



## **LONDON BOROUGH OF BRENT**

### **MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE Held in the Conference Hall, Brent Civic Centre on 4 November 2025 at 6.00 pm**

PRESENT: Councillor Conneely (Chair), Councillor Kennelly (Vice-Chair) and Councillors, Ahmadi-Moghaddam, S Butt, Dixon, Long, Lorber, Mitchell, Molloy and Shah.

#### **1. Apologies for Absence and Clarification of Alternate Members**

Councillor Conneely (as Chair) welcomed members of the Scrutiny Committee to the meeting.

Apologies for absence were received from Councillor Maurice.

Apologies were also recorded from Councillor Ketan Sheth during the meeting.

#### **2. Declarations of Interests**

Councillor Kennelly declared a personal interest in respect of Agenda Item 8: Voluntary, Community and Social Enterprise (VCSE) sector in Brent noting that he worked for Brent Food Bank, which had received Council grant funding.

Similarly, Councillor Lorber declared a personal interest in respect of Agenda Item 8: Voluntary, Community and Social Enterprise (VCSE) sector in Brent, noting that he served as a trustee for a number of charities operating within Brent.

Councillor Long also declared a personal interest in respect of Agenda Item 8: Voluntary, Community and Social Enterprise (VCSE) sector in Brent as a member of Brent Mencap and Elders Voice.

Councillor Dixon further declared a personal interest in respect of Agenda Item 8: Voluntary, Community and Social Enterprise (VCSE) sector in Brent, noting that she was a trustee of Friends of Gladstone Park.

The Chair also declared a personal interest as she worked at the Brent Centre for Young People, a voluntary organisation within the Borough.

Councillors Kennelly, Lorber, Long, Dixon and Conneely had not sought to take any predisposed position in the consideration of the information item and therefore felt able to consider the matters relating to the Voluntary, Community and Social Enterprise (VCSE) sector in Brent impartially and without any form of pretermination.

#### **3. Deputations (If Any)**

No deputations were received at the meeting.

#### **4. Minutes of the Previous Meeting**

It was **RESOLVED** that the minutes of the previous meetings held on Wednesday 16 July 2025 and Tuesday 2 September 2025 be approved as a correct record.

#### **5. Matters Arising (If Any)**

There were no matters arising raised at the meeting.

#### **6. Order of Business**

The Chair agreed to vary the order of business on the agenda to enable the Procurement Improvement Programme and Emerging Procurement Strategy (Agenda Item 10) to be considered prior to the Social Value: Draft Policy and Whole-Council Approach Report (Agenda Item 9). The minutes therefore reflect the order in which the items were dealt with at the meeting.

#### **7. Resources & Public Realm Scrutiny Committee Work Programme 2025/26**

The Chair began by reporting that changes had been made to the scrutiny work programme for the current year. It was noted that the Kerbside Management Task Group Findings report would now be due for consideration at the January 2026 meeting, as the report was currently in the process of being finalised.

The Chair further advised that, following officer requests, the Safer Brent Partnership report had been rescheduled from the January 2026 meeting to the April 2026 meeting. Consequently, the Anti-Social Behaviour item would be brought forward from the April 2026 meeting to the January 2026 meeting.

Having reviewed the work programme report, it was **RESOLVED** to note the Resources & Public Realm Scrutiny Committee work programme for the 2025/26 Municipal Year.

#### **8. Quarter 2 Financial Forecast 2025/26**

Councillor Mili Patel (Cabinet Member for Finance & Resources) was invited to introduce the report relating to the Quarter 2 Financial Forecast 2025-26, which provided a detailed update on the Council's revenue, capital and reserves position. The report also tracked progress against the Medium-Term Financial Strategy and identified the key pressures driving expenditure. It was noted that, despite the financial challenges, Brent remained on course to develop a balanced budget position following the application of the mitigations set out in the report. It was further highlighted that temporary accommodation and adult social care continued to present significant cost pressures but that these were being managed through targeted action plans. Controls on vacancies as they arose were in place, alongside the use of earmarked reserves. External income and grants continued to support the Council's spending requirements.

The Committee were further advised that the Government had announced the National Pride in Place Impact Fund, from which Brent had received £1.5 million. In addition,

recent announcements had confirmed capital investment into youth housing and environmental priorities.

Having thanked Councillor Mili Patel for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Quarter 2 Financial Forecast Report 2025-26, with the following comments and issues discussed:

- As an initial query, the Chair questioned the implications of approximately 19% of planned savings targets not being achieved and asked what impact this would have on the Council's overspend position. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) advised that the report set out the savings delivery tracker, noting that four savings within the tracker were marked as amber. It was explained that this represented delays in implementation rather than non-delivery. By way of example, he referred to the in-house children's care home, which had not yet opened, and confirmed that this matter had previously been discussed at the Scrutiny Committee. It was further stated that services were expected to put forward mitigating actions where delays or implementation issues arose, and these were monitored as part of the budget monitoring process to assess impact. It was acknowledged that, in some cases, delays could result in an impact that extended into the following financial year and created an overspend. In such circumstances, this would be taken into account when updating the Medium Term Financial Strategy. It was confirmed that an assessment of this had been undertaken as part of the savings review and would be factored into the draft budget scheduled for Cabinet consideration next month.
- Following on from the previous question, the Chair queried whether there was confidence that the four savings identified in the tracker could be delivered within the current financial year or whether there was concern that any might roll over into the next year. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) confirmed that the narrative in the report indicated delays rather than non-delivery. It was stated that the savings would eventually be implemented, although some issues required resolution and mitigating actions needed to be applied to avoid a negative impact on the overall forecast.
- The Chair then sought details on what financial benefit the Council would gain from operating its own residential children's home. In response, Councillor Grah (Cabinet Member for Children, Young People & Schools) referred to the committee report, which forecasted an overspend of £2.2 million within the department, the majority of which related to the high cost of residential placements for children in care. It was explained that significant action had been planned for some time, which had resulted in match funding being secured to build an in-house residential children's centre. The centre was close to completion, although recent barriers had delayed the final stages of opening. It was additionally noted that the Council was working with other local authorities on a project to open a secure residential home for a small number of children requiring secure accommodation, where placement costs were also extremely high. It was confirmed that this project was being delivered at pace.

Nigel Chapman (Corporate Director Children Young People and Community Development) further advised that the main financial benefit of the children's home would be cost avoidance, based on the difference between private sector placement costs and in-house provision. It was confirmed that calculations had been undertaken and the saving applied to the current year's budget based on the difference in the costs occurred against both private sector placement costs and in-house provision, which had contributed to the overspend position. The two main factors causing delays were outlined, both largely outside the Council's control. The first related to Ofsted registration, which was required before the home could open. Ofsted had experienced a backlog following the Department for Education's expansion programme but had assured that registration would be completed by early in the new year. The second factor was an accident in which a neighbour's car collided with the front of the building, causing significant damage. Surveying work had been completed, and repairs were scheduled for completion by January 2026. The Committee was reassured that every effort was being made to expedite the opening of the home.

- Further information regarding the cost of the delay and the mitigation measures being taken was sought by members, including any reduction of services elsewhere. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) explained that the cost of the delay was a pro rata impact on the savings expected this year had the home opened at the start of the financial year. Each month of delay represented a 1/12 reduction in the anticipated saving. In terms of mitigation, it was confirmed that the Council sought to place children in the most suitable accommodation and negotiated with private providers to secure the best possible price. It was noted that the commissioning team adopted a robust approach in negotiations to prevent excessive profiteering, although it was acknowledged that the national undersupply of children's homes continued to affect market prices.
- Members sought details around whether there would be a loss at the end of the financial year that would need to be funded from reserves. In response, Councillor Grahl (Cabinet Member for Children, Young People & Schools) advised that the original projection for savings was £400,000 per year, equating to approximately 1/12 of that amount per month. It was further explained that it was difficult to predict the precise impact because the number of children requiring residential care was relatively small, with the majority of children in care placed in foster homes. It was additionally noted that the cost of residential placements varied significantly depending on individual needs, with some placements costing upwards of £10,000 per week. It was confirmed that the high cost of residential placements continued to exert pressure on the Council's finances and was the primary factor contributing to the overspend of £2.2 million within the department.
- As an additional issue, the Chair observed that, historically, overspends within adult social care had not been identified until later in the financial year. It was acknowledged that monitoring and tracking of savings appeared to have improved and questions were raised around what the primary concerns were for the directorate at the current time. Councillor Nerva (Cabinet Member for Adult Social Care, Public Health and Leisure) stated that the primary concern was the

winter period, which represented the most challenging time of year for adult social care services and the NHS nationally. The importance of ensuring that systems operated effectively to avoid unplanned care, particularly unplanned institutional care such as hospital admissions or residential placements was emphasised. It was confirmed that a paper would be presented to the Health and Wellbeing Board later in the month, setting out local investment to reduce unplanned care and promote independence and early intervention. It was also reported that significant work was underway to improve the resident experience and ensure that customer services worked closely with adult social care to provide early advice. The risks relating to savings anticipated for 2025-26 were acknowledged, which were taking longer to deliver than expected. It was further noted that financial resources for service development and commissioning were limited and the impact of the insolvency of a major provider of community equipment which had affected Brent and 2/3 of London boroughs was highlighted. It was additionally explained that this had been a critical issue for adult social care and the NHS locally, as the provision of equipment was essential for successful hospital discharge and prevention of admission.

- The Chair questioned at what point delays in commissioning new arrangements would become a serious financial risk given the overall adult social care budget. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) conveyed that expenditure on equipment was jointly funded with health partners, with approximately 60-70% funded by health and the remainder by the local authority. It was confirmed that negotiations were ongoing regarding the funding split and that interim arrangements had been in place following the insolvency of the previous provider. It was reported that a new provider had been secured through a consortium of 8 boroughs and that agreement with the NHS on funding had been escalated to the Chief Executive of the Integrated Care Board. It was additionally stated that the cost of £500,000 related to the period during which alternative providers were used while payments continued under the previous contract. Confidence was expressed that this figure was sufficient and confirmed that the new contract would commence once funding arrangements were agreed.
- The Chair raised queries around the cost implications for the Council of insufficient discharge arrangements and disputes with the NHS over discharge, and why this was such a priority. In response, Councillor Nerva (Cabinet Member for Adult Social Care, Public Health and Leisure) emphasised that delays in discharge had a detrimental impact on residents and created significant pressure on the local authority. It was noted that disputes sometimes arose between families, carers, the local authority and hospitals regarding readiness for discharge. It was further explained that delays prevented new admissions to hospital and required the local authority to provide intensive support to individuals who should have been receiving medical treatment to improve their health and independence.
- As a further issue highlighted, the Chair questioned what financial pressure had been created for the Council by the need to provide intensive support for residents discharged too early during the first two financial quarters. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) reported that there were two main aspects to the financial impact. It was explained that

reablement and support services were largely funded through the Better Care Fund and general funds, although some local authority funding was involved. It was confirmed that the greatest financial pressure related to short-term placements, which were traditionally intended to last eight weeks but, in some cases, had extended significantly longer. It was also noted that this was partly a practice issue requiring improved review and follow-up and partly due to difficulties in securing placements for certain groups. It was further reported that short-term placements were costing approximately £4.5 million per year. While some of this had been budgeted for, the figure needed to be managed. The importance of moving individuals out of short-term placements either to their own homes with support or into permanent placements, as short-term arrangements were typically more expensive than long-term placements, was emphasised. It was confirmed that approximately 50 cases had been identified for targeted action to reduce costs.

- The Chair sought clarification on the adequacy of resources to deliver the required outcomes to relieve the significant financial pressure in relation to short-term placements. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) informed that the approach was centred on prioritisation. Weekly meetings were being held to review relevant figures. It was confirmed that she and Minesh Patel (Corporate Director Finance and Resources), were conducting sessions with Heads of Service. It was noted that additional resources were not necessarily required; rather, emphasis was placed on the effective use of data management and consideration of placement strategies. It was highlighted that there remained capacity within dementia services and for providers willing to accept complex cases. Further work was required with providers in relation to Care Quality Commission (CQC) registration for specific placements, as providers were exercising discretion in accepting cases. It was stressed that complex cases were associated with significantly higher costs.
- The Chair queried the anticipated timeframe for outputs arising from provider renegotiations. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) advised that negotiations with providers for the 2026-27 period would commence shortly. Challenges due to inflation and National Insurance costs impacting the cost of care model were acknowledged. Benchmarking indicated that placement costs compared favourably with neighbouring authorities. In respect of short-term placements, improvements had already been observed, with individuals moving through the system more quickly. No placement was now permitted without an agreed end date and a scheduled review, which had strengthened controls.
- The Chair sought details around whether the impact of mitigation measures could be identified in the next quarterly report or whether this was more likely to be evident in the April 2026 report. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) stated that winter pressures and other factors around placements remained uncertain; however, the relevant placement cohort and associated budget were being tracked closely through the dashboard. The Chair suggested that the Quarter 3 report should include an assessment of the impact of high-cost placements on the budget and expenditure.

- Members sought clarification on the spending controls currently in place and requested evidence of measurable results demonstrating their impact on the budget. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) confirmed that spending controls had been implemented since 2023 and had mitigated overspend in the last two financial years. Enhancements introduced this year included additional sign-off requirements for non-standard staff payments, such as overtime and honorariums, which now required approval by a Head of Service, a Director, and a Corporate Director. Recruitment requests continued to require Corporate Director approval, and rejected requests were now recorded to monitor effectiveness. Agency expenditure had reduced significantly in both numbers and overall cost. Reviews by the Council Management Team (CMT) were now more frequent. It was emphasised that incremental reductions collectively had a substantial impact. Senior managers had been briefed through a dedicated meeting to ensure consistent understanding. Estimated cost avoidance was approximately £8 million in the last financial year and just under £4 million in the previous year. Quarter 2 estimates were not yet available but would be reflected in future reports.

Minesh Patel (Corporate Director Finance and Resources) further added that the Council delivered over 700 services through numerous staff, making rigorous controls essential. He stressed the importance of maintaining discipline under pressure and noted that additional layers of approval, while sometimes perceived as bureaucratic, were beneficial in ensuring value for money. Incremental changes were key to achieving overall financial control.

- Highlighted concerns regarding risks arising from the Fair Funding Review led to queries around the potential impact on future budgets, the need for further tightening of spending controls, and key risks if funding requirements were not met. In response, Minesh Patel (Corporate Director Finance and Resources) reported that the Government had committed to a multi-year settlement, which would assist planning by providing clarity on the funding envelope for the next three years. However, the anticipated announcement had been delayed until after the national budget. It was further noted that all local authorities would need to reconsider service delivery models to ensure statutory obligations were met within available resources. Once the funding envelope was confirmed, the Council would need to determine how to deliver services sustainably. Failure to do so could result in Section 114 notices and Exceptional Financial Support situations, which were recognised as unsustainable and difficult to recover from.
- The Chair enquired regarding the likelihood of receiving a funding settlement at the end of December 2025 or the beginning of January 2026. In response, Minesh Patel (Corporate Director Finance and Resources) indicated that all projections were based on assumptions and stated that the Government had committed to a transition period following the Fair Funding Reform, with full implications expected to take effect in 2027-28. It was confirmed that interim arrangements would allow the Council to continue operating with either slightly reduced or slightly increased funding during the transition. Members were advised that the settlement was now expected to be delivered in the week preceding Christmas, consistent with previous years. The importance of having a draft budget and engaging in discussions at this stage was emphasised, as this

would provide an opportunity to make adjustments if required. It was also noted that the final budget would not be presented to Full Council until February 2026, allowing scope for further amendments should significant discrepancies arise. The Chair additionally confirmed that the matter would be examined in detail by the Budget Scrutiny Task Group, which would report back to the Committee in January 2026.

- Clarification was sought around whether the reduction in agency expenditure was attributable to improved recruitment practices or to more effective negotiation of agency rates. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) clarified that the reduction was due to a combination of factors and highlighted that enhanced oversight, increased rigour, and greater challenge regarding agency usage had contributed significantly. Particular attention had been given to high-cost and long-term usage of agency staff, resulting in reduced overall costs by implementing stricter controls and oversight to these cases.
- Members observed that six organisations had received business rates relief and sought clarification on the decision-making process and applicable criteria. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) explained that the organisations listed in the committee report were entitled to mandatory relief of 80% under existing national regulations. It was clarified that this entitlement was determined by central government rather than by the Council. The discretionary element related to the remaining 20% of the bill and was subject to criteria published on the Council's website. The Committee heard that there were nine criteria, which included requirements for the organisation to be a charity, a non-profit entity, a voluntary organisation, or organisations such as a local sports club. Applications meeting these criteria were submitted for Cabinet approval annually. It was further confirmed that checks were undertaken each year to ensure continued compliance, including verification of charity registration with the Charity Commission.
- Details were sought on whether the community impact of organisations receiving discretionary relief was monitored on an ongoing basis. In response, Rav Jassar (Deputy Director Corporate and Financial Planning) confirmed that compliance checks were conducted annually and that one of the criteria for discretionary relief was demonstrable impact on the community.
- The Chair summarised supplementary questions raised and observed that all councils had experienced significant reductions in base funding over the past 14 years, which had adversely affected service delivery, increased staff workloads, and extended waiting times. The Chair noted that the report outlined mitigations being implemented by the Council, as well as associated risks, including potential impacts on reserves arising from overspends in areas such as children's placements and hospital discharge placements. The Chair emphasised that these financial risks were real and that mitigations were essential. It was confirmed that the Budget Task Group would continue to examine the implications for service delivery and that councillors would have the opportunity to express their views on proposed measures and their potential impact. In citing an example relating to delays in processing council tax arrears and repayments,

the Chair requested clarification on the experience of the Council Tax team and the impact of financial constraints on service delivery. In response, Tom Cattermole (Corporate Director Residents and Housing Services) provided reassurance that there were currently no vacancies within the Community Hubs teams and that no cuts had been made to these teams. It was confirmed that the teams were fully staffed, subject to occasional vacancies arising from staff turnover. In relation to the Council Tax team, it was acknowledged that efficiencies had been introduced over time. Members were advised that additional resources had recently been allocated to manage changes to the Council Tax Support Scheme introduced in the previous year, in response to increased demand for support and invited members of the Committee to share examples of any specific issues for further review.

- Members raised queries regarding the significant overspend in adult social care and questioned whether any restructuring of service delivery was anticipated. In response, Councillor Nerva (Cabinet Member for Adult Social Care, Public Health and Leisure) informed that adult social care was eligibility-led and delivered in accordance with the Care Act (2014), which provided clear statutory criteria for all local authorities. It was noted that funding was finite and that Brent, along with other authorities, had been engaged for several years in efforts to transform adult social care. The principal challenge was balancing investment in prevention with the statutory obligation to meet eligible care needs. Councillor Nerva emphasised the importance of partnership working with the NHS and advocated for a one public purse approach. It was observed that successive governments had failed to implement a sustainable settlement for adult social care and stressed that the need for such reform was now critical.
- The Chair referred to recommendations made at previous committee meetings regarding shared budgets for health and social care and questioned whether there was any indication from the Casey Review or other plans of a move towards a one public purse approach. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) reported that discussions had taken place regarding neighbourhood health initiatives and the Better Care Fund, including to split the fund and apply similar mechanisms. However, no detailed plans had been established. Concern was expressed that reallocating existing funding could impact the Council's ability to support hospital discharge and community care. It was confirmed that positive discussions had recently been held with the new Chief Executive of the Integrated Care Board regarding adopting a total place approach and greater financial transparency.
- Members observed that council tax collections had decreased compared to the previous two years and requested information on actions taken to address this. In response, Tom Cattermole (Corporate Director Residents and Housing Services) advised that a Council Tax Improvement Plan had been developed, incorporating short-term, medium-term, and long-term measures. Short-term actions included targeted campaigns using automated tools such as SMS to prompt payment of debts under £1,000, increased use of ethical enforcement agents for debt recovery, and resource reallocation. Medium-term measures focused on digital transformation, including the introduction of online contact forms and redesigning the customer journey to reduce reliance on telephone

contact. It was acknowledged that call waiting times were currently high due to increased demand following changes to the Council Tax Support Scheme, which required some residents to pay 35% council tax for the first time. Communications had been improved using behavioural insights to make letters and scripts more effective. Long-term objectives included enabling customers to self-serve online and writing off unrecoverable low-level debts. It was confirmed that the aim was to meet the current year's collection target and build on this in subsequent years.

- Following on from the previous question, members questioned whether the long-term target of approximately 97% council tax collection was achievable and expressed concern that failure to meet this target could lead to medium-term financial pressures. In response, Tom Cattermole (Corporate Director Residents and Housing Services) further advised that the new council tax scheme would require ongoing review and confirmed that targets would be reassessed based on end-of-year performance data.
- The Chair expressed concern that the Committee had not yet received evidence or data demonstrating the analysis of the population that was not paying council tax, specifically distinguishing between those unable to pay (the 'can't pay' group) and those unwilling to pay (the 'won't pay' group). The Chair emphasised the importance of targeting measures at those unwilling to pay, while recognising that if the proportion of residents unable to pay was significant, achieving the 97% council tax collection target might not be feasible given the level of deprivation in the borough. The Chair questioned what progress had been made in understanding this breakdown and whether the 97% council tax collection target remained achievable. In response, Tom Cattermole (Corporate Director Residents and Housing Services) explained that the council tax collection target was aspirational and confirmed that the campaigns outlined in his earlier response were aimed at customers unwilling to pay, while those unable to pay were encouraged to visit a community hub or contact the Council by telephone. It was noted that support was available through discretionary council tax reduction payments, such as the Council Tax Hardship Fund. The Committee were advised that further automation would be introduced once the automation plan was complete, ideally within the next 12 months.
- With reference to the forecast overspend of £4 million in Residents and Housing Services, members questioned how confident the department was that the in-year mitigation measures outlined in the report, including i4B, the Private Rented Sector (PRS) partnership, supply expansion initiatives, and leasing, were realistic and achievable. In response, Lawrence Coaker (Director Housing Needs and Support) explained that the primary drivers of homelessness were the contraction of the private rented sector and evictions from that sector, followed by exclusions from family, friends, and parents. It was stated that the Council was focusing on early intervention, particularly in cases of family and parental exclusions, as these were more amenable to prevention than private rented sector evictions, which were often the result of landlords exiting the market. It was additionally noted that this trend was influenced by rising mortgage rates, interest rates, capital gains tax implications, and the forthcoming Renters Rights Act 2025, which had recently received Royal Assent and would come into effect

in stages from January 2026. The most significant provision, the abolition of Section 21 no-fault evictions, was not expected to take effect until April or May 2026, meaning there would be no impact before the next financial year. The Council's work with voluntary sector organisations and community groups, including recent events around homelessness FAQs and internal collaboration with adult social care and children's services, as part of a whole-council approach to tackling homelessness, was further highlighted.

- As a further query, members drew attention to the report's comments on acquisitions for temporary accommodation through the Local Authority Housing Fund (LAHF), the Council Homes Acquisition Programme (CHAP), leasing arrangements, and i4B holdings, and questioned what was meant by the statement that few opportunities had met the Council's affordability criteria. In response, Lawrence Coaker (Director Housing Needs and Support) explained that the issue largely related to the structure of leasing deals proposed by developers and providers. Some providers sought lease terms of up to 40 years, which the Council would not accept. Concerns regarding Consumer Price Index (CPI) rent increases, which would raise the Council's liabilities annually while income remained tied to Local Housing Allowance rates, which did not increase at the same pace. This widening gap made such arrangements financially unviable.
- Following up, members questioned whether further funding could be secured through the LAHF and CHAP programmes to provide temporary accommodation within the borough and reduce reliance on costly bed and breakfast placements outside London. In response, Amanda Healy (Deputy Director Investment and Infrastructure) highlighted that under the LAHF programme, the Council had not been able to specify the level of funding sought, as allocations were determined centrally. It was confirmed that Brent had received a comparatively significant allocation and had expressed interest in future rounds, although details of the allocation process were awaited. Regarding the CHAP programme, it was explained that this was a rolling programme with the Greater London Authority (GLA) and that opportunities were assessed for financial viability, including whether they offered cost avoidance or reduced long-term expenditure. It was further noted that challenges remained with lease options, as projected costs did not align with expected Local Housing Allowance (LHA) rates, creating significant financial risk. It was confirmed that current efforts focused on identifying arrangements that provided the greatest benefit, which at present were limited to cost avoidance rather than achieving a break-even position.
- As a separate issue highlighted, members queried whether any actions were currently being undertaken to address challenges within resident and housing services, particularly in relation to homelessness and the Housing Revenue Account (HRA). In response, Tom Cattermole (Corporate Director Residents and Housing Services) reported that the HRA was precariously balanced. An analysis had been undertaken, and two key approaches had been identified: increasing income collection, similar to council tax, and improving void management to avoid costs associated with vacant properties. Significant work had already been carried out to reduce income loss from void properties, which also reduced council tax payments for which the housing department was responsible. These

two areas had been prioritised over the past six months and would remain a focus for the coming year. Lawrence Coaker (Director Housing Needs and Support) further explained that the main drivers of homelessness were private rented sector evictions and exclusions by family, friends or parents. Other contributing factors included poor quality accommodation, overcrowding and domestic abuse. The Renters' Rights Act 2025 was expected to address no-fault evictions and introduce new statutory duties for private housing services to enforce standards and tackle disrepair. Overcrowding remained a significant challenge due to the lack of large, affordable properties with a dedicated team to support victims of domestic abuse. Whilst Brent's strong reputation for support had led to advocates directing victims to the borough, discussions were ongoing with advocates and London-wide partners to ensure shared responsibility for domestic abuse services.

- Members noted the substantial contribution of i4B in reducing temporary accommodation pressures and questioned whether any financial flexibility could be applied to enable i4B to relax its acquisition criteria and purchase more properties. In response, Amanda Healy (Deputy Director Investment and Infrastructure) explained that the council benefited from cost avoidance through reduced overspend, which mitigated the need for additional reserves or wider measures. However, as i4B was a separate legal entity, the council could not intervene financially beyond existing arrangements. The company needed to break even, and interactions between the council and i4B were subject to state aid rules. Loan arrangements had been confirmed as compliant, but strict rules limited what could be done to support the company financially.
- With reference to paragraph 8.21 of the committee report, which highlighted i4B's role in reducing temporary accommodation costs and expanding housing supply, members questioned how the council ensured that resident experience in i4B-managed homes was consistent with council-managed properties, particularly regarding repairs, communication and accountability. In response, Tom Cattermole (Corporate Director Residents and Housing Services) confirmed that any i4B property within Brent was managed in the same way as a council property. Different arrangements applied to properties outside Brent, but residents in Brent could expect equivalent services.
- Members highlighted that the loss of affordable private rented housing and landlords leaving the market were key drivers of temporary accommodation overspends. In light of recent changes to affordable housing targets for London, members queried what assessment had been made of the impact of shrinking supply and how acquisition and development programmes were being adapted. In response, Lawrence Coaker (Director Housing Needs and Support) stated that Brent was involved in work led by London Councils to scrutinise the contraction of the private rented sector. A report commissioned from Savills confirmed that most properties leaving the private rented market were being purchased by homeowners for personal occupation. This resulted in the permanent loss of units available for private rent, reducing the overall supply of accommodation.
- Members were keen to seek details regarding the reason for the significant decrease in supported exempt accommodation expenditure from £4 million to

£1.8 million. In response, Lawrence Coaker (Director Housing Needs and Support) informed that the reduction was the result of a two-pronged approach. Firstly, the Council had adopted a more robust process for assessing new providers entering the market. Applications were scrutinised by the Benefits team to ensure compliance with the criteria for supported exempt status. Secondly, the Council reviewed whether individuals placed in such accommodation genuinely required the level of support offered, as there had been instances where accommodation was used primarily to address homelessness for those who did not always require the supported element. In addition, the Council had engaged with providers incurring the highest subsidy costs to broker arrangements with housing associations. Where providers partnered with housing associations or became registered providers (RPs) themselves, the financial responsibility for subsidy shifted from the local authority to the Department for Work and Pensions. This approach not only mitigated subsidy loss for Brent Council but also improved the quality of care and support.

- Members queried whether any exploitative landlords had been identified. In response, Lawrence Coaker (Director Housing Needs and Support) confirmed that the Council had identified providers whose level of support was deemed inadequate. The Council had ceased referrals to these providers and entered negotiations to improve support standards or alter their operating model. In some cases, properties were converted into Houses in Multiple Occupation (HMOs) or privately rented accommodation, thereby increasing supply for single homeless individuals who did not require support. This dual approach aimed to enhance accommodation quality for those in need while optimising housing availability.
- Members requested information on the implications of the recent announcement regarding the new build of social housing properties and its impact on affordable housing availability over the next four years. Clarification was sought on the extent to which the Council had forecast and prepared for this outcome. In response, Tom Cattermole (Corporate Director Residents and Housing Services) undertook to raise the matter with Jehan Weerasinghe (Corporate Director Neighbourhoods and Regeneration) and noted that 892 homes were scheduled to come online within the current year under the Housing Revenue Account (HRA).
- Details were sought around which actions within the High Needs Block Deficit Recovery Management Plan were expected to deliver a tangible reduction in the current financial year. In response, Councillor Grahl (Cabinet Member for Children, Young People & Schools) stated that the principal financial pressure related to the cost of Special Educational Needs and Disabilities (SEND) provision. Demand for Education, Health and Care Plans (EHCPs) had risen steadily for over a decade, increasing by approximately 10% annually. The Council's previous SEND strategy included a capital investment programme to create over 400 new specialist placements within the borough, aimed at improving support and reducing the deficit. However, demand continued to grow, necessitating further investment in specialist placements and additional resource provision within mainstream schools. Nigel Chapman (Corporate Director Children Young People and Community Development) further added that a government White Paper on SEND reform had been delayed until after

Christmas. It was acknowledged that the SEND system was widely recognised as unsustainable. While Brent had succeeded in slowing the growth of EHCPs compared to national averages, the financial pressure persisted. Each EHCP incurred an additional cost of £10,000 to £15,000 per child, compared to £6,000 for a child without an EHCP. Current measures focused on tightening assessment processes, ensuring eligibility criteria were rigorously applied, and reducing support where appropriate within plans. A further priority was to expand local capacity, to reduce the placement of children in out-of-borough independent special schools, which significantly increased costs. The forthcoming School Place Planning Strategy Refresh, scheduled for Cabinet consideration next week (at the time of writing), would outline proposals for additional specialist placements. Collaborative work with other boroughs was also being explored to address challenges around the sufficiency of school places.

- Clarification was sought around what early intervention measures were currently in place to moderate the influx of need for school places and whether any additional actions were being taken to address increasing demand later in life. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) reported that Brent had participated in the Department for Education's (DfE's) Delivering Better Value programme, which supported approximately half of local authorities nationally. Brent had been subject to a lower level of intervention within that programme. One of the funded projects was titled Intervention First, which focused on early years and the first two years of primary education. This initiative was introduced in response to a notable increase in children presenting with speech and language difficulties, some of which were attributed to the impact of the pandemic and reduced socialisation. Members heard that a dedicated team had been established and deployed across several Harlesden primary schools to provide targeted support. The intervention had demonstrated positive outcomes, including the identification of cases where presenting issues were linked to trauma rather than learning needs. Addressing these underlying issues had enabled children to manage better in school, reduce behavioural challenges and avoid escalation to an Education, Health and Care Plan (EHCP). Evidence had indicated that the model was effective, and the Department for Education had expressed interest in its outcomes. The Council aimed to expand the programme, subject to investment, and was exploring the use of the High Needs Block to sustain and extend provision across the borough.
- The Chair questioned whether the Intervention First programme had been delivered partly through the Wellbeing and Emotional Support Team (WEST). In response, Nigel Chapman (Corporate Director Children Young People and Community Development) clarified that some elements had been delivered through WEST and others through educational psychologists. It was noted that future arrangements would involve funding through the High Needs Block rather than the General Fund.

The Chair further queried whether the WEST team was being disbanded. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) advised that the service would continue in some form but would be subject to a retendering process in the new year. The Dedicated

Schools Grant (DSG) would continue to support the needs of children in schools, and the intention was to maintain continuity between the conclusion of the current contract and the commencement of a new provider. Savings requirements had been identified within the General Fund, and discussions were ongoing with health partners to bridge funding gaps.

- The Chair raised questions around the discussions with other local authorities regarding the development of a joint school offer to reduce reliance on costly independent placements and sought an indication of likely success and timeframes. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) explained of the challenges in establishing new schools due to the introduction of academies and free schools. However, the Children's Wellbeing and Schools Bill 2024 presented an opportunity for local authorities to assume a greater role in planning provision. Brent was working with neighbouring boroughs, including Ealing, Barnet and Harrow, to assess collective needs and develop a strategic approach. It was further mentioned that land availability remained a significant constraint, but collaboration aimed to ensure more efficient planning. In the short term, efforts would focus on cost avoidance, projected at approximately £2 million, through measures such as ceasing unnecessary plans, reducing support where appropriate and preventing the emergence of new plans.
- The Chair questioned whether a timeframe of 3 to 5 years for establishing a new school was realistic. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) confirmed that Wembley Manor School had been delivered relatively quickly, with construction completed within 3 years of the decision to proceed. Advances in modular building techniques had accelerated delivery, although securing land and planning permission remained the most significant challenges.
- Details were sought by members on which locations within Brent were being considered for potential new school sites. In response, Nigel Chapman (Corporate Director Children Young People and Community Development) advised that the upcoming Planning Strategy Refresh would provide further detail. Current considerations focused primarily on sites with spare capacity within the primary school sector, as certain areas of the borough had experienced a reduction in primary school enrolments. This created opportunities to utilise existing space within primary schools. It was further mentioned that the availability of new land for school development was extremely limited. While one or two sites alternative sites existed, the principal approach would involve maximising capacity within the existing primary sector.
- Reference was made to the detail provided within the committee report, which stated that Bridge Park Community Leisure Centre had closed with an overspend of £0.25 million, and that Willesden Sports Centre continued to face financial pressures with a forecast assuming a full drawdown of the £0.4 million reserve. Members queried why the table on page 66 of the report reflected an overspend of £0.2 million and requested clarification of the figures. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) explained that the £0.2 million figure related to Bridge Park. The budget had assumed closure in

April 2025; however, the centre remained operational until July 2025 due to an extended consultation period. No operating budget had been allocated for Bridge Park for the current year, but costs were incurred during the first quarter, which accounted for the overspend shown in the table. It was also confirmed that the reserve for Willesden Sports Centre ensured a break-even position, which was why it did not appear in the table, although financial pressures were expected to continue into the next year.

This raised related questions around whether the loss forecast for Willesden Sports Centre was excluded from the forecast because it was covered by reserves. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) clarified that the reserve had been applied to mitigate the gap under the terms of the Private Finance Initiative (PFI) contract. Rav Jassar (Deputy Director Corporate and Financial Planning) further added that the forecast reflected the position after the use of reserves. While there was an underlying pressure, this had been offset for the current financial year, and the £0.2 million figure related solely to Bridge Park.

- Members observed that part of the financial pressure appeared to result from energy cost volatility and questioned to what extent engagement had taken place with the Climate Action Team to explore solutions such as installing solar panels on leisure centres. Members noted that funding was available from Swim England and potentially other sources to reduce emissions and mitigate utility cost volatility. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) confirmed that solar panels were being installed at both Willesden and Vale Farm Leisure Centres. The Council was working closely with the Property Team and the Climate Change Team and had secured grants to support these installations.

Following up, members requested information on the projected cost savings arising from these measures. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) undertook to review available data and provide this information following the meeting.

- Members noted an overspend of £2.6 million on the Housing Revenue Account (HRA) as at Quarter 2 and questioned whether this was attributable to performance in relation to rent collection and void management. In response, Tom Cattermole (Corporate Director Residents and Housing Services) stated that historical factors, including rent-setting practices and investment in housing stock, had contributed to the position. A comprehensive review of the HRA and its finances was underway to identify measures to restore financial stability. The Chair confirmed that a paper on the HRA was scheduled to be presented to the Committee in February 2026.
- Members queried the risks associated with the new repairs contracts and questioned what steps were being taken to mitigate these risks. In response, Tom Cattermole (Corporate Director Residents and Housing Services) acknowledged that rising repair costs represented a significant risk. The Council intended to strengthen contract management processes, including closer oversight of contractors such as Wates and Mears. These measures aimed to prevent cost

escalation throughout the year. It was also noted that this issue had been discussed at the Committee's July 2025 meeting when Wates attended.

- Members observed that the Council's HRA reserves were relatively low compared to other local authorities and questioned what steps were being taken to increase reserves to manage unforeseen pressures. In response, Tom Cattermole (Corporate Director Residents and Housing Services) confirmed that the Council recognised the need to bolster reserves. Actions currently being implemented were expected to support reserve growth and inform the development of an improved HRA business plan, which would be presented to the Committee in February 2026.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of the Quarter 2 Financial Forecast Report 2025/26. As a result of the outcome of the discussion, the following information requests and suggestions for improvement identified were **AGREED**:

### **INFORMATION REQUESTS**

- (1) Provide the percentage of those struggling to pay Council Tax Rates due to financial hardship and the percentage evading or refusing payment.
- (2) Provide a scenario-based assessment of the estimated financial impact of temporary CIL relief and the reduction in the affordable housing threshold (from 35% to 20%) on Brent's council finances over the next three years, including key assumptions, risks, and implications for affordable housing availability.
- (3) Provide additional details on the strategy and approach for reducing costs related to short-term placements.
- (4) Provide estimated cost savings from any existing and/or planned climate initiatives at Willesden Sports Centre and Vale Farm.

### **SUGGESTIONS FOR IMPROVEMENT**

- (1) Work with the NHS to establish additional shared or pooled budgets for Adult Social Care, with the aim of reducing financial pressures, improving resource efficiency, enhancing coordinated planning, and delivering a fully integrated health and social care offer across the borough.
- (2) Prioritise effective void management to reduce forecasted Housing Revenue Account (HRA) budget pressures and ensure the long-term financial sustainability of the HRA.
- (3) Assess the opportunities, as they may present themselves, in the Children's Wellbeing and Schools Bill, to establish additional Community Special School capacity, and to work collaboratively with neighbouring local authorities to help alleviate Dedicated Schools Grant pressures.

- (4) Conduct a comprehensive review of HRA finances to address forecasted budget pressures and ensure long-term sustainability, with findings reported to the Committee at its February 2026 meeting. The review should examine the HRA's purpose, funding sources, performance, key pressures, risks, and mitigation measures, including an in-depth analysis of void management and income generation.

*Please note that the specific wording of the suggestions for improvement were subject to refinement following the meeting, with the agreement of the Chair.*

## **9. Voluntary, Community and Social Enterprise (VCSE) sector in Brent**

Councillor Rubin (Cabinet Member for Climate Action and Community Power) was invited to introduce the report relating to the Voluntary, Community and Social Enterprise (VCSE) sector in Brent, which provided detailed updates on work to develop and support the VCSE sector in Brent. The report additionally provided information on the sector, current VCSE and community grant funding and capacity building support. The report also noted the initial findings from the recent VCSE Shaping the Future Summit and subsequent steps and initiatives that were planned to further develop and support the sector in line with the Council's shared vision – "a thriving, resilient VCSE sector that has the resources, skills and confidence to deliver better outcomes for local communities – supporting individuals, grassroots groups and organisations to build skills, realise goals, and drive aspirations in their neighbourhoods". The report also summarised how the Council was responding to the Local Government Association's (LGA) Corporate Peer Review recommendations in respect of reviewing and strengthening relationships and support for the VCSE sector.

In presenting the report, Councillor Rubin (Cabinet Member for Climate Action and Community Power) emphasised that maintaining a strong and vibrant Voluntary, Community and Social Enterprise (VCSE) sector was of significant importance in delivering many of the administration's priorities. It was noted that numerous community organisations and charities were sometimes able to engage with residents in ways that the Council could not. It was stated that having a sector that was vibrant, well managed and effectively led was essential. It was noted that the report provided an overview of the current state of the VCSE sector within Brent. Additional context was provided regarding Brent CVS, the organisation utilised by the Council to lead engagement with the voluntary sector. It was confirmed that Brent CVS was currently undergoing a review, with recommendations expected in the near future. These recommendations would inform decisions on the future direction of the organisation.

Having thanked Councillor Rubin (Cabinet Member for Climate Action and Community Power) for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Voluntary, Community and Social Enterprise (VCSE) sector in Brent, with the following comments and issues discussed:

- As an initial question, the Chair enquired whether there were any early indications of the recommendations expected within the forthcoming review commissioned by Brent CVS. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) clarified that Brent CVS was a separate entity from the Council. The review and associated report

had been commissioned by Brent CVS, with the Council contributing a modest grant to facilitate the review. The rationale for this contribution was the Council's recognition of the critical role played by Brent CVS and other social infrastructure organisations in advancing the shared vision of a thriving, independent, diverse and vibrant sector. It was confirmed that the full report had not yet been received, but copies were anticipated within weeks. The report was expected to include recommendations for consideration by the trustees and Board of Brent CVS. Emerging feedback suggested a need for more effective capacity building within the borough, and discussions would focus on identifying the nature of that need and determining how the Council and its partners should respond. This would inform the future commissioned offer from 2026.

- The Chair further queried the contractual arrangements, noting that the contract was due to expire in April 2026, despite an earlier anticipated end date of April 2025. The Chair requested details of the financial contribution made towards the internal review and the cost of the contract extension. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) confirmed that the Council had contributed £10,000 towards the internal review commissioned by Brent CVS. In respect of the contract, two payments had been made during the current 12-month period, totalling approximately £40,000, subject to ongoing contract monitoring.
- The Chair additionally enquired about what specifically was being delivered under the Brent CVS contract and whether contractual obligations were being fulfilled. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) advised that the Council had adopted a collaborative approach from the outset, with Brent CVS supporting the process. The Cross-Sector Steering Group, chaired on a rotating basis, had contributed to shaping the structure of the VCSE event and would oversee the resulting action plan. Brent CVS had undertaken a range of activities during the contract period, and monitoring visits were ongoing and would continue.

Tessa Awe (Specialist Project Officer) further added that a 6 month contract review was scheduled for completion by the end of November 2025. This review would assess performance over the previous 6 months, identifying areas of strength and any shortcomings.

- The Chair sought clarification on future plans for a new tendered offer, including the anticipated contract value and scope. In response, Tessa Awe (Specialist Project Officer) explained that the Council had convened an event named 'Shaping the Future of Brent's VCSE Sector' to gather intelligence on sector needs. The Steering Group would develop an action plan based on this feedback, with work continuing until the end of the financial year to design a model that addressed the needs of the sector.

Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) further mentioned that emerging themes were likely to include robust information, advice and guidance, training and development opportunities, and networking support for the VCSE sector. These would align with the shared vision of a thriving, independent sector capable of supporting residents and

attracting external investment. Consideration would also be given to innovative models, such as consortia of local organisations or temporary external expertise, to strengthen capacity building and financial resilience.

Councillor Rubin (Cabinet Member for Climate Action and Community Power) emphasised the importance of a thriving sector, noting that strategic investment could generate a multiplier effect by attracting additional funding into the borough. This approach would help support wider objectives, including the prevention of homelessness and community crisis.

- The Chair enquired regarding the plan for the tendering process, noting that the current contract was due to conclude in April. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) informed that arrangements for the tendering process would be developed in the new year when a definitive timetable would be established.
- Members referred to paragraph 7.6.1 of the committee report, which stated that Brent CVS currently held the capacity building contract until April 2026 and that both the Council and Brent CVS were reviewing the model to inform a future offer. In light of this, it was questioned whether the Council had considered the potential benefits of an in-sourced or hybrid CVS offer, which could strengthen accountability and integration with other Council-led programmes. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) noted that the approach could be explored further. It was confirmed that best practice models from other areas would be examined and applied to the review findings. A common theme emerging from feedback was the principle that the sector, being closest to residents and communities was best placed to understand their needs. Consideration would be given to an in-house model for capacity building, alongside an assessment of the Council's internal capacity and resources to ensure the most effective service delivery. This could include enhanced contract management and collaborative initiatives.
- Details were sought around whether targeted in-sourcing of services could be explored to reduce duplication and alleviate pressure on the voluntary sector, given that the Council was already undertaking related work. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) confirmed that this could be considered with potential areas of overlap recognised during the review period.

Rachel Crossley (Corporate Director Service Reform and Strategy) additionally mentioned that training was an example where the Council could extend its existing provision to the voluntary sector rather than commissioning additional services. Similarly, events organised by the Council could be opened to the sector. It was acknowledged that the Council should identify what could be delivered internally and adopt a targeted approach to commissioning services that required specialist skills and sector-specific expertise, such as trustee and charity support.

- Further details were sought around whether the review would examine the frequency of updates to the Brent CVS website. In response, Tessa Awe

(Specialist Project Officer) confirmed that the review was assessing the overall strategy and operations of Brent CVS, including organisational functioning. It was therefore likely that website management would be considered within the scope of the review.

- Reference was made to the detail provided within committee report around market rent reduction pilots and social value, which referred to three new lettings and an approach for reduced market rent. Members enquired to what extent the review would consider existing lettings. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) advised that the three properties currently operating under the pilot scheme were intended to enable collective learning and inform future practice. Lessons drawn from the pilot would potentially be applied to new community spaces using the same principles. It was noted that further consideration was required regarding the implications for existing properties and spaces, and this would be explored in collaboration with colleagues in the Property Team. It was confirmed that this matter was recognised within the context of the social value policy work. It was emphasised that the approach sought to acknowledge the inherent value contributed by community organisations and VCSE groups through their presence, long-standing relationships and impact on residents' lives, which could not be quantified solely in financial terms. Incorporating these principles into procurement processes was identified as a priority. Rhodri Rowlands undertook to follow up with the Director of Property & Assets on this matter.
- Members queried the position regarding existing organisations renting from Brent and expressed concern that some were being priced out. Members questioned what discussions were taking place with the Property Team to ensure that the priorities and concerns of the voluntary sector were considered. Members further asked whether the pilot would influence existing lettings or apply solely to new lettings. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) confirmed that discussions were ongoing and that Property Team colleagues were engaged in groups receiving initial findings and feedback from the VCSE event. It was noted that this issue had been raised as a significant concern by many organisations during the engagement event held on 30 September 2025. The next step would involve determining an appropriate response and considering how the market rent reduction framework, which incorporated social value, could inform this work. It was acknowledged that a forward-looking approach to the pilot applying to existing buildings would be taken under consideration, although no final position had been reached. Rhodri Rowlands undertook to review this further and assured the Committee that the matter was being actively addressed.

The Chair requested information on the number of organisations currently renting from Brent, noting that this would assist in assessing the potential impact of an ethical lettings policy. The Chair also requested details of the number of organisations expected to occupy reduced rent spaces.

- Members further suggested that consideration be given to proactively incorporating social value within procurement processes to ensure that VCSE organisations benefited from this approach. In response, Rhodri Rowlands

(Director of Strategic Commissioning Capacity Building and Engagement) assured that one of the proposed priorities within the social value policy was to strengthen and build VCSE sector capacity, giving this objective prominence within the framework. A shift towards a more flexible approach was promoted, moving away from rigid performance measures to negotiated social value commitments that reflected community needs. This would support VCSE organisations through property arrangements and other mechanisms.

- Member expressed concern regarding the absence of a clear policy underpinning the pilots, noting the risk of inconsistency and potential discrimination between organisations. The need for a transparent policy to ensure equitable treatment of all voluntary sector organisations was emphasised. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) confirmed that the pilots were consistent with the Property Strategy agreed 18 months previously. The framework applied was the same as that used for existing leases, which began at market rent but allowed for requests for reduced rates under defined principles. The difference in this instance was that the properties were designated exclusively for community use, rather than private rental. It was further noted that the pilots would inform future practice, including consideration of the capacity of voluntary sector organisations to manage buildings. This learning would inform discussions with the sector regarding potential models for council involvement in property management going forward.
- In response to further questioning around how organisations would be selected to benefit from the available spaces, Rachel Crossley (Corporate Director Service Reform and Strategy) confirmed that the process had been conducted through a tendering exercise. Organisations had submitted applications and were assessed on their ability to manage the space and the outcomes they proposed to deliver.
- The Chair expressed concern that there appeared to have been limited support for smaller organisations lacking national lobbying capacity or parliamentary connections to understand legislative changes and how they might benefit from them. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) acknowledged that this represented a gap in current provision.
- The Chair further asked what other gaps had been identified over the past three years that should be prioritised for future investment. In response, Tessa Awe (Specialist Project Officer) highlighted areas including partnerships, fundraising, networking and representation as priorities requiring attention.

Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) further added that previous initiatives, such as Brandiun, had supported local businesses and organisations to bid for procured contracts. Reference was made to training programmes delivered by an external organisation, which had enabled over 60 organisations to participate in 'ready to bid' sessions. Brent CVS had contributed to early work undertaken by the Council on social value approaches, but it was acknowledged that further and stronger support would be expected in future.

- Details were sought on the Brent CVS budget and the level of Council contribution towards its running costs. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) advised that a well-functioning social infrastructure organisation would typically secure funding from multiple sources. Brent CVS had accessed alternative funding streams, and the review was expected to identify historic funding patterns and future opportunities. It was noted that the Council's funding allocation for the current contract period was approximately £140,000, which was comparatively smaller when benchmarked against other London boroughs. The Chair suggested that benchmarking data be obtained to determine whether other London boroughs provided higher levels of funding. The Chair also requested confirmation of the proposed contract value for the tender scheduled for January 2026, in order to assess whether the amount would be sufficient to deliver the required outcomes.
- The Chair also took the opportunity to query the quality monitoring information received from funded organisations, given that many organisations routinely provided reports to multiple funders and how this related to the Council's monitoring requirements. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) acknowledged that the position was mixed and confirmed that the grants review was seeking to adopt a proportionate approach to monitoring requirements. It was noted that very small grants, sometimes as low as £1,000, created a disproportionate administrative burden for organisations. Feedback had indicated that the Council's processes were not sufficiently streamlined. For higher-value grants, appropriate monitoring arrangements were necessary. It was expected that capacity building organisations such as Brent CVS would provide support to funded organisations in meeting monitoring requirements. It was acknowledged that the Council's historically rigorous approach had sometimes resulted in onerous expectations, leading to incomplete or inadequate data returns. The aim was to develop a more balanced approach that worked effectively for both the Council and funded organisations.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of the Voluntary, Community and Social Enterprise (VCSE) sector in Brent. As a result of the outcome of the discussion, the following information requests and suggestions for improvement identified were **AGREED**:

## **INFORMATION REQUESTS**

- (1) Provide a breakdown of Voluntary and Community Sector (VCS) organisations currently renting assets from Brent, including use type where possible, grouped as follows:
  - a) Post-Property Strategy: paying full market rent
  - b) Post-Property Strategy: paying below market rent – renegotiated and adjusted to reflect organisational financial circumstances
  - c) Post-Property Strategy: paying below market rent under the Market Reduction Framework Pilot
  - d) Pre-Property Strategy: historical, unexpired rent arrangements

- (2) Provide the percentage of historical leases held by VCS organisations, with unexpired rent arrangements (pre-property strategy), that are due for renewal within the next 5 years and within the next 10 years.
- (3) Outline the joint work of Strategic Commissioning, Capacity Building and Engagement, and Property and Assets teams to support VCS organisations renting council-owned assets in sustaining their premises and addressing affordability concerns.
- (4) Provide a detailed analysis of the strengths, challenges, and opportunities within current council commissioning arrangements.
- (5) Provide an overview of all VCS-commissioned services across the council, including details on scope, objectives, key outcomes, funding levels, contract duration, and how these services align with Borough Plan priorities.
- (6) Provide detailed information on the current Voluntary Community Infrastructure Support (VCIS) contract, including its scope, objectives, expected outcomes, funding levels, duration, performance measures, monitoring arrangements, and evidence of value and impact delivered to the VCS.
- (7) Provide benchmarking data on VCSE capacity building contracts commissioned by other London authorities, covering:
  - a) Value and scope
  - b) Duration
  - c) Priority themes
  - d) Delivery models (e.g., direct delivery vs. commissioned providers; single provider vs. consortium)
  - e) Performance and impact measures.
- (8) Provide information on the anticipated value and scope of the forthcoming VCSE capacity building contract.
- (9) Provide an update on the Market Rent Reduction Pilot for the three new lettings (Harmony Kitchen, Brent Civic Centre, Roy Smith House, and Picture Palace), detailing the communities each organisation will support, the agreed measures to deliver community value, and how these commitments will be monitored.
- (10) Provide a detailed overview of VCS grant programmes, focusing on grant operations and outcomes. This should include eligibility criteria, key dates (such as application windows, decision timelines, and funding start/end dates), a summary of awards over the past three years, and the time taken to disburse funds to recipient organisations, highlighting any significant delays.

## **SUGGESTIONS FOR IMPROVEMENT**

- (1) Integrate employment and climate goals into the forthcoming VCSE capacity building offer.

- (2) Implement a strengthened, comprehensive, and transparent monitoring framework for the forthcoming VCSE Capacity-Building Contract, drawing on lessons learned from existing practices.
- (3) Leverage the forthcoming VCSE capacity-building contract to strengthen local VCSE organisations' ability to engage effectively in council-led social value negotiations and procurement processes.

*Please note that the specific wording of the information requests and suggestions for improvement were subject to refinement following the meeting, with the agreement of the Chair.*

## **10. Procurement Improvement Programme and Emerging Procurement Strategy**

Councillor Rubin (Cabinet Member for Climate Action and Community Power) was invited to introduce the report relating to the Procurement Improvement Programme and Emerging Procurement Strategy, which he advised provided an update on the developments following the Procurement Peer Review and the established Procurement Improvement Programme, emerging Procurement Strategy and opportunities arising from adopting a new definition of "local" suppliers and engagement of Brent businesses.

Having thanked Councillor Rubin (Cabinet Member for Climate Action and Community Power) for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Procurement Improvement Programme and Emerging Procurement Strategy, with the following comments and issues discussed:

- As an initial query, members enquired what tangible improvements had been delivered under the Procurement Improvement Programme to date and requested clarification on measurable impacts or key successes achieved. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) reported that the recommendations underpinning the Procurement Improvement Programme were extensive and wide-ranging, forming a substantial programme of work over an extended period. It was confirmed that positive progress had been made. One of the core recommendations was to strengthen the capacity of the procurement function by appointing individuals with the required skills to contribute effectively to the Council's objectives. This had previously been a significant challenge. New management had been appointed and three new roles established, which had begun to promote improved relationships and enhanced support for services, particularly in relation to key procurements currently underway.

In continuing the response, members were further advised that the programme had prioritised early opportunities to achieve savings and efficiencies. A notable example was the collaboration with Oxygen Finance on the fast-track payments initiative, which encouraged suppliers to adopt early payment terms to support their cash flow. The Council benefitted through discounted invoices, generating income. Since April 2025, this initiative had achieved growth of 111%, contributing approximately £250,000 in income and savings that would not

otherwise have been realised. Additional practical improvements included the introduction of tools and resources to support procurement delivery and social value objectives. The “Match My Project” initiative was highlighted as an intentional intervention designed to facilitate engagement between suppliers and community groups by providing a mechanism for suppliers to identify local needs and projects they could support. Members also heard that contract management was identified as a major focus area. 15 key contract managers had completed initial training delivered by a sector best practice organisation. It was emphasised that substantial work remained to improve the contract register and implement segmentation of contracts to enable better resource alignment to those requiring the greatest attention. This approach aimed to strengthen performance, quality, delivery, value for money and social value contributions. A new model had been adopted, and 57 contracts had been processed through an initial pilot, with expansion planned for the new year.

- Members referred to paragraph 4.9 of the committee report and sought clarification on the relationship between the emerging Procurement Strategy and the Procurement Improvement Programme, including the systems or processes that ensured alignment between the two. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) acknowledged that refreshing the Council’s procurement strategy was overdue, noting that the existing strategy was outdated and that the procurement landscape had changed significantly. It was confirmed that developing a new Procurement Strategy was a key recommendation arising from the procurement review. The Procurement Improvement Programme was designed to implement improvements that would enable delivery of the priorities and aspirations set out in the upcoming strategy. For example, without sufficient staffing capacity, the strategy could not be implemented effectively. Similarly, improvements in contract management were essential to achieving best value. Enhanced engagement with suppliers, including pre-market engagement, was also critical to enabling suppliers to bid successfully for Council contracts. In concluding the response, Rhodri Rowlands conveyed that the improvement programme provided the foundational capacity and processes necessary to deliver the new Procurement Strategy.

Councillor Rubin (Cabinet Member for Climate Action and Community Power) further emphasised that the tangible improvements achieved through the Procurement Improvement Programme were significant. It was noted that when preparing budget proposals for the current year, the Council had identified substantial efficiency savings attributable to the programme. These savings were crucial in mitigating the level of reductions to frontline services that would otherwise have been necessary. Satisfaction was expressed that the programme had delivered meaningful financial benefits.

- The Chair enquired whether any recent procurements had involved robust negotiations resulting in improved contractual efficiencies and enhanced value. In response, Rachel Crossley (Corporate Director Service Reform and Strategy) confirmed that negotiations had taken place in relation to several digital contracts. These negotiations had secured longer contract periods for the same cost and increased social value commitments. It was noted that the Council had

successfully challenged initial pricing proposals to achieve discounted rates and extended terms, thereby delivering improved value for money.

- The Chair sought clarification regarding concerns previously expressed about the number of companies currently paying business rates within Brent that could meet the Council's procurement requirements. The Chair further enquired what analysis had been undertaken to assess commissioning needs over the next 1 to 3 years and whether suitable companies already existed within Brent that paid business rates locally. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) advised that spend analysis was being undertaken to establish a clearer baseline of organisations currently delivering services under Council contracts, as well as those operating in other sectors, and to understand the associated expenditure. This analysis had been incorporated into the review being conducted by the Centre for Local Economic Strategies, the report from which was expected imminently. It was further explained that the next stage of work related to engagement with commissioning teams to identify future service requirements, which was generally undertaken on a service-by-service basis. For the upcoming 12 to 18 months, the procurement team had developed a procurement pipeline outlining contract opportunities scheduled for extension or recommissioning. Collaborative work with commissioners was focused on exploring potential delivery models, considering alternative approaches, and identifying ways to prepare small and medium-sized enterprises for participation in these opportunities. This work was integral to achieving the ambitions set out in the emerging procurement strategy, and further development in this area was required.
- Members considered that the definition of "localism" should include the organisations that pay business rates to Brent. It was noted that such an approach could potentially incentivise new business establishments within the borough and strengthen the local economy. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) confirmed that this criteria was incorporated within Option Definition 1, Table 2 of the committee report and noted the Committee's endorsement of Option Definition 1 as the preferred definition of "localism". Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) also clarified that the proposed options for defining localism did not advocate an exclusive 'buy local' approach and emphasised that broader considerations, including quality and value for money, would remain fundamental elements of the procurement process at all times.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of the Procurement Improvement Programme and Emerging Procurement Strategy. As a result of the outcome of the discussion, the following suggestions for improvement identified were **AGREED**:

## **SUGGESTIONS FOR IMPROVEMENT**

- (1) Continue strengthening support for SMEs by reducing barriers and streamlining council procurement processes, ensuring easier access to contracts and opportunities.

- (2) Adopt a tiered definition of 'local' in procurement, prioritising:
  - a) Suppliers that operate and pay business rates within the borough, while ensuring value for money; followed by
  - b) Suppliers that deliver significant social and economic benefits to Brent, such as employing a substantial number of local residents
- (3) Explore introducing a threshold for certain higher-value contracts to ensure that businesses the Council engage with pay the London Living Wage.
- (4) Require all businesses the Council regardless of contract value to recognise trade unions as a standard condition of engagement, where possible.

*Please note that the specific wording of the suggestions for improvements were subject to refinement following the meeting, with the agreement of the Chair.*

## **11. Social Value: Draft Policy and Whole-Council Approach**

At this stage in proceedings, the Committee agreed to apply the guillotine procedure under Standing Order 62(c) in order to extend the meeting for a period of 30 minutes to enable conclusion of the final item and remaining business on the agenda.

Members concern regarding the limited time remaining for consideration of the item on social value was noted given the significance of the issue and substantial financial implications associated with social value.

In continuing, Councillor Rubin (Cabinet Member for Climate Action and Community Power) was invited to introduce the report relating to the Social Value: Draft Policy and Whole-Council Approach, which set out the case for a new approach to social value, rooted in national policy developments and Brent's local priorities. It proposed a shift from a narrow, procurement-only focus to a whole-council, place-based model that embedded social value in all Council activities. The report also responded to feedback from the Resources and Public Realm Scrutiny Committee (February 2025), Procurement Peer Review (April 2025) and the LGA Corporate Peer Challenge, which highlighted the need for a more consistent, strategic and outcomes-focused approach to social value across the Council.

Having thanked Councillor Rubin (Cabinet Member for Climate Action and Community Power) for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Social Value: Draft Policy and Whole-Council Approach, with the following comments and issues discussed:

- As an initial question, members queried the absence of performance data within the report and asked whether detailed data on this matter was available. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) confirmed that the data currently held was more limited and explained that the Council had previously adopted a policy which, at the time of its introduction in 2019-2020, was considered robust on paper and aligned with procurement practices. The inclusion of social value requirements within tendering activities for contracts exceeding £100,000 had been

implemented effectively, and the procurement documentation was more robust in this regard. However, the delivery of meaningful social value commitments had been constrained by the adoption of a rigid set of performance measures. This rigidity had limited flexibility in negotiations with suppliers and hindered the incorporation of additional insights and contributions from residents and community groups. It was further noted that other councils and organisations, including the Cooperative Councils Network and the Social Value Portal, had moved away from reliance on nationally prescribed measures. Instead, they had adopted approaches that recognised local priorities and tailored engagement with suppliers to secure long-term legacy commitments through collaborative partnerships, rather than through rigid contractual arrangements.

- The Chair observed that specific performance data had been requested as part of the report but had not been provided. This had made it difficult to scrutinise gaps or make suggestions for improvement regarding the new social value policy, as the Committee lacked clarity due to the absence of data. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) suggested that officers undertake analysis to address this gap and proposed the development of mechanisms to measure and monitor the implementation of social value as part of the strategy.
- Members highlighted that the current social value policy lacked clarity on how commitments would be monitored, which was considered essential. It was emphasised that a policy without monitoring provisions was inadequate and requested a commitment to monitoring, along with consideration of what such monitoring would entail. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) confirmed that the Council could explore the development of similar measures.
- Members referred to the policy's reference to an annual report and questioned whether one would be forthcoming. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) clarified that reinstating an annual report was among the commitments the Council intended to make. Although detailed arrangements were not set out in the current draft policy document, the focus on contract management aimed to better equip officers to negotiate and recognise the importance of social value delivery, supported by appropriate mechanisms. Steps were already being taken to strengthen this approach, and further detail would be provided on measurement and impact information, as referenced by Councillor Rubin.
- Members referred to comments from the peer review within the committee report indicating that the Council's social value approach should be less risk-averse and more innovative. It was questioned where evidence of this shift could be found within the new policy. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) stated that the first indication of this change was the move away from rigid nationally prescribed measures previously adopted for Brent. The new approach promoted collaboration and sought opportunities to deliver meaningful outcomes. The framework provided scope to explore significant long-term legacy initiatives, such as a Social Care Innovation Academy or investment to build voluntary sector

capacity. These ambitions aimed to consolidate commitments towards impactful goals rather than numerous small-scale actions. It was further emphasised that the policy alone would not achieve these outcomes but reflected feedback from various sectors and organisations.

In continuing the response, Rachel Crossley (Corporate Director Service Reform and Strategy) addressed the issue of risk, noting that a more community-led approach was envisaged. Rather than prescribing, for example, a set number of apprenticeships or equipment, the Council intended to encourage community-driven ideas through initiatives such as “Match My Project”. While this approach carried inherent risks, including challenges in measurement and prioritisation, it was considered essential to focus on what mattered most to communities. This did not prevent employment and skills initiatives but aimed to move beyond prescriptive requirements towards more innovative and locally relevant solutions.

- Members enquired regarding the next iteration of the social value policy. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) advised that the next step would be to finalise the policy and ensure it was fully prepared for implementation at the start of the new financial year. It was stated that the revised policy would extend beyond the principles of the approach and would articulate the intended outcomes, including considerations relating to risk management.
- The Chair suggested that the social value annual report, once prepared, should demonstrate, on an annual basis, the delivery achieved through social value commitments. It was emphasised that the report should include numerical values, social value impact and community benefit, and that such a report should be submitted to scrutiny for review. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) expressed his intention to review the report at the Board established to oversee commissioning, procurement and social value but confirmed that the matter could also be referred to the Scrutiny Committee, if required.
- The Chair questioned whether any consideration had been given to the mechanisms for monitoring social value within the Board established to review contracts. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) confirmed that no firm decisions had been made and suggested that an annual report would be a sensible approach, as it would provide comprehensive data for review.
- Details were sought around where the resource for monitoring would originate. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) confirmed that suppliers would be required to contribute information and reiterated the principle of proportionality, stating that monitoring would be aligned with the scale and value of the contract. It was acknowledged that previous approaches had been bureaucratic and resource-intensive and confirmed that the Council was seeking alternative methods. Reference was made to practices within social value networks across London, where organisations collectively reviewed achievements which was then used to feedback into an annual report. It was suggested that similar collaborative

approaches could be adopted to ensure value for money and impact without imposing excessive burdens. It was additionally mentioned that officer time and priorities would need to be considered and that the process would require ongoing review and refinement.

- Members observed that both the Procurement Improvement Programme and the Social Value Policy emphasised local benefit, community wealth building and accountability, and questioned whether the Council had considered bringing key services in-house to deliver social value outcomes directly, such as stable local employment, apprenticeships and community wealth, rather than relying on external contracts. Examples cited included housing maintenance, temporary accommodation management and street services. In response, Councillor Rubin (Cabinet Member for Climate Action and Community Power) indicated that this consideration formed part of the ideas within the development of the Procurement Strategy and expressed support for strengthening this element within the report and reiterated the importance of evaluating the benefits of insourcing and alternative methods of commissioning services.
- Members referred to paragraph 7.0 of the committee report, which highlighted the Council's commitment to equality, diversity and inclusion (EDI) within the new approach. Further detail was requested on the steps being taken to ensure that EDI was reflected not only in the policy language but also in measurable outcomes. In response, Rhodri Rowlands (Director of Strategic Commissioning Capacity Building and Engagement) assured that practical steps were already being taken and would be strengthened through the procurement and social value approach. It was stated that EDI considerations often formed part of the key performance indicators (KPIs) within contracts, which were monitored through the contract management process. It was emphasised the importance of ensuring that information on tender opportunities was published in an accessible manner and that suppliers were able to engage effectively. It was further mentioned that the Council intended to remove bureaucratic barriers that hindered smaller organisations, thereby creating a more equitable and inclusive procurement process. It was confirmed that KPIs could be developed to monitor the diversity of organisations contracted by the Council, including organisational structure, size and scale. These measures would support equity, diversity and inclusion aimed at addressing inequalities in areas such as housing and social care, which were fundamentally about inclusion.
- The Chair requested that, in order to assist the Committee and residents in understanding the practical impact of social value commitments, an example of an agreed contract be provided following the meeting. The Chair requested that this example include a breakdown of the social value commitments within the contract, their value to the Council and details of responsibility for delivery.

In seeking to bring consideration of the item to a close, given the remaining time available, the Chair thanked officers and members for their contributions towards scrutiny of the Social Value: Draft Policy and Whole-Council Approach. As a result of the outcome of the discussion, the following information requests and suggestions for improvement identified were **AGREED**:

## **INFORMATION REQUESTS**

- (1) Provide a sample of data from higher-value procurements since April 2020 (following implementation of the current strategy), detailing:
  - a) Social value delivered versus committed;
  - b) Performance against associated KPIs;
  - c) Where relevant, financial implications for the Social Value Fund where commitments were unmet; and
  - d) The resulting impact.
- (2) Provide case studies illustrating both successful and underperforming delivery of social value commitments under current contracts. Each case should outline:
  - a) The social value commitments made;
  - b) Actual delivery achieved;
  - c) Reasons for any variance; and
  - d) Lessons learned to inform the forthcoming Social Value Policy.
- (3) Provide further detail on how transparency and accountability will be maintained in measuring social value across services, given the shift from a purely quantitative approach to a mixed model that combines qualitative and quantitative outcomes.

## **SUGGESTIONS FOR IMPROVEMENT**

- (1) Leverage insights from leading councils and academic research to inform the development of the forthcoming Social Value Policy.
- (2) Embed co-production of social value commitments as a core principle in the forthcoming Social Value Policy. This should involve establishing a framework for involving communities and local organisations in shaping commitments during the tender stage, while requiring contractors to work collaboratively with these stakeholders throughout contract delivery to ensure commitments are implemented to reflect community priorities.
- (3) Establish a comprehensive monitoring framework to support the forthcoming policy, with mechanisms to guarantee consistent enforcement across the Council.
- (4) Submit an annual report on the forthcoming Social Value Policy for ongoing scrutiny, presenting detailed evidence of social value commitments made and outcomes achieved.

*Please note that the specific wording of the information requests and suggestions for improvement were subject to refinement following the meeting, with the agreement of the Chair.*

## **12. Scrutiny Progress Update - Recommendations Tracker**

The Chair noted that the recommendations tracker had been cleared for the current meeting, as there were no outstanding actions or items to review. It was further confirmed that the tracker would be reviewed again at the beginning of the meeting scheduled for January 2026, ensuring any new recommendations were considered then.

**13. Any other urgent business**

No items of urgent business were identified.

The meeting closed at 9:30pm.

COUNCILLOR RITA CONNEELY  
Chair