



LONDON BOROUGH OF BRENT

MINUTES OF THE EXECUTIVE Monday 16 July 2012 at 7.00 pm

PRESENT: Councillor Butt (Chair), Councillor R Moher (Vice-Chair) and Councillors Arnold, Beswick, Crane, Hirani, Jones, Long, J Moher and Powney

Also present: Councillors S Choudhary and Al-Ebadi

1. Declarations of personal and prejudicial interests

None made.

2. Minutes of the previous meeting

RESOLVED:-

that the minutes of the previous meeting held on 16 July 2012 be approved as an accurate record of the meeting.

3. Matters arising

None.

4. Parking contract - West London collaboration

The report from the Director of Environment and Neighbourhood Services set out current plans for re-tendering of Brent's contracts for parking enforcement and notice processing via cross borough procurement. The report provided an update on the collaborative working to date and sought approval for the procurement arrangements. Councillor J Moher (Lead Member, Highways and Transportation) advised that significant savings were expected from the collaboration. The Executive noted that permission was being sought to place advertisements in August 2012 for evaluation of criteria in September.

RESOLVED:-

- (i) that approval be given to the invite of tenders for the joint contract, as required by Standing Orders 88 and 89;
- (ii) that it be noted that participating boroughs have given their agreement that this requirement should be tendered by Brent as Lead Borough for this collaborative procurement;
- (iii) that the feasibility work completed to date by Brent Council with assistance from the WLA participating members and also the high level governance model proposed be noted;

- (iv) that it be noted that a joint contract for parking services would be a collaborative procurement run by Brent Council;
- (v) that approval be given to an exemption from Contract Standing Order 89 (pre-tender consideration) to allow an advert to be placed and a pre-qualification process to be run without the approval of evaluation criteria, subject to approval of such matters at the September 2012 Executive;
- (vi) that approval be given to an exemption from Contract Standing Order 105 for the inclusion of a Best and Final Offers stage during the tender process;
- (vii) that approval be given to the pre-tender considerations for the proposed Parking Services contract as set out in section 4 of the report from the Director of Environment and Neighbourhood Services;
- (viii) that approval be given to officers inviting tenders for a Parking Services contract.

5. Wembley Area Action Plan

The Lead Member for Regeneration and Major Projects, Councillor Crane, advised that having considered responses to consultation on the Wembley Area Action Plan Issues and Options document in September 2011, it was now proposed to consult on the Council's Preferred Options. He considered the draft new Development Plan for Wembley to be comprehensive containing policy and guidance in a number of areas including housing, transport, shopping and leisure and was reflective of Wembley as a tourist attraction and a major growth area for commerce and jobs. The Plan would be made available for public consultation for eight weeks commencing on 13 August 2012.

RESOLVED:

- (i) that approval be given to the Preferred Options of the Area Action Plan for public consultation commencing on 13 August 2012;
- (ii) that the Assistant Director, Planning and Development be authorised to make further editorial changes to the document prior to finally issuing it for public consultation.

6. Tenancy strategy

The report from the Director of Regeneration and Major Projects set out final proposals for the Tenancy Strategy, a legal requirement under the Localism Act 2011 and sought approval from members for the policies that would form the content of the strategy document. Councillor Long (Lead Member, Housing) reminded members of the implications for the council, social housing providers and tenants. The key implications set out in the report were the introduction of an Affordable Rent regime for the funding of new social housing, which allowed registered providers to charge rents of up to 80% of market levels with a minimum tenancy term of two years, fixed term local authority tenancies, also for a minimum two-year fixed term, changes to rules governing succession to tenancies, more flexibility on waiting lists and allocations and the ability to discharge homelessness duties in the private rented sector without the consent of the applicant. Councillor Long referred to the borough's low income, relatively high rents, the shortage of accommodation and long housing waiting list of approximately 18,000. She

highlighted the options under consideration relating to flexibility of tenure and allocations and possible exemptions and priorities. She anticipated an increase in homelessness and demand for social housing with the introduction in 2013 of the Universal Credit Cap likely to make a significant proportion of existing private rented accommodation unaffordable. The Lead Member regretted that central government was not taking into account living cost differentials and anticipated Brent becoming unaffordable with increased levels of overcrowding.

The Chair, Councillor Butt (Leader of the Council) echoed the concerns expressed by Councillor Long over requirement to introduce policy changes mindful of the negative impact on residents.

RESOLVED:-

- (i) that agreement be given to the overall approach to development of the Strategy as set out in the report from the Director of Regeneration and Major Projects;
- (ii) that agreement be given to the policy positions set out in section 8 of the report;
- (iii) that the final policy be implemented with effect from 1 October 2012, allowing time for the council to seek sign-off from the Mayor as noted in paragraph 7.3 and that the Director of Regeneration and Major Projects should be given delegated authority, in consultation with the Lead Member for Housing, to revise this date should there be any reason for delay;
- (iv) that the council grant introductory tenancies and flexible tenancies to new council tenants as set out in paragraphs 8.3.10 of the report and to limit the rights to succession of council tenancies to new council tenants as set out in paragraph 8.3.12 of the report and grant delegated authority to the Director of Regeneration and Major Projects to implement these policy changes in liaison with Brent Housing Partnership and Hillside Housing Trust;
- (v) that it be noted that a further report would be presented to the Executive for approval regarding changes to the Council's Allocation Scheme after consultation has taken place;
- (vi) that the content of the Equality Impact Assessment set out in Appendix 3 to the report be noted;
- (vii) that it be noted that the Strategy would be reviewed one year from its implementation and at three year intervals subsequently. If any need for significant alteration was identified, a report will be presented to members accordingly.

7. Future arrangements for the ownership and management of the council's housing stock

The report from the Director of Regeneration and Major Projects followed on from the decisions made in July 2011 regarding the future ownership and management arrangements of Brent's housing stock where it was decided to retain the council's housing stock, and officers were authorised to consult tenants and residents on a single preferred option to manage the council's housing stock through Brent Housing

Partnership (BHP) as an Optimised Arms Length Management Organisation. Councillor Long introduced the report which set out the outcomes of the consultation process and made recommendations about the future of Brent Housing Partnership in the light of this. She also drew attention to the BHP efficiency review conducted in the intervening period which had identified savings opportunities and proposed changes in governance arrangements which would change the operation of the Board. Housing Revenue Account reforms would also require new ways of working. A further outcome from the review was the proposal to produce a 30 year business plan and four year investment plan to be considered in the Autumn of 2012.

RESOLVED:-

- (i) that the consultation process that was undertaken regarding the future management arrangements of the Council's housing stock as set out in section 4 of the report from the Director of Regeneration and Major Projects be noted;
- (ii) that in the light of the outcomes of the consultation, the council agree to enter into a long term management agreement with Brent Housing Partnership to manage the council's housing stock. A further report will be brought to the Executive in August 2012 setting out the detail of the management agreement;
- (iii) that the findings of the efficiency review of Brent Housing Partnership as set out in Section 5 of the report be noted, and in particular the arrangements currently being entered into for shared back office services in advance of co-location in the new Civic Centre;
- (iv) that approval be given to the findings of the governance review, as set out in Section 6 of the report;
- (v) that it be noted that a further report will be considered in the autumn of 2012 setting out the 30 year HRA business plan and a rolling 4 year strategy for investment in the Brent housing stock.

8. Right to Buy: re-investing receipts in new affordable rented homes

The report from the Director of Regeneration and Major Projects set out the proposed approach to be taken in response to changes to the Right to Buy (RTB) implemented with effect from 2 April 2012 and in particular the new rules on reinvestment of the proceeds of RTB sales, which were intended to support one-for-one replacement of all homes sold. Councillor Long (Lead Member, Housing) advised that the discount cap had been extended across England, representing a 400%+ increase in the cap applicable in most of London. Tenants had been notified resulting in many enquiries. The report set out new arrangements for use of RTB capital receipts which included repayment of HRA debt.

RESOLVED:-

- (i) that authority be delegated to the Director of Regeneration and Major projects to enter into agreement with the Department of Communities and Local Government to retain Right to Buy receipts pursuant to section 11(6) of the Local Government Act 2003;

- (ii) that authority be delegated to the Director of Regeneration and Major projects to make Right to Buy receipts available to Registered Providers of Social Housing under a competitive bidding process to deliver replacement low cost rented accommodation in accordance with the Council's Contract Standing Orders.

9. Budget strategy update

The report from the Director of Finance and Corporate Services set out the financial prospects for the council for the next three years. It sought approval for the overall budget strategy based on the One Council Programme and the delivery of the Borough Plan. Councillor R Moher (Lead Member, Finance and Corporate Resources) referred to the context of the budget strategy and the central government's spending review which was both tight and front loaded. The council had so far made £42m of spending cuts while protecting services and further reductions were anticipated. A budget gap was anticipated by 2015/16 to further increase by expected increases in homelessness, adult and children social care costs and also risks associated with waste and recycling. Other factors likely to affect the budget position arising from legislative changes were the localisation of Council Tax, housing benefit changes and the business rate retention scheme. Councillor R Moher referred to the need for further savings to be identified and the need to deliver services at lower costs while reflecting council priorities. She drew members' attention to the budget timetable in the report.

Councillor J Moher highlighted the need for the public to understand the impact of the major spending cuts introduced by central government and the adverse impact on the council. He made specific reference to the assumed significant reductions in formula grant £152.086m in 2013/14, £138.958m in 2014/15 and £136.383m in 2015/16. The Director of Finance and Corporate Services clarified that the formula grant reduction in the current year would have been £18.9m. Councillor R Moher added that the situation was likely to worsen as the first batch of 2011 census figures showed that Brent's population had risen significantly and that there was a gap of approximately 59,000 between the population and the figure used by central government to calculate grant funding.

RESOLVED:-

- (i) that the latest forecast for the Council's revenue budget for 2013/14 to 2015/16 at Appendix A of the report from the Director of Finance and Corporate Services and the assumptions used to derive this be noted;
- (ii) that the overall budget process set out in the report from the Director of Finance and Corporate Resources be endorsed;
- (iii) that the proposed budget timetable be noted.

10. Performance and Finance review 2011/12 Quarter 4

The joint report from the Directors of Strategy, Partnerships and Improvement and Finance and Corporate Services provided a corporate overview of Finance and Performance information to support informed decision-making and manage performance effectively. Councillor Butt (Leader of the Council) referred to the impact of central government's budget cuts and the need to reduce staffing. The council was however hoped to continue to improve service delivery.

RESOLVED:-

- (i) that the finance and performance information contained in the report from the Directors of Strategy, Partnerships and Improvement and Finance and Corporate Services be noted and agreement given to remedial actions as necessary;
- (ii) that the current and future strategic risks associated with the information provided be noted and agreement given to remedial actions as appropriate.

11. National Non Domestic Rate relief

The Council has the discretion to award rate relief to charities or non-profit making bodies. It also has the discretion to remit an individual National Non-Domestic Rate liability in whole or in part on the grounds of hardship. Councillor R Moher (Lead Member, Finance and Corporate Resources) introduced the report from the Director of Finance and Corporate Services which set out applications received for discretionary rate relief since the Executive last considered such applications in April 2012. Additionally, two applications for hardship relief had been received set out in the appendix to the report which was not for publication as it contained the following category of exempt information as specified in Schedule 12 of the Local Government (Access to Information Act) 1972:

Information relating to the financial or business affairs of any particular person (including the authority holding that information).

RESOLVED:-

that agreement be given to the discretionary rate relief applications in Appendices 2 and 3 of the report from the Director of Finance and Corporate Services, and the hardship applications in Appendix 4 rejected.

12. Any Other Urgent Business

None.

13. Reference of item considered by Call in Overview and Scrutiny Committee

None.

The meeting ended at 7.35 pm

M BUTT
Chair