.2 The principle financial implication is the loss of business rates income to the council. Since 2014 the council has awarded £10,590 in rates relief (see 3.6 above and Appendix B below). The council's loss of income until 2017 would have been 30% of the total rates relief awarded, and since the rates devolution pilot in 2017 this has increased to 64% (see 3.17 for more detail). **This means the council has lost approximately £4,700 in rates income since 2014.**

4.3 It is hard to estimate exactly how much income the council will lose because of the proposed scheme between 2019 and 2023. If current trends continue with only a slight increase in the number of accredited organisations, the council may award approximately £4,000 of rates relief per annum. This would equate to approximately **£2,500 of lost business rates income per annum**.

4.4 However, if a large company with 500+ employees that is headquartered in Brent were to become accredited, then the council would award a maximum rates relief of £15,000. The council's lost business rates income for a company of this size would equal approximately £9,600 (64% of £15,000) if the current rates devolution arrangements remain in place.

4.5 If this were to happen then the loss of business rates income would be significantly higher in the given year. As noted in 3.16, however, no company of this size has become accredited in the past four years since the scheme's inception and so this is considered a relatively low risk.

4.6 It must also be noted that the proposed scheme will support the levels of income amongst some of Brent's lowest-paid residents, allowing them to have more disposable income to spend in the local economy.

5.0 Legal implications

5.1 The liability for Business Rates is set out in the Local Government Finance Act 1988. Section 47 of the Local Government Finance Act 1988, as amended by section 69 of

the Localism Act 2011, gives local authorities the power to grant discretionary business rate relief subject to the condition that the local authority (in this case, the Cabinet) may only grant the relief if it is satisfied that it would be reasonable to do so having regard to the interests of council tax payers in its area. Therefore, the Cabinet will need to consider whether the proposal in relation to the business rate relief as set out in the recommendations in paragraph 2.1- 2.4 of this report is reasonable having regard to the interests of those persons who are liable to pay council tax that is set by Brent Council.

5.2 Entitlement to a local discount awarded is subject to State Aid de minimis limits. 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 any local discount scheme will not breach the rules regarding State Aid where it is provided in accordance with the De Minimis Regulations (as set out in EU Commission Regulation 1407/2013) whereby an "undertaking" does not receive more than €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 a discount, in particular the types of undertaking that are excluded from receiving De Minimis aid.

6.0 Equality implications

6.1 Increasing earnings in Brent is a key priority and incentivising local organisations to become accredited with the Living Wage Foundation will have a direct impact on low-earning residents in the borough.

6.2 Under section 149 of the Equality Act 2010, the council has a duty when exercising its functions to have "due regard" to the need to eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act and advance equality of opportunity and foster good relations between persons who share a protected characteristic and persons who do not. This is the public sector equality duty. The protected characteristics are age, disability, gender reassignment, marriage and civic partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation."

6.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

6.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary. Cabinet is referred to the contents of this report for information. In particular, maintaining a discretionary discount scheme in Brent will incentivise local organisations to become accredited with the Living Wage Foundation and will have a direct impact on low-earning residents in the borough. Based on the businesses that have taken advantage of the discretionary scheme to date, the imposition of a

maximum cap as detailed in Option 2 is not considered likely to have a disproportionate adverse impact on persons with protected characteristics.

7.0 Resource implications

7.1 The management and administration of the awards scheme will be managed within existing resource in Customer Services and Employment, Skills, and Enterprise.

Related Documents[3]:

National Non-Domestic Rates (NNDR) – Discretionary Discount Scheme for Businesses accredited to Living Wage Foundation.

Report sign off:

AMAR DAVE
Strategic Director of Regeneration and Environment.

[3] This paper can be downloaded at http://democracy.brent.gov.uk/ by searching Committee Papers using keywords NNDR and LWF

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Appendix A: Criteria for Awarding NNDR Discount to Businesses Accredited with Living Wage Foundation

1. The scheme will apply to all employers who occupy a non-domestic property within Brent Council's area and are liable for the payment of Business Rates.

2. A business must become accredited with the Living Wage Foundation (the Foundation) i.e. have a signed accreditation license agreement in order to be considered for the rates discount.

3. Email confirmation of accreditation with the Foundation will be conclusive proof and the accreditation fee charged by the LWF will be evidence of the size of the organisation.

4. A business must become accredited by 31 March 2022 in order to be entitled to the rates discount.

5. A discount equivalent to 5 times the accreditation cost up to a maximum of £15,000 will be credited to eligible organisations' NNDR account.

6. The discount is a one-off award from the NNDR account. Where the organisation occupies more than one property in Brent only one award will be made. The organisation can elect which account the discount should be applied to.

7. Entitlement to the discount is subject to State Aid de minimis limits whereby a business must not have received state aid exceeding 200,000 euros in the last three years (current year plus preceding 2). State aid includes reliefs, grants, interest rate and tax relief, subsidies, guarantees, etc. The business will be required to sign a declaration confirming this. After Brexit, alternative legislation may exist to similar effect which will need to be heeded.

8. National / multi-national companies with branches or offices in Brent will not be entitled to apply unless they are headquartered in the borough. If they are liable for more than one property in the council's area they will only be entitled to one discount.

9. Some small organisations or charities may not have any Business Rates to pay as they may be entitled to other reliefs. Should an organisation become accredited and they have no rates liability as they are receiving other reliefs then the discount will be still be credited to the account and refunded by the council.

Comment [CK1]: Note, this is Option 2. If another option is preferred, these criteria will be updated accordingly.

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Appendix B: List of accredited organisations and rates relief awarded from 2014-2018

Year	Business	Rates relief awarded
2014	Ark Academy	£1,000.00
	Egress Technology	£1,000.00
	TOTAL 2014 RATES RELIEF	***£2,000.00***
2015	Synergy Vision	£500.00
	Granger Hertzog Ltd	£500.00
	Lamabuild	£250.00
	Advice4Renters	£250.00
	TOTAL 2015 RATES RELIEF	***£1,500.00***
2016	Brent Mencap	Being processed
	Killigrew King Ltd	£500.00
	Point 6 Design Ltd	£500.00
	Convent of Jesus and Mary	£1,000.00
	Brent CVS	£250.00
	Wembley Primary School	£1,000.00
	Yusuf Islam Foundation	Awaiting application
	Ikea	State aid/out of borough
	Ashford place	Awaiting application
	Willesden Church of God	No NNDR liability
	St Anne and Andrews Church	No NNDR liability
	TOTAL 2016 RATES RELIEF	***£3,250.00***
2017	Best price Garage Ltd	£300.00
	Wonderbuild Inc Ltd	£300.00
	Kinetic Natural Products	To be processed
	Newman Catholic College	£1,440.00
	Lexi Cinema (Space Man Ltd)	£300.00
	James Burleigh Ltd	£600.00
	Professional Accountancy Tutors	To be processed
	Focus Furnishing	£600.00
	New York Pilates	£0.00
	Stage Technologies	To be processed
	TOTAL 2017 RATES RELIEF	***£3,540.00***
2018	Rype Office Ltd	£300.00
	Luckies and Co	To be processed
	Bang Edutainment	To be processed
	Grey and Co Estate Agents	To be processed
	Greenkit	To be processed
	Flannery Plant Hire	To be processed
	TOTAL 2018 RATES RELIEF	***£300.00***
	TOTAL RATES RELIEF 2014-18	**£10,590.00**

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Appendix C: All London boroughs ranked by order of number of London Living Wage accredited businesses – December 2018

Inner/outer	Borough	Accredited businesses
Inner	Westminster	178
Inner	Islington	150
Inner	Camden	146
Inner	City of London	140
Inner	Southwark	132
Inner	Tower Hamlets	98
Inner	Hackney	95
Inner	Lambeth	89
Inner	Greenwich	74
Inner	Lewisham	47
Outer	Croydon	33
Outer	Brent	31
Outer	Ealing	26
Outer	Haringey	25
Inner	Kensington & Chelsea	23
Inner	Hammersmith & Fulham	21
Outer	Wandsworth	21
Outer	Waltham Forest	19
Outer	Hounslow	16
Outer	Newham	16
Outer	Barnet	11
Outer	Enfield	10
Outer	Merton	10
Outer	Richmond upon Thames	10
Outer	Bromley	7
Outer	Redbridge	7
Outer	Sutton	7
Outer	Barking & Dagenham	6
Outer	Bexley	5
Outer	Harrow	4
Outer	Kingston upon Thames	4
Outer	Havering	2
Outer	Hillingdon	2

Brent	**Cabinet** 11 February 2019
	Report from the Chief Executive

Establishment of Operational Director post

Wards Affected:	N/A
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)	Open
No. of Appendices:	One Appendix 1: HAY Job Description
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Martin Williams, Interim Head of Human Resources Martin.Williams@brent.gov.uk Tel. 0208 937 3209

1.0 Purpose of the report

1.1 The report invites the Cabinet to agree to the establishment of a new post of Operational Director – Regeneration, Growth and Employment as part of a restructure.

2.0 Recommendations

2.1 To approve the establishment of the post of Operational Director –Regeneration, Growth and Employment.

3.0 Detail

3.1 On 2 August 2018 the General Purposes Committee agreed that the council implement a Voluntary Redundancy Scheme in advance of planning and implementing restructures as part of re-modelling the council to achieve the savings required in the council budget over the coming period. The scheme was implemented from 3 August 2018 and 82 applications were approved.

3.2 Two of the posts approved for redundancy under the scheme were the Operational Director, Regeneration and the Head of Estate Regeneration. The deletion of these posts from the establishment was agreed on the basis of creating a new future focused position that better meets the needs of the Council to delivery on our expanded, successful and ambitious regeneration plans.

3.3 The job description and person specification for this new post is attached as Appendix 1. It has been subject to Job Evaluation using the Hay scheme and as a consequence is graded Hay3A (£98,670 - £126,951).

3.4 Subject to the approval of Cabinet steps will be taken to seek suitable applicants for this important post, the recruitment which is covered by Standing Order 15. The post will be appointed to by the Senior Staff Appointments Sub-Committee in due course.

4.0 Financial Implications

4.1 Exclusive of any ancillary and redundancy costs the proposal would generate a saving of slightly over £0.1m. This should be seen in the wider context of the voluntary redundancy scheme, the overall impact of which, including savings and redundancy costs, will be taken into account in setting the council's budget. The report to the General Purposes Committee of 5 December 2018 has already confirmed (at paragraph 4.2) that the overall payback on this scheme is within the benchmark financial return, and this decision forms a part of that assessment.

5.0 Legal Implications

5.1 Standing Order 16 provides that specific posts, including Operational Director posts may only be created by this committee on receipt of a report setting out the proposed job description and person specification for the post, the reason for its creation and any legal, financial or other implications arising from it.

6.0 Diversity Implications

6.1 The public sector equality duty, as set out in 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, 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. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. The grade for this post has been subject to objective evaluation through the Hay scheme and the post will be recruited to in accordance with Standing Orders and the council's recruitment processes which are designed to ensure that equality requirements are adhered to.

7.0 Consultation with Ward Members and Stakeholders

7.1 None.

8.0 Human resources / Property Implications (if appropriate)

8.1 The HR implications are integral to the main body of the report. There are no property implications.

Report sign off:

DEBRA NORMAN
Director of Legal and HR

HAY Job Description *Senior Manager*

Brent	**Job Title**	Operational Director - Regeneration, Growth and Employment
	Department	Regeneration and Environment
	Section	Regeneration
	Grade	Hay 3A
	Reports to	Strategic Director Regeneration and Environment
	Staffing Responsibility	Direct line management of: • Head of Planning, Transport & Licensing • Head of Employment, Skills & Enterprise • Senior Manager Regeneration • Team Leader Planning Enforcement • Team Leader Building Control Major Projects • Team Leader Building Control Area Surveying • 4 x Programme Managers (major physical regeneration programmes)

Job Purpose:

1. Lead a portfolio of services in line with departmental and corporate aims and priorities, building a high performing, innovative, customer focused culture that embraces change.
2. As a member of the Departmental Management Team work collegiately to formulate the strategic direction, policy, planning and delivery of services.
3. Support the Strategic Director in securing the continuous development, improvement, efficiency and success of the department.
4. Contribute to the wider development and delivery of cross-Council strategic initiatives and priorities.
5. Attract public and private investment into Brent to promote inclusive growth of the borough to meet the social and physical infrastructure needs of residents and businesses.

Dimensions:

1. Oversight of the budgets for multiple sections and units as detailed in portfolio responsibilities below.
2. Value of departmental revenue expenditure budget in excess of £12.5million and income target £9.6million.
3. Governance and accountability for Major Regeneration Programmes with annual capital budget in excess of £30million.

Principal Accountabilities:

1. Lead a portfolio of services in alignment with corporate and departmental aims and priorities, including:

    - the development and delivery of innovative new models for commissioning and service delivery.
    - setting and monitoring clear and ambitious performance requirements.
    - robust financial management to ensure value for money and deliver savings targets.
    - creating an environment which fosters innovation and continuous improvement in service commissioning and delivery.

2. Lead, develop and promote effective partnerships with other statutory organisations, the private sector and the voluntary sector in the commissioning and delivery of services.
3. Work closely with Senior Managers to support effective working relationships with relevant portfolio holders.
4. Formulate and review strategies for delivering regeneration and growth coordinating effort and resources across the council and partners to ensure effective delivery and maximum impact.
5. Translate strategy into ambitious and achievable service plans, within available resources and with clearly defined targets and outcomes.
6. Ensure the Strategic Director, Lead Members and the Corporate Management Team are briefed and kept up to date on those aspects of the portfolio for which the post holder has lead responsibility, including highly sensitive matters likely to have a major impact on the Council.
7. Provide clear, balanced and accurate advice and guidance to the Strategic Director and Lead Members on the strategic service issues and challenges facing the department.
8. Plan, control and deploy financial, staffing and physical resources to best effect to deliver agreed service priorities.
9. Provide leadership to the front line upwards gaining ownership of and commitment to the Council's overall aims and values.
10. Act as an effective ambassador and advocate with external organisations.
11. Deputise for the Strategic Director as required.
12. Safeguarding is everyone's responsibility and all employees are required to act in such a way that at all times safeguards the health and well being of children and vulnerable adults.
13. Carry out duties with due regard to the Council's community care; equal opportunities; information governance, data protection and health and safety policies and procedures.
14. Undertake any other duties commensurate with the general level of responsibility of this post.

PORTFOLIO RESPONSIBILITIES

1. Lead the long term strategic planning of the Borough, ensuring the Council's growth and investment ambitions are fully met and that there are sufficient land and sites identified for the necessary supporting social infrastructure.

2. Lead the Council's employment, skills, workspace provision and business support initiatives.

3. Maintain top quartile performance against relevant benchmarks for the planning, enforcement and building control services including achieving income targets.

4. Lead the Councils regeneration agenda, including sponsoring relevant major projects/ programmes as appropriate and ensuring good governance and leadership

5. Drive up design quality across the built environment, ensuring the Council establishes a national reputation for the very best design outcomes.

6. Ensure the Council plays a leadership role in relation to partnership work with relevant developers, investors, employers and the voluntary / community sector.

7. Maintain the improvement path for Brent START (Adult Education Service) as the centerpiece for enhancing adult education to secure an Ofsted Outstanding
8. Establish and maintain top quartile performance against relevant benchmarks for Brent's Planning, Employment and Adult education services

9. Responsible for the stewardship of the Council's built heritage, ensuring that new development respects and where possible enhances the Council's buildings and places of historic importance.

10. Ensure the effective operation of the day to day business of the Regeneration, Growth and Employment Directorate.

11. Ensure the effective and customer focused delivery of a range of high profile and frontline services as follows:

    - **Regeneration:** Strategy Formulation, Inward Investment, Housing Zones; Enterprise & workspace provision, Development appraisals, Funding
    - **Planning:** Policy, Development Management; Transport Planning, Infrastructure Funding (S106 & CIL), Enforcement;
    - **Major Regeneration Capital programmes:** South Kilburn, St. Ralphaels, Bridge Park
    - **Employment, Skills, High Streets, Enterprise & Business Support**
    - **Building Control:** Area Surveying, Major Projects

Job Context

1. Wide range of internal and external contacts including directors, senior managers, elected members, professional bodies, partner organisations and government functions involving the use of a wide range of interpersonal skills.

2. Partner other local authorities, public sector organisations and agencies, local businesses, the voluntary sector and other stakeholders.

3. Developing partnership working with key external stakeholders across the public, private and voluntary sectors.

4. High level of work related pressure in terms of meeting Council service priorities and targets.

5. Operates within a framework set by elected members but with considerable freedom to shape services.

6. Strategic lead developing services and ensuring implementation of new legislative requirements.

7. Considerable requirement to represent the council to external organisations and negotiate best outcomes for Brent.

8. Overall responsibility for high performance and professional standards across the organisation.

DBS Status	To be confirmed with Human Resources
Politically Restricted	Yes

Person Specification

Knowledge, Experience & Skills
Knowledge and Qualifications

1. High standard of academic achievement and relevant professional qualifications.
2. Evidence of significant relevant Continuing Professional Development (CPD).

Experience

3. A track record of achievement at a senior leadership level in a large scale, highly diverse customer centric, political organisation including:

   - proven track record of achieving and managing cultural and organisational change and of leading improvement across all regeneration and planning services
   - developing and delivering large scale projects and programmes
   - a record of innovative achievements in joint working with partners and stakeholders
   - Consistently improving and delivering on service, budget and income targets

4. Influencing at departmental and corporate management team level and stakeholders within a complex and politically sensitive environment.

5. Experience of contributing as part of a senior management team through effective business planning, budget management and performance appraisal.

6. Substantial experience of partnership working, commanding confidence and building positive working relationships in support of key objectives.

7. Planning and evaluation including anticipating priorities, changing landscapes and future service needs.

Key Skills

8. Exceptional leadership ability to develop and deliver a clear sense of service direction and purpose.

9. Strong management skills including people, performance and budget management

10. Think and act strategically, analyse complex evidence and develop practical, innovative and entrepreneurial solutions to the management of strategic issues and complex problems.

11. Organisational skills to translate strategy into plans and deliver high performing services, managing risks and overcoming barriers to success.

12. Communication and influencing skills to inform, consult and negotiate with a wide range of audiences in a straightforward, articulate and persuasive manner and the Interpersonal ability to engender confidence and respect.

13. Developing and maintaining effective partnership arrangements both internal and external to the organisation

14. Identifying opportunities through multi-agency working that deliver improvements.

15. Excellent judgement and demonstrable track record of senior management decision making.

16. High level planning and management skills ensuring excellent service delivery.

17. Attention to detail as required and pride in professionalism and quality of service.

Brent	**Cabinet** 11 February 2019
	Report from the Chief Executive

i4B Holdings Ltd Business Plan 2019/20

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 of the Business Plan is not for publication due to Paragraph 3, of Part 1, Schedule 12A of 1972 Local Government Act.
No. of Appendices:	Two Appendix 1: i4B draft Business Plan Appendix 2: i4B draft Rent Collection and Arrears Management Policy
Background Papers:	N/A
Contact Officer(s): (Name, Title, Contact Details)	Sadie East Head of Transformation Sadie.East@brent.gov.uk 020 8937 1507

1.0 Purpose of the Report

1.1 This paper presents the i4B Holdings Ltd (i4B) Business Plan 2019/20 to Cabinet for Shareholder approval. It also includes a number of other matters which require Shareholder approval:

- A rent collection and arrears management policy;
- An updated financial model.

2.0 Recommendations

2.1 Cabinet approves the Business Plan as set out in appendix 1.

2.2 Cabinet agrees to increase the proportion of properties purchased in Brent and Greater London.

2.3 Cabinet agrees to the proposal for the realignment of agreed funding which includes:

- Increasing the budget for PRS Phase 1 from the approved £103.5m to

£109m.

- Changing the PRS Phase 2 budget from £116m to £110.5m.
- Making £24m of the £110.5m available for the street properties and making £86m available for the purchase of new build properties
- Total agreed funding remains the same at £254.5m.

2.4 Cabinet approves the increase of the Company's cash flow facility from £3.5m to £4.0m.

2.5 Cabinet approves the Rent Collection and Arrears Management policy as set out in appendix 2.

2.6 Cabinet approves the updated financial model.

3.0 Background Information

3.1 In November 2016 Cabinet agreed to establish a wholly owned investment company, i4B Holdings Limited. The Company was set up to own and manage private rented sector properties in order to support the Council's homelessness agenda.

3.2 i4B's Shareholder Agreement states that the Company should produce an annual Business Plan for shareholder approval. The 2017/18 i4B Business Plan was the first business plan and included an initial property acquisition plan to purchase 300 properties by September 2018.

3.3 The 2018/19 business plan detailed plans to purchase a further 300 units between September 2018 and April 2021 (creating a total of 600 PRS properties by April 2021). The 2018/19 Business Plan also outlined plans to diversify i4B's products. It proposed introducing different affordable housing products, exploring property development opportunities, and increasing i4B's portfolio to 963 units by 2021.

4.0 The 2019/20 Business Plan

4.1 Appendix 1 contains the Company's 2019/20 Business Plan.

4.2 The Board has considered its 2018/2019 Business Plan and five year forecast against its own performance and external market factors. The Board believes that the themes of growth and diversification identified within last year's Business Plan remain the correct priorities. Next year's i4B Business Plan (2019/2020) therefore refines the ambitions supported last year. These are:

- The PRS acquisition programme;
- The provision of Intermediate / Key worker accommodation;
- Develop a portfolio of new build accommodation working with the Council to develop housing on Council owned land;
- Develop a portfolio of new build accommodation working with Registered Providers or private sector developers on sites purchased from the market.

4.3 However, as a result of changes in market conditions, opportunities arising over the past twelve months and scheme details emerging, the Company is

requesting that the shareholder supports a realignment of the £254.5m financial commitment provided in February 2018 by Cabinet. Below is a summary of the key proposals of the 2019/20 Business Plan.

4.4 PRS Acquisition Programme

4.4.1 The Board seeks to complete phase one of 300 PRS street properties by April 2020. The Board proposes that the proportion of properties in Brent and Greater London increases.

4.4.2 In the 2018/2019 Business Plan, the Shareholder agreed to purchase 180 units in Brent and 120 units in the Home Counties. The Company now proposes to purchase 220 properties within Brent or Greater London and 80 properties within the Home Counties. This recommendation is due to the significant challenges the Council has faced in placing families outside of the Borough. The Company has also experienced greater difficulty in tenancy and income management for Home Counties' properties. However, Housing Needs have advised there may be bespoke cases where Home Counties properties are required. Therefore, the Board would like flexibility to purchase bespoke Home Counties properties on behalf of the Council if there is sufficient demand.

4.4.3 The Company proposes to increase funding for phase one of the PRS acquisition programme to £109m this reflects the higher average property cost within Brent compared to the Home Counties.

4.4.4 Of the phase two budget of £110.5m, the Company is proposing to use £24m to purchase 60 street properties by April 2021 and £86.5m to purchase 265 new build units from the Council between 2020 and 2024.

4.4.5 In the 2018/19 Business Plan it was agreed that £116m would be used for the purchase of an additional 300 street properties in phase 2 of the PRS acquisition programme. The number of units have been revised down to 60. The revision is primarily due to the lack of sufficient properties at the yield which i4B requires to make the financial model viable. The purchase of new build units from the Council is beneficial because:

- They have higher yields than market street properties;
- They are of better quality;
- They provide the Council with a significant capital receipt.

4.5 The provision of Intermediate/Key worker accommodation

4.5.1 In the 2018/19 Business Plan, Cabinet supported the need to develop an i4B intermediate rent offer. The 2019/20 Business Plan proposes that a portion of agreed funding for intermediate rented accommodation be used to support the purchase of one block of 153 units for the provision of key worker accommodation at 60%-80% market rent.

4.5.2 Throughout 2019/20, i4B will work with the Council's housing supply and partnerships team to develop this opportunity as a flagship for key worker accommodation.

4.6 Develop a portfolio of new build accommodation working with the Council to develop housing on Council owned land

4.6.1 The Company proposes that £86.5m of the February 2018 agreed PRS phase two funding to be made available for the purchase of new build homes from the Council from 2020. Six schemes have been identified to date consisting in total of 265 units. It is requested that i4B and First Wave Housing be named as partners within an agreement with developers to increase the capacity of the Council to deliver a large number of affordable units in borough within a short period.

4.6.2 Over the next five years i4B believes it has the financial capacity to purchase 20% to 25% of the circa 1000 new units which the Council aspires to deliver.

4.6.3 Throughout 2019/20 the Company will work with the Council to progress new build opportunities.

4.7 Develop a portfolio of new build accommodation working with Registered Providers or private sector developers on sites purchased from the market

4.7.1 The Company proposes to create a delivery partnership with one or more registered providers or commercial developers. These partnerships will enable i4B to be more active and intelligent in the market, and increase the Company's ability to respond quickly to market opportunities. Ideally, the partnership would encourage small sites as well as major sites to be purchased and developed. Within its pipeline of development sites, the Council has identified a number of privately owned sites which are suitable for affordable development opportunities.

4.8 Working more closely with First Wave Housing

4.8.1 The Shareholder has carried out some initial work which has identified potential benefits of aligning i4B and First Wave Housing. The Company understands that three provisional options have been highlighted by the Shareholder:

- The Shareholder, with the Boards, defines more closely the products which suit each company and refine the focus of each company to prevent duplication of products. The Shareholder may wish to support a transfer of assets between the two companies to reflect the product emphasis.

- The Shareholder supports the merger of the two organisations into one company benefitting from greater economies of scale. The merger would need to take place in such a way as to allow both the receipt of grant and the delivery of a broad range of housing products.

- The Shareholder supports the merger of the two organisations into a group structure which may be able to retain the distinct identities of the sub companies. This option may also be suitable for non-housing and regeneration vehicles owned by the Council to sit within.

4.8.2 The Council is currently undertaking an analysis of the benefits of the options outlined above in order to inform recommendations for the future structure of i4B and FWH.

5.0 Rent Policy and the Debt Recovery Policy

5.1 The 2018 i4B Shareholder Agreement states that amendments to the Rent Policy and the Debt Recovery Policy require shareholder consent.

5.2. i4B has produced a Rent Collection and Arrears Management Policy for shareholder approval. The policy aims to: take all reasonable measures to prevent rent arrears occurring and escalating; to promptly and effectively recover arrears, only taking enforcement action when required; and to treat customers as individuals and respond to their differing needs in order to provide the assistance required to sustain their tenancy when appropriate.

5.3 Appendix 2 contains the Rent Collection and Arrears Management Policy.

6.0 Updated Financial Model

6.1 During 2018/19, the i4B business model was refreshed to simplify it and make sure it is fit for purpose. Internal Audit has just completed an audit of the refreshed i4B model. The audit assessed the design and build of the i4B model and checked its calculations are consistent with the model intent. PWC presented their findings to the i4B Board in December 2018. They stated that the model was “robust” and “fit for purpose” in relation to its scope, aims and methodology although a number of recommendations had been identified and will be implemented.

6.2 The final model requires Shareholder approval from Cabinet.

7.0 Financial Implications

7.1 i4B is forecast to break even over 30 years on a cash basis as a result of decisive actions by the Board including:

- setting a net yield target and;
- terminating property transactions where the price or service charges would undermine i4B’s ability to break even.

7.2 The net yield target is now set at 1.1%. This is sufficiently low to allow properties to be purchased at an accelerated rate while maintaining i4B’s ability to break even over 30 years.

7.3 The reduced rate of property purchases in 2018/19 was exacerbated by a slow-down of the property market. This has contributed to a reduction in gross rental income for 2018/19: £2.1m compared to last year’s business plan forecast of £3.9m. This means that the company is forecast to make a £1.6 million loss in 2018/19 (excluding depreciation) compared to the £664k loss forecast in the 2018/19 business plan.

Table 1 – Summary of i4B profit/ (loss) forecast in the 2018/19 and 2019/20 business plans for 300 properties in PRS Phase 1

	2017/18	2018/19	2019/20	2020/21	2021/22
	£'000	£'000	£'000	£'000	£'000
2018/19 Business Plan profit/(loss) excluding depreciation	-1,754	-664	554	583	613
2019/20 Business Plan profit/(loss) excluding depreciation	-1,550	-1,570	-790	210	240
Variance	**204**	**-906**	**-1,344**	**-373**	**-373**

7.4 The i4B Business Plan requests that funding for the first 300 properties be increased from £103.5m to £109m by changing the PRS Phase 2 budget from £116m to £110.5m. This reduction may make delivering PRS Phase 2 more challenging if there is property price inflation over the delivery of that phase.

7.5 In addition, the latest modelling suggests an increase in the peak working capital debt to £3.9m. The Business Plan therefore requests that the cash flow facility be increased from £3.5m to £4.0m.

8.0 Legal Implications

8.1 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole shareholder in i4B Holdings Limited and intention is to seek Cabinet approval in February 2019.

8.2 Similarly, i4B's Rent Policy requires shareholder consent and intention is to seek Cabinet approval in February 2019. A copy of the Rent Collection and Arrears Management Policy is attached at Appendix 2.

8.3 It will be noted from the business plan that Directors are considering opportunities to deliver savings through closer alignment of i4B and FWH, potentially ultimately combining corporate and other services to create efficiencies. Shareholder agreement would be required to any significant corporate changes for both companies.

9.0 Equality Implications

9.1 N/A.

10.0 Consultation with Ward Members and Stakeholders

10.1 N/A.

11.0 Human Resources/Property Implications (if appropriate)

11.1 N/A.

Report sign off:

PETER GADSDON
Director of Performance, Policy, and Partnerships

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i4B Holdings Limited

Business Plan

2019/20

And

Forward Investment Proposals 2019-2024

Business Plan Structure

Contents

1	The Purpose of the Company
2	The Benefits of Operating as a Company
3	The Structure of the Company
4	Performance to Date
5	Benefits Analysis of the PRS Acquisition Programme to Date
6	Demand and Supply
7	New Opportunities
8	Proposed Routes for the Delivery of Business Products
9	Risk Analysis
10	Financial Analysis – Existing Business Model
11	Key Performance Indicators

Appendices

1	Financial Plan to Support the Business Case
2	i4B Risk Register

1 The Purpose of the Company

1.1 i4B Holdings Ltd (i4B; the Company) has been established to reduce 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 2018-19, the Council reported having 2,375 households living in TA, the seventh highest of all housing authorities in England.

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 can 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. The core business of the Company is as a Private Sector Landlord accepting homeless nominations from the Council. Properties are let with the intention that the tenancy will be the foundation on which customers can improve their quality of life. The aim is that customers enjoy secure, affordable, and well maintained accommodation.

1.5 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 shareholders representative.

1.6 The Company has carried out business development activities, researching new ways and opportunities by which it could support the achievement of the Council's wider objectives. These are detailed in Section 7 – New Opportunities and Section 8 – Proposed Routes for the Delivery of Business Products.

2 The Benefits of Operating as a Company

2.1 As a wholly owned, Local Authority Company, the Company 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 The Company is set up with the following requirements:

- The Company 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 is exploring commercial ventures, which 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 borough of culture, empathy and shared prosperity'.

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:

- Independent board member Akintoye Durowoju;
- Councillor George Crane;
- Gail Tolley, the Strategic Director of Children and Young People; and
- Peter Gadsdon, the Director of Performance, Policy and Partnerships.

3.6 The Company has a Service Level Agreement (SLA) 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 In addition, the Company purchases services from the Council to buy, refurbish and manage the properties being acquired. Other services as may be required to discharge this business plan or Council agreed supplementary business cases.

4 Performance to Date

4.1 The Company was incorporated in December 2016 and bought its first property in August 2016. As of December 2018, the Company owns 201 properties and has let 177 homes to Council nominees..

4.2 The Company is aware that whilst it is young and purchasing properties its business is not in a steady state. i4B has been letting over 10 homes per month and working with customers new to their accommodation and tenant responsibilities. As a result, i4B has experienced financial challenges. The Company is forecast to make a £1.6 million loss in 2018/19 excluding property depreciation, revaluation gains or impairment losses, the 2018/19 business plan forecasted a loss of £664k. The Company is working with the Shareholder to ensure it is able to operate effectively and meet its core objectives.

4.3 However, the Board has benefitted from the experience of managing properties for 18 months and has improved its service. The Company has introduced the following improvements to strengthen the business and mitigate negative factors:

4.3.1 The average time from purchase to the first let has been reduced. The last 50 units to be let have averaged 89 days from purchase to let compared with the average from April 2018 which is in excess of 160 days. The business plan seeks an average of 90 days or less.

4.3.2 The proportion of the portfolio let and generating income compared to those in refurbishment has improved from 44% in April 2018 to 88% in January 2019.

4.3.3 The property acquisition strategy has changed to increase the proportion of properties purchased in Brent. This refinement will reduce sign up refusals and the number of appeals which the Council has to manage from customers housed outside the Borough. The average letting time within Brent is 19 days. Large four bedroom properties in the Home Counties have proved hard to let.

4.3.4 The Company's financial model is highly sensitive to property price, service charges, works costs, and lease costs. Therefore, the Company has introduced a higher financial threshold when buying properties based on net yield. A net yield calculator has been adopted by the Board, this is now the metric that guides property purchases. A net yield target of 1.1% was set in order to support the 30 year financial plan. The average net yield of the current portfolio is 0.96% with a pipeline of 1.32%. The Company is anticipating an average net yield of 1.05% for the first 240 properties and an average portfolio net yield of 1.1% for the first 300 properties. The new net yield target has caused some disruption to the pipeline and the withdrawal from purchase of a number of properties.

4.4 Tables 1 and 2 are a snap shot of acquisition, refurbishment, and first lettings performance at January 2019.

Table 1 – Performance within the acquisition to first letting process

Acquisitions – 14th January 2019	No	Value (£m)
Properties purchased	201	£66.3m
Properties in final authority to buy stage	5	£1.6m
Properties in conveyancing (legal)	25	£9.5m
Properties in pipeline	31	£11.2m
Total value of the acquisitions and pipeline	262	£88.6m
Refurbishment costs	262	£4.6m
Net yield of purchased properties	201	0.96%
Net yield conveyancing & pipeline	69	1.32%
Total rent roll per annum	201	£3,574,300

Table 2 – Refurbishment and Lettings Performance

Refurbishment & Lettings – 14th January 2019	No
Properties let	177
Properties matched	1
Properties awaiting letting to be matched	3
Properties void (after 2nd let)	0 (6 voids to date)
Properties in refurbishment	20
Discharge of duty cases where the customer refused the property	35
Properties with wet room and stair lifts	3
Properties suitable for people with low level mobility needs	10%
Average rent per property	£294.26

Acquisitions

4.5 The PRS programme set out in 2016 to provide 300 units of good quality private sector accommodation for Council nominees by September 2018. In February 2018, the Shareholder supported a second phase of 300 units to be purchased by 2021. The pace of acquisitions has been slower than originally envisaged with 201 units purchased by 14th January 2019.

4.6 There are a number of factors as to why the Company has struggled to purchase properties at the rate agreed with the shareholder. These include:

4.6.1 The low volume of properties on the market at a price the Company can pay;
4.6.2 The dominance of leasehold properties in the market which bring complexities such as lease terms, third party freehold ownership, and services charges;
4.6.3 Difficulties in reducing the acquisition timeline from property identification through to the first let; and
4.6.4 The challenges of matching nominees and properties in the Home Counties especially large family accommodation

4.7 The average price per unit is above target at £353k compared to the budget of £345k per unit. However, to date, i4B has purchased more properties within Brent (116) than initially anticipated and fewer in Greater London (15) and the Home Counties (70). The Council's purchasing team has been successful at acquiring properties at increasingly higher yields and within Brent. An in year adjustment in net yield guided the Company towards purchasing more expensive three and four bed freehold properties. The revised yield will allow a proportion of high demand two bed units to be purchased to complement three and four bedroom units.

4.8 The portfolio pipeline reflects a 60% to 40% leaseholder freeholder split. Although many leases are in blocks which are owned by independent freeholders, the Company has been successful at purchasing leases in Brent Council blocks and purchasing multiple leases within the same dwelling to become the freeholder as well as leaseholder.

4.9 The Board is confident that the purchase of street properties will continue to play a significant role within a greater portfolio. The Board set out in the Company's 2018/2019 Business Plan, and repeats in more detail in this plan, its ambition to purchase higher yielding new built homes from the Council and from the market to provide affordable homes in Brent. This will increase the average yield of the Company's portfolio. A blended net yield of 1.1% should be achievable by April 2024.

Performance Improvements

4.10 Table 3 sets out the significant improvements that have been made in 2018.

Table 3 – Key Performance Acquisition to first let

Indicator	Target	Performance at February 2018	Performance at January 2019
Number of units	300 by October 2018	102 units at February 2018	201 units at 14th January 2019
Average cost per property	£345,000	£355,892	£352,900
Gross Yield	5%	4.91%	4.95%
Net Yield	1.1% New Jan 2019	0.88%	0.96%
Period from panel approval to purchase (October data)	91	131	142
Refurbishment (October data)	66	122	64
Letting in Brent (October data) (days)	14	29 (all locations)	19
Letting outside Brent (October data) (days)	35	As above	114
Rent collection	98.5%	60.89%	90.25% (04/12/2018)
Evictions	N/A	0	2
Landlord Gas safety Record	100%	100%	99%
Void Rate (relets)	3%	0%	3% (6 properties in total all outside Brent) Void rent loss 1.6% (04/12/2018)

4.11 The time taken to refurbish and let acquired homes has reduced. The last 50 units have been refurbished and let within 90 days of purchase. Performance is at its best in Brent. Letting in the Home Counties has been harder due to greater resistance from customers to be housed outside the Borough and the difficulty in placing larger families outside Brent due to the increased likelihood for family members needing to remain in borough for education, employment, or medical reasons.

4.12 Void rates are low at around 3%. In each case where a tenancy has ended the property has been outside Brent.

4.13 There remain a number of challenges in rent collection and arrears management. Performance in this area has led to the serving of contract breach notices on management agents. However, rent collection is now at 90.25% (04/12/2018) and collection rates have improved for seven consecutive months. The Company

continues to monitor agents closely on this matter. A procurement process is underway for housing management contracts as the current contracts will end in the autumn.

Performance Management and Audits

4.14 Performance continues to be monitored by the Board and through a monthly service level agreement with the Council.

4.15 The establishment of a comprehensive Service Level Agreement (SLA) between i4B and the Council has enshrined service standards, expectations of performance, and resources. Monthly client meetings have been established between i4B and the Council to monitor adherence to the business plan and the SLA.

4.16 Bi annual shareholder meetings provide an opportunity for senior Council officers to discuss the performance and benefits of i4B with the Company.

4.17 The Company has undergone three internal audits. These have covered Governance and Risk Management, Fraud Risk, and Benefit Realisation. All audits have been assessed as Reasonable. The definition of reasonable is 'while there is a basically sound system of internal control, there are weaknesses, which put some of the client's objectives at risk. There is evidence that the level of non-compliance with some of the control processes may put some of the client's objectives at risk'. The Board has since implemented measures to mitigate and eliminate the risks and weaknesses identified by the three audits.

4.18 The Company has appeared at the Council's Audit Advisory Committee on three occasions to discuss its audits since September 2017, and will continue to attend at the appropriate intervals.

4.19 The acquisition of homes has moved to the Microsoft Dynamics CRM process and i4B has commenced using Brent Dynamics from November 2018. The system will help communication between the many Council service areas involved in the purchasing and refurbishment of properties via the Company's Service Level Agreement with the Council. The transparency of the records to more service areas helps in key areas such as finance, council tax, and payments as documents are visible from a core archive. The Brent Dynamics system is now able to report live performance and financial information which contributes to better and timelier decision making.

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 borough of culture, empathy and shared prosperity. There are five areas which can be measured to support the Company's contribution:

- Helping the Council achieve its strategic objectives
- Supporting the Council to retain and grow skills and invest in the expertise of those who deliver services
- Income generated to the Council through 'on-lending' capital to the Company
- Reducing the Council's revenue cost through i4B investing in new products and delivering services in new ways
- Investing in assets that should appreciate in capital value over the medium and long-term.

Social Benefits

5.2 Although the PRS acquisition programme has not delivered new housing supply, i4B has increased the amount of affordable housing tenures in Brent and the Home Counties. The Company has been successful in purchasing private sector homes and switching the tenure to an affordable private rented sector product. 300 new affordable homes will be created by April 2020.

5.3 All of the Company's private rented homes comply with a good standard of quality and management. Properties are refurbished to a high standard. i4B guarantees households moving into the PRS properties that they will be well maintained, safe, and secure. This compares favourably with market PRS accommodation which is generally of a lower standard. Also, with i4B as their landlord, tenants are safe from practices such as revenge evictions.

5.4 i4B also supports the diverse needs of the borough. i4B has agreed a mobility friendly standard with the Council. Homes will have level access, walk in showers will often 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 make a contribution to hospital discharges.

5.5 Brent Council's lettings team undertake a thorough matching process when considering tenants for i4B properties. Where possible families are matched with a property in-borough in the first instance. The Company's out of borough stock enables it to support people fleeing domestic violence.

5.6 Through the SLA contract with i4B, the Council has been able to sustain and in some service areas increase staffing budgets. For example, the Council's property team has been strengthened with additional capacity and new skills. An additional five posts have been created in legal services.

5.7 As of January 2019, 168 Brent families, including 411 children, have been housed in i4B properties.

Table 4 – Breakdown of families directed to i4B as of January 2019

Previous Accommodation	no. of families	no. of children
Direct to i4B	16	39
Women's Refuge	2	4
TA Stage 1 – B&B	130	302
TA Stage 2 – Leased	20	66
Total (under private rented offers scheme)	**168**	**411**

Financial Benefits

5.8 The Council receives financial benefits from i4B, mainly though reducing the use of temporary accommodation and supporting homeless families. The Council also bears some additional costs from i4B. i4B estimates that on an ongoing basis, the first 300 properties purchased by i4B will bring ongoing net financial benefits of £300k per annum to the Council.

5.9 In addition, the Council receives one-off benefits from the programme. These benefits stem from two sources: the loan to i4B and financial benefits relating to ownership of property and property price increases. The one-off financial benefits from the loan for the first 300 properties are:

- Loan arrangement fee of 1% (~£830k)
- Loan non-utilisation charge (~£620k)
- The Council is initially funding the i4B loan through existing funds, but it plans to borrow the full amount in the next few years. Until the Council borrows the funds, the entire interest payment is a profit to the Council.

5.10 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. As the sole shareholder, the Council can benefit from property price growth of the portfolio.

6 Demand for i4B Properties

6.1 The below section contains information provided by the Council's Housing Needs Service which sets out their demand for PRS accommodation acquired by i4B to alleviate the demand for affordable housing from homeless household.

Demand by Household

6.2 Table 6 below shows the number of post Localism Act accepted cases broken down by bedroom need. This offers a broad assessment the current potential total demand for i4B properties.

Table 6 - Homeless Households in TA accepted post 09/11/2012 by bedroom category

Bedroom size required	Number of households
1	83
2	552
3	388
4	113
5	17
6	1
Total	**1154**

6.3 However, the practical demand for legacy households living in TA is approximately 1,000. This is because 71 households are affected by the overall benefit cap and approximately 50 households are in significant rent arrears.

6.4 Table 7 below shows a breakdown of homeless households for which the Council has accepted the main rehousing duty after 9/11/2012, who are living in nightly paid B&B. This illustrates the priority target households that i4B was set up to house.

Table 7 – Homeless Households accepted post 09/11/2012 by bedroom category and living in nightly paid B&B.

Bedroom size required	Number of households in B&B
1	15
2	35
3	22
4	8
5	0
Total	**80**

6.5 In addition to this demand, the Council's Housing Options team has historically accepted the main rehousing duty to approximately 30 households per month.

6.6 The above figures demonstrate that demand is greatest for households requiring two and three bedroom properties. Demand from households requiring two and three bed properties makes up 81% of total demand (households accepted post Localism Act)

and 71% of priority demand (households accepted post Localism Act living in nightly paid B&B).

Demand by Location

6.7 Since the implementation of the Government's welfare reforms, total amount of welfare benefits received by a lone parent or couple with children has been capped at £23,000 (£442 p/w) in London and £20,000 (£385 p/w) outside of London. Any household who are affected by the overall benefit cap will be unable afford to live in Brent, as the LHA levels are too high.

6.8 Profiling of the 65 accepted families currently living in B&B (as set out in table 8) has taken place, to identify which households are exempt from the Overall Benefit Cap, either because they are working, or because they are exempt due to medical issues.

Table 8 – Profiling of accepted households in B&B

	2 Bed	**3 Bed**	**4 Bed**
Not working	20	6	3
Working	10	14	5
Med/exempt	5	2	0
Total	**35**	**22**	**8**

6.9 Generally, the households who require a two bed and are not working and not exempt from the cap will find it difficult to afford accommodation in Brent/London. Those households who are a three bed need, who are not working and not exempt will not be able to afford accommodation in Brent/London and realistically could only afford accommodation in Luton/Bedfordshire and Milton Keynes. Households who require four bed accommodation could only afford to live in accommodation in Milton Keynes and beyond.

6.10 Of the new 30 homeless households per month, there is a higher proportion of households who are affected by the Overall benefit Cap. Therefore, the future supply of properties would need to cater for families who cannot afford to live in Brent, and whom have no social or educational needs to remain in the borough.

6.11 However, there may not be a demand for these properties from homeless households. The location of a property has a significant impact on the refusal rate. Only 6% of i4B properties in Brent have been refused since April 2018. Whereas 25% of i4B properties outside of Brent have been refused. Moreover, in every case where a tenancy has ended the property has been outside Brent

Implications for i4B

6.12 The above demand figures will assist i4B's purchasing strategy over the next year. Table 9 gives a summary of i4B's portfolio when 300 properties are purchased.

6.13 As of December 2018, 230 properties have been purchased or are in conveyancing. Due to yield restrictions, it is probable that the remaining 70 properties will be made up of three and four bed properties. It is likely that 10 three bed properties in the Home Counties will be purchased. The Company will aim to purchase all of the remaining 60 properties in Brent and Greater London, this is due to difficulties in

housing households outside of the Borough. However, the Board would like flexibility to purchase bespoke Home Counties properties on behalf of the Council where there is demand.

Table 9 – Summary of i4B PRS property purchases by location and size

Location	2 bed	3 bed	4+ bed	Total
Brent & Greater London	100	74	46	220
Home Counties	9	47	24	80
Total	**109**	**121**	**70**	**300**

6.14 76% of properties in the i4B portfolio are either two or three bedrooms. This reflects the demand figures outlined in paragraph 6.6. Moreover, the new build opportunities outlined in Section 8 will reflect demand. For example, at Site 1, the Company's priority project over the next year, 75% of units will be either one, two, or three bedrooms.

7 New Opportunities

7.1 The first i4B Business Plan in 2017/18 anticipated the purchase of 300 properties and a financial breakeven position over 30 years.

7.2 In the 2018/19 Business Plan, it was agreed with the Shareholder that the Company would seek to grow and diversify its business operations and products to strengthen the balance sheet, spread risk, and increase capacity to do more for Brent.

7.3 The Board has considered its 2018/2019 Business Plan and five year forecast against its own performance and external market factors. The Company recommends to the shareholder that the themes identified within the 2018/2019 Business Plan remain the correct priorities. The themes are:

- The PRS acquisition programme;
- The provision of Intermediate / Key worker accommodation;
- Developing a portfolio of new build accommodation working with the Council to develop housing on Council owned land;
- Developing a portfolio of new build accommodation working with Registered Providers or private sector developers on sites purchased from the market;
- Strategic investment to strengthen the business and/or bring benefits to the Council benefit.

7.4 In addition, the Company will:

- Work with the Shareholder to look at the optimum structure for Council-owned housing companies, including i4B Holdings Ltd and First Wave Housing Ltd (FWH).

7.5 The 2019/2020 Business Plan refines the ambitions supported by the shareholder in February 2018 and provides more clarity on how these products will be delivered. Growth and diversification continues to be a theme to help mitigate risks associated with income. The Company is aiming to diversify the customer base through the provision of a wider range of affordable housing products. The Company will continue to focus on its commercial needs to ensure i4B accelerates and increases its contribution towards the Council's vision of 'making Brent a borough of culture, empathy and shared prosperity'.

8 Proposed Routes for the Delivery of Business Products

8.1 This section expands on how the Company plans to deliver the opportunities outlined in Section 7. The proposed profile considers the Council's need which is outlined in Section 6.

8.2 Table 10 shows the Company's proposed programme of opportunity. This programme is within the £254.5m approval agreed with the Cabinet in February 2018. However, as a result of experience over the past 12 months, the Company is proposing to change the distribution of the spend profile.

Table 10 – Summary of i4B growth opportunities (financial figures for the below are outlined in appendix 1, this will be restricted as contains commercially sensitive data)

No.	Name	Units	Delivery Years	Delivery Partners
1	Street Properties	300	2016-2020	LBB / i4B (FWH)
2	Street Properties	60	2020/2021	LBB / i4B (FWH)
3	Intermediate / key worker accommodation	153	2019/2020	LBB / development partner / i4B (FWH)
4	New Build Site 1	100	2019-2023	LBB / i4B (FWH), In house development or partnership
5	New Build Site 2	4	2019/2020	LBB / i4B (FWH)
6	New Build Site 3	26	2019-2022	LBB / i4B (FWH), In house development or partnership
7	New Build Site 4	31	2019-2022	LBB / i4B (FWH), In house development or partnership
8	New Build Site 5	92	TBC	LBB / i4B (FWH), In house development or partnership
9	New Build Site 6	12	2020-2021	LBB / i4B (FWH), In house development or partnership
	Sub-Total	**778**		
10	Align with FWH	329	TBC	
	Total	**1107**		

8.3 The Company anticipates to purchase 300 units by April 2020 with a budget of £109m. The Council is considering requesting i4B to purchase and sell four shared ownership units, this proposal will be submitted separately should it emerge.

8.4 Schemes will be completed between April 2020 and April 2024. Greater detail and permissions will be sought in i4B's 2020-2021 Business Plan and 2020-2025 forecast.

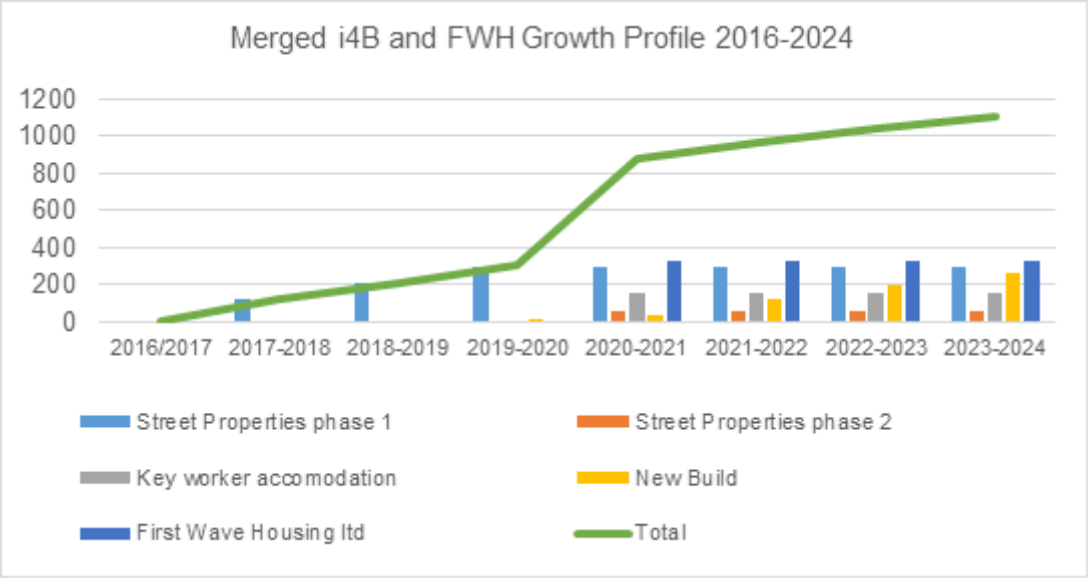
8.5 The Company's focus over the next year will be progressing both the intermediate / key worker opportunity and the Site 1 new build opportunity.

8.6 The Company suggests it is able to grow from 200 units in January 2019 to 778 units by April 2024. Chart 1 demonstrates this growth. The main increase in portfolio would arise from the purchase of a single block of 153 properties in 2020 and the development of two Council owned sites comprising of 112 units.

8.7 The Council is also considering aligning i4B Holdings Ltd and First Wave Housing Ltd. Should a decision be made to bring the two companies together, the portfolio of the receiving Company could total 1107 units. The main period for portfolio growth would be 2019-2021. Chart 2 shows the growth of the merged portfolios between 2017 and 2024.

Chart 1 – i4B portfolio growth opportunities

Chart 2 – A combined i4B and FWH portfolio growth opportunities



8.8 An ambitious PRS acquisition programme

8.8.1 Summary: £109m to deliver phase 1 of the PRS programme of 300 units by April 2020, £110.5m to deliver phase 2 of the PRS programme of 60 street properties and 265 new build homes purchased from the Council.

8.8.2 There are a number of changes in the profile of PRS street properties to be purchased. The Company request the shareholder support the following:

8.8.3 In the 2018/2019 Business Plan, the Shareholder agreed to the purchase of 180 units in Brent and 120 units in the Home Counties in phase 1 of the PRS acquisition programme. The Company now proposes to purchase 220 of the 300 units in phase 1 within Brent or Greater London. It is anticipated that 200 of these will be in Borough. The Company proposes to reduce the number of units to be purchased in the Home Counties to 80. This recommendation follows the experience gained in letting properties to the Council's nominees and from reviewing the financial performance of portfolio properties. Despite the good quality of accommodation in the Home Counties, the Council has experienced significant challenges in placing families outside of the Borough. Moreover, the Company has also experienced greater difficulty in tenancy and income management for Home Counties properties. However, the Board would like flexibility to purchase bespoke properties on behalf of the Council where there is demand.

8.8.4 The Company proposes to increase funding for phase one of the PRS acquisition programme to £109m. This reflects the higher average property cost within Brent compared to the Home Counties. It is proposed that the additional £5.5m is taken from the February 2018 agreed PRS phase two budget of £116m. i4B considers a revised budget of £110.5m for PRS phase two to be achievable due to its ambition to purchase more new build properties which will have a higher net yield.

8.8.5 In 2018, the Shareholder supported a second phase of 300 PRS properties. The Company has identified opportunities to provide the majority of phase two PRS though new build opportunities with the Council. Therefore, the Company seeks to reduce the amount of street property purchases. In phase two, up to 60 street properties will be purchased through the market and circa 265 delivered through the acquisition of new build properties built on Council land. Purchasing new build schemes from the Council provides the below benefits:

- Retaining the land asset under the umbrella of the Council's ownership;
- Providing additional resources to complement the delivery of new build social rent housing funded by the housing revenue account;
- Providing the Council with a significant capital receipt;
- Providing a step change in the quality of i4B's PRS portfolio and an even higher standard of accommodation for Council nominees.

8.9 Develop a portfolio of new build accommodation working with the Council to develop housing on Council owned land

8.9.1 Summary: £86.5m of the agreed PRS phase 2 funding to be made available for the purchase of new build homes from the Council from 2020. Six schemes delivering 265 units have been identified to date. It is requested that i4B and FWH be named as partners within an agreement with developers to increase the capacity of the Council to deliver a large number of affordable units in Brent within a short period.

8.9.2 The Council aims to deliver 1,000 new units of affordable housing per year in Brent, through the various delivery routes. Alongside direct delivery by the Council funded by the Housing Revenue Account and the sale or granting of land for development to Registered Providers, i4B is one of several funding and delivery routes to achieve this target.

8.9.3 The Council has identified an internal development programme of approximately 1,300 new units. 817 of these units are for social rent and funded by grant from the Greater London Authority. To date, 265 units over six schemes are considered suitable for purchase by i4B.

8.9.4 To ensure these properties remain affordable housing, i4B will work with the Council to explore opportunities to utilise grant or subsidy. i4B will review its financial model, allowing a more diverse offer of tenures in-keeping with the Councils requirement of 65% of market rents maximum.

8.10 Develop a portfolio of new build accommodation working with Registered Providers or private sector developers on sites purchased from the market

8.10.1 Summary: i4B and FWH to be named as partners within an agreement with developers to increase the capacity of the Council and its wholly owned subsidiaries to deliver a large number of affordable units in borough within a short period.

8.10.2 The Company wishes to create a delivery partnership with one or more registered providers or commercial developers. These partnerships will enable i4B to be more

active and intelligent in the market, and increase the Company's ability to respond quickly to market opportunities. Ideally, the partnership would encourage small sites as well as major sites to be purchased and developed. Within its pipeline of development sites, the Council has identified a number of privately owned sites which are suitable for affordable development opportunities.

8.10.3 i4B is also keen to use the skills of partner organisations to support regeneration initiatives. For example, the Company could work with a smaller Registered Provider or developer to capture opportunities to strengthen the Borough's high streets through selective housing interventions. i4B has contributed to a planning led paper on opportunities to strengthen high streets. A partnership with a larger Registered Provider or developer would also create new opportunities when considering the delivery of larger development schemes including regeneration in areas such as the Wembley Housing Zone. i4B has shared with the Council initial opportunities to support the Council's ambition for the Wembley Housing Zone.

8.11 The provision of Intermediate/Key worker accommodation.

8.11.1 Summary: Funding for intermediate rented accommodation will be used to support the purchase of one block of 153 units for the provision of key worker accommodation at 60%-80% market rent.

8.11.2 The Company's 2018/19 business plan set out the intention to develop an i4B intermediate rent offer. This links to the Council's wider commitment to support other public sector organisation to recruit and retain employees in Brent.

8.11.3 An opportunity to provide 153 units of key worker accommodation has been identified through a partnership between i4B, the Council and a developer.

8.11.4 The scheme will be 100% affordable and will honour the requirements of the s106 agreement. The purchase and first lettings will take place summer 2020 subject to agreement and contract. The Company would use the current shareholders approval to support this opportunity.

8.11.5 Throughout 2019/2020, i4B will work with the Council's housing supply and partnerships team to develop this opportunity as a flagship for key worker accommodation. This includes taking a key role in the commissioning of Cambridge University to undertake research into demand for key worker accommodation, how it should be targeted and rent levels that are proportionate to salaries of key workers in Brent.

8.12 Strategic investment to strengthen the business and/or bring benefits to the Council.

8.12.1 Summary – i4B will continue to carry out appraisals on regeneration opportunities within the Borough. The Company will seek to enter agreements to facilitate investment and the delivery of opportunities.

8.12.2 The Borough of Brent has seen a significant amount of regeneration investment over the past ten years including place changing initiatives at South Kilburn and Wembley. The Council and i4B are keen to ensure the benefits of regeneration are felt by local residents as well as attracting people to Brent as a location of choice to live and work.

8.12.3 The Company has conducted initial appraisals on two regeneration opportunities and provided the Council with a view of how the Company could help. Opportunities explored include new homes in the Wembley Housing Zone and how Brent High Streets could be strengthened through the provision of new homes.

8.12.4 The Company will continue to work with the Council to explore regeneration opportunities, carry out feasibility studies to refine proposals and bring opportunities to the shareholder.

8.13 Working more closely with First Wave Housing Ltd

8.13.1 The Council has two wholly owned Companies which are currently focused on Housing. FWH owns 329 residential properties and two commercial properties.

8.13.2 If the two companies are compared the only material difference is that FWH is a registered provider (and therefore eligible for grant funding from Government) and i4B is not. Both can raise finance, the Council is the sole shareholder for both companies, and they both use the Council to deliver many of their services, and the Shareholder has appointed the same Directors to both boards.

8.13.3 The Shareholder has carried out some initial work which has identified potential benefits of aligning the two companies. The Company understands that three provisional options have been highlighted by the shareholder:

- The Shareholder, with the Boards, defines more closely the products which suit each company and refine the focus of each company to prevent duplication of products. The Shareholder may wish to support a transfer of assets between the two companies to reflect the product emphasis.

- The Shareholder supports the merger of the two organisations into one company benefitting from greater economies of scale. The merger would need to take place in such a way as to allow both the receipt of grant and the delivery of a broad range of housing products.

- The Shareholder supports the merger of the two organisations into a group structure which may be able to retain the distinct identities of the sub companies. This option may also be suitable for non-housing and regeneration vehicles owned by the Council to sit within.

8.13.4 The Council is currently undertaking an analysis of the benefits of the options outlined above in order to inform recommendations for the future structure of i4B and FWH.

9 Risk Analysis

9.1 The below risks are the top five issues and risks the Company presently faces. The risks focus on the Company's current PRS acquisition programme.

9.2 Table 11 – Top six issues and key risks (See Appendix 2 for the full company risk register which provides descriptions of risks, risk scores, and mitigations)

*denotes when a risk has become a live issue.

Issue/Risk	Business Plan Assumption	Risk Type
Business plan rent collection rates are not achieved and bad debt exceeds business plan assumptions. The introduction of universal credit may adversely affect rent collection	The Business plan assumes 98.5% rent collection rates and 1.5% bad debt (Income written off by the i4B Board due to bad debt in particular arrears). The potential impact of this risk is on i4B's cash-flow. i4B would have less income to cover expenditure.	Financial
*The pipeline of properties is slower than the SLA target.	The SLA has a target of 13 weeks for properties to be purchased from approval at the PRS panel. The programme assumes 300 properties purchased by April 2020 and 360 by April 2021. The potential impact of this risk is on i4B's cash-flow; the Company pays for the loan facility when it is not being used although this charge increases once funds are drawn down, and rental income is its only source of funding.	Financial
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
The nominations process exceeds SLA targets	The business plan assumes 90 days for the refurbishment and lettings process. 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	Financial and operational

	and expenditure such as council tax liabilities increase.	
*Average property price exceeds budget and portfolio of properties does not achieve the target Net Yield margin	The average property price for PRS phase 1 is £345,000 this could increase to £363,000 if the PRS phase 1 budget is increased to £109m and the average purchase price for PRS phase 2 is £399,000 (£24m). 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

10 Financial Analysis – Existing Business Model

10.1 During 2018/19, the Board increased the net yield target for new purchases. This had a positive long term impact but did temporarily slow the purchase of new properties.

10.2 The slower rate of property purchases was exacerbated by a slow-down on the property market. This has contributed to a reduction in gross rental income for 2018/19: £2.1m compared to last year's business plan forecast of £3.9m. This means that the Company is forecast to make a £1.6 million loss in 2018/19 excluding depreciation compared a £664k loss forecast in the 2018/19 business plan.

10.3 The Board has recently undertaken a business model review and has set a net yield target of 1.1% which is sufficiently low to allow properties to be purchased at an accelerated rate while maintaining i4B's ability to break even over 30 years.

10.4 The peak working capital requirement is also forecast to increase to £3.9m. It is therefore requested that the cash flow facility from the Council be increased from £3.5m to £4.0m.

Table 12 - Financial Analysis – existing business model

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Capital Outlay	45,700	27,700	35,600	0	0	0	0
Long term loan	-45,700	-27,700	-13,800	0	0	0	0
Equity (cash injection)	0	0	-21,800	0	0	0	0
Net capital transactions	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Revenue Income Cashflows							
Gross Rental Income	150	2,110	3,620	4,740	4,810	4,860	4,910
Revenue Expenditure Cashflows							
Loan Fees and Charges	-730	-340	-140	0	0	0	0
Management and Maintenance	-500	-1,180	-1,520	-1,700	-1,730	-2,190	-2,110
Company Operating Costs	-200	-200	-200	-200	-210	-110	-110
Net Operating Transactions	**-1,280**	**390**	**1,760**	**2,840**	**2,870**	**2,560**	**2,690**
Debt Financing	-270	-1,920	-2,460	-2,520	-2,520	-2,520	-2,520
Working Capital Financing	0	-40	-90	-110	-110	-100	-100
Net Profit/(Loss) excluding depreciation for PRS1	**-1,550**	**-1,570**	**-790**	**210**	**240**	**-60**	**70**

11 Key Performance Indicators

11.1 Table 12 lists all of i4B's key performance indicators (KPIs) and Targets for 2019/2020. The Board reviewed it's KPIs in July 2018. The shareholder are asked to approve the below KPIs.

11.2 Table 12 – KPIs

No	KPI	Measure	2019/20 Business Plan *Targets in weeks or calendar days*	Monitoring Period	KPI Owner
1	Net Property Yield	Takes into account purchase price and LHA rate plus one off purchase costs and ongoing annual costs	1.1%	Monthly	i4B
2	Gross Property Yield	The annual rental income shown as a % of the property purchase price.	5%	Monthly	i4B
3	Average portfolio purchase price	The average cost of a portfolio property including works, SDLT, fees and VAT.	£345,000 or £363,000 if the loan has increased from £100m to £103.5m and if agreed £109m	Monthly	i4B
4	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
5	Business modelling exercises undertaken	The number of business modelling exercises undertaken and reported to the Board.	6 per year (minimum)	Quarterly	LB Brent – Finance
6	Property Negotiation - PRS panel to instructing legal	The average number of days in the reporting period between PRS panel instruction to property instructing legal.	60	Monthly	LB Brent - Property

		Activity in this period includes the negotiation of property price and the vender's acceptance of offer.			
7	Instructing Legal - Legal reporting to property	The average number of days between property instructing legal to legal reporting to property. Activity included in this period includes legal due diligence and title reporting.	55	Monthly	LB - Legal
8	Legal reporting to property - DA approval agreed	The average number of days between legal reporting to property to delegated approval agreed. Activity during this period includes delegated authority approval.	18	Monthly	LB - Property
9	DA approval - Keys handed to refurbishment	Period in calendar days between delegated authority approval to the purchase of the property including the period taken to provide keys/handover pack to refurbishment.	18	Monthly	LB - Property
10	PRS acquisitions	Number of PRS street properties purchased by the property team	300	Monthly	LB Brent – Property

11	Acquisitions – achieving the agreed programme	Number of properties purchased against the Company's agreed business plan	304 by 1st April 2020	Monthly	i4B
12	Acquisitions – property tenure	Number of Leasehold units purchased in comparison to freehold units.	60%/40% (few leasehold units = better)	Monthly	LB Brent – Property
13	Acquisitions - location	The number of units in different locations as specified in the business plan.	220 Brent & Greater London 80 Home Counties	Monthly	LB Brent – Property
14	Acquisition to property first being let	Period from acquisition date to the property first being let. Activity in this period includes property refurbishment and letting.	90	Monthly	LB Brent - Property
15	Refurbishment	Period in calendar days from receiving keys/handover pack from property to i4B receiving an electronic copy of a refurbishment handover checklist which is compliant with i4B requirements. This period includes quotes, works & certification.	66	Monthly	LB Brent - BHM

16	Letting - in-borough	Period in calendar days from notification of a fully compliant handover from i4B following refurbishment to the property first being let.	14	Monthly	LB Brent – Housing Needs
17	Letting - out-borough	Period in calendar days from notification of a fully compliant handover from i4B following refurbishment to the property first being let.	35	Monthly	LB Brent – Housing Needs
18	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
19	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.	No Target	Monthly	LB Brent – Housing Needs
20	Number of Voids	Any property not occupied by a tenant. Snap shot as of last day in the month.	3% of portfolio void for 60 days in any year	Monthly	i4B
21	Void loss	% of property void days as a proportion of 100% portfolio occupation.	1.50%	Quarterly	i4B
22	Bad Debt	Income written off by the i4B Board due to bad debt in particular arrears.	2%	Quarterly	i4B

23	Rent collection	Rent collected as a % of rent due. This is measured on a 4 weekly cycle in line with BACs payments to i4B.	98.50%	Monthly	Housing Management Agents
24	Rent arrears action	Section 8, 10 or 11. 21 Notices served.	No Target	Monthly	Housing Management Agents
25	Rent arrears action	Evictions.	No Target	Monthly	Housing Management Agents
26	Customer Satisfaction	Annual Survey.	80% Satisfied with the condition of the property	Quarterly	i4B
27	Customer Satisfaction	Annual Survey.	80% Satisfied with the management of the property	Quarterly	i4B
28	Customer Satisfaction	Annual Survey.	80% Satisfied with the Repairs Service	Quarterly	i4B
29	Customer Satisfaction	Survey participation.	1/3 of customers surveyed annually (min)	Quarterly	i4B
30	Complaints	Complaints resolved through management agents agreed procedures.	100% resolved	Quarterly	Housing Management Agents
31	Ombudsman decisions upholding a complaint	A decision by a statutory body upholding a complaint made by a customer, contractor, employee or	None	Quarterly	i4B

		member of the public.			
32	% 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
33	% 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
34	% 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
35	% 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

36	% 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
37	Average repair cost per property per annum ink common areas	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing).	£750per annum	Quarterly	Housing Management Agents
38	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
39	Average EPC	Average EPC Awarded to portfolio properties.	All properties	Annual	i4B
40	% of i4B portfolio let above LHA rate	Show as a % i4B properties let at a weekly rental income higher than the LHA in the property locality.	No Target / Max 25%	Quarterly	i4B

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

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Appendix 2 – Risk Register

Risk	Business plan assumption	Risk Type	Likelihood (/5)	Impact (/5)	Risk Score (/25)	Mitigation
The pipeline of properties is slower than the SLA target	The SLA has a target of 13 weeks for properties to be purchased from approval at the PRS panel. The programme assumes 300 properties purchased by 1st April 2020 and 360 by 1st April 2021. The potential impact of this risk is on i4B's cash-flow; the company pays for the loan facility when it is not being used although this charge increases once funds are drawn down, and rental income is it's only source of funding.	Financial & operational	5	3	15	It was agreed at the June Board meeting that this risk had materialised into a live issue. The following steps are being taken to manage this issue: i4B intends to offset properties that cannot be achieved through open market purchase by working with the Council and developers to deliver new build properties / block purchase properties. Revisions have been proposed to the SLA target for conveyancing.

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. The potential consequences of this risk materialising is the company becomes insolvent.	Financial	3	5	15	i4B is monitoring SLA performance to deliver capital works and refurbishments within business plan requirements. i4B 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 of up to £3.5m and modelling is being undertaken to assess if this will be sufficient to meet i4B working capital requirements. i4B will monitor cash flow requirements at its monthly meetings and with the shareholder at client/company meetings. The Company has requested to the Shareholder to increase cash flow facility to £4 million because Company loses have been forecasted to be higher than originally anticipated.
The nominations process exceeds SLA target	The business plan assumes 90 days for the refurbishment and lettings process. 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 & operational	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. All hard to let four bedroom Home Counties properties have now been let. Therefore, lettings performance should improve.

Average property price exceeds budget and portfolio of properties does not achieve the target Net Yield margin	The average property price for PRS phase 1 is £345,00. If agreed, this will increase to £363,000 (£109m) and the average purchase price for PRS phase 2 is £400,000 (£24m) – this is based on purchasing a higher proportion of larger freehold properties than originally anticipated. 1.1% average Net Yield (true) 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	5	2	10	At the i4B board meeting in June, it was agreed that this risk had materialised into a live issue. The following steps are being taken to manage this: The company has considered with the council the demand for properties by bedroom size and location and have sought to maximise the gross yield within these parameters.

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. Company budget and spend is reported and monitored at monthly Board meetings to ensure the Company is operating within budget.
The location of properties purchased varies from the business plan	The business plan assumes that: phase 1 – 220 properties purchased in Brent & Greater London, 80 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 & operational	3	3	9	The decision has been taken to purchase more properties in Brent to mitigate the risk of purchasing properties that cannot be let. The financial impact of this on the business plan is offset by the speed of letting. The Company will continue to consider the business model tool at the 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.

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 & operational	2	4	8	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. Early issues with the Refurbishment process have been addressed and now performance is within the KPI.
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	4	8	The 3% increase in LHA rates from 2018 is well ahead of business plan assumptions, and all other factors being equal, would remain so for several years. The company is seeking to diversify its products to introduce new customers with different household income profiles than exiting PRS / LHA customers. The introduction of new products and some new build properties with higher yields may mitigate any future reductions in LHA rates. Ultimately, properties that could not achieve the expected yield because of the LHA cap / inability to let out under different terms, could be sold to release capital, especially over the medium- and long-term when asset appreciation should create surplus capital.
There is a risk that there is a permanent downward adjustment of house prices		Financial	2	4	8	Difficult to mitigate as limited control of market conditions; continue to monitor closely.

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 & operational	2	3	6	i4B has built the requirement to cooperate to ensure void periods are minimised into the contracts with housing management and void contractors. i4B has weekly meetings with the council's housing needs team who are responsible for nominating tenants. i4B is working with the council to ensure purchases are in line with the council's customer profile and sustainable tenancy requirements. i4B will review the nominations agreement at client/company meetings. i4B could approach the shareholder to dispose of properties in locations consistently failing to attract customers.
Property price inflation reduces average yield and increases average purchase prices	The programme assumes 300 properties purchased by 1st April 2018 and 360 by 1st April 2021. 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 & operational	2	3	6	Difficult to mitigate as limited control of market conditions; continue to monitor closely, and diversify activity as required.
There is a risk that i4B is deemed to have failed a statutory H&S obligations as a landlord	The SLA places a requirement on the Council to deliver this function, but is unable to transfer the risk of non-compliance with legislation e.g. H&S, gas safety etc. 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.	Financial & Reputational	1	5	5	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. BHM Property Services are implementing a new Asset register which will improve ability to monitor / plan compliance activities.

There is a risk that i4B is deemed to have failed a statutory requirement in its corporate role	The company must comply with regulatory and best practice requirements around its own management and governance such as annual accounts, returns to Companies House, and other regulatory bodies such as the Housing Ombudsman. The consequences of other statutory failures may be fines and/or reputational damage to i4B.	Financial & Reputational	1	5	5	The Board is putting in place suitable policies and procedures in place to ensure regulatory compliance, e.g. escalation policy, schemes of delegation, risk management, internal audit arrangements. Support for company governance is included within the companies' core SLA with the Council.
Interest rates increase impacting on new loans taken out by the Company	30 year loan facility for up to £109m at a fixed interest rate of 2.87%. Short term working capital loan facility for up to £3.5m at a fixed interest rate of 3%.	Financial	4	1	4	The current facilities are for fixed terms and fixed interest rates therefore i4B is not currently exposed to any interest rate risk. i4B will seek to arrange future loan facilities on the same terms whilst interest rates remain low. Should base rates significantly change, i4B will review and revise its growth and financing strategy appropriately having taken the necessary professional advice.
There is a risk that the demand increases for the types of properties that are financially less viable for i4B (e.g. large family properties in expensive areas in Brent)	The average property price for PRS phase 1 is £363,000 and the average purchase price for PRS phase 2 is £400,000 (£24m). 5% average Gross Yield (true) Changes in demand could cause conflict between the companies' need to deliver on the Council's objectives, and the financial viability of it's business plan	Financial	1	4	4	Current demand is spread across lots of different property types, so it has been possible to tweak the mix of properties purchased to maintain average yield (e.g. purchasing increased numbers of 2 beds in Brent, which offer better yields than larger properties). Quarterly meetings have been initiated to monitor future demand and provide an early warning of this risk materialising.

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 & operational	1	2	2	i4B continues to seek to diversify it's product range to provide resilience to changes in the rental market. However, the inherent risk within the business plan has been minimised by the 3% increase in LHA rates.
There is a risk of Fraud to the company	Set up of invalid/fictitious suppliers by staff for personal gain. Invalid amendments to supplier bank details to divert payments, either by external parties making fraudulent requests or by staff making amendments for personal gain. Payments to third parties for goods/services not received.	Fraud	2	3	6	Payments from i4B's account are made through the council's payment system and as such are subject to the Council's policies and procedures. i4B currently only makes payments to the council through the council's payment system. i4B's Scheme of Delegation states that any purchases or contracts of over £50,000 from the Company's funds requires the signatures of at least two of the Company's Directors.
There is a risk of Fraud to the company	Diversion of tenant rent payments by staff. Collusion between tenants and staff to write off rent arrears. Deliberate overpayment of rent by tenants using proceeds of crime and then requesting a refund.	Fraud	2	3	6	A 'Rent Collection and Arrears Management' policy is being drafted which will outline i4B's approval procedure for rent arrears right-off. This will include both board and shareholder approval. PRS programme manager receives weekly rent reports from housing management providers which detail if any refunds on rent overpayment have been given. To date, no refunds on rent overpayments have been given.

There is a risk of Fraud to the company	Collusion between staff/ board members and buyers to dispose of properties at under market value. Undeclared conflicts of interest between staff/board members and buyers.	Fraud	2	3	6	i4B will develop an Assets Disposal Policy to outline the process for the disposal of Company assets. This will consider the Council's checks and valuations, and will incorporate board and shareholder approval. The policy will be submitted to the shareholder for approval.
There is a risk of Fraud to the company	Falsification of financial position by i4B to secure additional Council funding. Nepotism in procurement processes, including bribery. Invalid or overly ostentatious expenses, for example for entertainment purposes. Facilitation of income tax avoidance.	Fraud	2	3	6	Regular Shareholder review meetings take place between i4B and the shareholder. i4B is reviewed twice a year at the Council's Audit and Standards Advisory Committee. Board member expenses are governed by council policy and procedures. All board members are required to declare their interests at monthly board meetings and have signed a Board Code of Conduct.
There is a risk of Fraud to the company	Subletting of properties by tenants. Letting of properties by Council or maintenance staff for personal gain during a void period.	Fraud	2	3	6	Property void times will be reported to the board to work to keep void periods low. BHM will prioritise regular visits to higher risk properties. High risk properties will be defined by intelligence from the Council's Audit and Investigation department. The board will be provided with detailed reporting on void checks undertaken by BHM.

There is a risk of Fraud to the company	Collusion between staff/board members and estate agents in relation to finder fees and commissions. Collusion between staff/board members and vendors to inflate purchase prices and share the additional amount. Staff making payments for fictitious property purchases to themselves.	Fraud	2	2	4	All properties purchased by i4B receive Delegated Authority approval in accordance with the Company's Scheme of Delegation. This is documented on i4B's Microsoft Dynamics case management system. The criteria for property purchase is pre-set by the Company's net yield calculator. Brent Staff acting on behalf of i4B are governed by the Council's Code of Conduct and their work is regularly assessed through internal management checks and processes.
There is a risk of Fraud to the company	Repairs/maintenance/major works – overcharging or charging for fictitious works.	Fraud	1	2	2	BHM will implement a post inspection regime to ensure that the repair and major works completed comply with what is being paid for. A review will be undertaken into a property when it receives more than 7 repairs in a 12 month period. The average cost per repair per property will be reported regularly to the board. Single repairs over £199 and double repairs over £299 are approved by i4B's programme manager.

i4B Holdings Limited

Rent Collection and Arrears Management Policy

November 2018

Document Master Sheet

Amendments to this document detailed below:

Version	Author	Date	Review Date	Comment	Approved by
1	Charlotte Moore	August 2018		Policy created	Draft
2	Chris Brown	August 2018		Amendments	Draft
3	Charlotte Moore/ Chris Brown	October 2018		Incorporate feedback received from LBB legal and housing management agencies	Draft
4	Ralph Gibson	November 2018		Formatting	Draft
5.	Chris Brown	November 2018		Appendix 2 & 3	Draft

1.0 Introduction

1.1 Efficient collection of rental income is essential to i4B Holdings Ltd (i4B) in order to provide good service standards to our tenants and operate as a viable business. Maximising our rental income enables us to maintain and improve our services and properties.

1.2 i4B will adopt a fair but firm approach in line with housing legislation as it applies to private landlords and best practise. The overall aim of this policy is to maximise rent collection and minimise rent debt.

1.3 As a landlord i4B is responsible for the commencement of a tenancy and the ending of a tenancy. i4B aims for all tenancies to be sustainable and for tenants and their families to enjoy the homes it provides.

1.4 i4B uses various agencies to provide its services and ensure an efficient rent collection system:

1.4.1 Housing management agents operating on behalf of i4B are responsible for delivering services to tenants including rent collection and arrears management. Management agents provide a key role at sign up, throughout the lifetime of the tenancy, and at the ending of the tenancy. Management agents will work with tenants at the level of intensity required to minimise arrears.

1.4.2 i4B has a nominations agreement with the London Borough of Brent (LBB). LBB's Nominations Team are responsible for carrying out a suitability of accommodation assessment prior to the nomination of a household to an i4B property. The aim of the suitability assessment is to ensure nominees are only placed in accommodation which they can sustain under their family circumstances at the time of nomination.

1.4.3 Specialist rent collection organisations are employed as required to collect former tenant's arrears.

1.5 i4B purchases most of its services from LBB through a Service Level Agreement. These services include:

1.5.1 Housing management and rent collection services, delivered directly by LBB or through sub-contractors;
1.5.2 Legal advice and support;
1.5.3 Leasehold management;
1.5.4 Systems management;
1.5.5 Financial reconciliation of Company bank account and rental income.

2.0 Scope of Policy

2.1 This policy gives guidance on the following:

- Information to be provided in advance to potential i4B tenants;
- Activity to be undertaken by management agents at the point of tenancy sign up;
- How to manage the rent account;

- How to manage current tenant arrears;
    - Non legal measures
    - Formal legal action
- Collecting former tenant arrears;
- Sundry debts;
- Write offs.

2.2 This policy applies to all i4B tenancies.

2.3 For the purpose of this policy, the term 'arrears' includes current and former rent arrears. Rent also encompasses any service charge or ground rent which may be eligible as part of the tenancy terms.

2.4 The policy is not designed to cover the technical details of specific areas of service delivery but to present the overall approach and methodology to rent collection and arrears management.

Responsibility

2.5 The Board will receive reports on rent collection, arrears management, former tenants' arrears, requests for legal action, and requests to write of debt. Reports will be in an agreed format and provided by the Housing Management Agencies operating on behalf of i4B.

2.6 i4B has a number of relevant Key Performance Indicators (KPIs) agreed by the Council as shareholder and has placed these in the Service Level Agreement between i4B and Brent Council.

i4B Key Performance Indicators

KPI No	Name of KPI	Description of KPI	Target	Reporting Period
16	Bad debt	Income written off by the i4B Board as a proportion of annual estimated debt due to bad debt in particular arrears	2% or less	Quarterly
17	Rent collection	Rent collected as a % of annual rent due. This is measured on a 4 weekly cycle in line with BACs payments to i4B.	98.50%	Monthly
18	Rent arrears action	Ground 8, 10, 11, 21 Notices served or other Notices required in order to end Private Rented Sector accommodation Including Notice to Quit licence agreements	No Target	Monthly
19	Rent arrears action	Evictions	No Target	Monthly

3.0 Aims and Objectives

3.1 The key aims and objectives of this policy are as follows:

- 3.1.1 To take all reasonable measures to prevent arrears of rent occurring and escalating;
- 3.1.2 To promptly and effectively recover arrears, only taking enforcement action when required;
- 3.1.3 To ensure an audit trail of actions and communication is maintained;
- 3.1.4 To take all reasonable measures to collect former tenancy arrears, whilst ensuring that the service is cost effective;
- 3.1.5 To ensure the Board is able to make informed decisions in relation to rent and tenancy termination matters;
- 3.1.6 To write off unrecoverable debt in a timely manner and in line with good accounting practices;
- 3.1.7 To ensure that sundry debts relating to rent income accounts, are recorded and recovery is actively pursued;
- 3.1.8 To assist customers to maximise their income and tackle debt by providing effective and timely welfare advice;
- 3.1.9 To treat customers as individuals and respond to their differing needs in order to provide the assistance required to sustain their tenancy when appropriate.

4.0 Legal Framework

4.1 Appendix 1 contains a summary of legislations as it relates to Private Landlords and their tenants.

5.0 Policy Statement

Advance Information to Tenants

5.1 i4B and its management agents will comply with the terms of the Nominations Agreement with LBB and offer accommodation to families in accordance with this agreement.

5.2 Families will undergo a 'Suitability of Accommodation Assessment' by LBB Housing Needs service prior to being nominated to an i4B property. This assessment will consider the family's characteristics and income and expenditure to ensure the property, property location, and rent levels are suitable.

5.3 Nominated families will be provided with the property rent levels and guidance emphasising the tenancy agreement requirement placed on the tenant to pay rent regardless of any welfare entitlements and avoid arrears on their account. The advanced guidance will also advise the family on the documents they will require at sign up in order to claim or amend welfare benefit entitlement.

5.4 Appendix 2 Preparing for your tenancy is guidance provided by the Council to i4B nominees in advance of the tenancy sign up. This guidance mirrors the advice within the Government's How to Rent Guide.

Tenancy Sign up

5.5 i4B expects those providing services to operate in line with the following:

5.6 Pre Sign Up

5.6.1 Inform new customers about their tenancy agreement obligations in relation to paying rent;

5.6.2 Tenants in receipt of Housing Benefit payments will be encouraged to have this paid directly to the Housing Management Agent.

5.6.3 All i4B tenants will be provided with a copy of the Government's 'How to Rent Guide'.

5.6.4 Ensure front line staff are trained in tenancy sign-up, welfare benefits, managing debt, and providing arrears reduction advice to customers.

5.6.5 Provide customers with flexible payment options that make it easy for them to pay rent, service charges, and any other charges or fees.

5.6.6 Provide customers and staff with clear and concise information about rent collection and arrears recovery.

5.7 At Sign up

5.7.1 Lettings Officers will emphasise the importance of rent payment, reinforcing that payment is the tenant's responsibility.

5.7.2 Advice will be given to tenants on the different methods available to pay rent.

5.7.3 If the tenant is claiming welfare benefits they are expected to inform the DWP or local authority housing benefits service of their change of address at the point of sign up.

5.7.4 The tenant should be informed about the consequences of non-payment of rent and agree to the dates and amounts of rental payments contained in the assured shorthold tenancy agreement.

5.7.5 Where it is believed the family is entitled to support towards their rent proof of an application for universal credit or housing benefit will be requested and recorded.

5.7.6 Lettings Officer's will obtain the tenant's housing benefit number in order for an assessment to be carried out.

5.7.7 Tenants under the terms of the Assured Shorthold Tenancy Agreement are required to pay one week rental payment in advance.

5.7.8 i4B recognises that some tenants may not have the resources to pay in advance due to delays in welfare assessment and first payments. In these instances tenants will be informed of their responsibility to pay one week in advance and that should their benefit assessment be delayed or the assessment is less than the customer anticipated the rent debt remains with the tenant. Sector experience is that once tenants are in significant arrears it is difficult for many tenants to recover the debt. In order to minimise risk to the customer of rent debt and potential possession proceedings the Company

recommend the customers:

- Contribute the same amount they were paying at their last property per week plus an additional £10. The additional £10 is designed to create a cushion in the tenants account should benefit entitlement be less than anticipated or the tenants circumstances change. The Company recognise that any surplus in a customer's rent account may be repaid to the tenant on request.
- If the tenant is unable to do the above, then the letting may take place with the customer contributing some rent from the tenancy start date. However, the tenant must be informed that they are responsible for paying their rent and should a deficit remain following welfare benefit assessment that the tenant is responsible for the full amount. Should the tenant not contribute during the welfare assessment period the tenant may find it harder to make up any shortfall and therefore increase the potential for eviction proceedings.

5.8 Post Sign up

5.8.1 LBB will set up rent accounts on Northgate within 48 hours of the tenancy start date.

5.8.2 Where external housing management agents do not have access to the Northgate system, a dummy rent account will be created on the system by LBB.

5.8.3 Agents will work with customers and benefit agencies to encourage applications for benefit to be approved within four weeks of the tenancy start date.

5.8.4 Housing management agents will ensure payments are posted to rent accounts within one week of receipt.

5.8.5 Housing management agents are encouraged to use a wide range of techniques to support tenants pay their rent – this may include texts, home visits, letters, and phone calls.

5.8.6 Housing management agents are encouraged to carry out a new customers visit within two months of their tenancy start date. This visit will include discussions on rent matters.

5.8.7 Housing management agents will issue rent statements quarterly to all tenants.

5.8.8 Housing management agents are required to respond quickly to crisis events that are known to precipitate debt problems.

5.8.9 Management agencies will actively encourage customers to take ownership of any difficulties with non-payment of Housing Benefit or Universal Credit.

Current Tenancy Arrears

5.9 Housing management agents will make early contact with tenants in arrears. The following actions will take place:

5.9.1 As soon as the rent account is in arrears the housing management agent will contact the tenant by phone, text, email, or letter.

5.9.2 If the rent account is in two or more weeks in arrears the housing management agent will send the first arrears letter to the tenant.

5.9.3 A second letter will be sent out no earlier than two weeks if rent arrears are not cleared, an agreement to clear the arrears is not made or the tenant has not contacted the agent.

5.9.4 A second letter will also be sent out if a first letter has been sent in the last 6-12 months.

5.9.5 Housing management agents will carry out a visit to the property.

5.9.6 Each letter will contain a warning of legal action should the arrears not be cleared.

5.9.7 The management agent on behalf of i4B will serve notice on tenancies with rent accounts in eight or more weeks in arrears.

5.10 Tenants whose rent account repeatedly has arrears will be signposted to specialist money, debt and welfare benefit advice agencies and be informed that the landlord will take legal action in regards to persistent late payment. Housing management agents will:

5.10.1 Draw up collection procedures that are designed to sustain tenancies.

5.10.2 Make early contact with customers to establish the reason for the non-payment.

5.10.3 Carry out welfare benefit checks and if necessary, signpost to services for support for managing debts or money.

5.10.4 Make use of direct payment facilities available in recovering monies owed to i4B.

5.10.5 Where a customer is in receipt of benefit and is 8 or more weeks in arrears an application for direct payment of Universal credit will be submitted.

Welfare Benefits

5.11 i4B recognise that many of its tenants will require the support of welfare benefits to pay their rents and that new claims in particular can take several weeks to be assessed. The responsibility for claiming welfare benefits rests with the tenant, albeit, with encouragement and advice from management agents and nominating officers. i4B would expect:

5.11.1 Tenants to apply for welfare benefits or notify a change of circumstances at the time of tenancy sign up.

5.11.2 Agents and tenants to make use of the statement provided by i4B explaining its status as a Private Landlord. This may avoid delays in the DWP or local authority processing Universal Credit or Housing benefit claims. This statement may be found at appendix 3.

5.11.3 At sign up i4B would expect the tenant to make rent payments to ensure that significant debt is not present during the period when an award is being made or following an award being made, which may be five to ten weeks after a claim.

5.11.4 Although management agents are expected to help customers resolve claims it is the responsibility of the tenant to pay rent and resolve any benefit claims. Management agents should encourage customers to communicate with them their progress with housing benefit or universal credit applications.

5.11.5 Direct payments should be encouraged where tenants are vulnerable and where a vulnerable tenant has given their voluntarily support for direct payments to be made. Management agents should ensure that an application to DWP or local authority housing benefits team is submitted should a tenant's rent be in eight or more weeks of arrears.

5.11.6 It is important that i4B tenants talk to housing management agents immediately when benefit problems are affecting their rent account.

5.11.7 All tenants are encouraged to build up a one month rent cushion to lessen the impact of periods when welfare benefits are being determined, keep the rent account in surplus during periods between benefit payments, provide a cushion should the family experience a change of circumstances reducing the tenants income and cover periods should welfare benefits be suspended. The Company recognise that any surplus in a customer's rent account may be repaid to the tenant on request.

5.12 Universal Credit has introduced a significant change to the welfare benefits system. Universal Credit provides:

5.12.1 A single monthly household payment to cover the claimant household expenditure including rent.

5.12.2 The opportunity for significant sanctions should the claimant breach the 'claimant commitment'. The claimant commitment requires recorded online evidence that the claimant is actively seeking work. Sanctions can be from 2 weeks to 5 years.

5.12.3 Agents on behalf of the Company can access the trusted partner landlord portal. This provides an opportunity to request direct payment for the housing element cost once the tenant is in arrears. Agents are encouraged to apply for direct payment at the earliest moment and on cases over eight weeks in arrears.

5.12.4 An opportunity for housing management agents to receive direct payments of the housing cost element if the claimant has continuously underpaid their rent over a period of time, and they have accrued arrears of an amount equal to or more than two month's rent.

5.12.5 An opportunity for housing management agents and i4B to request the reimbursement of the housing cost element for former tenant's arrears should the claimant leave the property with rent arrears. This potentially can be claimed from future universal credit payments.

5.13 Universal Credit factors will be continuously under review as the new system is put into place. The policy will be updated to take into account changes of legislation whilst the system is still in trial.

Evictions and Possession Orders

5.14 Before legal actions are taken after the actions noted under 5.9 should have been followed. At the point a notice is served the agents are to be certain that the tenants are advised of their current arrears and what the tenants needs to do to avoid court action.

5.15 Housing management agents have delegated authority from the i4B Board to serve Ground 8, 10, 11, 21 or other Notices required in order to end Private Rented Sector accommodation including Notice to Quit licence agreements. This delegation is once a rent account is eight or more weeks in arrears.

5.16 LBB's Housing Options service will be informed of legal action affecting their nominees at the earliest point by i4B. Housing management agents will inform i4B each month of new notices served and progress through the court or resolution of cases already noted. The Company will provide progress updates to LBB to allow the Council to carry out its prevention and relief duties. The Council will make contact with the tenant to ascertain what the issues are that have led to the rent default and to identify additional support that can be offered to remedy the position and prevent the eviction. The support will be tailored to the individual's circumstances, and could include access to DHP payments, liaison with housing benefits or accessing floating support services where appropriate. In cases where the tenancy is over two years old the Company will make efforts to inform the host borough.

5.17 Should the legal notices fail to result in a reduction in the tenancy arrears below eight weeks the housing management agents will submit, on behalf of the i4B Holdings Ltd, a Claim for Possession form to the court.

5.18 A Claim for Possession is an application to the court for possession. i4B will confirm that the Claim for Possession may be submitted to the court by signing or counter signing the Claim Form. A single Directors signature will be required.

5.19 All arrears cases, where a Claim for Possession has been issued and a Court Order for eviction obtained, will be reported to the Board. The Board will confirm their willingness to evict should terms of the court order be not adhered to.

5.20 If the Claim for Possession has been adjourned the agent will request another hearing at court to obtain a possession hearing if the terms of the adjournment were breached.

5.21 Once a possession order has been obtained the agent may request a bailiff's warrant to evict.

5.22 The Board, through its KPI reports, will be informed of any evictions.

Former Tenancy Arrears Recovery

5.23 Most tenancies are ended by the tenant giving notice to the landlord rather than through court action. i4B's Assured Shorthold Tenancy Agreement requires tenants to give two months' notice of ending their tenancy.

5.24 Management agents are provided with delegated authority to reduce the notice period to a minimum of one month if the tenant:

- Requests to end the tenancy earlier than 2 months from the date of written notice.
- Ends the tenancy with a clear rent account.
- Leaves the property in good condition.
- Hands in a full set of keys.

5.25 i4B will make reasonable efforts to recover former tenancy arrears and may appoint specialist agencies to assist.

5.26 Housing management agents will register the former tenant arrears with the DWP where universal credit was being claimed. This may allow the DWP to collect via deduction from the former tenant from future welfare claims. i4B will:

5.26.1 Make all reasonable efforts to recover former tenancy arrears of rent and sundry debts.

5.26.2 Use debt collection agencies where it has unsuccessfully made attempts to collect the debt from the former tenant or where the whereabouts of the former tenant is not known.

5.26.3 Follow the appropriate procedures to seek permission to write off the debt where the debt is unrecoverable.

5.26.4 Ensure that contractors are provided with appropriate levels of training so that they understand and are able to implement the Rent Income Collection Procedure relating to former tenancy arrears.

5.26.5 Close current rent accounts for tenancies when they end and open a former tenant arrears account.

5.26.6 Housing management agents will allocate to the former tenant arrears account any monies received following the ending of the tenancy to the former tenant arrears account.

5.27 Former tenant debt should be pursued for a minimum of three years, unless agreed otherwise by the Board.

Sundry Debts

5.28 Whilst the repayment of current tenancy arrears will always be treated as the priority debt, housing management agencies will make all reasonable and appropriate efforts to recover sundry debts. This includes, but is not limited to, tenant damage, legal costs, service charges and ground rent.

Write Offs

5.29 Where a debt is unrecoverable, housing management agencies will follow the procedures to seek permission from i4B to write off the debt. Housing management agencies will submit write-off requests for approval to the i4B Board of Directors.

5.30 For deceased tenants, housing management agents may submit to the Board for write off approval if the debt is:

- Less than £100.
- There is reason to believe that there are no funds in the estate of the deceased tenants.
- There is no response from the next of kin or Executor of the Will and the debt is less than £500.
- Otherwise, recovery of the debt will be sought from the deceased tenant's estate.

Vulnerable Tenants

5.31 All frontline officers operating on behalf of i4B should receive training on safeguarding procedures to ensure that appropriate processes are followed where any safeguarding issues are identified.

5.32 Action against customers in arrears needs to be commensurate with the level of debt, taking into account historical factors and personal circumstances. In some cases, to abide by the tenancy conditions, customers may need support through crisis periods to prevent them losing their homes. Housing management officers will work in a multi-agency framework when managing accounts drawing upon all resources available, whilst complying with current Data Protection legislation and guidance.

5.33 If a tenant in arrears is identified as vulnerable or in need of debt advice housing management agencies will liaise with the relevant support agencies and Brent Council departments as appropriate.

5.34 If a customer is identified as vulnerable and at risk of eviction, in addition to the steps outlined in 5.16, housing management agents may contact their relevant support services as deemed appropriate. This should only be done on a case by case basis, with the approval of management and in line with data protection policy.

6.0 Policy Review

6.1 This policy will be reviewed every six months from shareholder approval.

Legislation and Private Landlords

Who is a private landlord?

There is no fixed legal definition of private landlord – but on these pages we mean any landlord who is **not**:

- a local authority
- in England, a private registered provider (i.e. a housing association registered with the Homes and Communities Agency)
- in Wales, a registered social landlord (i.e. a housing association registered with the Welsh Government).

In this appendix 'private landlord' means any other kind of landlord – including a charity or housing association which has **not** been registered with the HCA/ Welsh Government. We also use the term landlord to include instances where the owner has let the property on a licence.

Tenancy or licence?

Some landlords provide written agreements that are headed as 'licence agreements'. But it is not the words in the agreement that ultimately determine the status but the actual arrangements (see next section). Nowadays this distinction has become less important because the majority of residential lettings are assured shorthold tenancies. i4Bs standard agreement is an assured shorthold tenancy agreement with a small number of licences issues where tenants have been nominated and accepted for temporary accommodation.

What is a tenancy?

Any arrangement where the occupier pays 'rent' and has exclusive possession for a 'term' is usually a tenancy: Street v Mountford (1985). It is the actual arrangements that determine this, not the wording on the agreement.

'Rent' is money paid for the right to occupy, and not for any services provided by the landlord. 'Exclusive possession' is the right to control who can enter the property. The 'term' is any finite period of time whether it is a specified 'fixed term' or a 'periodic' term. If the agreement does not specify a date at which it comes to an end, then it is periodic: the length of the period being the period that rent is paid (e.g. weekly, monthly, and so on). A periodic tenancy finishes at the end of each rental period, but automatically re-commences so long as the tenant remains and continues to pay rent. So, a tenancy starting on a Sunday with a

Types of tenancy and security of tenure

There are various different forms of tenure in the private rented sector. The most common, since February 1997, has been by way of an assured shorthold tenancy for a minimum period of six months. The law on different types of tenancy is complex.

i4B offer a 36 month tenancy with break clauses every 12 months allowing two months' notice to be given by the landlord to end the tenancy. The intention of i4B is to encourage settled long term tenancies. If the tenant has no arrears and has kept to the terms of the

tenancy agreement i4B would normally encourage the tenancy to continue. The tenant may end the tenancy at any time by giving the landlord two months' notice.

What is security of tenure?

'Security of tenure' means the tenant has the right to continue in occupation until the court has granted a possession order. Among new lettings, **assured tenants** enjoy the greatest degree of security: the court will only grant possession if it is satisfied that one or more specified factual grounds have been made out and (in most cases) that it is reasonable to grant it. Even then if possession is being sought on the grounds of anti-social behaviour or rent arrears the court will often suspend the order provided the tenant complies with its conditions (such as repaying the arrears by instalments).

Assured shorthold tenants have less security then assured or secure tenants. i4Bs tenancy agreement is an Assured Shorthold tenancy agreement. With Assured shorthold tenancy agreements the landlord merely has to serve a two-month notice requiring possession and apply for an order which the court can only suspend for a maximum period of six weeks (section 21, Housing Act 1988, section 89, Housing Act 1980).

Most other tenancies and licenses have no security at all. The landlord can usually terminate the tenancy by giving at least four weeks' notice and applying for an order. No grounds for possession are required and the court can only suspend for a maximum of six weeks (section 3, Protection from Eviction Act 1977, section 89, Housing Act 1980).

From 1st December 2016 **in England only**, the security of tenure rules have been changed for people the Home Office says are 'disqualified' from the 'right to rent' because of their immigration status or lack of it. If the Home office notifies the landlord that occupants are disqualified then the tenancy may be ended and in some circumstances there will be no need for a court order to evict.

Assured shorthold tenancy

Unless the agreement is one type that does not have security any new residential tenancy is an assured shorthold by default even if the agreement does not say it is.

An assured shorthold is a type of assured tenancy so all the assured tenancy possession grounds apply. The distinguishing feature of a shorthold tenancy is that the landlord has an absolute right to a possession order after giving two months' notice (section 21, Housing Act 1988) except that:

- an order cannot be made during the first six months of the tenancy or, if longer, until any fixed term has expired;
- in England, a landlord cannot give the two-month notice until at least four months of the tenancy have expired, this would include four months of any fixed-term tenancy granted after an initial fixed-term tenancy has ended;
- in England, the landlord must start possession proceedings within six months of the date when the two-month notice was given;
- in England, for tenancies starting on or after 1st October 2015, the two-month notice must be in the form prescribed by the government;
- the landlord cannot use this procedure if:
    - they have failed to protect the tenant's deposit as required or failed to serve the tenant with information relating to the protection of the deposit; **or**
    - if the property is a house in multiple occupation that requires a licence and the landlord does not have one (ss.98 and 215, Housing Act 2004); **or**

- in England, for tenancies starting on or after 1st October 2015, the landlord has failed to provide to the tenant copies of an energy performance certificate and gas safety certificate for the property and a copy of the government's 'How to rent' checklist; **or**
- in England, for tenancies starting on or after 1st October 2015, the landlord had been served in the six months prior to the notice with an improvement notice or a notice of emergency remedial action by the local housing authority, following a complaint by the tenant.

Most landlords grant a fixed-term tenancy for six months or one year but it can be longer. If the tenant remains in possession once the fixed term has ended the tenancy automatically becomes a periodic assured shorthold, on the same terms as the fixed-term tenancy (ss.5-6, Housing Act 1988).

i4B offer a 36 month tenancy with break clauses every 12 months allowing two months' notice to be given by the landlord to end the tenancy. The intention of i4B is to encourage settled long term tenancies. If the tenant has no arrears and has kept to the terms of the tenancy agreement i4B would normally encourage the tenancy to continue. The tenant may end the tenancy at any time by giving the landlord two months' notice.

What are the obligations on private landlords?

Tenancy deposits

Where the landlord has let an assured shorthold tenancy and has charged a deposit they must protect the tenant's deposit by using one of three approved protection schemes and inform the tenant that they have done so (section 213, Housing Act 2004). The landlord's notice to the tenant must contain all of the information required by regulations.

If the landlord fails to protect a deposit, they cannot use the notice-only procedure to get possession (section 215, Housing Act 2004) unless they have repaid the deposit by the date they serve the notice. The tenant can also reclaim an unprotected deposit plus three times its value as compensation (section 214, Housing Act 2004). The tenant can do this even after the tenancy has come to an end and they have left the dwelling.

Deposit protection applies to all assured shorthold tenancies started after on or after 6 April 2007. It also applies to tenancies started before 6 April 2007 that have ended and renewed on or after that date. In those cases, the landlord had up until 23rd June 2015 to protect the deposit and serve the prescribed information.

Some landlords try to evade deposit protection by taking money at the start of the tenancy for 'advance rent' or 'rent in advance'. If money is not credited as rent the payment still falls within the definition of a 'deposit' and should be protected. When money is taken as 'rent in advance' advisers should check if it is actually used for rent, or whether it is being held as security against the risk that the tenant might fail to pay the rent.

i4B does not take a deposit from customers nominated by LB Brent. i4B can let a small number of properties as intermediate and market rented properties and in these lettings a deposit may be requested.

Notices to the tenant and rent books

The landlord must notify the tenant in writing of their address for service of documents and if they fail to do so, rent is not payable (section 48, Landlord and Tenant Act 1987). However, once the notice is served, the tenant must pay all the arrears accrued for the period before the notice was served. In practice, most tenancy agreements include notice of the landlord's address.

If rent is paid weekly, the landlord must provide a rent book (section 4, Landlord and Tenant Act 1985).

Rent increases and changes in rent

Landlords and tenants may agree any increase in rent that they choose. The initial rent will be contained in the tenancy agreement. The tenancy agreement may contain a mechanism for rent to be increased, known as a 'rent review clause'. If it does not, the rent will remain at the same amount throughout the fixed term.

Where a statutory period tenancy arises at the end of a fixed term (see above) the rent stays the same and any rent review clause in the original agreement does not apply unless both parties specifically agree it should. If the landlord wishes to increase the rent, they must serve a notice that complies with section 13, Housing Act 1988. The tenant can refer the proposed rent to the Residential Property Tribunal (**England**) or Rent Assessment Committee (**Wales**) for an assessment of the appropriate market rent (section 14, Housing Act 1988).

However, in practice, if a periodic assured shorthold tenant does not agree to the new rent the landlord can obtain possession using the notice-only procedure and re-let the property to a new tenant.

Obligations about the condition of the property

Provision of alarms

From 1 October 2015, private landlords renting out properties in England must provide smoke alarms in every storey of a rented property and carbon monoxide alarms in any room which contains a solid fuel burning combustion appliance (such as a coal fire or wood-burning stove). They must also check at the start of each new tenancy that these alarms are in proper working order. If a landlord is in breach of this requirement, complaint can be made to the local authority which can serve a remedial notice on the landlord.

Disrepair and remedies by a tenant

There is no general obligation in English and Welsh law that a property let to a tenant is let in a habitable state or to a certain standard of repair. The law on disrepair is complex, a short summary is below.

The starting point for dealing with disrepair is always the tenancy agreement. The landlord is obliged to comply with any conditions in the agreement to repair or maintain the property. If the landlord is not complying, after serving notice the tenant can apply for an order requiring the landlord to remedy the breach and for damages.

If there are no express terms in the agreement the next stage is to establish whether there are any implied terms and if so enforce them. Any tenancy with a term that is less than seven years has the following implied terms:

- to keep in repair the structure and exterior of the dwelling-house (including drains, gutters and external pipes);
- to keep in repair and proper working order the installations in the dwelling-house for the supply of water, gas and electricity and for sanitation (including basins, sinks, baths and sanitary conveniences, but not other fixtures, fittings and appliances for making use of the supply of water, gas or electricity); and
- to keep in repair and proper working order the installations in the dwelling-house for space heating and heating water including those in any common parts (ss.11(1), (1A), Landlord and Tenant Act 1985).

This implied term is generally referred to as 'the section 11 repairing obligation'.

Using the s.11 repairing obligation

When using this implied term the following points should be noted:

- The term is implied into all tenancies of less than seven years – in practice nearly all of them because it includes any with a weekly, monthly or annual periodic term.
- The obligation is not to keep everything in repair, only to the structure, exterior and installations specified.
- The 'exterior' means: external walls, roofs, foundations, windows, doors and gutters.
- The 'structure' is not the whole dwelling but more than just load-bearing elements. It generally includes internal walls, plaster (Grand v Gill (2011)) but not internal doors.
- There must be some damage to the structure, exterior or installations that requires remedying.
- The landlord is not obliged to put in installations which were not present at the start of the tenancy (for example to install central heating where there was none) but if the original installations stop working, then the landlord will be in breach.
- The obligation does not extend to design defects, such as cold external walls that result in condensation forming inside.
- Using s.11 to tackle dampness is complicated. In general, rising dampness which can damage foundations, floors, walls, etc. and penetrative dampness through doors, windows or defective walls or roofs falls within s.11; condensation arising from a design defect or how the property is used does not, unless the effect is so significant that it damages the structure (for example by saturating the plaster), rather than superficial damage that can be merely wiped off.
- The landlord is not in breach of the obligation until they have been given notice of the defect (which can be in the form a general complaint or awareness through their own inspection) and they have failed to remedy it within a reasonable period. What is reasonable depends on the item in disrepair.
- The requirement to give notice does not apply to defects to the common parts because the landlord has the right to enter these and inspect without the tenant's permission.

Where a landlord has failed to respond to notice of the defect and/or remedy the disrepair, the tenant can apply for an order of specific performance that requires the landlord to take action. If there is an urgent risk to the health or safety of the occupiers, the tenant can make an accelerated application (Parker v Camden LBC [1986] Ch 162, CA). The tenant's claim can also include damages for: distress and inconvenience (general damages), financial loss (special damages) and personal injury. Before a claim can be brought, the tenant should give the landlord written notice that complies with the housing disrepair pre-action protocol.

Legal aid is available where the defect is so severe that there is a serious risk to the health or safety of the tenant or their family (para. 35, Schedule 1, Legal Aid Sentencing and Punishment of Offenders Act 2012). Assessing damages is complex and involves comparison with cases with similar facts, and then cross-checking against the rent paid on the property. In general, the level of damages should be less than the rent.

If the defect is such that the state of the property is prejudicial to health or is a nuisance the tenant could bring a private prosecution: ss.79-82, Environmental Protection Act 1990. The tenant should be able to get advice on this from a solicitor using legal aid if the disrepair is a serious risk to health, and may then be able to get a case financed via a Damages Based Agreement, where costs may come out of any damages awarded.

Remedies by the local authority

The local authority has powers to take action against landlords for bad housing conditions. A complaint can be made to the enforcement team. Actions that local authority enforcement officers can take against a landlord include:

- Service of an abatement notice and subsequent prosecution if the property is in such a state as to be prejudicial to health or a nuisance: ss.79-82, Environmental Protection Act 1990.
- Inspection to identify any 'category one' or 'category two' hazards in the property under the Housing Health and Safety Rating System (pdf). If there are, the authority has a variety of powers to take enforcement action such as a hazard awareness notice or improvement notice powers under Parts 1-4, Housing Act 2004 and specifically ss.28-29.
- If the property has a category one or two hazard the authority can issue a prohibition order which can stop the landlord from letting it (ss.20-21, Housing Act 2004).
- Service of a remedial notice requiring the landlord to install smoke alarms and/or carbon monoxide alarms (Regulation 5 Smoke and Carbon Monoxide Alarm (England) Regulations 2015/1693).
- If a category one hazard exists and the dwelling is not a flat the authority could issue a demolition order (section 265, Housing Act 1985).
- If the authority makes a prohibition order or demolition order under either of the two provisions above they have a duty to rehouse the tenant, and if they have lived there for at least a year also to pay compensation: a 'home loss payment' (ss.29(1),(b),(7) and 39(1)(b) Land Compensation Act 1973). The duty to rehouse does not count as a housing allocation or homelessness assistance so there are no restrictions as to immigration status.
- Declare a clearance area if all the dwellings in the vicinity have a category one hazard (section 47, Housing Act 2004).
- If the dwelling has a category one hazard that poses an immediate risk to the occupants the authority can make an emergency remedial order (section 40, Housing Act 2004) or an emergency prohibition order (section 43, Housing Act 2004).

Some of those notices or orders can then be suspended, giving the landlord an opportunity to remedy the hazards.

Overcrowding

The law on overcrowding derives from standards adopted in the 1930s. The local housing authority can assess the accommodation as overcrowded and as containing category one or two hazards under the Housing Act 2004 and take action accordingly (see above) – but a tenant cannot take action against their landlord if their home is overcrowded.

A property is statutorily overcrowded if either the 'room standard' or the 'space standard' is breached:

- the 'room standard' is breached if two people of opposite sexes, who are not married or cohabiting, must share a room but:
  - children under ten are not counted, and
  - a living room counts as a bedroom (section 325, Housing Act 1985);
- the 'space standard' is breached if the number of occupants sleeping in the dwelling exceeds the 'permitted number' allowed (section 326, Housing Act 1985) – see the legislation itself for tables which set out the calculation.

A property could contain category one or two hazards due to overcrowding even if it is not statutorily overcrowded. Complaint should be made to the Environmental Health Department of the local council.

Harassment and illegal eviction

Criminal offences

It is a criminal offence for anyone to deprive an occupier of his or her home or any part of it, unless that person can show he or she believed, and had reasonable cause to believe that the occupier had ceased to live there (section 1(1), Protection from Eviction Act 1977).

It is also a criminal offence for anyone to do anything that is likely to interfere with the peace or comfort of the occupier and members of their household, if that is done with the intent to cause the occupier to leave or to discourage them from pursuing any legitimate rights or remedies in respect of their home. This includes acts such as interfering with services of facilities that the occupier reasonably requires to continue living there e.g. the supply of water or fuel (section 1(3) and (3A), Protection from Eviction Act 1977).

In general, these offences are committed where a landlord tries to evict or harass a tenant in order to make them leave, without going to the court for a possession order. The offence can be committed by the landlord or anyone acting as their agent. The perpetrator has a defence if he or she can show that they had reasonable grounds for doing the acts or for interfering with the services.

Other criminal offences that could be committed in the course of an eviction include:

- Using or threatening violence to secure entry to premises, where the person conducting it knows that there is someone in the home who is opposed to their entry (section 6, Criminal Law Act 1977).
- Assault: common assault, actual bodily harm, grievous bodily harm or other offences against the person.
- Criminal damage to the occupier's possessions.
- Harassment, defined as a course of conduct on at least two occasions, which might put a person in fear of violence, alarm them or cause distress (Protection from Harassment Act 1997).

Civil remedies

If an occupier is unlawfully deprived of his or her home by their landlord/landlord's agent the occupier has the right to apply to the court for an injunction to force the landlord to re-admit them and for an award of damages.

Generally, this kind of action is taken as an enforcement of contract because the common law implies a term into all tenancy or licence agreements that the occupier has the right to 'quiet enjoyment' of the premises: in other words, will have the right to live in the property peacefully. Except where the contract has been ended, the implied term is broken if the occupier is evicted or harassed. There is a useful guide to Quiet Enjoyment and this is also an issue where the local authority Environmental Health Department should be able to help.

If the contract has been ended and the landlord tries to remove the occupier without obtaining a possession order where one is required (see above), the occupier has a separate course of action for an injunction and damages for breach of the statutory tort of 'prohibition of eviction without due process of law' (section 3(1), Protection from Eviction Act 1977).

Legal aid, subject to a means and merits test, is available for bringing a claim for an injunction and/or damages where there has been an illegal eviction (para. 33, Schedule 1, Legal Aid Sentencing and Punishment of Offenders Act 2012).

In any case where the occupier is seeking reinstatement the landlord should be written to urgently, requesting agreement to reinstatement within a specified, short timescale. If the landlord refuses, or does not respond, the occupier can apply to the court for an urgent injunction without any further notice to the landlord. Generally, the court will grant the order unless the judge has reason to believe that the property is re-let and is occupied by an innocent third party, i.e. someone who had nothing to do with the eviction. If the landlord is present at court the injunction takes effect once it has been served on them. If the landlord fails to comply with the reinstatement order they could be charged with contempt of court.

The occupier is entitled to pursue a claim for damages whether or not they are reinstated. Damages might be quite substantial, particularly where the tenancy provided long-term security (such as an assured tenancy) (see ss.27-28, Housing Act 1988).

Guidance to PRS Nominees from Brent Council by Brent Council – This guidance may be refined from time to time

This guidance is designed to accompany the offer of accommodation letter which the Council provides to the nominee in advance of the letting date.

When you start a tenancy with a private landlord you enter an **assured shorthold tenancy** which is the most common type. This is a contractual arrangement which gives you some important rights but also some responsibilities.

You will receive a Tenancy Agreement which you should read carefully to understand your rights and responsibilities.

The tenancy agreement will ask often for a week's rent in advance. You should consider how you will make this payment. Remember you are responsible for paying your rent even if you receive benefit towards your rent element.

As a Tenant you must…

- **Pay the rent on time**. If you don't, you could lose your home because you have broken your tenancy agreement.
- **Pay any other bills** that you are responsible for on time, such as council tax, gas, electricity and water bills. If you pay the gas or electricity bills, you can choose your own energy supplier.
- **Look after the property**. Get your landlord's permission before attempting repairs or decorating. It's worth getting contents insurance to cover your possessions because the landlord's insurance won't cover your things.
- **Be considerate to the neighbours**. You could be evicted for anti-social behaviour if you aren't.
- **Do not take in a lodger or sub-let**

And also you, the tenant, should…

- Make sure you know **how to operate the boiler** and other appliances and know where the stopcock, fuse box and any meters are located.
- **Regularly test your smoke alarms** and carbon monoxide detectors
- **Report any need for repairs** to your landlord.

When you move in you may wish to:

- Agree an inventory – and take photos of any damage
- Take metre readings. This will help make sure you don't pay for the previous tenant's bills.
- Make sure that you have the correct contact details for management agent and landlord, including a telephone number you can use in case of an emergency.

On letting you will:

- Receive a copy of the governments How to rent Guide
- A gas safety certificate.
- The Energy Performance Certificate.

You should also receive:

- A record of any electrical inspections.
- Evidence that smoke alarms and any carbon monoxide alarms are in working order at the start of the tenancy. Tenants should then regularly check they are working.

Advice

There are a number of agencies which can provide you with support and advice.

- Citizens Advice – free, independent, confidential and impartial advice to everyone on their rights and responsibilities.
- Shelter – housing and homelessness charity who offer advice and support.
- Crisis – advice and support for people who are homeless or facing homelessness.
- Your Local Housing Authority – to make a complaint about your landlord or agent, or about the condition of your property.
- Money Advice Service – free and impartial money advice.
- The Law Society – to find a lawyer.
- Gas Safe Register – for help and advice on gas safety issues.
- Electrical Safety First – for help and advice on electrical safety issues.
- Marks Out Of Tenancy – information for current and prospective tenants.

Appendix 3

Letter clarify the status of i4B as a Private Sector Landlord

i4B Holdings Limited

Civic Centre

9 Engineers Way

Wembley

HA9 0FJ

xxx 2018

Address1

Address2

Postcode

Dear Sir / Madam,

Re: i4B Holdings Limited

i4B holdings is a new landlord with properties in Greater London and the Home Counties. I am writing to you and other housing benefit services to help ensure housing benefit claims from our tenants are processed correctly and ideally speedily. There appears to be confusion as to i4B providing permanent private rented accommodation or temporary accommodation.

i4B Holdings Ltd is registered with Company's House, company no 10529802, and its Memorandum and Articles of Association are quite broad. The company's main area of business is based around providing private rented sector homes for rent at LHA rates. The company has over one hundred tenanted properties and tenants are issued with an i4B assured shorthold tenancy agreement.

Most of our tenants are nominated by LB Brent and through this nomination LB Brent place families in the private sector under a Local Authority discharge of duty under the Homelessness Act. As private tenants their housing benefit claims are subject to the limits of the local housing allowance in the Broad Market Rental Area in which they live, and the administration of their housing benefit claim falls to the local authority in which the property is located in the usual way.

i4B have a small number of properties used as temporary accommodation by LB Brent and in all temporary accommodation cases housing benefit is claimed from LB Brent.

The company manage a growing portfolio of properties through three management agents. These agents are Pinnacle Group, Mears Group and London Borough of Brent (BHL). Ideally i4B would like housing benefit payments to be paid directly to the management agent who in turn pay collected rent to i4B Holdings Ltd.

Below is a list of properties currently owned by i4B Holdings Limited within your Borough.

URN	Property Address	Authority	Postcode	Management agent	Status	Property let
I4B2						
I4B10						
I4B11						
I4B12						

I hope this information will help in the swift processing of housing benefit claims and if you need any additional information please do not hesitate to get in touch.

Yours Faithfully

xxxxxxxxx

i4B Holdings Ltd

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Brent	**Cabinet** 11 February 2019
	Report from the Chief Executive

First Wave Housing Ltd 2019/20 Business Plan

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 of the Business Plan is not for publication due to Paragraph 3, of Part 1, Schedule 12A of 1972 Local Government Act.
No. of Appendices:	One Appendix 1: FWH 2019/20 Company Business Plan
Background Papers:	N/A
Contact Officer(s): (Name, Title, Contact Details)	Sadie East Head of Transformation Sadie.East@brent.gov.uk Tel: 020 8937 1507

1.0 Purpose of the Report

1.1 This report presents the First Wave Housing Ltd (FWH) 2019/20 Business Plan to Cabinet for Shareholder approval.

2.0 Recommendations

2.1 Cabinet approves the Business Plan as set out in appendix 1.

2.2 Cabinet agrees to the proposal for FWH to have the flexibility to consider the product and rent level for each portfolio property on its re-let.

2.3 Cabinet agrees to the proposal for the Council's asset management team to create a maintenance plan detailing the investment required to repair its stock.

2.4 Cabinet approve delegation to the Chief Finance Officer to agree terms for the disposal of the four properties as outlined in paragraph 3.9

3.0 The 2019/20 Business Plan

3.1 The draft Business Plan can be seen in appendix 1.

3.2 The FWH Business Plan outlines a number of new opportunities for the Company. These include:

Tenure and rent rationalisation of FWH portfolio

3.3 The FWH portfolio has four main product types which are:

- Social Rent – These tenancies are Assured Shorthold Tenancy Agreements with rents protected at social rent which are below 50% of market rent. FWH has 89 of these properties from one bed to four bed and they include five new built houses.

- Settled Homes – These properties were purchased with grant providing the tenants with protected rights including the right to buy their home. The rents on these properties are above Local Housing Allowance (LHA) rates for one and two bed units and below market rates for three bed properties. FWH has 170 Settled Homes.

- Intermediate rents – FWH has 25 Intermediate rent properties. Tenants have assured shorthold tenancies. Current rent levels are above LHA levels for one and two bed properties. However three bedroom rents are £307 pw and the LHA is £365.

- Market rent - FWH has 45 one bedroom market rent properties. These properties are below LHA levels. The weekly rent on these FWH properties averages £259 pw and the LHA for the area is £268.46.

3.4 FWH would like to look at rationalising the products within its portfolio to provide distinct products with rent levels set in proportion to the market and LHA levels. It is recommended that rent levels for social rented properties, three bed settled homes and market rented properties are reviewed as each property becomes void and prior to their re-let.

3.5 FWH requests the Council provide FWH with the flexibility to consider the product and rent level for each portfolio property on its re-let. In practice this flexibility would mean market rented accommodation would be considered for letting at local housing allowance levels to households through a nomination agreement between the Council and FWH. This will help assist the Council's homelessness reduction agenda. FWH will continue to look for market rent opportunities where the income is sufficient to make a significant benefit to the aims of the Company and the Council.

Asset management and Capital Investment

3.6 FWH has delivered 2,700 repairs over the first eighteen months of its life. This is an average of six repairs per property which is considered high for the industry. Three blocks, appear to have greater repair requirements. The properties were built less than ten years ago and already require major works. Works include reroofing, safety equipment reinstallation on the roof tops, lift renewal and weather protection for exposed deck access and stairwells. Due

to the steel construction method of the blocks the scaffolding solutions are expensive as scaffolding must wrap the build as it cannot tie into the building.

3.7 These newly built properties require comprehensive works and some works such as lifts and safety equipment will be required in three years and other work such as reroofing is required to reduce day to day repairs and complaints.

3.8 Therefore, it is proposed that an investment plan is drawn up by the Council's asset management team to correct the three blocks' physical failings.

The sale of four properties via mutual agreement which are within areas undergoing regeneration.

3.9 FWH has been approached to sell four properties in regeneration areas by the London Borough of Brent (three properties), and the London Borough of Ealing (one property). The authorities are hoping to acquire these properties via mutual agreement. FWH requires shareholder approval when it disposes of assets which generate a capital receipt. The Council as shareholder is asked to delegate authority to the Chief Finance Officer to dispose of the properties following consideration of terms negotiated by FWH.

3.10 FWH would also require the purchasing authority to resolve the relocation of customers and any compensation.

3.11 Following negotiation FWH will request Homes England to permit the grant element of the capital receipt to be available to the Council for affordable housing in the borough.

Working more closely with i4B Holdings Limited

3.12 The Shareholder has carried out some initial work which has identified potential benefits of aligning i4B and First Wave Housing. The Company understands that three provisional options have been highlighted by the shareholder:

- The Shareholder, with the Boards, defines the products which suit each company and refine the focus of each company to prevent duplication of products. The Shareholder may wish to support a transfer of assets between the two companies to reflect the product emphasis.

- The Shareholder supports the merger of the two organisations into one company benefitting from greater economies of scale. The merger would need to take place in such a way as to allow both the receipt of grant and the delivery of a broad range of housing products.

- The Shareholder supports the merger of the two organisations into a group structure which may be able to retain the distinct identities of the sub companies. This option may also be suitable for non-housing and regeneration vehicles owned by the Council to sit within.

3.13 The Council is currently undertaking an analysis of the benefits of the options outlined above in order to inform recommendations for the future structure of i4B and FWH.

3.14 FWH has a SLA with the council to provide corporate and housing management services. The fee schedules are considered annually. The SLA has increased marginally from a year one fee of £367K to a year two, three and four fee of £379K.

4.0 Financial Implications

4.1 Council officers are seeking financial advice to understand the implications of merging i4B and FWH companies before a recommendation on the potential merger is made.

5.0 Legal Implications

5.1 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole shareholder in FWH.

5.2 It will be noted from the Business Plan that Directors are considering opportunities to deliver savings through closer alignment of i4B and FWH, potentially ultimately combining corporate and other services to create efficiencies. Shareholder agreement would be required to any significant corporate changes for both companies.

6.0 Equality Implications

6.1 N/A.

7.0 Consultation with Ward Members and Stakeholders

7.1 N/A.

8.0 Human Resources/Property Implications (if appropriate)

8.1 N/A.

Report sign off:

PETER GADSDON
Director of Performance, Policy, and Partnerships

First Wave Housing Limited

Business Plan

2019/20

And

Forward Investment Proposals 2019-2024

Contents

1 The Purpose of the Company

2 The Benefits of Operating as a Registered Provider

3 The Structure of the Company

4 Performance to Date

5 New Opportunities

6 Risk Analysis

7 Financial Options Analysis

8 Key Performance Indicators

Appendices

1 Financial Forecast

2 Company Risk Register

1 The Purpose of the Company

1.1 First Wave Housing Limited (the 'Company' or 'FWH'), formerly Brent Housing Partnership ('BHP') is a local authority owned company of the London Borough of Brent ('LBB', 'the Council'), and is limited by guarantee.

1.2 Prior to 30 September 2017, LBB had a management contract with BHP to provide housing management services.

1.3 The Council terminated the management agreement with BHP, in relation to the Council housing stock, on 30 September 2017. The majority of BHP's property stock was owned by the Council and the management of these was brought back into the Council with the creation of a new Brent Housing Management (BHM) department.

1.4 However, BHP owned properties in its own right. As a registered provider BHP had access to grant funding that enabled it to buy and build its own properties. When the management agreement with BHP was terminated, ownership of BHP owned properties could not be easily transferred to the Council. Therefore, in October 2017, the Council made the decision to continue to own properties through a separate company but to re-name BHP as First Wave Housing Limited (FWH) and restructure the company. FWH now manages and owns the properties that were previously owned by BHP.

1.5 The Company's primary purposes are to manage, maintain, and improve its stock of 331 properties and to contribute to Brent's Housing Strategy by providing good quality, affordable homes to Brent residents. The Company is a registered housing provider with Homes England.

1.6 The Company has been investigating new opportunities that will enable it to further support the achievement of Council objectives. These are outlined in Section 5 – New Opportunities.

2 The Benefits of Operating as a Registered Provider

2.1 As a wholly owned Local Authority Company, FWH operates at ‘arm’s length’ from Brent Council.

2.2 FWH is a registered social housing provider (RP). The Regulatory Framework for Social Housing in England governs registered social housing providers. The Framework includes a code of practice; guidelines for rent levels, accounting practices and disposals. There are a number of benefits associated with being a RP:

- As an RP, FWH has the potential to access Homes England and Greater London Authority grant funding for a wider range of affordable housing products than the Council would be able to.
- In delivering new affordable housing, an RP can lower the cost of borrowing and is in a better position to access funding from banks or other private lenders.
- There are tax incentives in areas such as corporation tax and stamp duty land tax.

2.3 The Company has been investigating new opportunities that will enable it to further support the achievement of Council objectives.

3 The Structure of the Company

3.1 The Company is limited by guarantee without share capital.

3.2 The Company is called First Wave Housing 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 and Articles of Association 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:

- Akintoye Durowoju, Independent board member;
- Councillor George Crane;
- Gail Tolley, The Strategic Director of Children and Young People; and
- Peter Gadsdon, The Director of Performance, Policy and Partnerships.

3.6 The Board has agreed with LBB to follow best practice, comply with all standards and ensure compliance with the Homes England regulatory framework. The Company has also adopted the National Housing Federation (NHF) Governance Code 2015 (the 'Code') and prepares its financial statements in accordance with the Statement of Recommended Practice for Registered Social Housing Providers (the 'Housing SORP 2014').

3.7 The Company has a Service Level Agreement (SLA) with the Council to support the Company's operations. Under the SLA, the Council provides corporate services such as: governance services, financial services, and legal services. The Council's housing management service Brent Housing Management (BHM) provides FWH with services to support the Company's landlord function such as: housing management, repairs, and void management.

4 Performance to Date (November 2018)

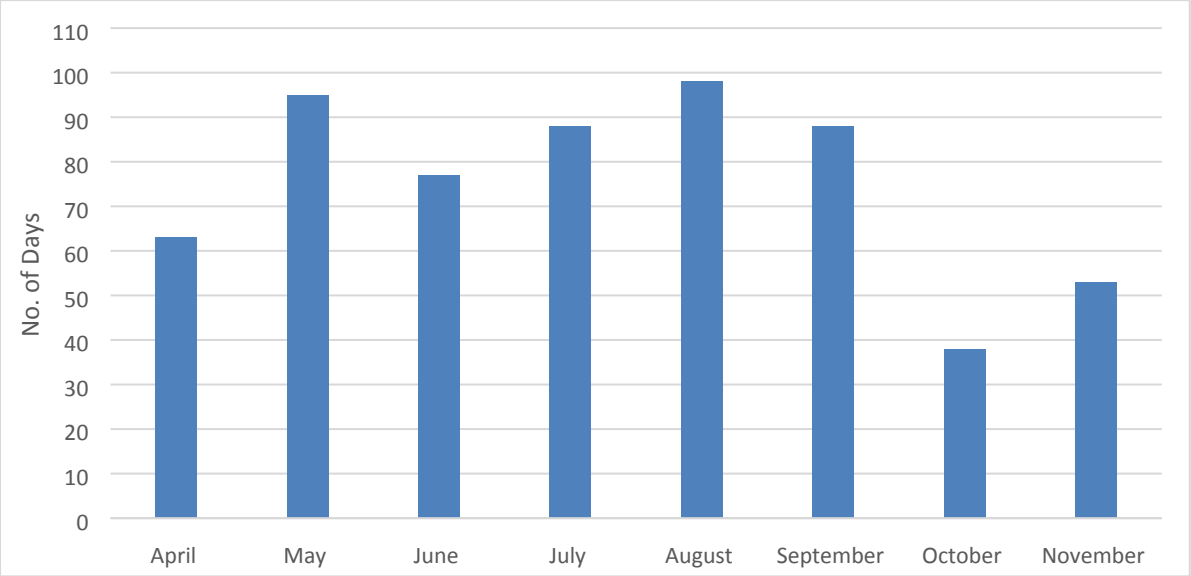
4.1 FWH has 329 tenanted properties. Of this 329, 170 are settled homes rates, 89 are at social rent rate, 25 are at intermediate rent, and 45 are at market rent. The annual rent roll is £4.2million. There are also two commercial properties within the portfolio.

4.2 FWH has aligned the majority of its KPIs and targets with those of i4B Holdings Ltd, the Council's wholly owned housing company, from November 2018.

4.3 FWH has not purchased any new properties, therefore, performance is only based on housing management.

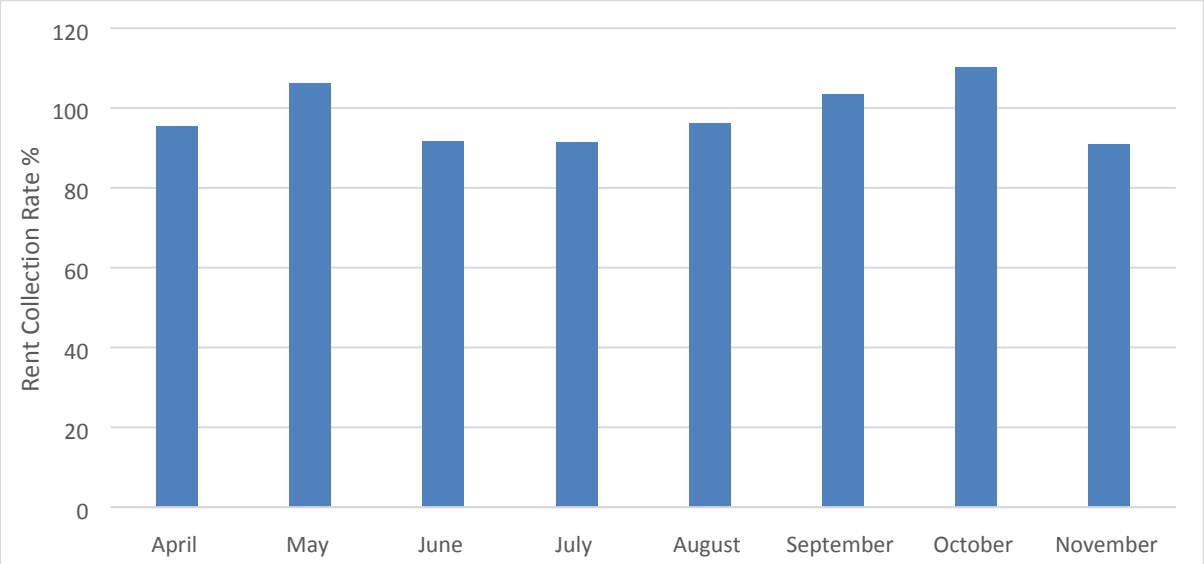
4.4 For the current financial year, average time to re-let a property is 75 days. This is below performance standards. However, October and November performance was 38 and 53 days respectively. Underperformance can partly be explained by the fact that a high proportion of voids have required major works. In order to bring re-let times down, operating processes have been integrated within the Council's procedural framework and it is expected that this will improve re-let times. BHM plan to develop more proactive ways of identifying void works to enable better coordination of void works.

Graph 1 – 2018 re-let times



4.5 Rent collection rates for the financial year to date are 103%. This is above the business plan target of 98.5%. Rent collection will continue to be an area of focus over the coming year as there are a number of risks associated with income collection. A corporate plan has been established to mitigate the risks of Universal Credit rollout. The plan applies a more proactive approach to sign up, more robust affordability assessments, and a more responsive approach to arrears action. Graph 2 below shows rent collection rates throughout 2018.

Graph 2 – 2018 rent collection rates by month



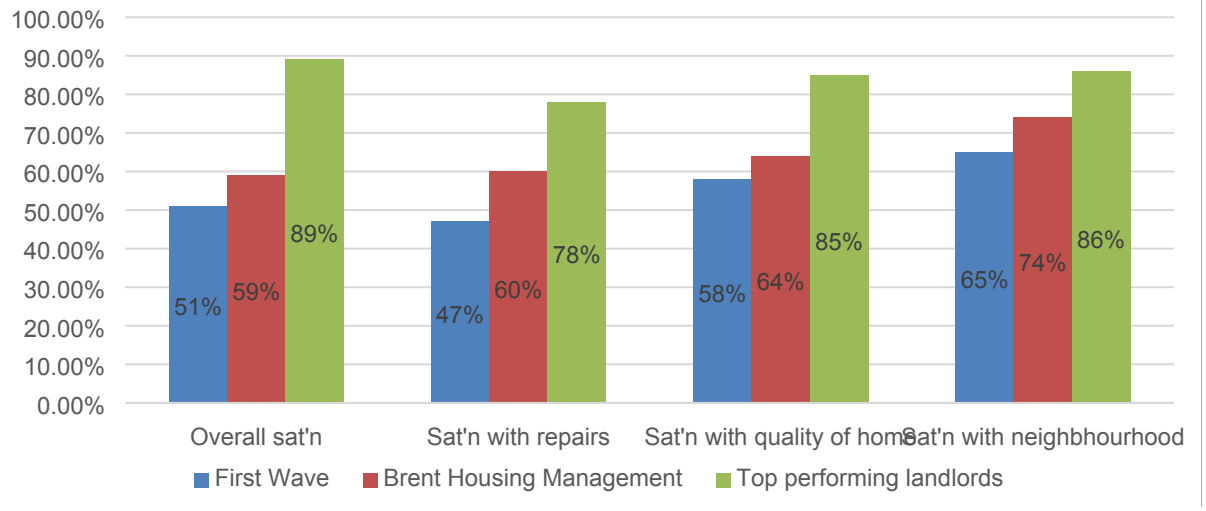
4.6 The percentage of routine repairs completed on time was 92%. This has been stable throughout the year and has been within expected service standards. A joint improvement plan is underway between the FWH, the Council, and Wates. This is aims to deliver significant improvements to the responsive repairs and asset management service. This project will be informed by the outcomes from a series of insight workshops. In the meantime, the property services teams have been focusing on a number of local improvements.

4.7 100% of properties have valid CP12 certificates. FWH continues to deliver high compliance pertaining to gas safety. Operating processes are robust and focus on resident safety.

4.8 Two complaints were received. In the future, BHM's new Customer Relationship Management (CRM) platform will allow better analysis of the root cause of complaints.

4.9 A client satisfaction survey was recently carried out. Client satisfaction was 51%. As FWH transitioned from the previous management environment, service delivery was compromised in some areas. FWH has introduced a transformation programme based on delivering a more positive experience for customers. FWH plan to use its resident engagement programme to ensure customers are able to influence and the key improvements required. BHM's Housing Performance Insight and Improvement Unit have also been commissioned to support the Housing Management Team to develop an improvement plan to respond to the areas of dissatisfaction.

Graph 3 – Resident Satisfaction Rates



4.10 BHM has recently embarked on a transformation programme to improve services for residents living in homes owned and managed by the Council. The Transformation programme will be extended to FWH customers and will target all the key performance areas requiring improvement. Regular progress updates will continue to be presented to the FWH Board and will be align with the key performance indicators.

5 New Opportunities

5.1 FWH manages 329 residential properties and two commercial properties. FWH is a settled business providing properties to rent at affordable and market rates. This section will begin by showing the diversity of products which FWH currently has and the benefits and challenges of each product. The section will progress to consider capital investment and the optimisation of assets and opportunities.

5.2 The FWH business plan contains four main proposals:

1. Tenure and rent rationalisation within its portfolio
2. Capital investment
3. The sale of four properties via mutual agreement which are within areas undergoing regeneration
4. Working more closely with i4B Holdings Limited

Tenure and rent rationalisation of FWH portfolio

5.3 FWH has a number of rental products ranging from social rent to intermediate rents and market rents. Table one shows the rent level and product by number of bedrooms.

Table 1 – Rent level and product by bedroom size

Product Type	**No**	**Average Rent**			
		1 bed	**2 bed**	**3 bed**	**4 bed**
Social Rent	84	£120 (23)	£128 (33)	£137 (33)	£137 (10)
New Build (assumed social rent)	5	N/A	N/A	£136 (5)	N/A
Settled Homes	170	£271 (7)	£308 (141)	£307 (22)	N/A
Intermediate rents	25	£291 (11)	£321 (14)	N/A	N/A
Market	45	£259 (45)	N/A	N/A	N/A
Total	**329**				

5.4 The FWH portfolio has four main product types which are:

5.4.1 Social Rent – These tenancies are Assured Shorthold Tenancy Agreements with rents protected at social rent which are below 50% of market rent. FWH has 89 of these properties from one bed to four bed and they include five new built houses.

5.4.2 Settled Homes – These properties were purchased with grant providing the tenants with protected rights including the right to buy their home. The rents on these properties are above Local Housing Allowance (LHA) rates for one and two bed units and below market rates for three bed properties. FWH has 170 Settled Homes. The current rent levels are above the LHA rent for one

and two bed properties. However three bedroom rents are £307 pw which is below the LHA at £365.

5.4.3 Intermediate rents – FWH has 25 Intermediate rent properties. Tenants have assured shorthold tenancies. Current rent levels are above LHA levels for one and two bed properties.

5.4.4 Market rent - FWH has 45 one bedroom market rent properties. These properties are below LHA levels. The weekly rent on these FWH properties averages £259 pw and the LHA for the area is £268.46. These properties are slightly higher to manage as a letting agent is employed to identify market renters for the properties.

5.4.5 FWH has two commercial properties. One is a community facility at Talbot Centre, Granville Road which is leased at a peppercorn rate. The other is at 395 Chapter Road, this has been let on a 25 year lease from March 2017 at a commercial rate of £25,050 per annum

5.5 FWH would like to utilise its portfolio to deliver more benefits to the Council. It recognises the value of having a wide range of products from social to market rents but seeks to ensure the tenure and property maximise benefits to the Council and complement the Company's financial strength. FWH recognises that the Borough has an increasingly strong market rent offer but it has a significant need for affordable housing and housing for homeless families. The Council has a number of initiatives which it is seeking to expand, all of which require access to housing for rent at levels at LHA or below. Initiatives include supporting tenants to downsize from larger family social rented accommodation due to life changes or succession rights, the Single Homeless Pathways Service (SHPS) which seeks to support non priority single homeless with settled accommodations.

Proposal to the shareholder:

5.6 FWH requests that the Council provides the Company with the flexibility to consider the product and rent level for each portfolio property on its re-let. In practice this flexibility would mean market rented accommodation would be considered for letting at local housing allowance levels to households through a nomination agreement between the Council and FWH. This will help assist the Council's homelessness agenda. FWH will continue to look for market rent opportunities where the income is sufficient to make a significant benefit to the aims of the Company and the Council.

Asset management and Capital Investment

5.7 The Council has conducted a stock condition survey on its stock and the stock of i4B Holdings Ltd and First Wave Housing Ltd. The survey, completed in October 2018, visually surveyed 100% of the externals of properties and sampled 20% of the internals. The data requires full analysis which will be completed in the next few months. An assumption of 0.5% of stock reinstatement value has been built into the business plan of FWH over the 30 years.

5.8 In addition to the stock condition survey FWH have considered s20 notices and patterns of repair and complaints.

5.9 One third of FWH properties are leasehold properties with the London Borough of Brent are the freeholder. The capital investment in the structure, common area, and common parts of leasehold properties in Council or third party blocks are dictated by the freeholder who recoup the costs by major works charges to property owners after serving s20 notices. As a result, the timing and scope of a great deal of FWH capital investment is dictated by s20 notices. FWH therefore must top slice a significant amount of its capital investment budget to service s20 invoices at the intervals required by the freeholders.

5.10 FWH has delivered 2,700 repairs over the first eighteen months of its life. This is an average of six repairs per property which is considered high for the industry. Three blocks appear to have greater repair requirements. The properties were built less than ten years ago and already require major works. Works include reroofing, safety equipment reinstallation on the roof tops, lift renewal and weather protection for exposed deck access and stairwells. Due to the steel construction method of the blocks the scaffolding solutions are expensive as scaffolding must wrap the build as it cannot tie into the building.

5.11 These newly built properties require comprehensive works and some works such as lifts and safety equipment will be required in three years and other work such as reroofing is required to reduce day to day repairs and complaints.

5.12 Therefore, it is proposed that an investment plan is drawn up by the Council's asset management team to correct the three block' physical failings.

Proposal to the shareholder:

5.13 A comprehensive maintenance plan is produced by the Council's asset management team on the investment required to repair the three blocks..

The sale of four properties via mutual agreement which are within areas undergoing regeneration.

5.14 FWH has been approached to sell four properties in regeneration areas by the London Borough of Brent (three properties), and the London Borough of Ealing (one property). The authorities are hoping to acquire these properties via mutual agreement. FWH requires shareholder approval when it disposes of assets which generate a capital receipt. The Council as shareholder is asked to delegate authority to the Chief Finance Officer to dispose of the properties following consideration of terms negotiated by FWH.

5.15 FWH would also require the purchasing authority to resolve the relocation of customers and any compensation.

5.16 Following negotiation FWH will request Homes England to permit the grant element of the capital receipt to be available to the Council for affordable housing in the borough.

5.17 The properties will be valued prior to sale and it is thought the properties will be worth in excess of £1.3m. The capital receipt will be reduced by grant payback or diversion into grant element into affordable housing in the borough. FWH will work with the Shareholder to understand implications of the capital gains tax and loan repayment on the Company. The FWH stock will reduce to 325 units as a result of these sales.

Proposal to Shareholder

5.18 The Council as shareholder is asked to delegate authority to the Chief Finance Officer to dispose of the properties following consideration of terms negotiated by FWH.

5.19 FWH will request Homes England to permit the grant element of the capital receipt to be available to the Council for affordable housing in the borough.

Working closer with i4B Holdings Limited

5.20 The Council has two wholly owned Companies which are currently focused on housing, First Wave Housing Ltd and i4B Holdings Ltd.

5.21 i4B is not a registered provider and as such is not normally considered by the Government eligible to receive grant. If the two companies are compared the only material difference is that FWH is a registered provider and i4B is not. Both can raise finance, are wholly owned by the Council, use the Council to deliver many of their services, and the Council has appointed the same boards to both companies.

5.22 The Shareholder has carried out some initial work which has identified the potential benefits of aligning the two companies. The Company understands that three provisional options have been highlighted by the Shareholder:

- The Shareholder, with the Companies' Boards defines more closely the products which suit each company and refine the focus of each company to prevent duplication of products. The Shareholder may wish to support a transfer of assets between the two companies to reflect the product emphasis.

- The Shareholder supports the merger of the two organisations into one company benefitting from greater economies of scale. The merger would need to take place in such a way as to allow both the receipt of grant and the delivery of a broad range of housing products.

- The Shareholder supports the merger of the two organisations into a group structure which may be able to retain the distinct identities of the sub companies. This option may also be suitable for non-housing and regeneration vehicles owned by the Council to sit within.

5.23 The Council is currently undertaking an analysis of the benefits of the options outlined above in order to inform recommendations for the future structure of i4B and FWH.

6 Risk Analysis

6.1 The Company presently faces a number of risks. The top five risks are detailed in table three below. Appendix 2 contains the full company risk register which provides descriptions of risks, risk scores, and mitigations.

6.2 Table 3 – Top five key risks

No.	Issue/Risk	Business Plan Assumption	Risk Type
1	There is a risk of unforeseen costs and loss of income as a result of poor quality housing stock.	The potential consequence of this risk materialising is that the Company's income is insufficient to cover the expenditure required to maintain good quality housing stock.	Operational and Financial
2	There is a risk of reduction in income in market rent because the properties cannot achieve market rent yield.	The business plan assumes that market rent achieves 20% uplift over LHA.	Financial
3	There is a risk that First Wave policies and procedures specific to the non-social housing tenures e.g. market rent and intermediated rent are not applied appropriately.	The failure to adhere to core policies and procedures could lead to a financial and reputational risk to the company.	Operational and Financial
4	There is a risk that business plan rent collection rates are not achieved and bad debt exceeds business plan assumptions. The introduction of universal credit may adversely affect rent collection.	The potential consequences of this risk materialising is the company's income is insufficient to cover its expenditure.	Financial
5	Void periods exceed assumptions.	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 and Reputational

7 Financial Options Analysis

The financial business model contains the following assumptions:

7.1 Capital expenditure over the next four years has been estimated at £2.7 million as a benchmark figure from the Head of Service of Housing and PRS manager. The £2.6 million will be broken down into £80k for the feasibility study in 18/19, £62k for the major works expected, followed by the remaining amount of £1.3m and £1.22m to be spent over the next 2 years of 19/20 and 20/21.

7.2 The rental income forecast is based on five main categories: Social, Intermediate, Commercial, Market and Settled rental income. The model assumes that there will be a 1% reduction in social income rent category of housing but there will be an increase of 1% rental income in all of the other four types of rental categories.

7.3 The loss of rental income due to void is assumed to be at 0.5% of total rental income.

7.4 Leasehold service charges, insurance and responsive repairs are due to increase by 2% inflation per annum in the 30 year view model.

7.5 The SLA costs have been revised (schedule provided by the PRS Manager). The SLA costs have increased by 2% inflation per year in the model over the 30 years.

7.6 Depreciation is based on the annual cost to be incurred but does not take into account any revaluation gain/loss.

7.7 Loan interest has been calculated using the loan schedule assuming a loan interest rate of 6%.

7.8 The 5 year forecast can be found in Appendix 1.

The implications of raising rents to LHA:

7.9 The current stock of properties are split between social and market rented properties.

7.10 It has been confirmed that the Grant Agreement for the Settled Homes Initiative between Homes England and FWH allows market tenanted properties to raise their rents to LHA rates.

7.11 In order to raise rents, Housing will review the time frames when the properties will become void and re-let and thus rents can be raised from the new tenancy period.

7.12 By raising the LHA rents, it has been calculated that an increase of annual rents for the 45 properties starting from 2019/20 will be approximately £22,000 per annum.

Stock condition survey

7.13 Housing have provided preliminary costings from the stock condition survey, which is at its early stages.

7.14 Figures provided by Housing still require validating and further work is expected to be done over the coming months to get accurate costs of repairs.

7.15 However, the early indications show a stock condition cost of £9m to be incurred over a profile period of 45 years. Please note that the figures are based on a 20% sample. Further work is ongoing by PRS Manager and Housing to get more accurate costings in the new financial year 19/20.

7.16 Furthermore, there is a demand for various uplifts and maintenance to be conducted over the next two years. The major works will include leaky roofs, weatherproofing hallways and replacing lifts.

7.17 The Head of Service for Housing and the FWH PRS manager have estimated the costs of the works to be in the region of £2.7 million. However, further work is going to be undertaken by First Wave Housing Limited alongside the shareholder to produce an initial feasibility report on the maintenance needs of the building.

7.18 Once the nature of the works and the costings of the work has been confirmed, an asset management strategy will be put in place in 19/20 by the shareholder for the delivery of the works and the profile of the works will be confirmed.

8 Key Performance Indicators

8.1 Note that First Wave Housing has aligned the majority of its KPIs and targets with i4B from November 2018

Ref	KPI	Definition	Target	Monitoring Period
1	% of void rent loss	% of property void days as a proportion of 100% portfolio occupation	1.50%	Quarterly
2	% Bad Debt	Income written off by the FWH Board due to bad debt in particular arrears	2%	Quarterly
3	% Rent collection	Rent collected as a % of rent due.	98.50%	Monthly
4	No. of evictions per 1000 properties	Evictions	No Target	Monthly
5	% of customer satisfied with the condition of property	Annual Survey	80% Satisfied with the condition of the property	Quarterly
6	% of customers satisfied with housing management	Annual Survey	80% Satisfied with the management of the property	Quarterly
7	% of customer satisfied with the repairs service	Annual Survey	80% Satisfied with the Repairs Service	Quarterly
8	% of customer satisfied with the repairs service	Survey participation	1/3 of customers surveyed annually (min)	Quarterly
9	% of complaints responded to within timescale	Complaints resolved through management agents agreed procedures	100% resolved within 20 working days	Quarterly
10	No. of complaints escalated to housing ombudsman	A decision by a statutory body upholding a complaint made by a customer, contractor, employee or member of the public	None	Quarterly
11	% of verification visits / tenancy audit completed against plan	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
12	% of Portfolio with valid CP12	Properties let with a valid CP12 gas certificate (properties with a served legal warrant qualify as certified).	100%	Monthly

13	% 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%	Monthly
14	% of Urgent Repairs Completed Within 7 days	The % of all urgent repairs resolved within 7 days measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Monthly
15	% of Routine Repairs Completed Within 28 days	The % of all routine repairs resolved within 28 days measured each quarter. Qualifying repairs are contained in the housing management contracts.	95%	Monthly
16	Average repair cost per property per annum ink common areas	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing)	£500 per annum	Quarterly
17a	Void Management Standard Void market rent	Void period from recorded from tenancy end date to tenancy start date for Market rent tenancies	21	Monthly
17b	Void Management Standard Void intermediate rent	Void period from recorded from tenancy end date to tenancy start date for intermediate rent tenancies	21	Monthly
17c	Void Management Standard Void settled homes	Void period from recorded from tenancy end date to tenancy start date for settled homes tenancies	24	Monthly
18a	Void Management Major Void market rent	Void period from recorded from tenancy end date to tenancy start date for Market rent tenancies	76	Monthly
18b	Void Management Major Void intermediate rent	Void period from recorded from tenancy end date to tenancy start date for intermediate rent tenancies	76	Monthly

18c	Void Management Major Void settled homes	Void period from recorded from tenancy end date to tenancy start date for settled homes tenancies	76	Monthly

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

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Appendix 2 – Company Risk Register

Risk	Business plan assumption	Risk Type	Likelihood (/5)	Impact (/5)	Risk Score (/25)	Mitigation
There is a risk of unforeseen costs and loss of income as a result of poor quality housing stock	The potential consequence of this risk materialising is that the Company's income is insufficient to cover the expenditure required to maintain good quality housing stock	Operational & Financial	3	4	12	A stock condition report has been produced and a subsequent repairs action plan developed and presented to the FWH board - the Board has approved expenditure in relation to this
*There is a risk of reduction in income in market rent because the properties cannot achieve market rent yield	The business plan assumes that market rent achieves 20% uplift over LHA	Financial	5	2	10	This is a live issue as it has already occurred with 4 of First Wave's properties. The Company is not currently purchasing properties - if the board takes a decision to grow the Company's portfolio this risk will increase. The board is able to consider different tenures for properties to mitigate this risk.
There is a risk that FWH policies and procedures specific to the non-social housing tenures e.g. market rent and intermediated rent are not applied appropriately	The failure to adhere to core policies and procedures could lead to a financial and reputational risk to the company	Operational & Financial	3	3	9	Brent Housing Management have advised they will undertake a policy and compliance audit and consider commissioning an internal audit programme through PwC

There is a risk that business plan rent collection rates are not achieved and bad debt exceeds business plan assumptions. The introduction of universal credit may adversely affect rent collection	The potential consequences of this risk materialising is the company's income is insufficient to cover its expenditure.	Operational & Financial	2	3	6	Rent collection rates are monitored at monthly First Wave board meetings and remain consistent at around 100%. Brent Housing Management, who deliver housing management services, for FWH have in place an action plan for Universal Credit implementation.
There is a risk that void periods will exceed the business plan	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.	Operational & Financial	2	3	6	FWH has built the requirement to cooperate to ensure void periods are minimised into the contracts with housing management and void contractors.
There is a risk that FWH is deemed to have failed a statutory health and safety obligation as a landlord	The SLA places a requirement on Brent Council to deliver this function, but is unable to transfer the risk of non-compliance with legislation e.g. H&S, gas safety etc. Failure to comply with H&S requirements increases 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.	Financial & Reputational	1	5	5	Contracts cover compliance requirements including gas servicing. Only suitably qualified people will be employed to deliver works. Monthly monitoring include some key aspects including gas, complaints and customer satisfaction.

FWH is deemed to have failed a statutory requirement in its corporate role	The company must comply with regulatory and best practice requirements around its own management and governance such as annual accounts, returns to Companies House, and other regulatory bodies such as the Housing Ombudsman and Homes England. There could be a residual risk in relation to the above occurring from the company previously being known as Brent Housing Partnership and relevant legal and statutory documents not being changed to reflect the Company's new name. The consequences of other statutory failures may be fines and/or reputational damage to FWH.	Financial & Reputational	1	5	5	The Board is putting in place suitable policies and procedures to ensure regulatory compliance, e.g. an escalation policy, scheme of delegation, risk management, and internal audit arrangements. A thorough transformation programme was undertaken when BHP became FWH to ensure that all legal and statutory documentation was changed.
There is a risk of fraud to the Company	Subletting of properties by tenants. Letting of properties by Council or maintenance staff for personal gain during a void period.	Fraud	2	2	4	BHM will prioritise regular visits to 'high risk' properties and will use intelligence from the Council's Audit and Investigation department to inform this. Property void times will be reported to the board and BHM will work to keep void periods low. The board will be provided with detailed reporting on void checks undertaken by BHM.

There is a risk of fraud to the Company	Tenants misrepresenting their circumstances during the eligibility assessment process. Proceeds of crime being used to purchase properties.	Fraud	1	3	3	FWH will review Brent Council's Right-to-Buy Policy with a view of adopting it. Board approval will be sought on any right-to-buy applications and these will be considered alongside the Council's current processes. The Council has a two stage approval process in place - if the property purchase price is above £500K it is approved at Operational Director level, and if it is below £500K it is approved at HoS level. Brent Housing Management staff can refer Right-to-Buy applications to the Council's Fraud and Investigation department if required.
There is a risk of fraud to the Company	Repairs/maintenance/major works – overcharging or charging for fictitious works.	Fraud	1	3	3	BHM will implement a post inspection regime to ensure that the repairs and major works completed comply with the cost incurred. A review will be undertaken into any property which has more than 7 repairs in a 12 month period. The average cost of repair per property will be regularly reported to the board.
There is a risk of fraud to the Company	Collusion between staff/ board members and buyers to dispose of properties at under market value. Undeclared conflicts of interest between staff/board members and buyers.	Fraud	1	3	3	FWH will develop an Assets Disposal Policy. This will consider the Council's checks, and board and shareholder approval for the disposal of any company assets. The policy will be submitted to the shareholder for approval.

There is a risk of fraud to the Company	Diversion of tenant rent payments by staff. Collusion between tenants and staff to write off rent arrears. Deliberate overpayment of rent by tenants using proceeds of crime and then requesting a refund.	Fraud	1	3	3	Rent collection rates are monitored by the Board. Rent arrears write-offs are submitted to the board for approval, after going through the Council's internal procedures.
There is a risk of fraud to the Company	Set up of invalid/fictitious suppliers by staff for personal gain. Invalid amendments to supplier bank details to divert payments, either by external parties making fraudulent requests or by staff making amendments for personal gain. Payments to third parties for goods/services not being received.	Fraud	1	3	3	Payments from FWH are made through the Council's payment system and as such, are subject to Council policies and procedures.

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