



Resources and Public Realm Scrutiny Committee

Monday 16 July 2018 at 6.00 pm

Boardrooms 3-5 - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Membership:

Members

Councillors:

Kelcher (Chair)
Kansagra (Vice-Chair)
S Butt
Gbajumo
Gill
Kabir
Mashari
Nerva

Substitute Members

Councillors:

Abdi, Ethapemi, Hassan, Johnson, Kennelly, Long and
Stephens

Councillors:

Colwill and Maurice

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

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www.brent.gov.uk/committees

The press and public are welcome to attend this meeting

Notes for Members - Declarations of Interest:

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

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

If the Personal Interest is also 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 or 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

Introductions, if appropriate.

Item **Page**

1 Apologies for absence and clarification of alternate members

2 Declarations of interests

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

3 Deputations (if any)

To hear any deputations received from members of the public in accordance with Standing Order 67.

4 Brent Priorities 2019 onwards 1 - 4

This report reviews the context for, and plans for the development of, the successor to the Brent Borough Plan 2015-2019.

5 Assets and Property Overview & Strategy Brief (2019-2023) 'Making property assets work for Brent' 5 - 10

With the current asset strategy running from 2016 to 2019, this paper is intended to give Overview and Scrutiny Committee an outline of the scale of property assets (excluding Housing Revenue Account properties) and a brief outline of the main focus areas for the new property strategy being developed for 2020 onwards. The contents are provided for information, feedback and discussion to help guide and support the development of the new strategy. The final strategy is due to be developed and delivered during 2019.

Date of the next ordinary meeting: Wednesday 5 September 2018



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

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	Resources & Public Realm Scrutiny Committee 3 July 2018
	Report from the Director of Performance, Policy & Partnerships
Brent Priorities 2019 onwards	

Wards Affected:	All
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)	Peter Gadsdon Director of Performance, Policy & Partnerships peter.gadsdon@brent.gov.uk Mark Cairns Policy & Scrutiny Manager mark.cairns@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report reviews the context for, and plans for the development of, the successor to the Brent Borough Plan 2015-2019.

2.0 Recommendations

- 2.1 The committee asked to note and comment on the content of this report.

3.0 Detail

- 3.1 Brent's existing Borough Plan was agreed by Council in March 2015. This set out a vision and the priorities for the borough, along with specific outcomes for the period from April 2015 to January 2019, with three overarching priorities of Better Lives, Better Place, and Better Locally. This was endorsed by the Cabinet and Partners for Brent.

3.2 However, following the development of the Borough Plan, the 2015 Comprehensive Spending Review brought significant further budget reductions, meaning that the council had to reduce its overall budget by a further £45m by 2019, to take account of a drastic reduction in Revenue Support Grant and increased reliance on business rates and council tax. The CSR also brought significant policy changes around welfare reform and housing. At the same time, the borough's population growth was (and is) projected to continue, with increasing demand on school places, housing, social care and skills and jobs, and the need for increased investment in our roads and pavements.

3.3 The council therefore decided to focus its efforts on a smaller number of priorities to make a significant difference. This led in 2016 to the development of the vision for "Brent 2020", with five key priorities:

Employment and skills – in order to respond to the increase in the working age population and lift people out of poverty and welfare dependency.

Regeneration – physical, social and environmental - to improve the economic, social and environmental conditions in the borough.

Business and housing related growth – to maximise the tax base to support the delivery of core services.

Demand Management – to manage down the pressure on needs led budgets such as children's social care, adult social care and homelessness.

Raising income through our assets – to support the delivery of core services.

3.4 A programme has been in place since then which has been delivering and continues to deliver significant change in these areas. This committee and others has scrutinised various elements of this programme since it commenced.

3.5 With a newly-elected administration, the council is now looking further to the future, with a new set of priorities. These have been adopted from the Labour manifesto, and are as follows:

- Every opportunity to succeed – covering work with schools, early years services and support for pupils' mental health;
- A future built for everyone, an economy fit for all – including access to employment and apprenticeships, childcare, help for those on low incomes, improving town centres, improving online connectivity, supporting the local economy and social value, housing and homelessness, managing regeneration, and improving roads and transport;
- A cleaner, more considerate Brent – working to improve air quality, reduce emissions, tackle flytipping, minimise waste and increase recycling, and maintain parks and open spaces;

- A borough where we can all feel safe, secure, happy and healthy – involving tackling violence, abuse and harassment, supporting looked-after children and those on the margins, encouraging and enabling volunteering, care for vulnerable adults, safer and stronger communities, promoting and celebrating culture, and community and democratic engagement; and
- Strong foundations – ie working more efficiently and generating more income from our assets, developing services which respond to the needs of our most vulnerable residents, and better identifying those at risk to provide better outcomes and avoid the need for costly interventions.

3.5 Work is currently underway to develop commitments for each of these priorities. Cabinet members are liaising with Strategic Directors, taking into account the continuing need to improve employment and skills, regenerate the borough, secure growth, manage demand, and raise income.

3.6 A draft Borough Plan will be submitted to Cabinet in October, and then subject to public consultation alongside the draft budget proposals. This is likely to include opportunities for residents to provide their views online, as well as meetings of Brent Connects, and other suitable channels which will be outlined to Cabinet. Following consultation, the finalised plan will be agreed with the budget at full Council in February 2019.

5.0 Legal implications

5.1 There are no legal implications.

6.0 Financial implications

6.1 Commitments under the new Borough Plan will need to consider savings requirements for the period from 2019/20 to 2022/23.

7.0 Equality implications

7.1 Equality analysis and the potential impact of particular measures should inform the development of, and decisions, on practical activities to implement the commitments. This will include identifying any unintended consequences and mitigating them as far as possible.

8.0 Consultation with Ward Members and Stakeholders

8.1 Along with consideration of this report by the Resources & Public Realm Scrutiny Committee, the draft Borough Plan will be subject to public consultation in advance of finally being agreed at full Council, as detailed above.

9.0 Human Resources/Property Implications (if appropriate)

9.1 No direct implications.

Report sign off:

PETER GADSDON

Director of Performance, Policy &
Partnerships.

 <p>Brent</p>	<p>Resources and Public Realm Scrutiny Committee 3 July 2018</p>
	<p>Report from the Strategic Director Resources</p>
<p>Assets and Property Overview & Strategy Brief (2019-2023) 'Making property assets work for Brent'</p>	

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)	Oliver Judges Interim Director of Assets and Property oliver.judges@brent.gov.uk

1. Purpose of the Report

- 1.1 With the current asset strategy running from 2016 to 2019, this paper is intended to give Overview and Scrutiny Committee an outline of the scale of property assets (excluding Housing Revenue Account properties) and a brief outline of the main focus areas for the new property strategy being developed for 2020 onwards.
- 1.2 The contents are provided for information, feedback and discussion to help guide and support the development of the new strategy.
- 1.3 The final strategy is due to be developed and delivered during 2019.

2. Recommendation

- 2.1 This report is for information and discussion.

3. Detail

3.1 Property and Assets Background

3.1.1 The Property and Assets team (Property) forms part of the Resources Directorate and manages the Corporate property requirements of the Council (e.g. offices such as the Civic Centre) and other non-Council housing assets. The facilities management team have responsibility for day to day operational management of the main corporate buildings including maintenance, cleaning and contract management and assist other Services in facilities management delivery at other smaller operational buildings.

Property is currently set up into the following sections:

- Commercial Property
- Acquisitions and Disposals
- Capital Projects
- Facilities Management
- Knowledge and Strategy
- Health and Safety
- Civil Contingencies

Property also supports services including housing and regeneration in the acquisition and disposal of property, including, for example, the residential acquisitions programme for I4B; leasehold buy backs and CPO work in South Kilburn; delivery of non-education capital schemes; and other professional property advice.

3.1.2 As the above would suggest Property is, in the main, 'client facing', working for internal departments to support delivery of their wider objectives. The new strategy will reinforce this position as an internal service provider, and focus on ensuring the right people and skills are in place to provide the support and advice that internal clients require to meet corporate objectives, and actively manage the core property portfolio.

3.2 The Current Portfolio:

240 properties (including 48 school properties) are currently managed by the property team with a total asset value of c.£498m. This includes:

- Land
- Leisure
- Industrial
- Car Parks
- Retail
- Offices

3.2.1 The portfolio can be split into 3 key areas:

1. Corporate – Offices and other buildings used for the delivery of services;
2. Commercial – Held for income and an investment return;

3. Buildings Occupied by Groups Providing Social Value– let to community groups, charities etc.

There is also a still significant schools portfolio, although increasingly such buildings have moved away from Council direct control.

3.2.2

The table below outlines the number of properties in each category, their value and the income generated in rents from each area. Two additional categories are shown which are sites currently managed by property as part of a programme for internal clients such as regeneration (e.g. sites awaiting development or regeneration).

Property Type	No of Assets	Value	Income (pa)
Operational	48	£165m	£841k
Commercial Assets	34	£8.6m	£553k
Occupied by groups delivering social value	40	£15m	£181k
Education Assets	48	£280m	-
Regeneration/Opportunity Sites	34	£25m	£119k
Non HRA Residential	7	£3.9m	£5k
TOTAL	240	£498m	£1.7m

3.2.3

82% of income (£1.4m) is generated from the Operational and Commercial property portfolios. The Operational portfolio generates rents from co-locations of other services or businesses based within key corporate offices for example the civic centre.

3.2.4

The Commercial portfolio currently delivers 33% (£553k) of property income delivering a yield of c.6.4%.

3.3 Focus for the Future – Strategy 2020 -2024:

3.3.1 With savings or new sources of income needed in the future it is essential that the property portfolio provides best value to the organisation and goes a step further to innovate and to deliver new value creating projects and income streams.

3.3.2 To do this the strategy will be divided into key 'Themes' which will focus teams on clear outcomes and goals for each portfolio area. The Themes will also clearly state the ambition to deliver the best service to internal clients, active asset management and identification/delivery of new opportunities.

3.3.3 The main themes will focus on:

- Efficient **utilisation** of offices and corporate property
- **Cost reduction** in the running of property (including energy efficiency programmes);

- **Increase Income** (rents) through the commercial portfolio and potential opportunities (this includes increases in income from the Corporate portfolio where possible);
- **Effective Delivery** of Capital Projects (reducing timescales to delivering the required outcomes);
- **Value** Creation through active asset management and seeking new opportunities;
- **Service Offer** - Clear outline of service support for internal clients delivering key projects and services for Brent and the community;

3.3.4 To ensure Brent gets the best from its assets (socially and financially) each portfolio will have clear aims and goals that relate to the strategic themes.

- Commercial – income generating assets
 - Delivering income for the Council to support delivery of services where they are needed;
 - Clear yield requirements/ returns for commercial property and benchmarking;
 - Active asset management to dispose of underperforming properties and deliver clear acquisition strategies to support corporate objectives;
 - Clear targets and best management of key dates.
- Corporate – operational buildings
 - Efficient management of property facilities ensuring they are maintained and managed for the long term;
 - Clear and effective cost management of the portfolio;
 - Utilisation maintained at high levels giving a balance between efficiency and a suitable working environment;
 - Appropriate buildings in the right places enabling services to support the communities they serve effectively and co-locating with partners where possible (reducing costs and improving holistic service delivery);
- Community – groups delivering social value
 - Clearly define community buildings within the portfolio, support with appropriate agreements and work with key internal client services to define and support possible future need (social value);

3.4 Vacant Land and Buildings:

3.4.1 Currently Property holds 36 properties that are vacant (including 11 Bridge Park starter units and redevelopment projects).

The strategy will include a programme to identify all vacant land and buildings ensuring there is a clear plan and strategy in place for each to bring them back into

3.4.2 use as quickly as possible, redevelop or to dispose of them where appropriate.

3.5 How Brent can use its properties to generate workspace and office space for local SMEs.

3.5.1 A paper was delivered to the Scrutiny Committee by Regeneration and Environment on 26th March 2018 'Supporting Business Growth in Brent' and outlined the following:

'The council has supported and secured funding for the establishment of the Granville Enterprise Hub, led and managed by the South Kilburn Trust. Additionally, low cost employment space has been secured in Wembley Park and Alperton – now managed workspace and makerspace.'

3.5.2 The Property team has and will continue to support services, in this case Regeneration and Environment, to deliver their key aims and objectives through the delivery of projects and ensuring that opportunities in the portfolio are highlighted.

3.6 Timescales:

3.6.1 The New Strategy will be launched in late 2019 and cover the period from 2020-2024.

3.7 Summary:

3.7.1 The strategy will focus on delivering the best value for Brent by making property assets work and deliver.

3.7.2 The strategy will focus on key areas around savings/income; utilisation; Project delivery; Service to internal clients; and innovative and active asset management.

4. Financial Implications

4.1 There are no specific legal implications arising out of the contents of this report and any projects costs that arise out of the strategy will be considered separately.

5. Legal Implications

5.1 There are no specific legal implications arising out of the contents of this report

6. Equality Implications

6.1 N/A

7. Consultation with Ward Members and Stakeholders

7.1 As this paper is a brief for discussion no consultation with Ward members has taken place

Report sign off:

ALTHEA LODERICK
Strategic Director, Resources