

**LONDON BOROUGH OF BRENT**

**Full Council – 8<sup>th</sup> September 2008**

**Report from the Executive**

**1. The Treasury Management Annual Report 2007/08**

The Executive, at its meeting on 4<sup>th</sup> August 2008, considered and approved the attached report, which details Treasury Management activity and performance during 2007/08 and presents a policy on the provision for repayment of principal.

Full Council is recommended to:

Approve the Treasury Management Annual report, and  
Agree the policy on provision for repayment of principal

**2. Items to be reported by the Executive**

The Leader has given notice that the Executive will report to Council on the following items:

- (i) Compulsory Recycling progress
- (ii) Support for more voluntary organisations
- (iii) Climate change consultation
- (iv) Temporary Accommodation update
- (v) Hay Lane and Grove Park schools - sixth form provision
- (vi) Wembley Primary School
- (vii) New Pupil Referral Unit at Chalkhill Youth & Community Centre

**3. Decisions taken by the Executive under the Council's urgency provisions**

Under the provisions of rule 38 of the Access to Information Rules in the Constitution, the Executive is required to report to the next Full Council for information on any key decisions taken by them but which did not appear in the Forward Plan.

- (i) *Edward Harvist Trust Criteria*

The above item was considered by the Executive on 27<sup>th</sup> May 2008 when the decision was taken to approve the revised local criteria for which applications for funding from the Edward Harvist Trust are considered.

Reason why it was impractical to defer the decision until it could be included on the Forward Plan:

In order for the Edward Harvist Trust to fund any services/activities during the summer (especially summer holidays), the revised criteria needs to be agreed so that the fund can be advertised on 29<sup>th</sup> May 2008. The Edward Harvist Trust funding programme is to make the fund available twice a year – summer and winter. If the revised criteria is not agreed at the Executive meeting of 27<sup>th</sup> May 2008, voluntary organisations in Brent will miss out on the opportunity to apply for assistance towards their summer activities.

(ii) *Tendering of Housing Support and Care Services for People with a Learning Disability*

The above item was considered by the Executive on 27<sup>th</sup> May 2008 when the decision was taken to approve the appointment of the following organisations to the framework agreements for housing support services for people with a learning disability for a period of two years (plus provision for extension of up to two years) commencing on 1<sup>st</sup> September 2008:

Lot 1 Accommodation Based services  
Brent Mencap/Stadium Housing Association  
Support for Living Ltd  
Yarrow Housing Limited

Lot 2 Floating Support services  
Brent Mencap/Stadium Housing Association  
Support for Living Ltd  
Turning Point Services Ltd; and

to the award of the following call-off contracts for a period of two years commencing on 1st September 2008 with an option to extend the contracts for a further two year period:

*A contract for accommodation based services, approx 350 hours per week (inclusive of front line managers) to Yarrow Housing Ltd  
A contract for floating support to be phased in up to a maximum of 350 hours per week plus 70 hours per week for housing advice to Brent Mencap/Stadium Housing Association; and*

to note the abortion of the tender process with respect to Lot 3 for personal and care services.

Reason why it was impractical to defer the decision until it could be included on the Forward Plan:

Officers believe that this decision should be considered at the May Executive as this is in the best interest of the Council and Service Users. It is intended that the successful contractor will be added to the framework for Housing and Support Services for people with a learning disability for a period of three years which will commence on 1<sup>st</sup> September 2008. Existing contracts are due to terminate on 31<sup>st</sup> August 2008.

This in turn will mean that the successful contractors will need this lead in time to transfer the staff subject to TUPE into the service, allowing for

adequate staff consultation, and to prevent a long period of uncertainty for service users and staff.

There are therefore strong business reasons for this to be considered at the May Executive meeting as officers are unable to progress the scheme without a decision from Members.

*(iii) Housing and Social Care Non HRA PFI Project – Authority to Award Contract*

The above item was considered by the Executive on 14<sup>th</sup> July 2008 when the decision was taken to reconfirm the following previous decisions:

(i) to delegate authority to the Director of Housing and Community Care, in consultation with the Director of Finance and Corporate Resources and the Borough Solicitor, to agree the PFI Project Agreement and all other related documents including those which shall be entered into by the Council with any of Brent Co-Efficient's funders or subcontractors;

(ii) to authorise the Borough Solicitor, or authorised delegate on her behalf, to execute all of the legal agreements, contracts and other documents on behalf of the Council referred to in this report (and such other legal agreements and documentation which may be necessary to give full effect to the PFI Contract), subject to her receiving confirmation of credit approval from the Department for Communities and Local Government (CLG) or, executing such contracts and other documentation with a pre-condition that they shall only come into full effect upon the issuing of such PFI credit approval by the CLG;

(iii) to agree that the Director of Finance and Corporate Resources can issue, on behalf of the Council, such certificate or certificates under the Local Government (Contracts) Act 1997 to Brent Co-Efficient in respect of the PFI Project Agreement and to Brent Co-Efficient's funders in respect of any Direct Agreement entered into between the Council, such funders and Brent Co-Efficient;

(iv) to agree that the Director of Finance and Corporate Resources will be fully indemnified by the Council in the event of any claim against him arising from the provision of any Certificate he may issue in accordance with recommendations/decision in paragraph (iii) above;

(ii) to note that all other decisions in the October 2007 report in relation to the application for additional credits for a further 200 units, disposal of council sites for the purpose of facilitating the PFI Contract, seeking disposal consents from CLG, and changes to the Housing Allocation Scheme remain as before;

(iii) to agree that the Director of Finance and Corporate Resources can issue on behalf of the Council a certificate under the Local Government (Contracts) Act 1997 in respect of the Residual Value Deed to be entered into between the Council, Hyde Housing Association and the funders;

(iv) to agree that the Director of Finance and Corporate Resources will be fully indemnified by the Council in the event of any claim against him arising from the provision of the certificate issued under recommendation (iii) above.

Reason why it was impractical to defer the decision until it could be included on the Forward Plan:

After a series of events which have delayed financial close, the PFI is now expected to reach financial close on 31<sup>st</sup> July. Delays beyond this date could bring into question the commitment of funders of the scheme and would also increase risks to the scheme from volatility in market rates of interest. In October 2007, the Executive agreed delegated authority to the Director of Housing and Community Care to agree the final details of the scheme. However, changes to bank margins and other costs since then mean there have been changes to the scheme and a further decision of the Executive is therefore required.

(iv) *Authority to tender contract for the provision of Passenger Transport*

The above item was considered by the Executive on 14<sup>th</sup> July 2008 when the decision was taken to approve the pre-tender considerations and the criteria to be used to evaluate tenders; and invite tenders and evaluate them in accordance with the approved evaluation criteria.

Reason why it was impractical to defer the decision until it could be included on the Forward Plan:

There are several factors which determine this exercise as being urgent, not least that there are no formal current contracts in place. A transport review has been undertaken by external consultants who have highlighted that Brent may not be achieving value for money in its current operation and need to put in place contractual arrangements as soon as possible to maximize the opportunity to make savings this financial year. Another important consideration is that the majority of these journeys will be Special Educational Needs (SEN) to and from school and consequently it is important to have the arrangements in place in time for the new school year.