



Executive

Monday, 18 July 2011 at 7.00 pm

Committee Rooms 1, 2 and 3, Brent Town Hall, Forty Lane, Wembley, HA9 9HD

Membership:

Lead Member Councillors:

Portfolio

John (Chair)	Leader/Lead Member for Corporate Strategy and Policy Co-ordination
Butt (Vice-Chair)	Deputy Leader/Lead Member for Resources
Arnold	Lead Member for Children and Families
Beswick	Lead Member for Crime and Public Safety
Crane	Lead Member for Regeneration and Major Projects
Jones	Lead Member for Customers and Citizens
Long	Lead Member for Housing
J Moher	Lead Member for Highways and Transportation
R Moher	Lead Member for Adults and Health
Powney	Lead Member for Environment and Neighbourhoods

For further information contact: Anne Reid, Principal Democratic Services Officer
020 8937 1359, anne.reid@brent.gov.uk

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The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members.

Item	Page
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1	Declarations of personal and prejudicial interests	
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Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.

2	Minutes of the previous meeting	1 - 6
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3	Matters arising (if any)	
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4	Petitions	
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Save Preston Library Campaign:

“..... We oppose the sale or redevelopment of the site that does not include a Brent public library.”

Lead Petitioner: Samantha Warrington
(approximately 5,897 signatures)

5	Deputations (if any)	
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Environment and Neighbourhood Services reports

6	Arts Development Strategy	7 - 36
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This report outlines:

- the Arts Development Strategy (Appendix 1) for the council which has been developed following the recent consultation;
- proposals for the council's delivery of an Arts Development Program the borough within the current financial constraints. This report takes consideration feedback from the council's recent consultation on the council's Arts and Festivals offer as well as feedback and monitoring gathered over a number of years.

Ward Affected:
All Wards;

Lead Member: Councillor Powney
Contact Officer: Sue McKenzie, Arts, Libraries and Heritage
Tel: 020 8937 3144 sue.mckenzie@brent.gov.uk

7 Authority to Invite Tenders for the Parking Enforcement and Notice Processing Contracts 37 - 46

This report seeks authority to invite tenders for the Parking Enforcement and Notice Processing contracts to commence 4 July 2012, as required by Contract Standing Orders 88 and 89.

Ward Affected:

All Wards;

Lead Member: Councillor Powney

Contact Officer: David Furse, Procurement

Tel: 020 8937 1170 david.furse@brent.gov.uk

8 Additional street cleansing savings 47 - 54

The 2011-12 budget making process made some explicit decisions about reduction in service levels in street cleaning. There were also further savings built into the budget which required negotiation with Veolia as to how they could be achieved. This report recommends the approval of further variations in the council's waste services contract in order to meet agreed budget reductions.

Ward Affected:

All Wards;

Lead Member: Councillor J Moher

Contact Officer: Chris Whyte, Environment Management

Tel: 020 8937 5342 chris.whyte@brent.gov.uk

Regeneration and Major Projects reports

9 Asset Strategy for buildings to be vacated consequent to the outcome of the Library Transformation Programme 55 - 68

This report sets out the options and individual asset strategy devised for each of the buildings identified as surplus to the provision of the library service within Brent. This report also responds to a petition received during the Libraries Transformation Programme which relates to disposal of the building at Preston Road.

Ward Affected:

Dudden Hill;
Kensal Green;
Mapesbury;
Preston;
Sudbury;
Tokyngton;

Lead Member: Councillor Crane

Contact Officer: Richard Barrett, Property and Asset Management

Tel: 020 8937 1334 richard.barrett@brent.gov.uk

10 The future of the housing stock: proposals for future ownership, investment and management 69 - 90

This report considers two recent developments relating to the provision of

housing services in Brent. Firstly, the reform arrangements for the Housing Revenue Account system as proposed by central government. This report sets out the implications of the proposed settlement and in the light of this makes recommendations for the future of the housing stock. Secondly, this report considers the findings of the review of Brent Housing Partnership and makes recommendations for the future management of the housing stock.

Ward Affected:

All Wards;

Lead Member: Councillor J Long

Contact Officer: Perry Singh, Housing Needs/Private Sector

Tel: 020 8937 2332 perry.singh@brent.gov.uk

11 South Kilburn update report

91 - 118

This report summarises the progress made on the regeneration of South Kilburn, and sets out four main processes for approval by the Executive for continuing the momentum established by the Council over the past two years for the regeneration of the South Kilburn area. It seeks approval to progress the project.

Ward Affected:

Kilburn; Queens Park;

Lead Member: Councillor Crane

Contact Officer: Dave Carroll, Planning and Development

Tel: 020 8937 5202 dave.carroll@brent.gov.uk

12 Alpertown Masterplan SPD

119 -
132

The Executive is asked to agree to these changes to the draft masterplan SPD and thereafter formally adopt the Alpertown Masterplan SPD to the Council's LDF Core Strategy.

Ward Affected:

Alpertown;
Stonebridge;
Wembley Central;

Lead Member: Councillor Crane

Contact Officer: Andrew Donald, Director of Regeneration and Major Projects

Tel: 020 8937 1049

andrew.donald@brent.gov.uk

13 Church End redevelopment

133 -
148

This report seeks member approval to the disposal of the Council's remaining freehold interest in Church End Car Park to Catalyst Housing Group Limited (CHGL). The report also seeks approval to initiate compulsory purchase of all interests (inclusive of freehold interests) other than that already owned by the housing association in this area.

Ward Affected:

Dudden Hill;

Lead Member: Councillor Crane

Contact Officer: James Young, Property and

14 Quality House, 249 Willesden Lane, Willesden 149 -
152

249 Willesden Lane is currently occupied by the Council's Brent & Harrow Trading Standards Unit. In accordance with the Council's strategy toward rationalising its office portfolio ahead of the move to the Civic Centre an opportunity has arisen to relocate staff into Brent House. This report therefore recommends the disposal of the freehold interest in 249 Willesden Lane.

Ward Affected:
Willesden
Green;

Lead Member: Councillor Crane
Contact Officer: James Young, Property and
Asset Management
Tel: 020 8937 1398 james.young@brent.gov.uk

15 Disposal of 58 and 86 The Avenue, Kilburn 153 -
162

This report seeks the Executive's approval for the open market disposal of two Council owned residential properties situated at 58 The Avenue, Brondesbury, London, NW6 7NP, and 86 The Avenue.

Ward Affected:
Brondesbury
Park;

Lead Member: Councillor Crane
Contact Officer: James Young, Property and
Asset Management
Tel: 020 8937 1398 james.young@brent.gov.uk

Central Reports

16 Budget Strategy 2012/13 to 2015/16 163 -
192

This report sets out the financial prospects for the Council for the next four years. It seeks Executive approval for the overall budget strategy based on the One Council Programme and the delivery of the Borough Plan.

Ward Affected:
All Wards;

Lead Member: Councillor Butt
Contact Officer: Clive Heaphy, Director of
Finance and Corporate Services
Tel: 020 8937 1424 clive.heaphy@brent.gov.uk

17 Future funding of an events programme 193 -
200

This report outlines the overarching priorities underpinning the future delivery of a programme of activities that are inclusive to all which have been developed following recent consultation. It also sets out options for the council's funding for the delivery of a programme of activities for the

borough within the current financial constraints.

Ward Affected:

All Wards;

Lead Member: Councillor Jones

Contact Officer: Cheryl Curling,
Communications Team

Tel: 020 8937 1063 cheryl.curling@brent.gov.uk

Children and Families reports

18 Any Other Urgent Business

Notice of items to be raised under this heading must be given in writing to the Democratic Services Manager or his representative before the meeting in accordance with Standing Order 64.

19 Reference of item considered by Call in Overview and Scrutiny Committee (if any)

20 Exclusion of Press and Public

The following item(s) is/are not for publication as it/they relate to the following category of exempt information as specified in the Local Government Act 1972 namely:

APPENDICES:

Item 8

“Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings”.

Items 8, 13 and 14

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



Please remember to ***SWITCH OFF*** your mobile phone during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.
- Toilets are available on the second floor.
- Catering facilities can be found on the first floor near The Paul Daisley Hall.
- A public telephone is located in the foyer on the ground floor, opposite the Porters' Lodge



LONDON BOROUGH OF BRENT

MINUTES OF THE EXECUTIVE Monday, 13 June 2011 at 7.00 pm

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

ALSO PRESENT: Councillors Al-Ebadi, Chohan, Gladbaum, Kataria, Lorber, Mitchell Murray, Naheerathan, HB Patel and RS Patel

1. **Declarations of personal and prejudicial interests**

None made.

2. **Minutes of the previous meeting**

RESOLVED:-

that the minutes of the previous meeting held on 23 May 2011 be approved as an accurate record of the meeting.

3. **Matters arising**

None.

4. **Petitions - Arts and Festival strategy**

Ms Deepa Patel (Secretary, Hindu Council) addressed the Executive, on behalf of petitioners opposing proposals to cut funding for Navratri Celebrations as part of an overall revision of funding for festivals set out in the report from the Directors of Customer and Community Engagement and Environment and Neighbourhood Services. Ms Patel stated that the Festival had been celebrated for 30 years in Brent, was attended by people of all ages and was an opportunity for all including old and disabled people, women and hard to reach groups. She also said that the Festival encouraged young people to understand morals. Ms Patel stated that the events were friendly with no public disorder issues and were beneficial to schools who received funding from the hire of halls and got involved in the cultural activities. The funding was essential to the organisations to provide what was seen to be an important calendar event, enjoyed by all communities that could not be celebrated in homes. Ms Patel called on the council to review festival funding in a fair manner and without bias.

Nakul Shah spoke on behalf of signatories to the petition 'Stop the Navratri cuts proposed by the council' and stated that the Navratri Festival was associated with those young people who were seen to be polite and willing to volunteer, in contrast to others comprising trouble making gangs. He also referred to the opportunities the

Festival provided for people of all groups to enjoy themselves and funds paid to schools which allowed them maintain premises. Mr Shah understood the financial pressures and asked the council to hold discussions to come to a mutually agreeable position.

Mr Michael Sills (Chair, St Patrick's Day Festival Committee) spoke for petitioners asking for the St Patrick's Day Parade to be saved. The Festival has been going for 14 years and was the most important annual celebration, taking place in Willesden High Road in the centre of the community also supported by the Irish business community. Mr Sills hoped to work in partnership with the council support for the Festival which was a show case for music and dance. He asked the council to reconsider proposals to cease funding the festival and ended by thanking the Chair and other councillors for their support over the years, hoping that the festivals could be retained to bring some cheer especially in the current, gloomy economic times.

5. Arts and Festivals Strategy consultation

The Executive heard earlier in the meeting from representatives of petitioners speaking against proposals to reduce funding for festivals in light of the council's financial situation. Councillor Jones (Lead Member, Customers and Citizens) in responding to the petitioners advised that the council had to find approximately £100M of savings in four years. She said that the council could be proud of the support it had given over the years but the budget constraints could not be avoided. Councillor Jones then referred to the Equalities Act which came into effect in April 2011 and advised that the report on the Arts and Festivals Strategy would be withdrawn from consideration so that the full implications of the Equalities legislation could be examined. It was hoped that there would be a report back in July.

The Chair, on behalf of the Executive, thanked all for their contributions.

RESOLVED:

that the report on Arts and Festivals Strategy be withdrawn from consideration to allow further consideration of the implications of the Equalities Act 2010.

6. Day opportunities strategy review - mental health

The report from the Director of Housing and Community Care set out the results of the consultation with service users, carers and stakeholders on the proposed transformation of the directly-provided adult social care day services for Mental Health, also known as Community Networks, the options for transformation and a recommended course of action. The decision to consult was taken in January 2011 and was framed within the Day Opportunities Strategy which had been refreshed to include people suffering with severe and enduring mental health problems.

Councillor Naheerathan (Ward Councillor, Queensbury) addressed the Executive and presented a petition from residents who had approached him objecting to an option in the Director's report that would result in the closure of Kingsbury Manor, a centre in Roe Green which provided a social care service for people of Asian origin with severe mental health problems.

Councillor R Moher (Lead Member, Adults and Health) introduced the report and reminded the Executive that consultation on this issue had taken place over a three month period in a number of locations and a full Equalities Impact Assessment carried out. Several issues had been raised and what was before members now was a revised strategy for approval. The recommended option, Option four, was now significantly different. The transformation was an on-going process reflective of the alignment with health care and the day opportunities strategy was in line with the personalisation agenda however some users continued to want a buildings-based service. Councillor Moher advised that staff were broadly in support of the principles and that the proposals for four community development workers represented an increase in resources. She drew members' attention to the diversity and equalities implications in the report and recommended Option 4 for approval.

RESOLVED:

- (i) that approval be given to the refreshed Day Opportunities Strategy attached in Appendix B to the report from the Director of Housing and Community Care;
- (ii) that approval be given to the implementation of Option 4 outlined in the Director's report: replace the current service with four community development workers, working in partnership with Southside Partnership; provide a single base as a meeting place, with limited sessional provision of day services by the Community Development Workers. This will result in the closure of Kingsbury Manor and the Design Works (administrative base) and the relocation of a reduced service to Kingsbury Resource Centre.

7. Authority to award construction contract - Albert Road Resource Centre - John Billam Playing Fields, Woodcock Hill, Kenton

The report from the Director of Regeneration and Major Projects sought Executive approval to award the main works contract for the construction of new facilities for Adult Day Care at the John Billam Playing Fields site. Councillor Crane (Lead Member, Regeneration and Major Projects) reminded the Executive that the proposals were designed to facilitate housing regeneration in South Kilburn by relocating the former day centre in Albert Road.

The Executive also had before them an appendix which was not for publication as it contained the following category of exempt information as specified in Schedule 12 of the Local Government (Access to Information Act) 1972:

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

RESOLVED:-

that approval be given to the award of the main construction contract for construction of a new Day Care Centre at John Billam Playing Fields to replace the one currently situated at Albert Road to Wates Construction Limited in the Contract Sum of £4,315,097.

8. **58 A&B Palermo Road NW10 5YP - disposal of freehold to BHP at open market value as part of the Settled Homes Initiative**

Councillor Crane (Lead Member, Regeneration and Major Projects) introduced the report which sought approval to dispose of 58 Palermo Road NW10 comprising upper and lower self-contained flats at open market value to Brent Housing Partnership pursuant to the Settled Homes Programme.

RESOLVED:-

that approval be given to the disposal of the property to Brent Housing Partnership (BHP) at open market value in the sum of £410,000 for the purpose of inclusion within the council's Settled Homes Programme.

9. **51 Kilburn High Road NW6 - disposal of freehold**

The report from the Director of Regeneration and Major Projects sought approval for the open market disposal at auction of the freehold of 51 High Road Kilburn NW6 5SB, which comprised three dilapidated and vacant residential upper units known as flats A, B and C and the ground floor shop premises to be sold on long lease, following confirmation from the Chief Executive of Brent Housing Partnership that these residential units were beyond economic repair. The residential units were surplus to the council's operational requirements and sale at auction would ensure the best price was achieved for Brent's freehold interest.

RESOLVED:-

- (i) that approval be given to the open market disposal of the freehold interest of the building comprising dilapidated and vacant residential upper units A, B and C and the ground floor shop premises, which is sold on long lease;
- (ii) that the Assistant Director Regeneration and Major Projects (Property and Asset Management) to instruct auctioneers so as to ensure that the best price is achieved on sale of the freehold at auction and to instruct Legal Procurement in the matter of the disposal.

10. **Award of contract for procurement and management of temporary accommodation**

The report from the Director of Regeneration and Major Projects detailed the process of the competitive tendering for the Procurement and Management of Temporary Accommodation (Private Managed Accommodation), and made a recommendation as to award pursuant to Contract Standing Order 88. Councillor Long (Lead Member, Housing) advised that Brent would be the lead authority for the operation of the framework agreement and that other members of the West London Housing Partnership could call off services from the proposed framework agreement. She added that close monitoring would take place and the arrangement should lead to future financial savings.

The Executive also had before them an appendix which was not for publication as it contained the following category of exempt information as specified in Schedule 12 of the Local Government (Access to Information Act) 1972:

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RESOLVED:

that approval be given to the appointment of the contractors recommended and listed at paragraph 3.2.8 of the report from the Director of Regeneration and Major Projects to the Procurement and Management of Temporary Accommodation Framework for a period of two years from July 2011 with provision to extend the Framework Agreement for a further two years.

11. Rising to the challenges: re-shaping Brent Council to deliver the new Administration's priorities - further structural proposals

The report from the Chief Executive described structural changes implemented through the Chief Executive's delegated powers in the light of the severity of the funding position for local government and the recent retirement of the Director of Housing and Community Care, sought agreement to staffing changes requiring its approval and identified work underway to create new delivery models in response to further key changes in the evolving public sector landscape that are likely to require further structural changes.

Councillor John (Leader of the Council) drew attention to the implications of the proposals which were to delete the post of Director of Housing and Community Care with the housing function to be part of Regeneration and Major Projects. The role of Adult Social Services would be integrated in the central government's new delivery model for adult social care.

RESOLVED:

- (i) that the continuing national policy developments affecting local government and the wider public sector be noted;
- (ii) that agreement be given to the deletion of the Director of Housing and Community Care post for the reasons set out in paragraphs 3.6 to 3.11 of the report from the Chief Executive;
- (iii) that the Assistant Director, Community Care assume the role of statutory Director of Adult Social Services;
- (iv) that the transfer of the housing function including the client responsibility for Brent Housing Partnership to the Regeneration and Major Projects department, with effect from 1 June 2011, be noted;
- (v) that the work underway in developing a new integrated delivery model for adult social care and health be noted and that a report with recommendations will come to the Executive in the autumn 2011.

12. Contract for pensions administration

The report from the Director of Finance and Corporate Services sought approval to award a call-off contract from a framework agreement being let by the London Borough of Hammersmith and Fulham ("LBHF") for the provision of pension administration services. It detailed the procedure followed by LBHF in association with officers from Brent Council in procuring a single supplier framework agreement and recommends to whom the resulting call-off contract under the framework agreement should be awarded. Councillor Butt (Lead Member, Resources) stated that this was an opportunity to achieve substantial savings.

The Executive also had before them an appendix which was not for publication as it contained the following category of exempt information as specified in Schedule 12 of the Local Government (Access to Information Act) 1972:

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RESOLVED:-

that approval be given to the award of the call-off contract for the provision of pension administration services to Capita Hartshead for a term of six, with a possible extension of up to two years, commencing 1 October 2011 subject to the proper award of the pensions administration services framework agreement by LBHF.

13. Any Other Urgent Business


None.

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

None.

The meeting ended at 7.30 pm

A JOHN
Chair

	<p>Executive 18 July 2011</p> <p>Report from Director of Environment and Neighbourhood Services</p>
<p>Wards affected: All</p>	
<p>Arts Development Strategy</p>	

1.0 Summary

1.1 This report outlines:

- the Arts Development Strategy (Appendix 1) for the council which has been developed following the recent consultation.
- proposals for the council's delivery of an Arts Development Programme for the borough within the current financial constraints. This report takes into consideration feedback from the council's recent consultation on the council's Arts and Festivals offer as well as feedback and monitoring gathered over a number of years

2.0 Recommendations

That Executive:

- 2.1 approve the Arts Development Strategy (Appendix 1).
- 2.2 approve the proposals at 7.0. This will deliver an arts programme against the four key priorities and reduce the grant to the Tricycle Theatre by £20k per annum.
- 2.3. endorse the council's commitment to the future development of arts and cultural activities in the borough at the new Civic Centre and a new cultural hub in Willesden, conditional on the proposed redevelopment progressing.

3.0 Detail

- 3.1 The Council recognises the important role arts development plays in strengthening community cohesion, enhancing health and wellbeing, creating employment and improving life chances for residents. At a time when central government funding for the arts is being drastically cut, reflecting the wider pressures on public spending, the Council needs to ensure that it has a clear direction for its arts provision. Brent needs to take the lead in developing its local talent, raising the game in terms of excellence and ensuring that all residents have access to top quality arts and cultural experiences.
- 3.2 There is a clear commitment to the development of an improved arts and culture offer in Brent and a strategic context for change outlined in the council's Corporate Borough Plan, Brent – Our Future 2010-2014 and Brent's Cultural Strategy 2010-2015. Brent is a key partner within the Brent Culture, Sports and Learning Forum which developed Brent's Cultural Strategy adopted by the council in 2010. The Cultural Strategy acknowledges the importance of culture in Brent as 'an essential ingredient of a thriving and confident borough' and aims to create a vibrant and accessible cultural scene in the borough.
- 3.3 The opportunities created by the development of the Civic Centre and the potential development of Willesden Green Library Centre are unprecedented in recent years. Subject to Executive approval of the Willesden scheme, two newly built, state of the art facilities with surrounding public spaces would create capacity for showcasing local, national and international art and performance in the borough. Existing partnerships with cultural assets, such as the Tricycle Theatre, Lexi Cinema, Wembley Stadium and Fountain Studios can be developed to maximise cultural opportunities. Other council buildings such as sport centres and libraries can also be utilised in a coordinated improved cultural offer. Through developing the Council's relationship with the Culture Sports and Learning Forum, links with local businesses and commercial culture providers can be strengthened.
- 3.4 A programme of community engagement linked to the Games is already in place to maximise the opportunities created by the borough's hosting of five major sports and to ensure a tangible legacy for residents.
- 3.5 A clear strategy for arts development in Brent is overdue and required. There are a number of increasingly urgent reasons for clarity and direction, namely:
- 3.5.1 Public sector cuts and the need for the council to make savings.
- 3.5.2 Restructuring and refocusing of the arts team to reflect agreed strategic priorities and to support Brent's cultural offer outlined in Brent's Cultural Strategy.
- 3.5.3 The requirement to be transparent in prioritising arts development activity within the council, whilst recognising limited resources.
- 3.5.4 The need for clarity regarding what Brent Council's arts service provides and what should be led by other groups.

- 3.5.5 The opening of the new Civic Centre in 2013 with the potential to provide significant new cultural opportunities for community and voluntary groups.
- 3.5.6 Plans to redevelop Willesden Green Library Centre and create a cultural hub/council service centre, conditional on the proposed redevelopment progressing.
- 3.5.7 The need to develop the existing partnership working with the Tricycle Theatre so that Brent residents get the maximum benefit from the grant funding.

4. Priorities

4.1 The priorities proposed for Arts Development are:

- **Supporting the regeneration and infrastructure investments underway**
Over the next three years, the Council will be focusing its resources on two major developments: the new Civic Centre in Wembley and, potentially, the redeveloped Willesden Green Library Centre in the south of the borough. Two brand new libraries, a new museum, arts development work in South Kilburn and Harlesden and exciting new public spaces would create opportunities to foster creativity and community participation. Additionally the council will build on the partnership with the Tricycle Theatre, developing the existing service level agreement to ensure the Brent residents benefit from this valuable cultural resource in the borough.
The council will use the arts to encourage participation and responsibility for the borough's cultural assets and public spaces.
- **Promoting the cultural economy**
The creative economy in Brent is complex and diverse, ranging from national facilities such as Wembley Stadium, Wembley Arena and major television studios to a wide range of individual artists and performers. Promoting the creative economy creates social and economic opportunities for Brent residents and the team will focus on improving cultural leadership in the borough, particularly through the work of the Culture, Sports and Learning Forum. Locally based practitioners can be supported into careers and businesses related to their art forms and the council can showcase existing areas of cultural economic activity in the borough, such as textiles, music, carnival arts and writing.
- **Commissioning and promoting art**
The team will create a structured programme of commissioning artists to both create art and animate public spaces with performance. The Council is already a significant patron of the arts due to the extensive regeneration of the borough in recent years. The team will continue that work, enhancing the environment for residents and visitors and promoting Brent as a vibrant cultural centre. Art in Brent's schools will be recognised and promoted. The council will be looking to encourage and promote the best of Brent talent in the arts as well as bringing prestigious artists into the borough.
- **Promoting arts and festivals linked to the 2012 Olympic and Paralympic Games.**

The cultural elements of the Games will dominate the work of the team in the first eighteen months of the strategy, promoting arts events that reflect the borough's love of sport and its connections to communities across the world. A programme of community engagement linked to the Games is already in place to maximise the opportunities created by the borough's hosting of five major sports and to ensure a tangible legacy for residents.

5. Arts Development Strategy

- 5.1 The attached Arts Development strategy for the council (Appendix 1) has been written to align with the principles of Brent's Cultural Strategy 2010-2015. It has been produced to ensure arts activities and opportunities are planned and developed in an agreed and coordinated way within Brent.
- 5.2 The strategy recognises the vital role the council and its partners can play in providing cultural leadership, both by encouraging local artists and creative industries and by bringing high quality artists and performers into Brent. It also highlights the contribution that arts and cultural activities play in terms of improving health, creating safe places, improving life chances and increasing community cohesion.
- 5.3 The Council also acknowledges the significant presence of the film and television industry in Park Royal and Wembley and aims to work with this sector, both through the Culture Sports and Learning Forum and through the arts team building partnerships on specific projects.

5.4 2012 Olympics

While the Arts Development strategy covers the next four years it recognises the significance of the 2012 Olympic and Paralympic Games. The strategy identifies that the 2012 Games will be the dominant cultural event for the whole of London in the next 18 months. With Brent hosting events in two Olympic venues – football at Wembley Stadium, badminton and rhythmic gymnastics at Wembley Arena – the delivery model for arts and festivals during this period is likely to be heavily influenced by the Games.

5.5 The Tricycle Theatre

The Tricycle produces a programme of culturally diverse theatre, cinema and visual arts in north-west London. The theatre is also an important producer of national and international work, and operates a Creative Space for educational workshops and social inclusion programmes for children and young people aged from 18 months to 26 years. Brent council's grant of £218,000 is managed by a Service Level Agreement (SLA) and funds outreach activity with young people. The theatre also receives grants from the Arts Council (ACE) and, until recently, received £56,000 from London Councils. Following the government's reduction in funding for ACE they have reduced their grant to the Tricycle by 11 per cent. Therefore, the public grant funding of the Tricycle has been reduced by over £100,000 this year.

- 5.6 As a result of the funding from Brent and the conditions of the SLA, in 2010/11 the Tricycle provided in the borough

137 artist in residence sessions for school groups
116 artist in residence session for young people aged 11 to 17 who are newly arrived to the UK with refugee, asylum seeker or migrant status

612 sessions for socially excluded 15-26 year olds
66 confidence building sessions for young people

In total, in 2010/11 the Tricycle's Education & Social Inclusion Programme provided over 46,000 experiences for children & young people of whom at least 90% were from Brent

- 5.7 The Tricycle is a significant employer in the borough. They currently have 16 full time employees & 52 part time. In addition they have at any one time approx 20 short term (up to three months generally) employees on the books. They have a policy of prioritising Brent residents for non-specialist jobs ie Front of House staff – currently 47% of FOH staff are from Brent.
- 5.8 Brent residents are given discounts to selected screenings/theatrical productions Over 50% of the Tricycle's audience is from Brent. The Council wants to improve the cultural opportunities for Brent residents and supporting a nationally recognised cultural asset in the borough is an excellent way of doing so.
- 5.9 The Tricycle is an active member of the Brent Culture Sport & Learning Forum, working to promote and develop cultural activity in the borough.
- 5.10 The Tricycle Theatre is a significant cultural asset for the borough. The relationship with the Tricycle needs to be developed so that the council's priorities continue to be reflected in the grant funded activities and so that local people recognise it as a Brent asset
- 5.11 **New Civic Centre and potential Cultural Hub in Willesden**
The Arts Development Strategy also acknowledges the impact of the new Civic Centre from the summer of 2013. The position of the Civic Centre, opposite Arena Square, provides opportunities to host a range of arts and cultural events. The building will have significant quality public areas within which to hold events including halls, a garden, foyer and gallery areas. The council is keen to maximise the use of the building for community and income generation purposes and will develop a Calendar of Events to ensure this is achieved. The Calendar will include a wide range of activities to reflect the diversity of the borough, promote arts and culture and celebrate key Brent community events. In addition the council is proposing to potentially develop a new cultural hub in Willesden. If the Executive approve the scheme in due course, the new centre would contain display and performance space alongside the new digitally enabled library, museum, archive and council service centre. This would be a significant opportunity to showcase local talent and creativity.
- 5.12 Although there have been some significant successes and partnerships built, Brent is not fully exploiting the potential for arts and, more broadly, cultural activity which will deliver real returns in social, learning and economic benefits for the borough.
- 5.13 The developments around infrastructure bring exciting opportunities for creating excellent, inclusive cultural facilities in Brent's new Civic Centre and potentially at the refurbished Willesden Green Library Centre. These developments necessitate a clear focus for the arts team.
- 5.14 The current financial climate and the Council's savings targets necessitate budget reductions in all service areas. The core arts budget, after staffing, is modest and in

the region of £50,000. The strategy proposes an ambitious programme over the next four years and any reduction in the arts budget would jeopardise delivery. The proposal is therefore to reduce the Tricycle grant of £218,000 by £20,000.

- 5.14 The aims and vision of the strategy will support the proposals at 7.0 An action plan would need to be developed to ensure delivery.

6.0 Consultation

- 6.1 The Arts Development Strategy has been developed in consultation with internal and external partners and stakeholders over a sustained period of time. It builds on the extensive participation that developed the Culture Sport and Learning Forum's Cultural Strategy during 2010.

- 6.2 The most recent public consultation (on arts and festivals in the borough) took place from 7 March to 26 April 2011. The consultation included an online consultation document, a paper consultation and presentations at Brent's Multi-faith Forum and Brent's Culture, Sports and Learning Forum. There were 202 responses to the online and paper consultation plus nine emails, one letter and feedback from the Environmental Projects and Policy Team.

- 6.3 The consultation document sets out the council's proposed four priority areas for arts development and asked: if they were the right priorities; were they of equal importance; and to rate them in preference of importance. It also asked if there were other areas of work not covered in the identified priorities and there was a final open question asking if there was anything additional to add.

- 6.4 The response percentages to the questions in relation to arts were:
- Are they the right priorities?
 - Arts – 54% agreed, 46% disagreed
 - Are they equally important?
 - Arts – 71% disagreed, 29% agreed (see below for preferred priorities)

- 6.5 The consultation provided an opportunity for feedback on current provision and future provision of Arts. Respondents identified the two preferred priorities as promoting the cultural economy and supporting the regeneration and infrastructure investments underway. Open comments show a preference for supporting the cultural and creative work that taps into Brent's diverse communities and also the importance of arts work in supporting regeneration in the borough.

- 6.6 The results of the consultation helped to inform the options proposed for Executive to consider.

- 6.7 Other relevant consultations and feedback have taken place over the past few years which have also informed the strategy. They include a mapping exercise of current cultural facilities took place in 2009 and consultation on the Cultural Strategy, which took place in 2010.

7.0 Proposals

- 7.1 The proposals have been developed with consideration to the need to make savings on the current levels of spend, the results of all consultation over a sustained period of time, and to meet the needs of Brent's diverse communities
- 7.2 The aims and vision of the strategy will support the **proposals**, which are as follows:
- 7.2.1 The development of an strategy action plan to ensure delivery.
- 7.2.3 Adoption of the four priorities for the 2012 and Arts Development Team:
- *Supporting the regeneration and infrastructure investments underway*
 - *Promoting the cultural and creative economy*
 - *Commissioning and promoting art*
 - *The 2012 Olympic and Paralympic Games*
- 7.2.4 Reduction in the grant to the Tricycle Theatre of £20,000 This reduction is necessary in the current financial climate and with the council's need to make savings but also acknowledges the importance of this partnership and its potential to enhance the cultural offer for Brent residents. The Council will ensure that the Service Level Agreement with the Tricycle will clearly reflect its equalities commitments. This would bring savings to the Council of £20,000.

8.0 Financial Implications

- 8.1 The recommendation results in a £20,000 savings, which is a reduction in grant to the Tricycle Theatre. This figure is already assumed in 2011/2012 budget so if not made here would have to be found elsewhere within the arts budget.

9.0 Legal Implications

- 9.1 While there is no duty on the council to provide arts activities, the Local Authority has a power to provide (or arrange for the provision of) entertainment, the development and improvement of the knowledge, understanding and practice of the arts, and otherwise attract visitors to the area for recreation etc under S144 and 145 of the Local Government Act 1972.

10.0 Diversity/Equality Implications

An Equality Impact Assessment has been conducted and is will follow. Its current status is that it is being audited by the council's Diversity team. The

EIA has looked at the importance of the arts development service and considered its impact on the eight protected groups against the core objectives of the Public Sector Equality Duty.

- 10.2 Section 149 in Chapter 1 of Part XI of the Equality Act 2010 is the new public sector equality duty which came into force on 5 April 2011. Broadly speaking Section 149 extends the scope of the duty to all 'protected characteristics' as defined in section 4 of the Act except marriage and civic partnership.
- 10.3 The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex; and sexual orientation.
- 10.4 The EIA considers:
- cohesion and inclusion particularly around ethnicity and age to ensure that the proposed programme of work operates appropriately
 - Promoting opportunities for residents to participate as creative practitioners and audiences, for example through ensuring council supported venues are accessible and welcoming
 - Encouraging ambition and excellence as a key route to inclusion – looking to bring in excellent work, showcase, and encourage others to see it too.
- 10.5 There were no specific issues raised during the consultation on equalities relating to arts development

11.0 Staffing/Accommodation Implications

- 11.1 A restructuring of the Arts Team has recently been carried out in accordance with the council's Managing Change policy. Staff and trade unions were fully consulted.

Sue McKenzie
Head of Libraries, Arts and Heritage

Sue Harper
Director of Environment and Neighbourhoods

Brent Arts Development Strategy 2011-2015

Placing art at the heart of the community

Contents

1. Brent Council's vision
2. Principles
3. Priorities
4. Background
5. Brent the borough
6. Cultural facilities
7. Strategic context
8. Spotlight on key partners and projects
9. Arts vision and priorities

Foreword

There is a tremendous thirst for cultural activity in Brent. The council is committed to the development and encouragement of a broad range of cultural activities that help to bring communities together and showcase the borough at its very best.

Cultural activities contribute to a safe, healthy and cohesive community. This is why we have supported and promoted a wide range of activities in the borough for a great many years, from reading groups in libraries to displays in our parks, games in our sports centres and art in our galleries and public spaces. We have worked very successfully with key partners to ensure that local people can enjoy the world class cultural opportunities that are right on our doorstep, such as Wembley Stadium and Arena, the Swaminarayan Temple and the Tricycle Theatre .

The council has an important leadership role in helping to ensure that local communities can benefit from cultural events and activities by celebrating the things they value, learning about other cultures and simply having fun. We use initiatives such as ward working to respond to resident's needs and projects such as Fabric of A Nation at Brent Museum and the Lexi Cinema are examples of the many beneficiaries.

We want Brent's cultural events to reflect people's sense of pride, identity and connectedness. This Arts and Festivals strategy supports that aim. We want to encourage greater community ownership and delivery of cultural activities in Brent. We hope all our partners will continue to work with us to deliver a programme we can all be proud of.

Cllr James Powney
Lead member for Environment and Neighbourhood Services

1. Brent Council's Vision

Brent will be a thriving, vibrant place, where our diverse community lives in an environment that is safe, sustainable and well maintained. All our services will enable local people to fulfil their potential and improve their quality of life. Public resources will be used creatively and wisely to produce lasting benefits for our residents and the borough. Our commitment to reducing poverty, redressing inequality and preventing exclusion will be at the heart of all our actions.

Brent: our future 2010-2014

2. Principles

Brent Council's Arts Development Strategy has been developed to reflect and support the key principles of Brent's Cultural, Sport and Learning Forum (CSLF).

In the Cultural Strategy for Brent, adopted in 2010, the CSLF adopted eight key principles to guide its work. These are:

- Enhancing cultural vibrancy – Brent's infrastructure
- Supporting the cultural economy – arts, culture and creative industries
- Raising the profile of culture – promotion
- Encouraging young people to take part – participation and engagement
- Developing public space – design and animation
- Making the most of London 2012 and other major events – place making
- Increasing participation – access
- Promoting health and well-being – use of parks and open spaces

The key aim of the Cultural Forum is:

To develop and support a range of cultural opportunities that are engaging, accessible and enriching for all local communities.

3. Priorities

Below are the proposed priorities for the Arts Development and 2012 Team for 2011 - 2015

Supporting the regeneration and infrastructure investments underway

Over the next three years, the Council will be focusing its resources the new Civic Centre in Wembley and, subject to Executive approval, the redeveloped Willesden Green Library Centre in the south of the borough. Two potentially brand new libraries, a new museum, arts development work in South Kilburn and Harlesden and exciting new public spaces will create opportunities to foster creativity and community participation. Additionally the council will build on the partnership with the Tricycle Theatre, developing the existing service level agreement to ensure the Brent residents benefit from this valuable cultural resource in the borough.

The council will use the arts to encourage participation and responsibility for the borough's cultural assets and public spaces.

- **Promoting the cultural economy**

The creative economy in Brent is complex and diverse, ranging from national facilities such as Wembley Stadium, Wembley Arena and major television studios to a wide range of individual artists and performers. Promoting the creative economy creates social and economic opportunities for Brent residents and the team will focus on improving cultural leadership in the borough, particularly through the work of the Culture, Sports and Learning Forum. Locally based practitioners can be supported into careers and businesses related to their art forms and the council can showcase existing areas of cultural economic activity in the borough, such as textiles, music, carnival arts and writing.

By embedding the arts in our planning processes we can ensure residents benefit from cultural and community facilities alongside commercial developments.

- **Commissioning and promoting art** (*picture of IKEA public art when available*)

The team will create a structured programme of commissioning artists to both create art and animate public spaces with performance. The Council is already a significant patron of the arts due to the extensive regeneration of the borough in recent years. The team will continue that work, enhancing the environment for residents and visitors and promoting Brent as a vibrant cultural centre. The council will be looking to encourage and promote the best of Brent talent in the arts as well as bringing prestigious artists into the borough.

- **Promoting arts and cultural activity linked to the 2012 Olympic and Paralympic Games.**

The cultural elements of the Games will dominate the work of the team in the first eighteen months of the strategy, promoting arts events that reflect the borough's love of sport and its connections to communities across the world. A programme of community engagement linked to the Games is already in

place to maximise the opportunities created by the borough's hosting of five major sports and to ensure a tangible legacy for residents.

4. Background

Brent is an exceptional borough with a thriving arts and cultural scene. It boasts a wide range of exciting destinations, from the country's national stadium, a major entertainment venue and a pioneering theatre to carnival arts projects, community galleries and a diverse collection of local artists and performers.

Brent Council recognises the important role arts development plays in strengthening community cohesion, enhancing health and wellbeing, creating employment and improving life chances for residents. At a time when central government funding for the arts is being drastically cut, reflecting the wider pressures on public spending, the Council remains committed to excellence in arts and culture. Brent needs to take the lead in developing its local talent, raising the game in terms of excellence and ensuring that all residents have access to top quality arts and cultural experiences.

There is a clear commitment to the development of an improved arts and cultural offer in Brent and a strategic context for change outlined in the council's Corporate Borough Plan, Brent – Our Future 2010-2014 and Brent's Cultural Strategy 2010-2015. Brent is a key partner within the Brent Culture, Sports and Learning Forum which developed Brent's Cultural Strategy adopted by the council in 2010. The Cultural Strategy acknowledges the importance of culture in Brent as 'an essential ingredient of a thriving and confident borough' and aims to create a vibrant and accessible cultural scene in the borough.

The opportunities created by the development of the Civic Centre and the potential development of Willesden Green Library Centre are unprecedented in recent years. Newly built, state of the art facilities with surrounding public spaces will create capacity for showcasing local, national and international art and performance in the borough. Existing partnerships with cultural assets, such as the Tricycle Theatre, Lexi Cinema, Wembley Stadium and Fountain Studios can be developed to maximise cultural opportunities. Other council buildings such as sport centres and libraries can also be utilised in a coordinated improved cultural offer. Through developing the Council's relationship with the Culture Sports and Learning Forum, links with local businesses and commercial culture providers can be strengthened

The council launched a consultation with local people about its provision of Arts and Festivals activities on 7 March 2011, which closed on 26 April 2011. The majority supported the four priorities for arts development, with the two most popular being supporting regeneration and the creative economy. Feedback indicated that people felt that what the council provided should be more equitable.

The feedback from this consultation was considered along with other consultation and evaluations to help shape this strategy.

5. Brent the Borough

Brent is a place of contrasts. It is characterised by a sharp divide between the relative affluence of the northern wards and high levels of social and economic deprivation in areas south of the North Circular Road. Although there are also pockets of deprivation in the northern wards that should not be overlooked, the north of the borough is generally suburban in character with an older population whilst the south experiences many of the challenges faced by inner city communities.

Ward Map



Within the West London sub-region Brent has the highest levels of diversity and multiple deprivation and is also the most densely populated borough. Brent shares its boundaries with 7 other boroughs (Barnet, Harrow, Ealing, Hammersmith and Fulham, Kensington and Chelsea, Westminster and Camden) and many Brent residents will use cultural facilities across the border, in neighbouring authorities.

Population and Populations Projections

Brent's population is growing and changing. Recent figures indicate significant numbers of people moving into the borough creating new emerging communities. Brent also has significant numbers of transient people. Brent is one of only two local authorities serving a population where the majority of people are from Black and Minority Ethnic communities. The GLA estimate Brent's population was at least 279,200 in 2007 and independent research commissioned by the

Council estimates the figure to be nearer 289,000 at March 2007. Population growth in Brent has largely occurred in the south of the borough and is predominantly the result of an increase in the number of young adults, often with pre-school or young children.

Nearly 8% of Brent's population is classified as refugees or asylum seekers.

Currently the wards with the highest population figures are Stonebridge, Kilburn, Mapesbury, Queensbury and Dudden Hill.

Black and Minority Ethnic Groups

54.4% of Brent residents are from black and minority ethnic communities. These groups comprise of established Indian, Black Caribbean, Black African and Irish communities as well as emerging Eastern European, Somali, Turkish, Hispanic and Portuguese communities. Brent residents speak over 130 different languages. These diverse communities are spread across the whole borough.

Age Structure

Brent has a relatively young population, a quarter of residents are aged 19 years or under. The South of the borough has the highest concentrations of young people and in Brent's five most deprived wards, a third of residents are aged under 16 years. In contrast, only 14% of the population are of pensionable age.

Deprivation

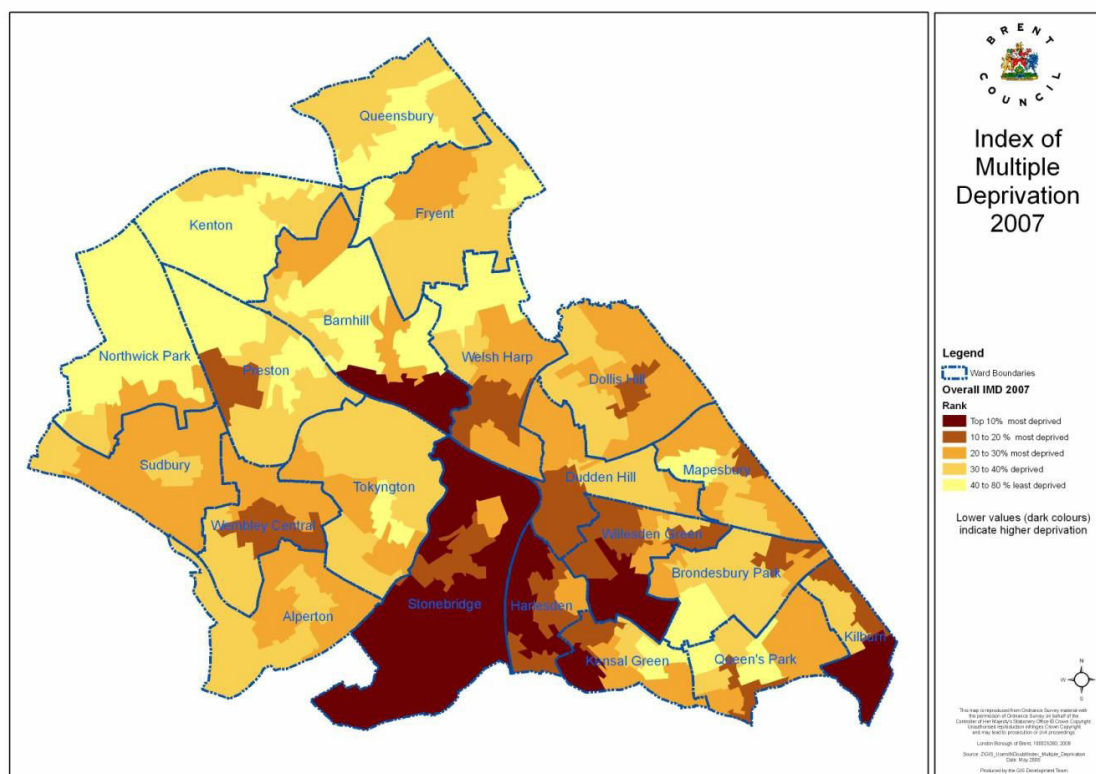
The 2007 Index of Multiple deprivation identified Brent as the 53rd most deprived area out of 354 boroughs. This ranking now places Brent within the 15% most deprived areas of the country.

Deprivation experienced within the borough is characterised by relatively high levels of long-term

unemployment low household incomes and dependence on benefits and social housing. In addition, qualifications and skills levels in Brent are low and Brent ranks 6th from bottom within London on

overall residence-based skills and qualifications score.

Children and young people are particularly affected by deprivation with a third of Brent's children living in low income households, a quarter in social housing and a fifth in single-adult households.



Health

There are significant health inequalities in the borough, linked to location, gender, level of deprivation and ethnicity. The most deprived wards in the South of the borough have a higher death rate, and lower life expectancy than the less deprived wards in the North of the borough.

Crime

Brent has traditionally been a high crime area, although, in recent years significant progress has been made in reducing crime levels within our borough. The most deprived areas of Brent witness the most amount of crime in locations such as Stonebridge, Harlesden, Kilburn, Tokyngton and Wembley Central wards.

6. Cultural Facilities

Insert map

A Cultural Facilities Audit, undertaken by BOP Consultancy in 2010, identified and profiled some 100 facilities for cultural use, including archives, galleries and theatre/cinema spaces, libraries, production, rehearsal and education space; some under Council management and others in commercial or community ownership. It excluded public open space and leisure facilities.

The report found that, although Brent is a borough with a young and diverse population, located close to the cultural riches of central London, its rates of cultural participation are low. The mapping of cultural assets suggests that Brent's cultural

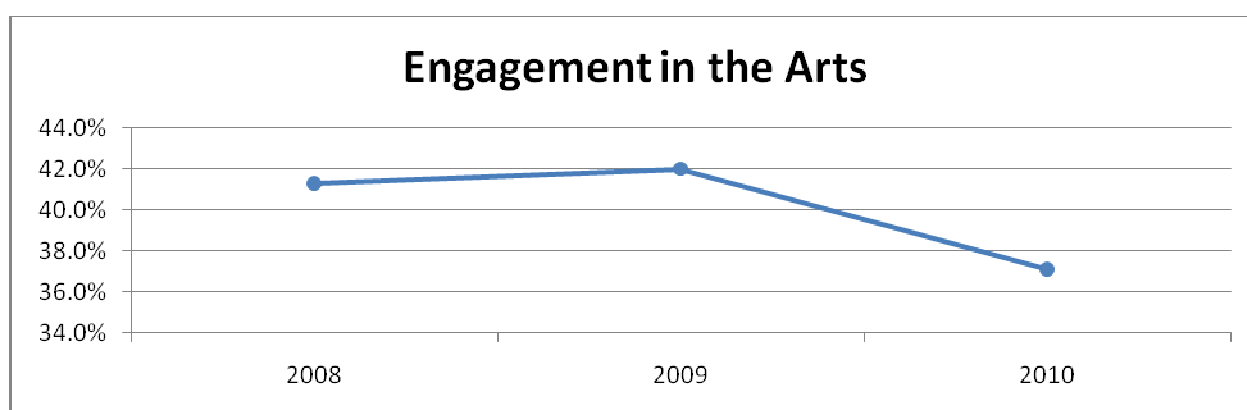
assets, particularly the most important ones, seem to be reasonably well-spread across the borough. However, there are relatively few facilities in Alperton, and on the northern peripheries of the borough.

Comparisons with other outer west London boroughs suggest that Brent has relatively few theatre and cinema seats for the size of its population. The number of art spaces seems reasonable compared with neighbouring boroughs. However, Brent's art spaces seem to be centred on in the south and east of the borough. Brent is also home to a number of important commercial media facilities, including Fountain Studios, the largest independent TV studios in Britain, and Battery Studios, a sound recording studios complex.

Participation

Brent's performance against the National Indicator NI 11

Brent's performance against the (now defunct) 'Engagement in the Arts' indicator declined from 41% in 2008 to 37% in 2010 and was in the lower quartile for London boroughs. This demonstrates the need for a more focused and visible arts offer.



A substantial proportion of Brent residents do not take up the cultural opportunities that living in London offers. However it needs to be recognised that a lot of cultural activity takes place that does not fall under the government's criteria, such as religion based and 'under the radar' community activity. Nevertheless, there are relatively low levels of cultural participation and an uneven distribution of cultural infrastructure resources. The present cultural offer fails to meet the needs of the wider community or to address its complexity. There is a need to integrate the newer communities and to address special needs (particularly those that are the result of violence and trauma) through engagement with arts and culture. Finally data on attendances and audiences is patchy.

Only 41 per cent of Brent residents were found to have participated in arts-based activity (National Indicator 11) in the 2008 Active People survey, compared with a

national average of 45 per cent, and a London one of 49 per cent. Their use of museums and galleries (NI 10) also trailed the London and national averages.

Brent has taken a first step towards an audience development strategy for the borough by participating in Reach, an Arts Council initiative for arts professionals to develop their skill in identifying and reaching audiences. The Arts Council (and the DCMS) has flagged the importance of 'audience development' as a pre-condition. Brent also contributes to theSeer, an online networking and information resource for voluntary and arts sectors.

7. Strategic Context

Local

Brent's new **Corporate Strategy** Brent Our Future sets out an ambitious vision for Brent over the next four years:

- Creating a sustainable built environment that drives economic regeneration and reduces poverty, inequality and exclusion
- Providing excellent public services which enable people to achieve their full potential, promote community cohesion, and improve our quality of life
- Improving services for residents by working with our partners to deliver local priorities more effectively and achieve greater value for money from public resources.

Brent Culture, Sport and Learning Forum, comprising partners from local businesses and arts as well as sports and learning providers, produced a five year over-arching **Cultural Strategy** which was adopted by the Council in 2010. It offers eight key principles:

- Enhancing cultural vibrancy – Brent's infrastructure
- Increasing participation – access
- Raising the profile of culture – promotion
- Encouraging young people to take part – participation and engagement
- Developing public space – design and animation
- Making the most of London 2012 and other major events – place making
- Supporting the cultural economy – arts, culture and creative industries
- Promoting health and wellbeing – use of parks and open spaces.

London 2012 Olympic and Paralympic Games

In the summer of 2012 London will host the Olympic and Paralympic Games, welcoming the world to the biggest sporting event and cultural spectacular in London since the millennium. Brent will use the power of the London 2012 Games to inspire and engage residents and businesses through exciting events that motivate stimulate and bring about change - all of which will be delivered working with our partners and stakeholders in Brent.

Brent Council is committed to securing the maximum benefits from the London 2012 Games to create a lasting legacy for our young people, residents and local businesses.

Inspiring Brent, the council's 2012 action plan, sets out the following five themes are priority areas:

- Young Learners
- Business and Skills
- Culture and Events
- Sport and Health
- City Operations and Sustainability.

Brent Council will use the Cultural Olympiad as a catalyst to celebrate the rich diversity of the borough providing a platform to explore and showcase our cultural heritage. Working with a range of partners, including boroughs across West London, local artists, cultural organisations, voluntary groups and national arts bodies, the programme will involve all our diverse communities in an ongoing celebration of our multicultural heritage. The plans build on the opportunities brought about by Wembley's regeneration to create a new tourism destination within Brent and build capacity within creative industries to benefit from economic regeneration across Brent.

Key areas for arts and culture include:

- securing a cultural legacy and build lasting partnerships nationally and internationally from engagement with the Cultural Olympiad
- maximising the potential of our unique diversity to develop West London Story
- a wide ranging programme of cultural activities celebrating the London 2012 Games
- developing a programme of activities across Brent Library Services inspired by the London2012 Games
- using the power of Paralympic Games to engage and inspire the disabled community to participate in arts and culture across the borough
- developing our museum and archive to celebrate Brent's heritage and involvement in the 1948 and 2012 Games
- working with our West London borough partners to deliver joint events allowing residents to celebrate the London 2012 Games
- animating our civic spaces for the enjoyment and use of all our communities
- developing the capacity of artists to showcase their talent to secure a legacy from the 2012 Games

The Brent Placemaking Guide

The Brent Placemaking Guide provides a means to deliver excellence in the borough's public realm through good urban design. It aims to achieve a safe, attractive, accessible and inclusive environment by setting out public realm policy and design guidelines and specifications for materials, street furniture and the layout of streets and spaces that fall within the control of the council.

It also seeks to develop civic pride and foster a sense of public ownership in the street scene and looks at ways of encouraging the use of streets and spaces for community activities.

Regional

The **Mayor of London's** strategy **Cultural Metropolis** sets out the Mayor's commitment to support the cultural and creative business sectors and highlights their role in regeneration and employment. The strategy links the physical environment to the cultural offer through good urban design, to 'revitalised' public space through high-quality public art and announces a strong intention to 'widen access to the arts from London's outer boroughs'. In terms of London 2012 the **Greater London Authority** (GLA) is supportive of plans to develop festivals, productions and exhibitions that will form the city's celebrations of the Olympics. Whilst Brent Council recognises that all institutions have limited resources, the GLA role is vital through the influence that can be exerted on Arts Council England,

"We must continue to invest in creativity - this is not a time to be lowering ambitions"
Boris Johnson, Mayor of London

London 2012 Olympic and Paralympic Games

In the summer of 2012 London will host the Olympic and Paralympic Games, welcoming the world to the biggest sporting event and cultural spectacular in London since the millennium. Brent will use the power of the London 2012 Games to inspire and engage residents and businesses through exciting events that motivate stimulate and bring about change - all of which will be delivered working with our partners and stakeholders in Brent.

Brent Council is committed to securing the maximum benefits from the London 2012 Games to create a lasting legacy for our young people, residents and local businesses.

National

Arts Council England (ACE) sets out its view for the impact of the arts in 'Great Art for Everyone' as:

'building people's capacity for understanding the world around them, enriching people's experience of life and offering an important emotional connection, creating links between different communities'.

In 2011, as part of the Government's Comprehensive Spending Review, ACE's budget was cut by 29.6 per cent.

Brent currently plays host to 5 'national portfolio' organisations funded by ACE,

The Tricycle Theatre and cinema
Elimu Carnival Club

Mahogany Community Ventures
Third Text
Children's Bookshow

The council is committed to working with these organisations and ACE to ensure maximum community benefit.

8. Spotlight on Key partners and Projects

Brent's Culture Sports and Learning Forum



The Brent Culture, Sport and Learning Forum (CSLF) created and are delivering Brent's Cultural Strategy for 2010-2015. It is the first time that there has been a formal structure for partners from local businesses, the arts, sports and learning providers to work with Brent Council to develop a shared vision with objectives and goals fed by the dynamic energy from both private and public sectors.

The Cultural Strategy was launched in February 2010 at Wembley Stadium with a combination of keynote speeches and cultural performances from Brent's young people and local artists.

We are now working hard to ensure the partnership delivers on the goals we have set together to make a difference.

One of the key resources delivered so far by the CSLF has been the **visit Wembley visit Brent** website www.visitwembleyvisitbrent.com

Brent's New Civic Centre



Our new Civic Centre, due to open in spring 2013 is key to our efficiency and improvement strategy, acting as a catalyst to help transform the local landscape and the way we deliver services throughout Brent.

The building will be a community hub with a state-of-the-art library and multi-functional community facilities. It will provide unique and iconic wedding and events facilities, and both indoor and outdoor spaces which can be used by Brent's communities to deliver cultural projects and as performance or cultural celebration spaces. The arts development strategy has as one of its priorities the provision of quality cultural experiences in this iconic building and others across the borough.

The Tricycle Theatre



The Tricycle Theatre has established a unique reputation for presenting plays that reflect the cultural diversity of its community, in particular by Black, Irish, Jewish, Asian and South African writers, as well as for responding to contemporary issues and events with its ground-breaking 'tribunal plays' and political work.

Education and community activities are an integral part of the artistic output of the Tricycle. Last year there were more than 46,000 attendances by young people to see films and plays, or to take part in workshops.

The Tricycle's home in the London borough of Brent comprises a theatre, cinema, art gallery, café and bar, and it is open all year round

As a result of the funding from Brent and the conditions of the SLA, in 2010/11 the Tricycle provided

- 137 artist in residence sessions for school groups
- 116 artist in residence session for young people aged 11 to 17 who are newly arrived to the UK with refugee, asylum seeker or migrant status
- 612 sessions for socially excluded 15-26 year olds
- 66 confidence building sessions for young people

In total, in 2010/11 the Tricycle's Education & Social Inclusion Programme provided over 46,000 experiences for children & young people of whom at least 90% were from Brent

Willesden Green Library Centre and the Greenhouse Project



Work is currently underway to explore the potential of redeveloping Willesden Green Library Centre as a council service centre and cultural hub for the borough. Whether or not the project goes ahead, the centre is a key focus for cultural activity in Brent, with its library, art gallery, museum and archive. One of the arts development priorities identified is to focus on animating public buildings and spaces with quality cultural art and performance. The Arts and 2012 team have developed a 'hothousing' project at Willesden Green to give artists and performers a chance to showcase their skills. This will enable the team to build a picture of available talent and resource while they develop the cross borough cultural programme. The project goes live in July 2011 with the establishment of a regular 'world market' and a Saturday art market.

South Kilburn Studios



A partnership between Brent Council, The Architecture Foundation, the South Kilburn Neighbourhood Trust and Practice Architecture has regenerated a site in Canterbury Road, South Kilburn. The project has created a series of studio spaces occupied by creative industries.

The tenants of the studios have pledged – in lieu of rent payments – to train a young person from the local area, helping them learn the skills of their profession and build a portfolio in their chosen trade.

There are 13 studios each with at least one trainee until September 2011. There is also an ongoing series of public events including workshops and open studios.



Ward working in Brent

Brent Council believes that councillors, residents, community groups and partners such as the police working together at neighbourhood level can help us to develop better response to local issues, improve neighbourhoods and deliver better services.

Ward Working operates in every ward in Brent. Every ward has a budget of £20,000 to tackle the top issues of concern. The money is for one-off capital projects. We aim to find new or innovative ways of tackling issues to provide lasting solutions. The money isn't used to substitute for things that should be done anyway.

Projects linked to arts and culture that have benefited Brent residents in 2010/11 included:

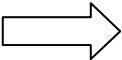
- Youth drama at the Granville Centre
- A partnership with a local radio station in Harlesden
- Manga art classes in libraries for young people
- Media equipment in school to benefit both pupils and the local community
- A project to support local Portuguese food businesses to take part in open air cultural events in the borough
- A music arts programme with the Albanian community
- Graffiti workshops for excluded young people
- Kathak dance sessions for young people

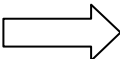
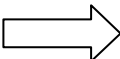
9. Arts Vision and Priorities

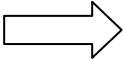
Brent Council recognises the life enhancing quality of the arts and their significance for both individual and community development. The council aims to host, nurture and embrace an accessible, balanced and multi-faceted range of arts activities across the Borough which are vital, relevant, innovative, educational, entertaining and enterprising.

The council's vision for the future of Arts provision in Brent aims to develop a range of cultural opportunities that are engaging, accessible and enriching for all local communities.


The goals will be used to form an action plan for delivery against these priorities.

Arts Vision, priorities		Arts Goals
<p>Promoting the cultural and creative economy</p> <p>Brent has a complex and varied creative economy, from the biggest television studios in Europe to the many individual artists, musicians and performers. Promoting the creative economy and economic opportunities for all residents will make Brent a better place to live. The team will focus on ways to improve the opportunities for cultural and creative entrepreneurs, including promotion of events and facilities, and improving visible cultural leadership.</p>		<ol style="list-style-type: none"> 1. Develop and implement a marketing strategy that undertakes to consistently and accurately promote the cultural offer in Brent encompassing both digital and more traditional print mediums to ensure widest possible take up of offer. 2. Further develop the original Brent Bounce capacity building programme to ensure ongoing access to a programme of business development and skills training sessions, provide advice for the creative sector in Brent, ensuring they have the requisite skills to sustain a creative business over a long period. 3. Work with Brent's Employer Partnership and other bodies to ensure ongoing support, inclusion and involvement by and with the creative sector in Brent. 4. Develop and implement a simple and transparent method for engaging with creative businesses across the borough and communicating to them opportunities to engage in council wide opportunities and events. 5. Champion cultural leadership through mentoring and other training/developmental opportunities as they arise 6. Attract diverse and high quality artistic activity to the borough both to be enjoyed and learned from. 7. Champion areas of Brent (for example Wembley and South Kilburn) as new creative districts. 8. Work with a range of partners to exploit potential opportunities for using disused buildings or other vacant spaces for use by creative sector.

Arts Vision, priorities		Arts Goals
<p>Supporting the regeneration and infrastructure investments underway</p> <p>The council is undertaking various major regeneration programmes. The next three years is planned to include major new cultural centre in Willesden Green, a redeveloped museum and the large scale redevelopment of Wembley, including a new Civic Centre. The Arts Development Team is integral to this process, promoting development which will foster creativity and participation.</p>		<ol style="list-style-type: none"> 1. Focus the arts team towards programming for the 'capital' infrastructure within the borough such as the new Civic Centre and the potentially redeveloped Willesden Green Library Centre. 2. Develop local, regional and national partnerships across arts and cultural organisations to ensure correct positioning of Brent to take advantage of cross-sectional developments and opportunities. 3. Identify funding pots applicable to arts/cultural promotion/delivery specifically that can be used to leverage further funding (or provide match funding) across the wider regeneration agenda. 4. Increase the number of accessible and affordable arts venues (performance/rehearsal/creation spaces) in the borough by exploring potential uses in vacant buildings and lands across the borough. 5. Ensure that arts is embedded in the regeneration of the borough by using planning powers to create art and cultural facilities
<p>The 2012 Olympic and Paralympic Games</p> <p>For the first year and a half of this strategy, the dominant cultural event will be the Games. Brent is proud to be an Olympic borough, hosting five major sports in the Stadium and Arena. Alongside our important sports participation programme, and the operational work of managing the events, we are already promoting arts events that reflect London's love of sport and Brent's network of connections all around the world.</p>		<ol style="list-style-type: none"> 1. Deliver the Brent 2012 Community Engagement Plan 2. Work strategically across council departments to ensure all opportunities to showcase local talent in the lead up to and during games time is taken advantage of eg offering local talent to corporate events booked in our parks 3. Champion Brent local talent and businesses to Olympic bodies (LOCOG/GLA/LDA etc) 4. Develop key communications vehicles to ensure all opportunities to engage in 2012 related activity in Brent are made known to interested parties. 5. Facilitate temporary (or meanwhile) use of both virtual and physical performance space around Games time to ensure local talent is showcased to visitors.

Arts Vision, priorities		Arts Goals
<p>Commissioning and promoting art</p> <p>The council is a significant patron of the arts through the commissioning of works in new building developments (often called reward funding). This is key to promoting Brent as a vibrant cultural centre and enhancing the environment for everyone. Given the scale of developments, especially at Wembley, we will be keen to see more performance work as well, animating our public spaces and inspiring people to see their borough in new ways.</p>		<ol style="list-style-type: none"> 1. Develop and implement a council wide standard template for the commissioning of any and all public art across the borough, focusing on common key assessment criteria which align with the council's wider priorities and agendas. 2. Develop the "soft infrastructure" of the Brent based artists and partnerships with clear links to Council outcomes and the principles of Brent's Cultural Strategy. 3. Develop a capacity building programme whereby local artists who are keen to tender for commissions understand and are skilled up to tender successfully . 4. Develop new methods of communicating arts practice in the borough including open studios and other similar schemes. 5. Provide and promote a range of accessible opportunities for direct participation in the arts by Brent's residents.

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	<p>Executive 18 July 2011</p> <p>Report from the Director of Environment and Neighbourhood Services</p>
<p>Wards Affected: [ALL]</p>	
<p>Authority to Invite Tenders for the Parking Enforcement and Notice Processing Contracts</p>	

1.0 Summary

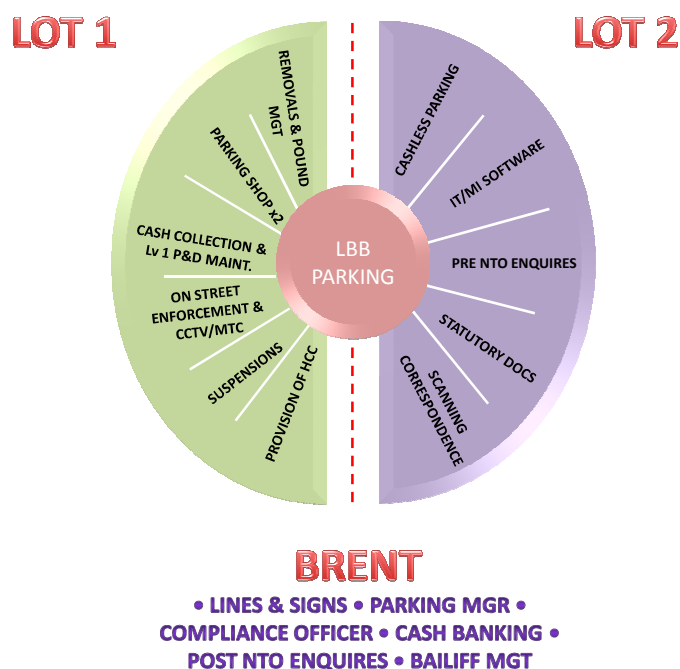
- 1.1 This report seeks authority to invite tenders for the Parking Enforcement and Notice Processing contracts to commence 4th July 2012, as required by Contract Standing Orders 88 and 89.

2.0 Recommendations

- 2.1 The Executive to give approval to the pre - tender considerations and the criteria to be used to evaluate tenders as set out in paragraph 4.1 of this report.
- 2.2 The Executive to give approval to officers to invite expressions of interest, agree shortlists, invite tenders for the Parking Enforcement and Notice Processing contracts and evaluate them in accordance with the approved evaluation criteria referred to in 2.1 above.

3.0 Detail

- 3.1 The current parking service is let via two contracts as per the below diagram.



Lot One covers the main aspects of parking enforcement with the supply of Civil Enforcement Officers (CEO) for on street operations, CCTV and Moving Traffic. Lot One also covers permit administration, running of the Parking Shops and the Suspensions Office as well as Pay and Display Level One Maintenance and cash collection.

Lot Two predominantly covers back office processing of Penalty Charge Notices (PCNs) and the handling of enquiries at the initial stage of the process and the supply of the Management Information System that supports the entire operation. Although tendered as separate Lots, both contracts are let to the same company, APCOA Parking Services who acquired the successful tenderer shortly after the award of the contract.

- 3.2 The handling of appeals and representations is carried out by the in-house Parking Control Team, which also manages the contracted services as client. There is at present no intention to outsource any further element of the Parking Operation, the statutory guidance for the Traffic Management Act 2004 states "Enforcement authorities should not contract out the consideration of formal representations" and whilst this is guidance rather than law, Authorities must have due regard for its contents.
- 3.3 There is also currently a separate contract with Cobalt Telephone Technologies (RingGo) to run a Borough wide pilot to assess the success of pay by phone parking. The pilot is due to expire at the same time as the existing parking contracts and it is the intention to incorporate this service provision within Lot 2 of the current arrangements for the duration of the new contracts.
- 3.4 Since the existing contracts were let in 2005, there have been significant advances in technology associated with parking enforcement. Officers carried

out soft market testing with lead suppliers in the industry, and in addition, had discussions with three of our neighbouring Boroughs (Ealing, Camden and Hillingdon). The findings of this research, and, based on their own knowledge of the parking industry, Officers found that the following advances had been made, which will result in a different approach to the look and feel of the new contract, and will have an effect on our residents. The initial investment in equipment and systems required by the eventual contractor may be higher but back office processes will be reduced as will on-street deployed persons resulting in the overall cost of service delivery declining with the expectation of increase in revenue.

- 3.5 The pay by phone pilot mentioned at Para. 3.3 above could allow Brent to operate a cashless and paperless parking system, thereby reducing the costs associated with cash collection and the maintenance of the pay and display machines. Currently, the scheme allows the choice of paying by phone or paying with cash via the pay and display machine. In addition, technology exists whereby the need for paper permits has been removed. Once the application for a permit has been approved, the registration mark of the vehicle is uploaded into the system, and enforcement of the resident bays would be carried out by Automatic Number Plate Recognition (ANPR) via enforcement vehicles or via the hand-held computers used by the CEOs on street.
- 3.6 Enforcement of bus lanes by means of CCTV cameras was introduced in 2003, and the enforcement of moving traffic contraventions by CCTV was introduced in January, 2011. The current means of operating the system is that an officer will capture the contravention, and another officer is then used to check and validate the contravention before it is entered onto the IT system, and a Penalty Charge Notice (PCN) issued. Technology has recently been introduced whereby the initial capture is carried out by remote cameras. This system would reduce the human element to solely checking and validating the contravention prior to issue of the PCN.
- 3.7 Brent currently provides the premises from which the enforcement contractor operates, together with the adjacent car pound. The enforcement of the Wembley Stadium Protective Parking Scheme means that Brent will continue to operate a removal service. However, the lease on the premises and car pound expire in Spring 2013, and is unlikely to be renewed, which means that any future contractor will be required to provide their own premises and car pound. This may well result in the car pound being located outside the Borough boundaries but could potentially lead to cost reduction if it is possible to share facilities.
- 3.8 The current contractor provides two Parking Shops, one in Wembley and one in Willesden primarily processing permit applications, answering general telephone enquiries and processing suspension requests. Discussions with neighbouring Boroughs reveal that they no longer provide Parking Shops at all. With the ability to divert future services via the internet, including permit and suspension applications as well as the payment of Penalty Charges, it would be reasonable to expect the services currently offered by the Parking

Shops be diverted predominantly via internet with phone enquiries relating to Penalty Charges to a dedicated call centre provided by the contractor.

- 3.9 Current proposals for the two Customer Service Centres, planned for 2013 are such that no cash handling will be undertaken so it will be an important aspect of the contract to support on line applications and payments in relation to the whole parking service, possibly with some form of kiosk machines to take cash and/or prepaid cards within the two new Customer Service Centres. The specialised knowledge required to deal with enquiries relating to enforcement challenges would require a certain depth of knowledge of the Traffic Management Act 2004 that a non-specialised call centre operative would not be able to resolve and the outsourced nature of the service means that such an enquiry could not be escalated to other council staff.

The Process - Important Additional Information

- 3.10 As mentioned above, opinions were sought from neighbouring Boroughs and three of the four market leaders in the industry accepted invitations to soft market testing to gauge views on certain issues that will form part of the pre-tender considerations, these are listed below:-

- Preferred contract length

Generally a four or five year contract term, possibly six for the initial contract term were suggested in order to allow for the significant Capital Expenditure on the part of the contract, that would be required for vehicles, hand held Computers etc. In addition, any subsequent extension period should reflect a similar length term to allow for re-investment prior to the extension. Officers believe that a four year initial term will allow capital investment to be recovered and the options of a one, two, three or four year extension will allow maximum flexibility for future collaborative tendering with the West London Alliance or other partners.

- Packaging of work

The current set up deployed by Brent was favoured by all of the suppliers. Generally it was suggested that a single Lot, rather than two would allow for greater economies of scale and reduce risk of conflict if two suppliers were appointed to the two separate Lots. The suggestion of creating a third Lot to cover the provision of P&D services including cashless parking, maintenance of machines and cash collection as well as permit administration was generally not well received. Officers believe that two lots remain appropriate.

- Adoption of technology in new Brent Parking Contract

All the suppliers were very keen to promote the developments in technology as key in the delivery of a new, leaner service with increases in recovery rates and overall efficiency. A range of services were promoted which were referred to earlier in the report.

- Adjustment to the level of services currently outsourced by Brent

Generally Brent outsourced a larger share of the parking service with other Authorities retaining an in-house service for the processing of suspensions in all three instances and for Permit Administration in two. Retaining in-house processing of suspension requests allowed for easier reconciliation whilst the increased use of internet applications meant that the services could be conducted in-house without requiring separate facilities of a Parking Shop.

- Impact on Brent not being able to provide a base for operations or pound facility

None of the suppliers felt that Brent not being able to offer or provide depot facilities would be an issue or restrict their opportunity to bid so long as at least three months was permitted between contract award and start of the contract. It was also deemed unlikely to add significant cost to the service with council staff being accommodated within the Civic Centre and the savings from the current location which costs £130,000 per annum in rent and rates.

- 3.11 Based on market testing together and consultation with other London Boroughs, together with Officer's prior knowledge of the Parking Industry, Officers would recommend a contract be tendered in accordance with the pre-tender consideration set out in paragraph 4.1 below.

4.0 Pre-Tender Considerations

- 4.1 In accordance with Contract Standing Orders 89 and 90, pre-tender considerations have been set out below for the approval of the Executive.

Ref.	Requirement	Response
(i)	The nature of the service.	Two separate contracts to be tendered with bidders permitted to submit proposals for either or both contracts.
(ii)	The estimated value.	Estimated contract value of £4.5 million per annum with approximately £3.0 million for the parking enforcement contract and £1.5 million for the notice processing contract would equate to a value of £18 million over the four year initial term and £36 million over the maximum proposed eight year term of the contracts.
(iii)	The contract term.	The initial contract term will be four (4) years with options to extend for a further one (1), two (2), three (3) or four (4) years.
(iv)	The tender procedure to be	A two stage Restricted tender process in accordance with the Council's Standing Orders and EU

Ref.	Requirement	Response	
	adopted.	Procurement Regulations.	
(v)	The procurement timetable.	<p>Indicative dates are:</p> <p>OJEU Advert placed</p> <p>Expressions of interest returned</p> <p>Shortlist drawn up in accordance with the Council's approved criteria</p> <p>Invite to tender</p> <p>Deadline for tender submissions</p> <p>Panel evaluation/Interviews</p> <p>Contract decision</p> <p>Report recommending Contract award circulated internally for comment</p> <p>Executive approval</p> <p>Mandatory minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers (contracts covered by the full EU Regulations only)</p> <p>Contract start date</p>	<p>Early August 2011</p> <p>Mid September 2011</p> <p>October 2011</p> <p>Early November 2011</p> <p>Mid December 2011</p> <p>January 2012</p> <p>Start of February 2012</p> <p>6 February 2012</p> <p>12 March 2012</p> <p>End of March 2012</p> <p>4 July 2012</p>
(vi)	The evaluation criteria and process.	Shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines namely the pre qualification questionnaire and thereby meeting the Council's financial standing	

Ref.	Requirement	Response
		<p>requirements, health, safety and environmental standards, technical capacity and technical expertise. Although concessions may need to be made on the application of the usual financial ratios and assessments as the high value of the contract means that even the biggest providers in the market cannot meet the equivalent turnover requirements, see Financial Implications below.</p> <p>The panel will evaluate the tenders to establish the Most Economic Advantageous Offer based upon the following criteria:</p> <ul style="list-style-type: none"> ❖ The appropriateness and effectiveness of the Tenderer's proposed systems and working methods as set out in its method statements and tender submission generally in order that the requirements of the specification are met (Quality)– 40% ❖ Overall capacity to meet the requirements of the specification. ❖ Contract Management proposals to include Account Management and Operations Management. ❖ Approach to service delivery and approach to ensuring standards are achieved. ❖ Proposed systems and working methods including the deployment of the latest technology on the contract and the promotion of internet based solutions to increase on line activities and overall efficiency of the contract over its life. ❖ Price – 60%
(vii)	Any business risks associated with entering the contract.	The technological advancements in the industry mean that the specification must allow for variations of requirements with the adoption of technology. These risks will be reduced by employing a carefully managed and full procurement process, as set out in this Report and close consultation with Brent's Legal Team.
(viii)	The Council's Best Value duties.	The Council has a duty under Best Value to secure cost-effective and efficient services that meet the needs of the Borough's customers.
(ix)	Any staffing implications, including TUPE	There are approximately 120 staff currently deployed by the incumbent who may be subject to TUPE. See section 9 of this report

Ref.	Requirement	Response
	and pensions.	
(x)	The relevant financial, legal and other considerations.	See sections 5, 6, and 7 of this report.

- 4.2 The Executive is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

5.0 Financial Implications

- 5.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1million shall be referred to the Executive for approval to invite tenders and in respect of other matters identified in Standing Order 90.
- 5.2 The estimated value of this services contract is a maximum of £36 million, this figure is based upon the current annual cost of £4.5 million in direct payments to the contractor, however it is envisaged that the new contracts, with the adaptation of technology, will increase efficiency and drive down the total cost of the service to give the council better value.
- 5.3 It is anticipated that the cost of this contract will be funded from existing resources, further the parking account provides an excess of funds which is ring fenced for works within the Borough.

6.0 Legal Implications

- 6.1 The proposed contracts are High Value services contract (over £500,000 over the life of the contract) and as such, in accordance with the Council's Contract Standing Orders, the Executive is required to agree the pre tender considerations set out in Standing Order 89 and that officers may invite expressions of interest, shortlist and subsequently invite tenders for the services contracts.
- 6.2 The services to be provided under the proposed parking enforcement and IT notice processing contracts are both Part A and Part B services. Part A services are subject to the full application of the Public Contract Regulations 2006 (as amended) ("the EU Regulations"), whereas Part B services are subject to partial application of the Regulations namely, service requirement must be sufficiently advertised, non-discrimination in the technical specification and publication of an award notice. However, as Officers recommend that tenderers are able to tender for one or both contracts, it is preferable that both contracts follow the same procurement route. Accordingly, both contracts should be tendered in accordance with the requirements for Part A services and an advert placed in the OJEU.

- 6.3 In accordance with EU Regulations selection and award criteria must be notified to all bidders when invited to submit an interest and/or tender. Any sub-criteria and weightings the council proposes for the tender must be contained in the invitation to tender documentation so as to allow tenderers to be in full receipt of the information the council will use to evaluate their submissions.
- 6.4 Once the tendering process is undertaken Officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.
- 6.5 Under the Equality Act 2010 ("the 2010 Act") the council is required to have due regard to its Public Sector Equality Duty, these new duties arise at the time decisions are made. An analysis is being undertaken to see whether the proposed changes in parking enforcement practice comply with the new duties under the 2010 Act.

7.0 Diversity Implications

- 7.1 An impact assessment in accordance with the Equalities Act 2010 is being undertaken in the light of the changes in practice proposed and discussed in section 3.4 (advances in technology, introduction of cashless parking, possible relocation of the car pound)

8.0 Staffing/Accommodation Implications

- 8.1 The parking services under these two contracts are currently provided to the Council by APCOA Parking Services. If following re-tender of the services an alternative provider is successful and awarded the contract(s), this may result in the incumbent's staff deployed for the provision of the services to transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 from the current contractor to the new contractor(s).
- 8.2 Brent lease the premises currently used by the enforcement contractor. No charge is made to the contractor for the use of those premises. As mentioned at Para. 3.8 above, the lease on those premises, including the car pound, expire in Spring, 2013 and it is unlikely that the lease will be renewed. As a result, any potential enforcement contractor will be required to provide premises from which to operate, together with car pound facilities.
- 8.3 A subsequent report to the Executive seeking authority to award the contracts will advise further on potential staffing and accommodation implications in the future.

9.0 Background Papers

None

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Executive
18 July 2011

Report from the Director of Environment and Neighbourhood Services

Wards Affected: ALL

Additional Street Cleansing Savings

Appendices 1 and 3 are not for publication

1.0 Summary

- 1.1 The 2011-12 budget making process made some explicit decisions about reduction in service levels in street cleaning. There were also further savings built into the budget which required negotiation with Veolia as to how they could be achieved.
- 1.2 This report recommends the approval of further variations in the council's waste services contract in order to meet agreed budget reductions

2.0 Recommendations

- 2.1 That Members note the requirement to achieve further reductions in the cost of the Council's Waste Services Contract and the progress of negotiations relating to those reductions set out in paragraphs 3.3 to 3.7.
- 2.2 That Members agree the package of changes to street cleaning services set out in paragraph 3.10.
- 2.3 That Members note the intention to seek further cost reductions from the waste services contractor in relation to the agreed changes and delegate authority to conclude those negotiations to the Director of Environment and Neighbourhood Services and the Director of Finance and Corporate Services.

3.0 Detail

3.1 On 15 November 2011 the Executive agreed a new Waste Collection Strategy which would:

- ◆ give radical improvements in the waste collection and recycling services provided to all Brent residents
- ◆ deliver a step change in the recycling rate towards the goal of 60%
- ◆ deliver long term efficiency savings (largely arising from savings in disposal costs) in excess of £1 million each year

3.2 The financial implications of adopting the strategy were based on modelling undertaken jointly with Veolia, who is the council's contractor both for waste collection and street cleansing, under one combined contract. There remained significant negotiation to be undertaken to conclude the variation to the contract necessary to implement the changes.

3.3 In the 2011-12 budget setting process, a number of savings relating to the Veolia contract were agreed. Together these reduced the cash limit for the contract services by £1,595k for 2011-12 and subsequent years. They were made up of four elements set out in Table 1 below..

Item	£000
Move from 3 to 2 sweeps per week in residential Zone 5 plus integration of cleansing and special collections and rebalance of afternoon shift (price agreed from the schedule of rates and implemented from 1 April 2011)	545
Move from 2 to 1 sweep per week in residential Zone 5 (this saving was an estimate based on schedule of rates)	350
Avoidance of redundancy costs through shift to 5 day working – a one off saving but included in the baseline	100
Savings to be negotiated based on a range of areas of concern totalling over £1m in the Veolia waste collection proposal	600
TOTAL	1,595

Table 1

3.4 The Council has been negotiating with Veolia since February 2011 to seek to agree means of reducing the cost of the contract to match the budget now available. The negotiations with Veolia have been detailed and protracted because of the range of service variables and the need to remodel the whole service within budgetary targets. The Council's negotiating team has been led throughout by Corporate Procurement, supported by senior officers from E&NS and from Finance.

3.5 Negotiations continue, and details are included in confidential Appendix 1. However, it is clear that it will not be possible to achieve the reductions sought

in the cost of the waste collection and recycling elements of the contract, and that cost reductions to meet the cash limit will need to come from additional street cleansing savings.

- 3.6 In outline, it has not been possible to agree the reductions sought by the Council in respect of the waste collection arrangements partly because Veolia are seeking, through this significant change to the contract, the opportunity to try and improve profitability for the remainder of the contract which has, in their view, been eroded by a number of factors since the original start of the contract. Similarly, they are seeking to ensure through the negotiation of the changes to the street cleaning element of the contract, that they have a higher level of profitability for the remainder of the contract than they have recently been enjoying. In consequence, the reductions to the street cleaning regime recommended below to meet the 2011-12 and 2012-13 budget requirements, are larger than might have been expected.
- 3.7 At the present point in negotiation, the changes recommended, together with the budget treatment of related elements discussed in Section 4 will meet the budget requirement for 2012-13 and subsequent years. For 2011-12 there will be a £410k shortfall which is broadly in line with the shortfall anticipated from part year introduction of the waste collection strategy when it was agreed by Executive in November 2010.
- 3.8 It is imperative that the changes to implement the waste collection strategy through changed recycling and refuse collection arrangements are implemented from 1 October 2011. Any delay to the implementation will worsen the position for 2011-12 and delay the substantial financial and performance benefits anticipated to follow the changes through reduction in the tonnes of waste going to landfill and the related waste disposal costs.
- 3.9 It is highly desirable that changes to the street cleaning regime are introduced at the same time as the new waste collection service. Later implementation of these changes will further reduce the savings which can be achieved in 2011-12 and will lead to the need to identify further offsetting cost reductions in the department's budget.
- 3.10 The changes recommended are set out in Table 2 below. These are in addition to the reduction to one sweep per week in Zone 5 set out in Table 1.

Item	£000
Decrease Sweeping Frequency in Zone 3 (Industrial Areas) (from 7 per week to 2)	83
Cease Afternoon service at Weekends	420
Reduce Mechanical Sweeping on Weekday Mornings	254
Reduce Weekend Day Service – move to a skeleton service with mobile teams	402
Reduction of frequency in Zone 2 (secondary shopping), down to twice per day	74

Item	£000
Cease seasonal leaf fall Service	76
TOTAL	1,309

Table 2

- 3.11 In total, the itemised reductions in cost from Table 1 (the first two rows) and Table 2 total £2,204k, but deliver savings of only £1,652k (see Appendix 2), a shortfall of £552k.
- 3.12 It is recommended that the negotiations with Veolia continue and be escalated to a more senior level to ensure that the eventual price agreed for these changes delivers better value for money for the Council. However, in view of the time imperatives discussed earlier, Members are recommended to agree this set of reductions to the street cleaning element of the waste services contract (as set out in Table 2) and to delegate the authority to conclude negotiations to the Director of Environment & Neighbourhood Services and the Director of Finance and Corporate Services.
- 3.13 Such significant reductions in the street cleaning regime will clearly require careful and consistent monitoring to ensure that the contract delivers what is now expected of it. Officers are developing a new performance framework for the revised contract and are reviewing the use of available monitoring resources to ensure that contract delivery meets expectations.

4.0 Financial Implications

- 4.1 In the 2011-12 budget setting process, a number of savings relating to the Veolia contract were agreed. Together these reduced the cash limit for the contract services by £1,595k for 2011-12 and subsequent years.
- 4.2 The package of changes set out in paragraph 3.10 gives rise to a projected budget position which has been calculated separately for 2011-12 (part year) and 2012-13 (full year).
- 4.3 For 2011-12, the part-year implementation of changes to the service (other than the move from 3 to 2 sweeps in Zone 5 and minor changes to shift arrangements) means that a shortfall against savings which were assumed to be full year is inevitable. This was anticipated in the November Executive report which agreed the Waste Collection Strategy which identified the shortfall as £495k for a 1 October 2011 start date.
- 4.4 For 2012-13, both contract changes and budget savings are aligned to each other (i.e. both are for a full year). Review of the 2012/13 position gives the true underlying position
- 4.5 Appendix 2 summarises the budget savings model. It shows a full-year saving of £1.086m in 2012/13 which is £509k short of the £1.595m saving required in

2012/13. The part year saving in 2011/12 is £676k so is £919k short of the savings needed to achieve the savings in the ENS cash limit.

- 4.6 The full year budget shortfall (i.e. 2012/13) results from the modelled street sweeping savings being £552k less than the sum of the individual elements of specification reduction. There are three factors that have contributed to this (but they have not been quantified):
- The Brent budget does not include the full indexation to which Veolia would have been entitled under the contract;
 - Veolia have added in inflation to which they would not have been entitled under the contract (e.g. 1% pay award for staff where the contracts specifies indexing of staff cost in line with national local authority awards which would be zero in 2011/12);
 - As discussed earlier Veolia have added back other costs that they have been bearing in previous years to restore their profit/overhead margins to those in the original contract.
- 4.7 In addition the overall cost of the refuse collection service, including both Veolia and Brent costs, are £566k above current costs (see Appendix C); in Veolia's model produced last November these combined costs £204k above current costs. This has therefore added **£362k** to the gap. Reasons for this movement are as follows:
- Inflation effects as above;
 - Hiring of vehicles rather than purchase of vehicles;
 - Any other refinement by Veolia of figures.
- 4.8 A number of issues and options have been identified which it is anticipated will help close these budget gaps. They are set out in Table 3 below.

Item	2011-12 £000	2012-13 £000
Waste collection savings		
£197k of the full year shortfall is attributable to the increased annual cost of vehicle hire. The approach to vehicle acquisition has been agreed corporately and the cost will be met corporately. The effect in 2011-12 is £98k	98	197
The communication plan proposed costs only £241k in 2011-12 against the £318k assumed in the model. This delivers £77k of saving and further scrutiny of the communication plan and its costs is recommended	77	0
The Veolia redundancy costs built into the model assume £107k will be incurred. Veolia have said this is a worst case. It is considered that we could prudently budget for £80k saving £27k in 2011-12.	27	0

Item	2011-12 £000	2012-13 £000
Similarly, the costs incurred on disposal of redundant vehicles are worst case and Veolia have indicated that they expect them to be half of the £200k in the budget. A prudent assumption will reduce costs in 2011-12 by £100k.	100	0
Disposal costs		
The November decision by Executive assumed that £222k of reductions in disposal costs were built into the cost model. Although the view has been taken that further reductions in disposal costs should not be built into this savings plan, this element could be prudently allowed for.	111	222
Veolia have offered a gate fee of £22 per tonne for dry recyclables compared to the £30 per tonne presently built into the model. This is not contingent on achieving significant increases in recycling volume but does require less than 5% contamination. This saving would be worth £96k in 2011-12 and £192k in 2012-13. It may be possible to agree with Veolia some non-contingent intermediate position.	96	192
Total	509	611

- 4.9 Without any further progress on negotiation this will leave a shortfall of £410k in 2011-12 whilst the items identified above will cover the 2012-13 savings requirement before indexation. The contract price adjustment formula for this contract is likely to deliver a similar change for 2012-13 as the 2.56% for 2011-12. This would add a further £362k to the contract costs. If inflation provision of 2% is made available through the budget process the shortfall would be around £79k which would also be covered by the savings identified.
- 4.10 If the proposed negotiations are unsuccessful in reducing 2011-12 contract costs to within the agreed budget provision officers from Environment and Neighbourhood Services will seek other ways to bring the budget back into balance as a priority. Options for reducing the costs of replacement and subsidised bins and waste containers are being examined as are potential savings in waste disposal costs arising from the continuation of existing trends in waste arisings. Should these prove unsuccessful in closing the budget gap, savings will be found in other areas of Environment and Neighbourhood Services.

5.0 Legal Implications

5.1 Under the Equality Act 2010 ("the 2010 Act") the council is required to have due regard to its Public Sector Equality Duty, these new duties arise at the time decisions are made. Officers have undertaken an analysis to see whether the proposed changes to waste collection and street cleansing complies with the new duties under the 2010 Act and the outcome of the analysis is reported below..

5.2 Members are advised to see Appendix 3 (Not for Publication) for further legal implications.

6.0 Diversity Implications

6.1 An Equalities Impact Assessment has been undertaken and its conclusions are that there are no adverse impacts arising from the changes in respect of any of the protected characteristics under the 2010 Act and that the proposed changes comply with the Council's new duties under the Act.

7.0 Staffing/Accommodation Implications (if appropriate)

7.1 There are no implications for Council staff or accommodation although the changes in street cleaning are likely to lead to up to fifty redundancies amongst Veolia's staff.

Background Papers

Equalities Impact Assessment

Contact Officers

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APPENDIX 2

Waste Services Review - Budgetary Impact

Item	2011/12			2012/13	
	Current Budget 2011/12	Latest Estimate	Growth/ (Saving)	Latest Estimate	Growth/ Saving
	£	£	£	£	£
- <u>Veolia Contract Costs</u>					
Refuse	5,966,838	5,786,601	-180,237	6,282,482	315,644
Street Cleansing	8,640,900	7,598,489	-1,042,411	6,988,585	1,652,315
Other Services	945,097	901,442	-43,655	845,899	-99,198
Container Maintenance	57,862	39,512	-18,350	21,163	-36,699
Sub Total Veolia Contract Costs	15,610,697	14,326,044	-1,284,653	14,138,129	1,472,568
<u>Other Annual Costs</u>					
Containers - Capital Charges	0	54,050	54,050	326,832	326,832
Container storage	60,000	60,000	0	60,000	0
Organic Support (May - September)	0	70,000	70,000	0	0
Dustbins (Including wheeled Bins)	89,600	35,550	-54,050	89,600	0
Communications	86,300	318,000	231,700	146,000	59,700
Total Annual Costs	15,846,597	14,863,644	-982,953	14,760,561	1,086,036
<u>One Off Costs</u>					
Redundancy	0	107,000	107,000		
Containers - distribution	0	0	0		
Obsolete vehicles (loss on disposal)	0	200,000	200,000		
Total Waste Services	15,846,597	15,170,644	-675,953	14,760,561	1,086,036

	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from the Director of Regeneration and Major Projects</p>
<p style="text-align: right;">Wards Affected: Dudden Hill, Kensal Green, Mapesbury, Preston, Sudbury, Tokyngton,</p>	
<p style="text-align: center;">Asset Strategy for buildings to be vacated consequent to the outcome of the Library Transformation Programme</p>	

SUMMARY

- 1.1 This report sets out the options and individual asset strategy devised for each of the buildings identified as surplus to the provision of the library service within Brent.
- 1.2 This report also responds to a petition received during the Libraries Transformation Programme which relates to disposal of the building at Preston Road.

2.0 RECOMMENDATIONS

- 2.1 To note the initial approach for each property will be to ascertain any acceptable alternative Council use before it is considered for other options including use by Brent public sector partners.
- 2.2 Subject to officer's undertaking a review of each property for alternative Council use, to approve the disposal of Tokyngton Library and Preston Road Library for best consideration. Details as set out in Paragraph 4.5.7
- 2.3 To agree to the sub-letting of Neasden Library so as to minimise the Council's occupational costs. The Assistant Director (Property & Asset Management), utilising his existing delegated authority will agree the terms of any such sub-letting. Details as set out in Paragraph 4.4.3
- 2.4 To approve the proposal to undertake a review of the Barham Park complex of buildings (to include the former library space) in order to identify ways of improving the buildings and identify suitable occupiers either based on alternative Council requirements, other public sector uses or commercial use. Details as set out in Paragraphs 4.6.4 and 4.6.5.

- 2.5 To continue discussions with All Souls College in regard to acceptable community use for Kensal Rise and Cricklewood Libraries but if not successful to note the requirement for these properties to be handled in accordance with the appropriate legislation. Details as set out in paragraphs 4.3.3 and 4.3.4
- 2.6 To note that new or developed proposals for any community use in respect of one or more of the vacated buildings will be considered having regard to whether such proposals are of such economic, social or environmental benefit to the Council's area as are capable of outweighing the financial advantages of the Council's own use, or commercial disposal or reversion as proposed below.
- 2.7. To note the petition in regard to Preston Road.

3.0 Petition Received during the Library Transformation Programme.

- 3.1 The prayer for this petition in so far as it has not already been considered by members is set out below:

We oppose the sale or redevelopment of the site that does not include a Brent public library.

We also oppose the sale or disposal of the Preston Library site for any redevelopment that does not include a public library for the use of local citizens.

- 3.2 The petitioner requested this petition remain open to gather additional signatories opposed to the disposal of Preston Library unless it included a public library.
- 3.3 There are no current proposals put forward for the use of the Preston Road site upon sale or disposal and members are therefore invited to note the petition.

4.0 DETAIL

- 4.1 On 11th April 2011 the Executive decided how to meet the Council's duties under S7 Public Library and Museum Act 1964 to provide a comprehensive and efficient library service. The Executive decided that a comprehensive and efficient library service could be provided from six library buildings and it was decided to close the other six libraries. This report therefore deals with the property implications of that decision. Given the mixed ownership of these properties each building has been considered individually.

Library users have challenged the Council's decision in relation to the Brent library service decision and judicial review proceedings have started. As a consequence of the judicial review proceedings the Council has agreed not to take any irrevocable steps regarding implementation of the Council's Library Transformation Project, that includes any irrevocable steps to dispose of any property no longer required, so long as the case can be heard before the end of July. In the meantime the Council is able to make decisions and plans and take steps in furtherance of its Library Transformation Project provided they are not irrevocable. Members are advised that decisions in furtherance of the library service decision continue to be made in order to avoid delay and to maximise cost savings. Members are therefore recommended to agree the actions set out in this report, albeit that some aspects cannot be implemented immediately.

- 4.2 As part of the ongoing review of council assets, as is the Council's usual practice, where surplus properties are identified, each of these properties has been or will be offered internally for alternative Council use. To date the only possible

alternative use identified is for provision of temporary school facilities to assist with the surplus demand for primary school places. This will be investigated more fully but, in the event that any or all of these properties prove to be unsuitable for conversion or alternative internal use, the Property Unit has devised a strategy for each of the buildings.

4.3 Buildings affected by Covenant in favour of All Souls's College, Oxford:

4.3.1 There are two buildings affected by a covenant in favour of All Souls College, Oxford. Namely:

Olive Road, Cricklewood Library- A 2 storey library constructed around 1900 located in a residential area. A location plan is attached.

4.3.2 Bathurst Gardens, Kensal Rise Library A 2 storey library constructed around 1900 located in a mixed commercial/ residential area. A location plan is attached.

4.3.3 Discussions have been conducted with All Souls who are also believed to have entered into correspondence directly with interested local residents. The Council has notified solicitors acting on behalf of the College that following members' decision on 11th April 2011 in relation to the Library Transformation Project these buildings will no longer be used by the Council as libraries. The solicitors acting for the college have advised that the college is required by law to invoke the reverter clause. In effect this means that when the public library managed by the Council ceases the future of the building would be determined by All Souls. The College may be able to make the space available to an interested local community group or it could request the Council to dispose of the site and return the proceeds of sale to the College.

4.3.4 The Council has posed the question to All Souls regarding direct use of the premises by a community group. Although All Souls have advised that they wish to await the outcome of any judicial review, they have intimated that they are unlikely to want to deal directly with any local group but might consider allowing occupation via the council. The future use of the building by any community group is therefore dependent upon All Souls College agreement, suitable lawful variation of the covenants, and a community group proposal which is of such economic, social or environmental benefit to the Council's area as are capable of outweighing a decision to revert.

4.3.5 Whilst the Council remains responsible for this building all costs relating to utilities, security and NNDR will remain payable. The Judicial Review is likely to delay All Souls from confirming their strategy which will increase the Council's exposure to revenue costs. There is no capital receipt receivable to the Council from the disposal of these buildings.

4.4 Buildings held on lease:

4.4.1 277 Neasden Lane Neasden Library- A three storey premises held on lease which expires 27th September 2027 (with a break clause operable in early 2022). It is located on a secondary shopping street. A location plan is attached. The current rent is £55,000 per annum exclusive. The council is therefore also responsible for other outgoings such as NNDR and utility costs.

4.4.2 The landlord has been approached to accept surrender but given the current market conditions and the remote likelihood of attracting a tenant as good as the

Council, the landlord has confirmed he is not interested in any such proposals at this time. Following negotiations the landlord has agreed that the Council can sub-let the property to a third party for any other use (subject to planning) and the usual consents. This concession has been obtained without any increase in rent or premium to the Council.

- 4.4.3 There was no community interest expressed in this property during the library consultation process and it does not appear suitable for temporary school use or other internal use. Therefore in order to minimise the Council's out-goings the property has already been placed with local agents. The intention is to seek a sub-tenant or tenants to occupy this space and aim toward a cost neutral position.

4.5 Properties held freehold

- 4.5.1 Preston Library Carlton Avenue East - A 1970s single story brick built library under a flat roof located on a site of 962 sqm. A location plan is attached.
- 4.5.2 This site appears suitable for a variety of uses ranging from an educational use, such as a private nursery through to a residential development.
- 4.5.3 Monks Park, Tokyngton Library- A 1970s single story brick built library under a flat roof located on a site of 786 sqm although part of this site provides an access to the adjacent newly constructed Monks Park Clinic. A location plan is attached.
- 4.5.4 Part of the site is classified as public open space and on which has been constructed a parks store which is now disused. The site is suitable for a small scale residential infill development of 2-4 houses or a small flatted development. It is recommended that this property is sold at auction or offered to RSLs.
- 4.5.5. There was no community proposal in respect of Tokyngton Library
- 4.5.6 Both these sites could result in a capital receipt to the Council. The level of receipt is dependent on the extent of acceptable development. Prior to any disposal informal discussions will be held with the Planning Department on both the prospects of change of use and on the likely scale acceptable development
- 4.5.7 The proposal is to instruct consultants to prepare a marketing brief for these two sites and to enter into discussions with Planners as to acceptable uses. A decision as to whether to seek planning permission for any residential development will be determined by the anticipated level of capital receipt. Subject to interest received the Council may also consider a commercial letting of this property.

4.6. Property held on Trust by the Council

- 4.6.1. Harrow Road, Barham Park Library- An 1860s single storey property which is part of the mainly two storey Barham Park Building complex. A location plan is attached.
- 4.6.2 The library is accessed through a shared entrance with the adjacent children's centre which was provided about two years ago. Officers for the children's centre have indicated that they would be able to make use of the library accommodation (subject to running costs) and it is proposed that this will be on a "caretaker

basis". The main proposal is to undertake a feasibility study of the whole complex in order to devise a longer term strategic asset plan for this site.

- 4.6.3 As the site is held in perpetual trust by the Council it has a requirement to adhere to charity law concerning the occupation and treatment of this building. Therefore a disposal on the open market is not considered appropriate or suitable for this building.
- 4.6.4 Currently the whole complex has a variety of users who generally keep their space in a reasonable state and help to maintain the attractiveness of the general environment. However, given the recent decant by the Parks Service and coupled with the library closure it is considered appropriate to review the entire complex to ensure that the building does not fall into disuse. Given its age and relative vulnerability it is likely to deteriorate quickly, become vandalised and potentially result in a significant liability for the council. Officers are instructing an architectural firm to carry out a very brief initial feasibility for possible reconfiguration of uses and improvement to the complex.
- 4.6.5 It is proposed that a proportion of the capital receipt obtained from the intended disposal of the former park-keeper's accommodation, agreed by the Executive on 16 December 2009 is utilised to undertake any improvements identified by the study set out in paragraph 4.6.4. As the land is held in trust the council is required to ring-fence capital and revenue for the betterment of the Park.

4.7 Community Proposals

- 4.7.1 When making decisions as to the use of the six buildings to be vacated in the manner set out above consideration will also be given to any new or developed community proposals which may be submitted. In deciding how to proceed officers (or where appropriate, members) will consider whether such proposals are of such economic, social or environmental benefit to the Council's area as are capable of outweighing the financial advantages of the Council's own use, or commercial disposal or reversion as proposed above.

5.0 FINANCIAL IMPLICATIONS

- 5.1 This report sets out options for each of the buildings identified as surplus to the provision of the library service at Brent. The key finance related issues for each of the buildings are set out below.

Cricklewood Library and Kensal Rise Library

- 5.2 These two buildings are affected by a covenant in favour of All Souls College. The Council is currently responsible for the building related costs of and holds a budget of £23,650 and £28,700 per annum respectively (equivalent to a total of £4,362.50 per month) for costs such as cleaning, security and NNDR. Utilities costs are excluded from this sum. The council will continue to incur these costs until All Souls confirm their strategy and this is implemented.
- 5.3 In the event that All Souls decide that the site should be disposed of, the net proceeds of the sale (after payment of the Council's costs and expenses) would be returned to the College, and there would be no capital receipt for the Council.

Neasden Library.

- 5.5 This building is held on a lease, and the council is currently responsible for the rent at £55,000 per annum plus other building related costs such as cleaning, security and NNDR giving a total budget of £101,800 per annum (equivalent to £8,483 per month). Utility costs are excluded from this total sum.
- 5.6 The proposal in this report is for the council to seek sub tenants or tenants to occupy this space, on the basis that the Council's costs are covered and that the building becomes cost neutral.
- 5.7 The Council's costs of progressing this, including legal costs, will be met from existing budgets.

Preston Road Library and Tokyngton Library

- 5.8 These two buildings are held freehold and the council is currently responsible for the building related costs such as cleaning, security and NNDR and holds a budget of £22,250 and £24,600 per annum respectively (equivalent to £3,904.16 per month) for these costs. Utility costs are excluded from this total sum. These costs will continue to fall to Brent until the properties are disposed of or commercially let.
- 5.9 In the event that it is decided to dispose of these two sites, then this would result in a capital receipt for Brent. The level of the receipt is dependent upon the extent of acceptable development but is estimated to be in excess of £1,000,000 for the two sites.
- 5.10 The Council's cost of progressing this, including consultants for the marketing brief, legal fees, potential disposal costs etc, estimated at £50,000 will be met from the existing budgets and be offset against the gross receipts.

Barham Park Library

- 5.11 This building is held in trust by the Council, and the council is currently responsible for the building related costs such as cleaning, security and NNDR and utilities costs of £22,350 per annum (equivalent to £1,862.50 per month). Utility costs are excluded from this total sum.
- 5.12 A disposal is not considered appropriate for this dwelling, and therefore there will be no capital receipt.
- 5.13 The proposal in the report is to undertake a complete feasibility study of the whole site. It is proposed that the costs of undertaking this and any refurbishment will be met from the sale of the two nearby residential properties also located within Parham Park
- 5.14 It is proposed that a proportion of the capital receipt obtained from the intended disposal of the former park-keeper's accommodation, agreed by the Executive on 14 December 2009 is utilised to undertake any improvements identified by the study set out in paragraph 4.6.4. As the land is held in trust the council is required to ring-fence capital and revenue for the betterment of the Park.

6.0 LEGAL IMPLICATIONS

- 6.1 The Council has the power (under section 123 of the Local Government Act 1972) to dispose of any of its land. However, unless it grants a lease of 7 years or less, it must obtain the best consideration reasonably obtainable, unless it obtains the consent of the Secretary of State to the transfer.

Any transfer of the freehold or grant of a lease of any land other than for best consideration would require Secretary of State's specific approval, unless it falls within the scope of the Local Government Act 1972 General Disposal Consent (England) 2003 ("the General Consent 2003")

- 6.2 The terms of the General Consent 2003 mean that specific consent is not required for the disposal of any interest in land which the authority considers will help it to secure the promotion or improvement of the economic, social or environmental well-being of its area.
- 6.3 The General Consent 2003 only permits disposals at less than best consideration where the undervalue does not exceed £2,000,000 (two million pounds).
- 6.4 Cricklewood Library and Kensal Rise Library are held by the Council subject to a covenant under the Literary and Scientific Institutions Act 1854.
- 6.5 Barham Park Library is held by the Council as trustee of the Barham Park charitable trust

7.0 DIVERSITY IMPLICATIONS

- 7.1 There are no direct equality or diversity implications arising from this report. Future reports on individual properties will address diversity implications as necessary and appropriate.

8.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 8.1 There are no direct staffing implications arising from this report.
- 8.2 Accommodation implications are only as contained within this report

9.0 BACKGROUND PAPERS

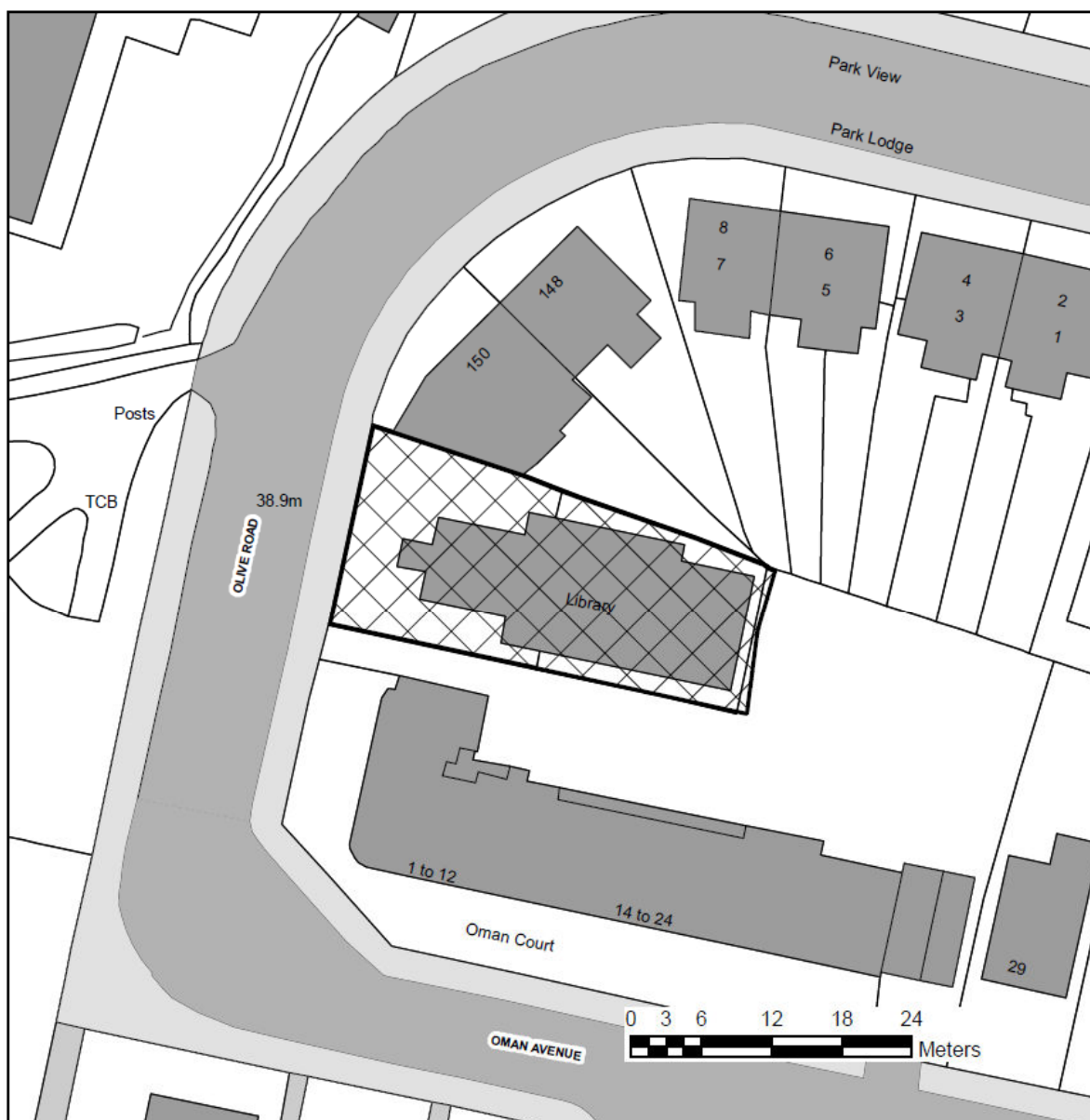
Various papers and reports held within Property & Asset Management
Contact Officer:

Richard Barrett
Assistant Director Regeneration & Major Projects
(Property & Asset Management)

Andy Donald
Director of Regeneration & Major Projects

APPENDIX – Site Plans.

EXECUTIVE COMMITTEE Asset Strategy for buildings to be vacated consequent to the outcome of the Library Transformation Programme - Olive Road, Cricklewood.



**Premises shown edged
and cross-hatched blk.**
Plan for information purposes only.

NORTH

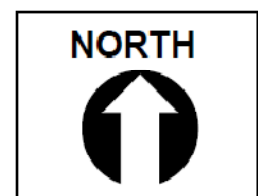


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EXECUTIVE COMMITTEE
Asset Strategy for buildings to be vacated consequent
to the outcome of the Library Transformation
Programme - Kensal Rise.

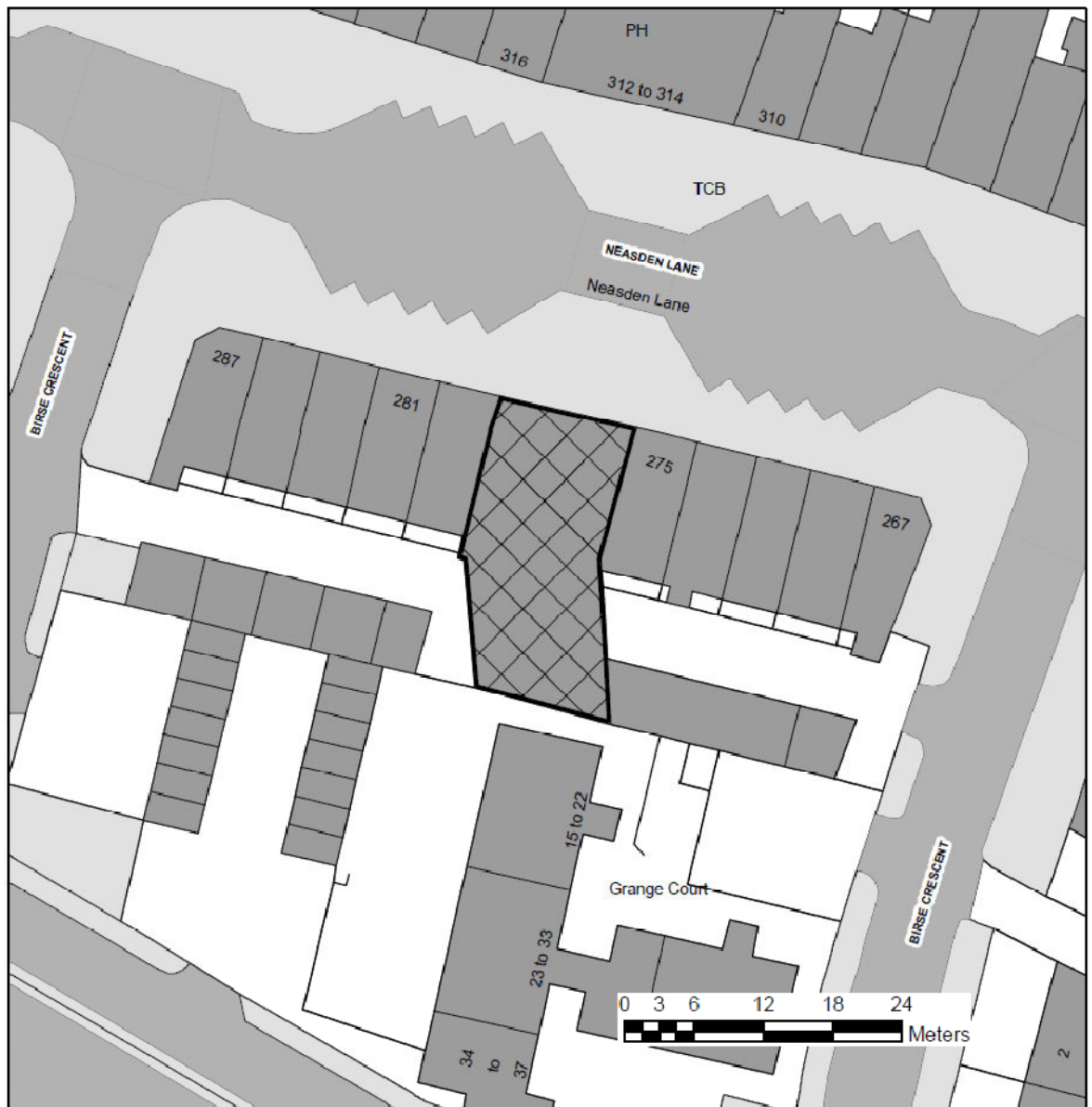


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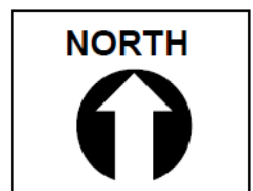


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EXECUTIVE COMMITTEE
Asset Strategy for buildings to be vacated consequent
to the outcome of the Library Transformation
Programme - Neasden Lane.

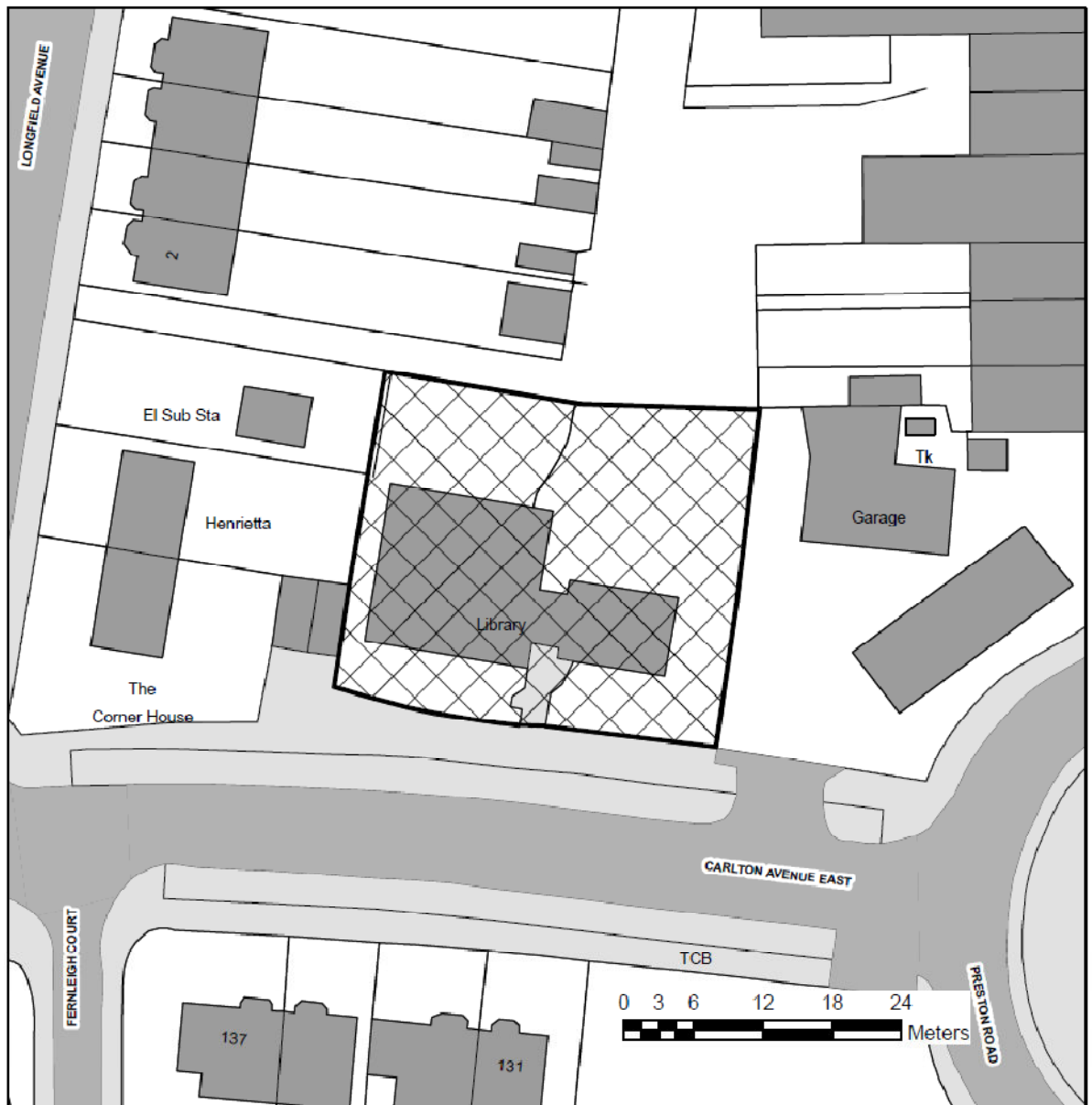


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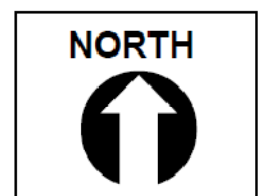


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EXECUTIVE COMMITTEE
Asset Strategy for buildings to be vacated consequent
to the outcome of the Library Transformation
Programme - Preston.

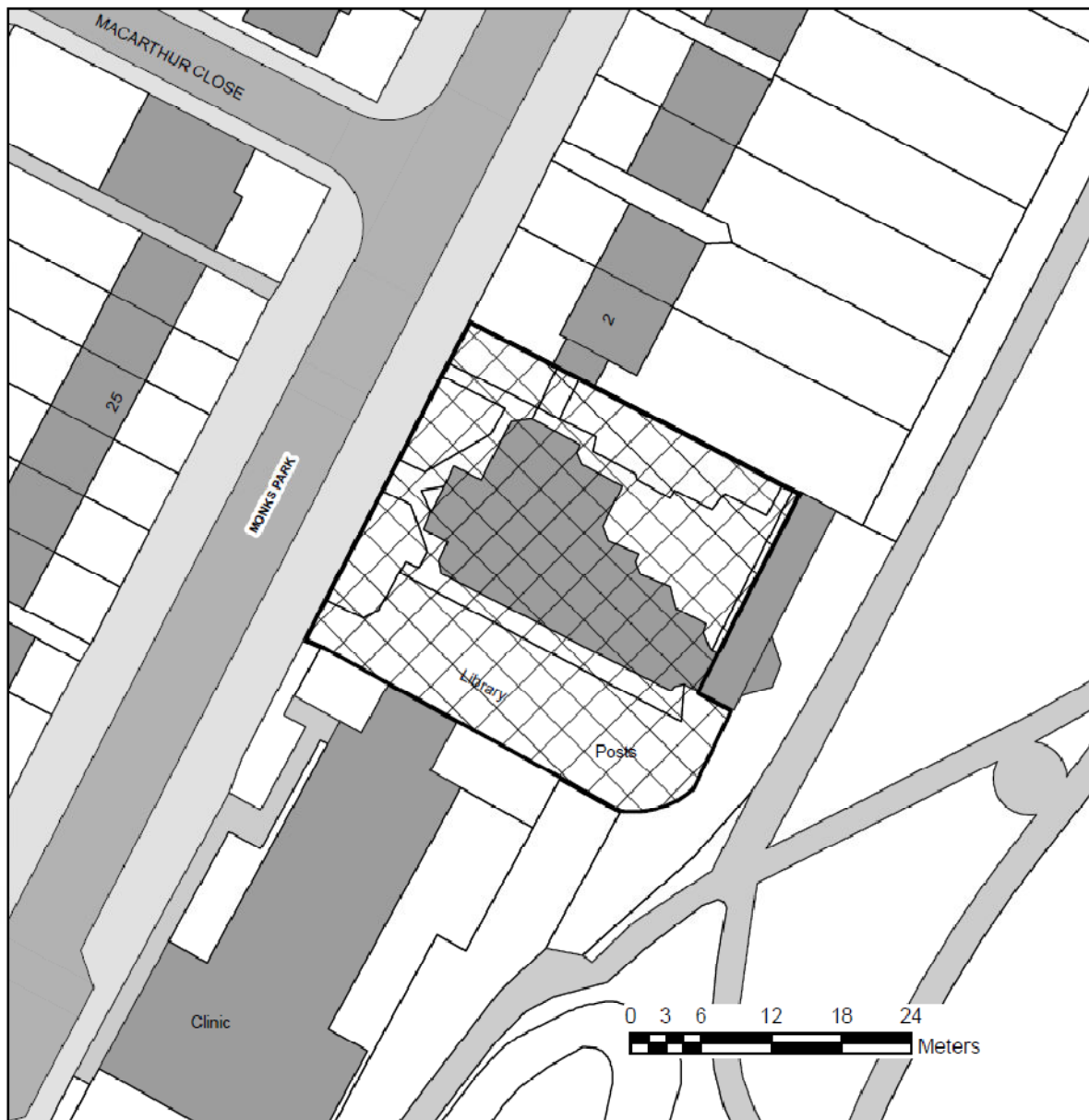


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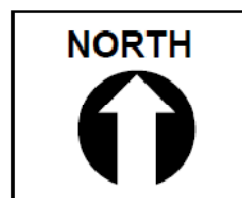


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EXECUTIVE COMMITTEE
Asset Strategy for buildings to be vacated consequent
to the outcome of the Library Transformation
Programme - Monks Park.

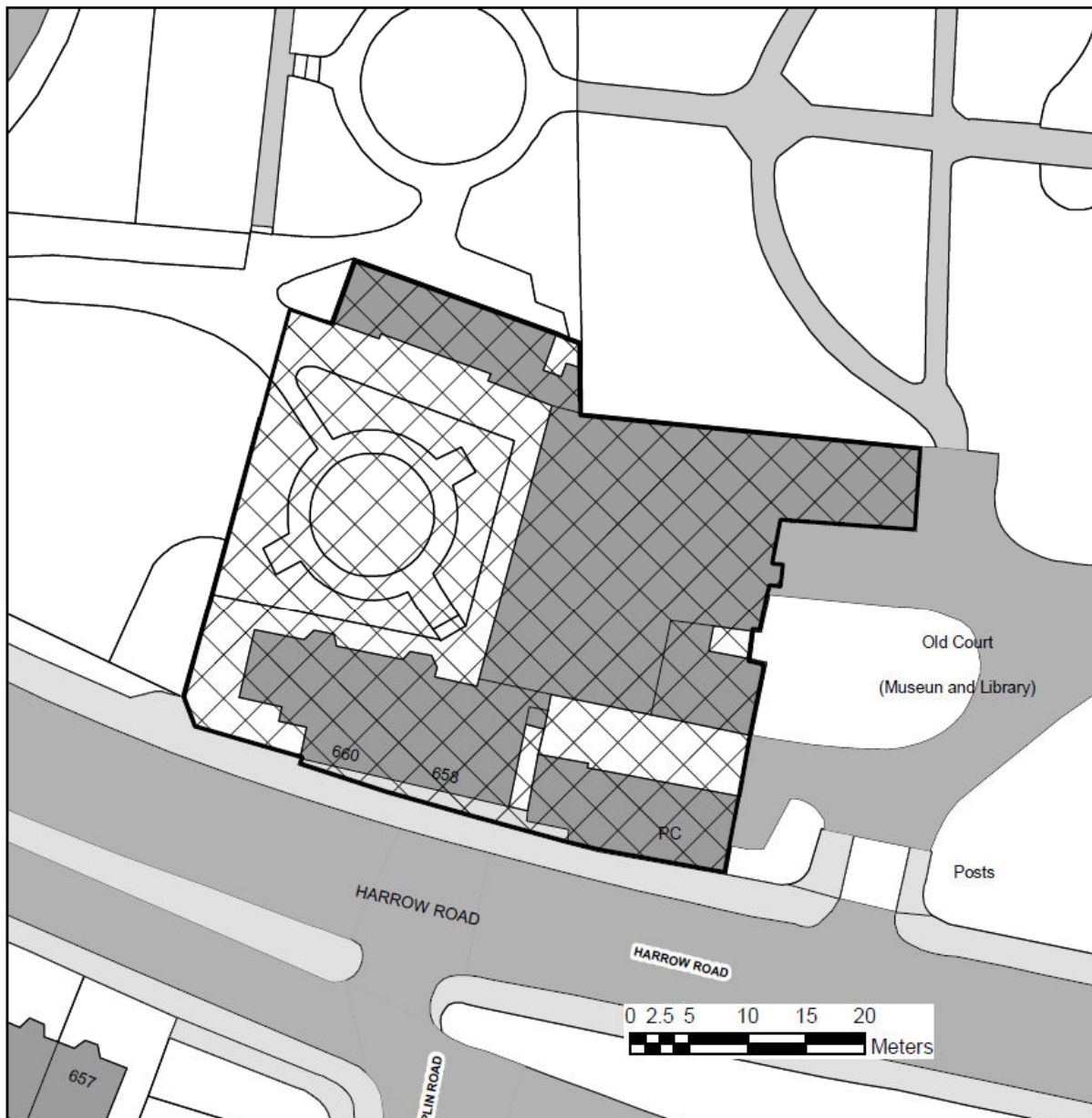


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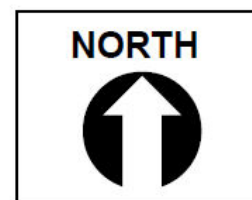


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Asset Strategy for buildings to be vacated consequent
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Programme - Barham Park.




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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from the Director of Regeneration and Major Projects</p>
<p style="text-align: right;">Wards affected: ALL</p>	
<p>Future arrangements for the ownership, investment and management of Brent's housing stock</p>	

1.0 Summary

- 1.1 This report considers two recent developments relating to the provision of housing services in Brent. Firstly, the reform arrangements for the Housing Revenue Account system as proposed by central government, which will see a transfer of responsibility (and risk) from the current national subsidy system to a locally managed, self-financing arrangement. Brent's proposed settlement is positive in the sense that it provides the Council with a number of viable options and choices in respect of the future of the housing stock. This report sets out the implications of the proposed settlement and in the light of this makes recommendations for the future of the housing stock.
- 1.2 Secondly, the Council has recently completed an independent review of the housing management arrangements for its housing stock. The management agreement between the Council and Brent Housing Partnership (BHP), an Arms Length Management Organisation (ALMO) is due to expire in August 2012 and the review has considered a range of options in order to test the most effective and efficient arrangements for the future delivery of the housing management service. This report considers the findings of the review and makes recommendations for the future management of the housing stock.
- 1.3 In reaching the recommendations contained within this report, the Council has worked collaboratively with BHP senior management and Board members, in an effort to reach joint conclusions and a shared view of the recommended future arrangements.

2.0 Recommendations

- 2.1 That in the light of the recent Housing Revenue Account settlement, the Council retains ownership of its existing housing stock.
- 2.2 That in the light of the recent Independent Review of Housing Management, the Council consults tenants and residents on a preferred option to manage the housing stock through Brent Housing Partnership, as an Optimised Arms Length Management Organisation focusing strongly on housing management.
- 2.3 That a new management agreement between the Council and Brent Housing Partnership is drafted, with full heads of terms to be completed by October 2011.
- 2.4 That in considering how best to optimise BHP, a full review is undertaken of the following functions (to be completed by October 2011), with a view to delivering improvements and efficiencies:
- human resources
 - finance processing
 - communications
 - legal
 - procurement
 - contract alignment
 - rent accounting
 - rent collection
 - aids & adaptations
- 2.5 That a joint governance review is undertaken between the Council and Brent Housing Partnership (to be completed by October 2011), which will review both the BHP Board structure and the relationship between the Council and BHP, with a view to ensuring that BHP is fit for purpose for the duration of the proposed new management agreement.
- 2.6 That following the outcome of the consultation as set out in paragraph 2.2 above and after the reviews set out in paragraphs 2.4 and 2.5 above have been carried out, a report is presented to the Executive in early 2012 regarding a final decision on the future role of BHP and the management of the Council's housing stock after the current BHP Management Agreement expires in September 2012.

3.0 Context

- 3.1 Nationally, public sector housing is going through a period of unprecedented change. The government has already withdrawn, or is in the process of reducing central control, intervention and investment in social housing. At the same time local authorities are being handed greater freedoms and flexibilities in respect of stock investment, management, tenure and dealing with homelessness. Within the context of Greater London, with its high property

values, intense homelessness pressures and concentrations of social housing stock these changes will create significant challenges. The delivery of new homes, meeting growing housing needs, regeneration and maintaining or improving the condition of existing stock will all be extremely difficult. This report focuses specifically on the investment and management challenges associated with the Council's existing housing.

- 3.2 The most fundamental changes in relation to the existing social housing stock are the government's reform of the Housing Revenue Account system. The changes contained within the reform will free the Council's housing stock and its management from the national subsidy system, and will in effect create a new self-financing local housing business with all the attendant risks and responsibilities. Within Brent the settlement is broadly positive, reducing the HRA debt considerably, and resulting in the full range of stock ownership, investment and management options being financially viable over the medium term. Section 6 of this report considers the implications of HRA reform and the available options further.
- 3.3 Since 2002, the Council's housing stock has been managed by Brent Housing Partnership (BHP), and Arms Length Management Organisation (ALMO) established with the express purpose of accessing funding for the delivery of the national Decent Homes programme across Brent. For much of this period BHP have been regarded in the wider housing world as an exemplar ALMO. The most recent Audit Commission full inspection, in 2003, rated its services as 'Excellent' with 'Excellent Prospects' of improvement. The current management agreement between the Council and BHP is due to expire in September 2012. Section 4 of this report considers the current strengths and weaknesses of BHP, and explores comparative performance across the different models of housing management. Section 5 considers the various housing management options open to the Council in moving forward.
- 3.4 As a consequence of the current budget pressures, the Council has embarked on its own One Council improvement and efficiency programme, designed to review and test all aspects of the Council's service delivery as part of a rolling programme.
- 3.5 In the light of these three drivers, an independent review was commissioned to consider the options for the future arrangements for housing stock ownership, investment and management. Following a tender process, Navigant Consulting were appointed to undertake the review. In the course of their research Navigant met with senior representatives from Brent and BHP, including Board Members. Subsequent to Navigant producing their recommendations a working group was established, chaired by the Director of Regeneration & Major Projects, bringing together senior representatives from Brent and BHP. The recommendations contained within this report are drawn from the consideration of the Navigant report by this working group. Section 7 of this report sets out the rationale behind the recommendations relating specifically to housing management.

4.0 Existing Arrangements for Housing Management

- 4.1 The existing housing stock is managed by Brent Housing Partnership, on behalf of the Council. Established in 2002, BHP is an Arms Length Management Organisation, overseen by a Board comprising of seven tenant and leaseholder representatives, four councillors and four independent representatives. BHP manage the stock on behalf of the Council under the terms of a management agreement, which is due to expire in September 2012. The management agreement requires an element of performance accountability from BHP to the Council, and also provides modest incentives for ongoing the delivery of ongoing efficiencies. There is no formal 'client' function within the Council, and in the past the relationship between the two organisations has largely been managed through quarterly meetings between the Council's Director of Housing and BHP's Chief Executive.
- 4.2 The independent review identified that the strengths of BHP considerably outweigh the weaknesses. Specific strengths include:
- Resident involvement –strong tenant representation on the board and high levels of tenant satisfaction
 - Efficiency – significant savings have been achieved in recent years, and there is a rolling programme of ongoing service reviews
 - External services – significant savings have been made from procurement and contract management, and performance has been improved
 - Performance Improvement – there are strong performance management arrangements within BHP and a culture of service improvement
 - Repairs – strong contractor partnership, and high customer satisfaction levels
 - Other services – a number of additional services are of a good standard, including rent collection / income management, tenancy management, customer care and major works management.
- 4.3 The review also identified a number of areas of relative weakness within BHP, including:
- Strategic direction – there is a lack of clarity about the future purpose of BHP and its future role and direction
 - Relationship with the Council – historically this has been good, despite some tensions over service reviews, but this has been increasingly strained
 - Financial – BHP has very limited resources itself, and is reliant entirely on the Council for borrowing for stock acquisitions
 - Regeneration and development – BHP has very limited regeneration, development and external bidding capacity or skills
- 4.4 Overall tenant satisfaction with BHP's housing management service has remained high (and relatively static) at around the 76% mark since 2006. This places BHP in the first quartile of performance against similar size London providers and in the second quartile against its ALMO peer group. Satisfaction with accommodation and neighbourhoods are both high (1st quartile) compared to other London providers and the ALMO peer group.

- 4.5 In assessing the baseline position for BHP, the independent review considered the three core alternative models for housing management (ie. direct management by a Council, ALMOs and Housing Associations) with a view to exploring whether there are patterns and trends as to which model produces the best quality service and is most efficient.
- 4.6 However, there is little comparative research or information available, so the results are somewhat inconclusive. Broadly speaking the research shows that there is little or no correlation between quality or efficiency of housing management service and the type of organisation that provides the service. Neither is there a correlation between either quality or efficiency and the size of the stock that an organisation is responsible for. There is however a widespread variation between the quality and efficiency of services within each model – in other words, regardless of the delivery model or the size of the stock, some organisations significantly outperform other organisations against both quality and efficiency measures.
- 4.7 Within this spectrum, BHP scores slightly above the average on quality criteria, but also is above the average on the cost of the service. This highlights a clear potential to drive greater efficiencies within BHP – and demonstrates that this can be done against a backdrop of a declining stock (as the South Kilburn regeneration scheme progresses) and in a way which doesn't compromise quality and resident satisfaction. It also points towards the Council undertaking a wide ranging review of the different housing management models to explore whether an ALMO is still the most appropriate housing management vehicle.

5.0 Alternative Housing Management Models

- 5.1 The independent report considered the strengths and weaknesses of seven different housing management models, namely:

- Direct management - in-house by the Council
- Direct management – outsourced to a contracting provider
- Tenant management organisation
- Partnership management
- ALMO optimised
- Conversion of ALMO to a housing association
- Transfer to an existing housing association

Each of these models is considered in turn below. The financial implications of each model are considered in section six.

5.2 *Direct Management – in house*

This is a straightforward and traditional model of housing management, entailing the winding up of BHP at the end of the management agreement period and bringing the service back in house where it would be managed within the Regeneration & Major Projects department. This would allow for an re-integration of the various components of housing (investment and management in particular) and would promote the strong strategic integration

with other relevant services. There would be a clear scope to drive internal efficiencies (especially around business support services) and there may be additional procurement economies (for example around grounds maintenance).

- 5.3 However, bringing the service in house would result in a reduction in resident control and influence. In the short term this is likely to be extremely unpopular with tenants, and may well result in reductions in the responsiveness of the service and ultimately resident satisfaction. The BHP board is vehemently opposed to this option. There is considerable local precedent, with both Ealing and Hillingdon Councils recently making the decision to bring their housing management services back in house.
- 5.4 Direct Management would also have a significant and negative financial impact on Brent. BHP has directly borrowed or has agreements to borrow around £72m from Brent to fund its Granville New Homes and Settled Housing Initiatives. BHP meets the full cost of all interest and loan principal repayments giving the Council a net-neutral revenue position. Were BHP to be brought in-house, the risks of rents not covering borrowing costs would transfer directly to the Council as well as impacting upon its prudential borrowing capacity.
- 5.5 *Direct Management – Outsourcing*
In this model, the housing management service would initially be brought back in house at the end of the existing management agreement, following which an EU tender process would be undertaken to identify an external provider to deliver the service under contract from the Council. The Council would retain strategic control but operational management would be devolved to the contractor. A competitive procurement process could generate savings and there could be economies from the contractor's wider business. There would be strong contractual levers to enforce quality.
- 5.6 This model would allow resident involvement in contract specification and monitoring, but is relatively inflexible once the contract has been let. Changes to the contract driven either by the Council or by residents will often impact of cost and would take time to negotiate. The market for this model is immature, largely on the basis that very few Council's have chosen to outsource. In London, Westminster splits housing management between its ALMO and external contractors.
- 5.7 *Tenant Management Organisation*
A Tenant Management Organisation (TMO) is a separate body which places residents at the heart of the housing management service with majority representation at Board level and all other governance tiers. It can only be initiated by resident demand (ie. the Council can't establish it itself), and requires the subsequent negotiation of a management agreement with the Council. A key strength is that the service should be responsive and tailored to the needs of the residents.
- 5.8 The separation of the housing management service from the other related services provided by the Council risks isolating this service from the wider

strategic priorities of the Council. There is little scope for further economies or efficiencies, and the very real risk of an organisation with little capacity or expertise. For these reasons most TMO's operate over single estates or smaller areas, and there are very few examples of TMO's managing the whole of a Borough's stock. (In London, this only happens in Kensington & Chelsea.)

5.9 *Partnership Management*

This approach would establish a joint venture vehicle of some description for the delivery of housing management services between Brent and one or more councils or housing associations. Its key strength is the potential it could have to drive significant economy of scale efficiencies both in terms of direct delivery and in terms of procured services. The model would allow for increased capacity and expertise, and would provide for resident involvement at all tiers, although inevitably this is likely to be more diluted than in a smaller, local organisation.

- 5.10 At the heart of this model is shared governance and control between the participating organisations, which would require negotiation and compromise over service priorities. By definition the model would require partner organisations, and early indications are that there is currently little appetite amongst housing associations and neighbouring local authorities. Again, there are few examples of this model in practice although East Kent ALMO brings together four district council with a total stock of 18,000 homes.

5.11 *ALMO Optimised*

This model would build on the strengths and success of BHP, and would revolve around a new long term management agreement. The Council would retain strategic control and set the HRA business plan, whilst the optimised ALMO would have operational autonomy and responsibility for stock investment and management. Resident involvement and influence would remain strong and should lead to a responsive service. The model would allow for appropriate integration with Council services delivering efficiency savings.

- 5.12 A continuation of the ALMO model would require a renewed relationship and commitment between the Council and BHP, probably based on shared reviews of key aspects of the service. A number of other councils are considering extending their ALMOs and some are considering broadening their roles – eg. Barnet.

5.13 *Conversion to a Housing Association*

In this model BHP would be converted into a new housing association (an RSL), which would take ownership of the Council's housing stock following a statutory resident ballot on stock transfer. The new housing association would be an independent organisation but the Council would retain an ownership stake (typically one third) and commensurate board representation. Significantly all risks associated with ongoing investment and management of the housing stock would be transferred to the new organisation.

- 5.14 Under this approach the new RSL would be entirely dependant on Council prudential borrowing for its future investment needs (because its rates are

favourable compared with the markets) . There would be no additional efficiencies, and little scope for additional capacity or expertise. The Council's strategic objectives would be enshrined in the initial transfer agreement but subsequently there would be little scope for varying these other than by agreement. In essence the new housing association would take on all of the Council's current responsibilities for stock investment and management. The model is reasonably common, and two ALMOs have converted to a new housing association in the last year – Warrington and Oldham.

5.15 *Transfer to an Existing Housing Association*

This model is similar to the previous model described, except that the Council would transfer its whole stock to an existing housing association. Within the company structure, a new wholly independent subsidiary would most likely be established for Brent's housing stock. Implementation would require a statutory consultation and tenant ballot. Again, this model would transfer all risk and responsibility for stock investment, management and regeneration to a third party. In addition the Council would receive a substantial capital receipt at point of sale – most likely enough to repay all £185m of remaining housing debt and possibly with a small capital sum left over for general fund usage.

5.16 The Council would most likely be able to negotiate up to one third representation on the subsidiary board and would retain 100% nomination rights but , this model would effectively end the Council's direct involvement in housing management and estate regeneration. It would be difficult for the Council to exert a controlling influence on future priorities in relation to these issues, although nominations arrangements would be secured at the time of transfer. Whilst efficiency savings opportunities are significant from this approach, it is the housing association rather than the Council that would benefit from these. There are very few examples of whole stock transfer to an existing organisation – it is far more common for a new association to be established.

5.17 The Council is in the fortunate situation of being able to consider all of these options as a consequence of a favourable settlement from the recent reform of the Housing Revenue Account subsidy system. Section six explores this in more detail.

6.0 Implications of the Housing Revenue Account review

6.1 One critical determining factor in recommending a preferred model for the future ownership, investment and management of the housing stock is the financial viability of the approach. Housing investment and management is managed financially through the Housing Revenue Account (HRA) subsidy system. Traditionally this has been managed centrally (i.e. at a national level) with local authorities transferring rental income to the government, and in return receiving a formula driven grant from the government in order to deliver stock investment and housing management services. At a local level, this translates into an annual HRA business plan which is reflected in the Council's budget.

- 6.2 The government is now introducing radical reform of the HRA subsidy system by scrapping the national system and in its place introducing proposals for a locally managed HRA – in effect creating a locally managed housing business, where Council's would be able to retain all rental income from their housing stock and use this to directly support stock investment and housing management. There will no longer be subsidy from government to support the regime. In order to deliver this the government is introducing a 'one off' local debt settlement. The financial implications of this change are considerable, and are set out in paras 6.4 and 6.5 below.
- 6.3 The biggest single viability factor in considering options for the future arrangements for stock ownership, investment and management will relate to the investment requirement of the existing housing stock – i.e. the cost of maintaining the stock at an appropriate level broadly in line with decent homes standard and meeting any capital backlog. The latest stock condition survey data shows that over the next 30 years this will require an investment of some £269m of capital improvements in today's money.
- 6.4 Prior to HRA reform, under the current subsidy system, it was estimated in June 2010 that the HRA would have a cumulative capital shortfall (or backlog) after 30 years of £420m – which equates to £70m in today's money. In addition the HRA account balance in Year 30 was also projected to have a deficit of £70m, or £12m in today's money.
- 6.5 Over the last year the position has considerably improved, due in part to revised stock condition data, but in particular owing to the proposed HRA reform debt settlement. This would see the Council's HRA debt reduced from its current level of £377m to £185m, together with the introduction of additional borrowing headroom capped at £212m. If a baseline 'do nothing' position is considered, the Council is now able to fully afford the current investment requirements over the next 30 years, as summarised in the table below:

Financial Indicator	Value in £'000
HRA Debt Settlement	£184,894
HRA Debt Cap	£212,397
Total shortfall in capital investment (backlog)	£30,411
Investment backlog caught up by	March 2029
NPV at 6.09% of closing HRA balance at year 30 – Surplus/(Deficit)	£7,112
HRA housing debt fully repaid by	March 2040

- 6.6 Although the overall medium term settlement is positive for the Council, there are still cashflow challenges over the 30 year period. Assuming the Council borrows up to its ceiling debt cap, there remains an investment backlog for a further 18 years, peaking at close to £40m in 2016. It is also important to recognise that because of the cap, the HRA will have no capacity to take on additional debt until at least 2029 and hence this route would most likely be unsuited to being the Council's development vehicle

- 6.7 However, if the Council chooses to retain its stock then the Council would be able to direct and prioritise investment in its stock. In the 'base case' do nothing option modelled above, it would be able to use the projected HRA surplus of £7.1m after 2029 to invest in higher standards of stock performance (eg. environmental standards). Again, there is no room for complacency. This surplus is relatively modest and could easily be eliminated by faster than predicted construction cost inflation or an increase in the investment backlog.
- 6.8 The Council has the ability to borrow within the HRA up to the current debt ceiling of £212m set by the government. In the base case model, from March 2029 (when the investment backlog is cleared) the Council would have the option of paying off debt, investing further in the existing housing stock or providing 'grant' for the development of new affordable housing. Navigant have modelled each of these options, and for the base case they provide the Council with the options of paying off the full debt by March 2040, a further investment of £29,000 per property (£5,280 in today's money), grant subsidy for an additional 928 new homes, or a blended combination of each.
- 6.9 There is no certainty that the debt cap will remain in place throughout the next 30 years, although the government have not indicated that they are considering its removal. If it were to be removed at any point in the future, this would provide considerably more scope to support improved standards of stock investment or to subsidise new affordable housing.
- 6.10 In applying the implications of the HRA reform model to the options set out in section 5, there are two other important considerations to take account of – namely the efficiencies that could be generated through either the housing management or the special services / repairs and maintenance contracts. Clearly any savings that can be made in either of these areas of expenditure can be redirected into reducing the investment backlog.
- 6.11 The independent review considered each of the options set out in section five, reviewed the revenue efficiencies that could reasonably be generated, and then applied these to result in an overall investment potential model for each option, as set out in the table below.

Option	Investment Backlog	Backlog Cleared	New Housing Debt Cap	New Housing No Cap
Direct Management – in house	£22.5m	2021	930	2,710
Direct – outsourced	£20.5m	2021	930	2,705
ALMO Optimised	£23.5m	2021	930	2,700
Tenant Management Organisation	£24m	2022	930	2,670
Partnership Management	£21m	2021	930	2,790
Conversion to HA	Nil	n/a	1,380	1,380
Transfer to existing HA	Nil	n/a	1,750	1,750

- 6.12 There are two obvious conclusions from this analysis. Firstly is the critical difference that stock transfer makes to both the investment backlog and the capacity for new development. In simple terms, with stock transfer neither would remain the Council's responsibility and therefore the considerable

challenges associated with both are effectively passed to either a new or an existing housing association. In either of these scenarios the Council take more strategic view of local housing provision and would be offsetting risk by ceding control over day-to-day housing management, stock improvements and regeneration of the current housing stock. In considering the future arrangements for the housing stock, this is the 'first order' decision that needs to be made.

6.13 The second conclusion is the relative similarity of the financial position for each of the 'stock retention' options if the initial efficiency assumptions can be realised. On this basis, if the preference is to retain the stock, the next order of decision will need to relate firstly to the ability of the Council to secure the efficiency assumptions; and secondly to the other (non financial) benefits which can be realised from each of the options.

6.14 Section 7 below discusses the rationale for the recommended option going forward, in the light of the analysis set out in sections 5 and 6.

7.0 Towards a preferred option

7.1 As set out above, the first order of decision to be made is whether the Council should retain or dispose of its housing stock. Both options are financially viable, and there are strong arguments to be made in favour of both. Essentially the decision comes down to the level of control, responsibility and influence the Council wishes to have in relation to housing management, stock investment and estate regeneration in the future – balanced with the amount of financial risk that the Council is prepared to accept under a self financing HRA regime.

7.2 In considering the options the Council should be cognisant of its declining housing stock. By 2025 it is likely that the South Kilburn regeneration programme will have completed, and the total housing stock within the HRA will have reduced to some 7,000 properties. Further estate regeneration schemes in the future (North Circular Road, for example) may reduce this number still further. Whilst the evidence contained within the independent review, and summarised in section 4 above, demonstrates that a small stock is not a determining factor in either service quality or cost, there may come a point in the future when the stock becomes so small that it no longer makes sense to have a stand alone management function. .

7.3 There are other housing changes which are also likely to have an impact – perhaps most importantly are the proposals for the personalisation of benefits, which will mean that housing benefit will no longer be paid directly to the Council but will be paid to the tenants. This has the potential to significantly increases the risk of rent arrears and in the stock retention models would expose the Council to further debt risk.

7.4 Transfer of the housing stock to any form of housing association would transfer both of these risks immediately. In addition to fully repaying all HRA debt, it would also generate a sizeable capital receipt (estimated to be in the region of £10m) which would be free of HRA restrictions and could be used to

invest in other Council priorities. This is clearly attractive in the current climate of financial pressures.

- 7.5 However, transfer of the housing stock would also require extensive consultation, culminating in a statutory tenant ballot. Tenant ballots are accompanied with an attractive offer to tenants about improvements that will be made if they were to vote in favour of transfer. Normally this would relate to improvements to their homes, often in association with regeneration programmes. In this instance it is unlikely that any significant home improvement offer could be made to tenants, and in the light of the high levels of tenant satisfaction with the housing management services (as set out in section 4 above) it is difficult to see the incentive for tenants to vote for a change in landlord. In addition, any proposal for stock transfer is viewed with scepticism by some tenants, and runs the risk of a protracted and increasingly polarised public debate. On balance, it is far from certain that a vote in favour of stock transfer is deliverable.
- 7.6 There are many good reasons for the Council to continue to accept the financial risks set out in 7.2 and 7.3 above, and retain its housing stock. Foremost amongst these are the ability that this would give the Council to continue to exert direct influence on housing issues through its stock/land holdings across the Borough, and the prospects of maintaining strong relationships with its tenant and leaseholder communities. Stock transfer options would be favourable if the Council saw its role as more strategic and influencing partners through its democratic authority
- 7.7 The Borough continues to face huge social and economic pressures, and housing is a key lever for addressing these pressures. The Council has historically seen itself as a key strategic player in managing the relationship between housing demand and housing supply and through retaining an element of its own stock is able to intervene and play a pro-active role in meeting this balance.
- 7.8 Section 3 sets out the paradigm shift that is taking place in the housing world at present. Within London this will create even greater financial pressures on Brent's most deprived residents, who will have to juggle housing benefit caps with increased rents, often within the private sector market. The Council's housing needs and homelessness services will be under considerable pressure. New social housing will largely be at the 'affordable rent' level, and housing associations will be under pressure to convert their existing stock to 'affordable rents' in order to generate additional receipts to borrow against to build new housing. In this context it is arguably more important than ever that the Council retains its own stock which will be critical in managing the expected increased demand.
- 7.9 Brent has a long tradition of regeneration. By retaining its housing stock Brent will be in control of the pace and change of improvements to this element of the social housing stock in the Borough, and more importantly be able to make the strategic links between this and the need for improvements to education, sports, health and community facilities. In recent years Brent has been able to deliver against this agenda when housing associations have

struggled (e.g. South Kilburn regeneration). It should of course be noted that the ultimate result of regeneration is likely to be an incremental transfer of the stock to third party housing associations and therefore incremental shifting of the risks set out above.

- 7.10 The relationship of BHP with its tenants is excellent. BHP has achieved high levels of tenant satisfaction and the quality of the existing housing management service (as set out in section 4) is very good. This can be attributed in large part to the Council's ongoing commitment to place residents and tenants at the heart of the housing management regime, empowering them to challenge and direct services. Retention of the housing stock will allow Brent to continue to engage tenants and residents in the design and the delivery of housing management services.
- 7.11 On the balance of arguments above, , it is therefore recommended that the Council retains its housing stock and discounts the options of large scale stock transfer to either a new or an existing housing association.
- 7.12 The next stage in the decision making process is to consider which of the remaining five options would deliver the best quality housing management service, the best prospects for stock investment, the best efficiencies and an integral level of resident and tenant empowerment.
- 7.13 It has already been made clear that the Council is not in a position to initiate a Tenant Management Organisation, even if this were the preferred route, so this option can be discounted immediately.
- 7.14 It is also clear that at present there is little appetite from other housing associations or local authorities to consider the partnership management option. Again this option should therefore be discounted at this stage. However, in the current climate of service improvement and efficiency, and with a declining housing stock, it is recommended that the Council remain open to this option over the medium term and that partner's appetite for such an arrangement continue to be monitored.
- 7.15 Of the three remaining options, there is little precedent for outsourcing a directly managed housing management service. The market for this is young and there is no evidence to demonstrate that either service improvement or efficiencies can be generated. On this basis it is not recommended that this option is pursued further.
- 7.16 The independent review therefore recommends that there are two options capable of providing a high quality and cost effective housing and asset management service – either direct management in house by the Council or an 'optimised ALMO'.
- 7.17 Section 5 above summarises the relative merits of each option. In objective terms there is little to choose between them. Both have the potential to deliver a high quality housing management service, both have the ability to undertake asset management, both provide opportunities for tenant and

resident involvement, and both allow the Council to exercise its strategic influence.

- 7.18 In moving towards a recommendation, the starting point would be to consider what the justification is for change. BHP has demonstrated that it has generated widespread tenant satisfaction within the housing management service - up 30 percentage points from when the Council used to manage the service in house. It has achieved this by placing residents and tenants at the heart of the housing management process, both at Board level and in terms of monitoring and scrutinising the operational service. It has a strong culture of service improvement, and has already generated efficiencies both in house and in respect of outsourced contracts. On the face of it BHP is a high performing organisation.
- 7.19 However, there are areas of concern. In particular there has been clear 'mission drift' since 2006, when the Decent Homes programme was completed. Since this point BHP has struggled for a clear and coherent direction. In no small part this is as a consequence of a lack of clarity being provided by the Council as to what it wanted BHP to focus its attention of. Over time, and as the management agreement period approaches its review, this has led to an element of mistrust between the BHP Board and the Council and relationships have deteriorated. The process of undertaking and considering this review has gone a long way to repairing this damage, and does provide a decent platform from which to redefine the relationship between the two organisations and move forward positively.
- 7.20 It's also fair to say that BHP's current performance levels are unclear. The last comprehensive independent inspection was in 2003 (which was excellent), and a more recent voluntary inspection shows some areas for improvement. A renegotiated management agreement would provide an opportunity to re-assess the service and continue the improvement drive.
- 7.21 The move to the new Civic Centre provides considerable opportunities for further strategic alignment between BHP and the Council, and for optimising efficiencies between the Council and BHP. Co-location of staff will make it easier to realise back office efficiency savings and explore the links between BHP and other Council services, whether they be housing, regeneration or grounds maintenance.
- 7.23 On this basis there would seem to be little objective reason for the significant change and disruption associated with bringing the housing management service back in house. Financially this will also be difficult to achieve, as BHP is currently in receipt of some £72m of loans from the Council at present, including £54m in support of the Settled Homes Initiative. It is therefore recommended that the Council consult tenants on just one option, for the service to continue to be run by BHP as an **optimised ALMO**.
- 7.24 In order for this consultation to be meaningful it will be necessary to demonstrate to tenants what an optimised ALMO would look like, what it's functions will be and how it will be responsible and accountable for them. Section 8 below sets out the work that would need to be done in order to

define this. This route does obviate the possibility that tenants themselves may seek to exercise their right to ballot for a TMO.

8.0 Defining an Optimised ALMO

8.1 The ALMO was originally established for a very specific purpose, namely to access funding and subsequently deliver the decent homes programme of stock investment. This programme was completed in 2006. For the ALMO to be optimised moving forward the first thing that needs to be established is a clear direction and sense of purpose. There then has to be a shared understanding between the BHP board and the Council as to the areas for optimisation. Preliminary discussions have already taken place between BHP Board and senior management representatives, and Council directors to scope out the parameters for optimisation.

8.2 In respect of a clearly defined purpose, it is critical that BHP focus its attention on core business – ie. honing service efficiencies and improvements in the housing management service. BHP currently has little capacity or skills to manage new development or regeneration, and is not financially resourced to undertake these functions either. In going forward it is therefore recommended that BHP has a strong focus on housing management, repairs and maintenance.

8.3 The independent review identified efficiencies that would need to be optimised within BHP if it were to deliver top quartile financial performance in relation to both London ALMOs and London providers of the same size. This would require a minimum 13.6% reduction in their housing management budget in unit cost terms, resulting by year 5 of a unit cost of £1,294.82 per home. For all other special services, including repairs and maintenance, a minimum budget reduction of 10% at year 5 has been assumed, based on 2.5 percentage point increments from Year 2 onwards.

8.4 These savings will need to be delivered from a combination of existing in-house service and business process reviews, and a more detailed review of efficiencies associated with closer working with the Council. It is proposed that this review be undertaken over the next four months, and should cover:

- Move to the new Civic Centre
- Human Resources support
- Communications support
- Legal advice
- Procurement support
- Finance processing
- Rent accounting and rent collection
- Aids and adaptations

In undertaking this review it is also proposed that an examination of existing contracts be undertaken to explore the scope for closer alignment with Council contracts, thus enabling greater collaboration at renegotiation points.

8.5 It is important that BHP is 'fit for purpose' going forward, and in this sense it is timely to undertake a joint Council and BHP governance and management review of the organisation over the next four months. It is recommended that the scope for this is broad, covering the following areas:

- Use of the term ALMO
- Board constitution and make up
- Community engagement and consultation arrangements
- Council liaison mechanisms

8.6 At the heart of the recommendations for an 'optimised ALMO' is the need to establish a new long term management agreement between the Council and BHP. This needs to be for a minimum of ten years (most likely with some break clauses) and (amongst other things) set out the responsibilities and accountabilities of BHP, the Council's performance expectations in terms of both improvement and efficiencies, the revised governance arrangements, the performance regime, and the details of the relationship between the Council and BHP. It is proposed that the heads of terms of the management agreement are agreed over the next four months, with a view to implementing a new management agreement as soon as possible thereafter.

9.0 Implementation

9.1 Following the Executive decision, the following implementation timetable will be initiated:

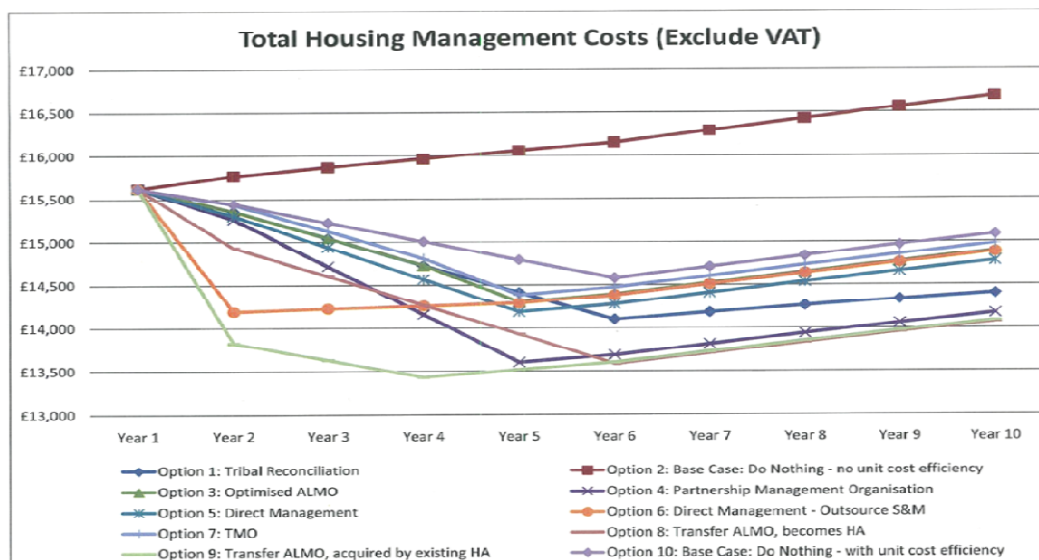
Activity	Date
BHP Board consideration	July 2011
Joint governance review	By October 2011
Joint efficiencies review	By October 2011
Management agreement – Heads of Terms	By October 2011
Tenant consultation	November 2011
Draft full management agreement	By January 2012
Final Executive decision	February 2012
Full implementation	Spring 2012

9.2 Although there is no requirement for a statutory tenant ballot, tenants will be consulted on the preferred option and the proposed arrangements. This will primarily be done through the Area Housing Boards or their successor vehicles.

10.0 Financial Implications

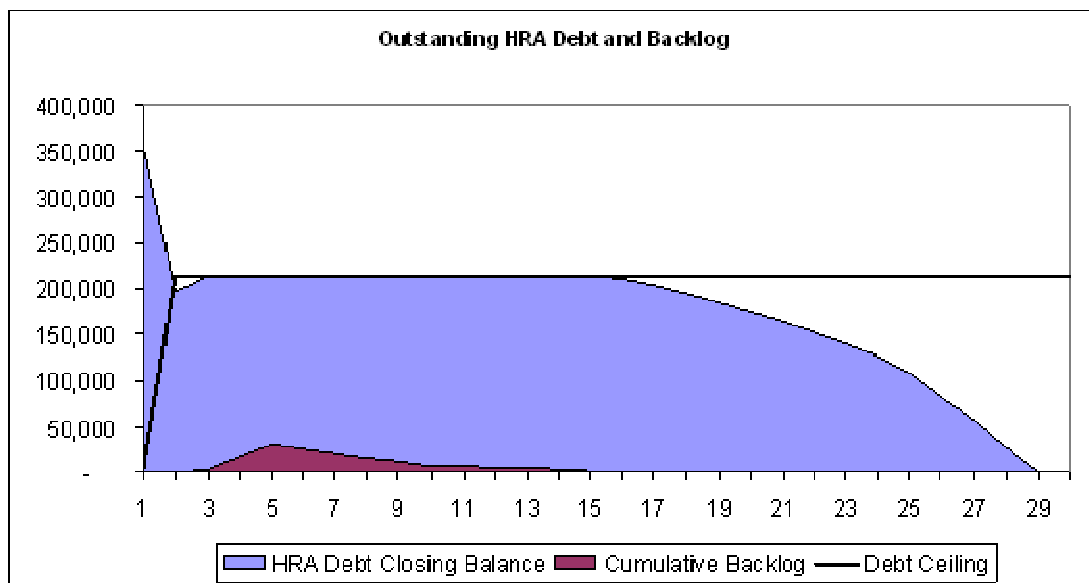
- 10.1 HRA reforms now open up the possibility that any of the options covered are feasible. The arguments for and against the various options have been covered in this report including the financial arguments and these need not be repeated here other than to summarise the points.
- 10.2 From an efficiency perspective, the graph below shows the range of possible efficiency savings arising from each of the options which are significant in all cases and which will show savings of up to £2.5m per annum within 3 years.

8. EFFICIENCY AND FINANCIAL ANALYSIS – SUMMARY INFORMATION



- 10.3 Stock transfer options would result in HRA debt being repaid in full and in the case of transfer to an existing RSL would most likely (subject to negotiation) leave the Council with an immediate net General Fund capital receipt of around £10m. This option would also remove a number of risks inherent in operating a housing management function including the very real risk of significant future rent arrears arising from Government changes to direct payments to tenants in respect of housing benefit and any risks around property condition. It would also have the advantage in the case of the transfer to an existing RSL that the Council would be freed from having to fund development and investment activities and this in turn would free up prudential borrowing capacity
- 10.4 However, the opposing arguments are around the ceding of operational control and some degree of strategic control over land and also the likelihood of a positive ballot.
- 10.5 Both a fully in-house option and an optimised ALMO would have similar characteristics in financial terms. Both would deliver a credible business plan and see debt repaid by 2040 and both would generate surpluses from 2029. Both models generate opportunity for efficiency and both will clear capital investment backlog as the chart below demonstrates. From 2029, the graph assumes that debt will be paid off until cleared by 2040 but the Council would have the option to maintain its debt at the ceiling level and use these resources to fund HRA development activity if it were so minded.

- 10.6 However, both options have the limitations of the HRA debt ceiling, the extended time before surpluses begin to be generated and the fact that when they are generated, they will remain ring fenced for HRA funded activities only. Under both options, there will be no headroom for any further HRA debt until the debt level is below the ceiling or the ceiling removed.



- 10.7 The principal financial advantage of the optimised ALMO is the transfer of rent risk (particularly crucial at a time when Government policy is likely to result in hugely increased rent arrears) away from itself and onto BHP but it should be noted that with £72m of existing debt, BHP will have no ability to support any additional borrowings for investment or development activities..

11.0 Legal Implications

- 11.1 ALMOs (Arms Length Management Organisations) were created with the encouragement of the then Office of the Deputy Prime Minister (ODPM) as it enabled Councils to create a company which they owned to manage their housing stocks and obtain extensive funding from the ODPM which Councils would not normally get by way of grant for the properties of the housing stock to achieve the Decent Homes standard by 2010. This target has already been reached for all the Council properties save for South Kilburn and Barham Park in which there will be regeneration schemes taking place which will involve the demolition of properties.. Also, ALMOs allow greater involvement from tenants and leaseholders in the management of the Council's housing stock as they are entitled to be members on the ALMO's Board. The Department for Communities and Local Government ("CLG") has stated in its "Review of Arms Length Housing Management Organisations" paper of June 2006 that separating a local authority's housing management function from its strategic role can enable tenants to benefit from a better housing service while the local authority can concentrate on its wider strategic function.

- 11.2 The BHP Management Agreement, which delegates the Council's housing management functions to its ALMO, Brent Housing Partnership (BHP), was entered into on 1 October 2002 for an initial term of five years. On 10 April 2006, the Executive decided to extend the term of the Management Agreement for a further five years and it is due to expire on 30 September 2012.
- 11.3 BHP is a subsidiary company of the Council. BHP's Constitution is made up of its Articles of Association and Memorandum of Association. BHP is a limited company, without share capital, which operates on a non-for-profit basis and the Council is the sole guarantor member. The BHP Board currently consists of seven resident members (including tenants and leaseholders), four independent members and four Brent Councillor members.
- 11.4 Under section 105 of the Housing Act 1985, the Council as a local authority landlord has a duty to consult with those of its secure tenants who are likely to be substantially affected by matters of housing management, which includes the management, maintenance and improvement of dwelling houses let by the Council under secure tenancies and the provision of services in connection with such dwelling houses. The consultation requirements under section 105 of the Housing Act 1985 must enable the secure tenants likely to be affected to be informed of the Council's proposals and to make their views known to the Council within a specified period. There is no requirement under section 105 for a ballot to take place as the Council's proposal does not involve a change in ownership of the Council's housing stock. Leaseholders of Council-owned properties will also be involved in the consultation process. Section 105 of the Housing Act 1985 still applies as the Secretary of State has not laid down regulations pursuant to section 27BA of the Housing Act 1985 regarding consultation requirements relating to housing management.
- 11.5 Pursuant to section 27 of the Housing Act 1985, a local authority may delegate its housing management functions by means of a management agreement subject to consent from the Secretary of State for Communities and Local Government. In 2009, the Secretary of State laid down a General Consent under section 27 of the Housing Act 1985 entitled "The General Approval for Housing Management Agreements 2009" but it should be added that this General Consent does not cover proposed housing management agreements which are for more than five years. Officers will make enquiries in the forthcoming weeks to clarify whether the Department for Communities and Local Government and the Tenants Services Authority respectively have any comments or issues regarding the Council's proposal for a long term management agreement. In any event, it will be necessary for the Council to apply to the Secretary of State for consent pursuant to section 27 of the Housing Act 1985 if the Executive decides to choose the optimised ALMO option for BHP in respect of the delegation of the Council's housing management functions in early 2012. This is because the said 2009 General Consent only covers three scenarios which involve: (i) complying with tendering conditions set out in the said General Consent and complying with the Public Contracts Regulations 2006; (ii) agreements dealing with small numbers of houses; (iii) agreements with Tenant Management Organisations.

- 11.6 Under sections 247 and 249 of the Housing and Regeneration Act 2008, the enforcement powers of the Regulator of Social Housing (which at present is the Tenants Services Authority) include the power to impose a requirement to put the management of social housing to tender or to require the transfer of management functions to a specific provider. From April 2010, any management agreement must include a break clause which enables to management agreement to be determined and the management functions transferred (this is pursuant to the Housing Management Agreements (Break Clause)(England) Regulations 2010 – S.I. 2010/663).
- 11.7 In April 2011, BHP was granted Registered Provider status by the Tenants Services Authority. BHP has gradually been developing its role as a provider of housing in addition to being a housing management organisation. It is effectively becoming a social landlord in its own right on a piecemeal basis after acquiring Granville New Homes from the Council in 2009 with the assistance of loan funding from the Council, acquiring properties under the Settled Homes Initiative to provide housing to homeless households (with the assistance of grant funding from the Homes and Communities Agency and loan funding from the Council) and small scale developments such as Aldbury Avenue and Ander Close with the assistance of grant funding from the Homes and Communities Agency. In these developments, BHP owns properties and grants tenancies as a landlord in its own right. The issue of whether BHP should continue its development role as a social landlord in its right in the future is addressed in this report.

12.0 Diversity Implications

- 12.1 As the reviews set out under paragraphs 2.4 and 2.5 above have yet to take place, an Equalities Impact Assessment will be carried out after the consultation as set out in paragraph 2.2 has taken place and before the Executive makes a decision in early 2012 on the future role of BHP and the delegation of the Council's housing management functions after the expiry of the current BHP Management Agreement in September 2012. Detailed legal implications regarding the Council's Public Sector Equality Duty under section 149 of the Equality Act 2010 will be set out in the next report to the Executive in early 2012 when the this matter is brought before the Executive for a final decision after the necessary reviews and consultation have been carried out.

13.0 Staffing/Accommodation Implications (if appropriate)

- 13.1 It has already been established that BHP will surrender their lease in Chancel House and will move into the Civic Centre in 2013.
- 13.2 The efficiency savings proposed in the report may have staffing implications for staff within both BHP and the Council. Staff and Trade Unions will be fully consulted on any changes proposed, in line with the Council's Managing Organisational Change policies.

Background Papers

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Executive
18 July 2011

Report from the Director of Regeneration and Major Projects

Wards Affected:
Kilburn, Queen's Park

South Kilburn regeneration progress update

1.0 Summary

1.1 This report summarises the progress made on the regeneration of South Kilburn, and sets out four main processes for approval by the Executive for continuing the momentum established by the Council over the past two years for the regeneration of the South Kilburn area. It seeks approval to:

- (a) Progress with the procurement of a developer partner via a mini competition under the South Kilburn Developer Framework for phase 1b (Cambridge, Wells and Ely Courts, Bond and Hicks-Bolton Houses) and agree rent levels for the purposes of the tender documents;
- (b) Progress with Phase 2 of the South Kilburn Regeneration programme, including the redevelopment of the Queens Park Station Area (Site 18) and any relevant acquisition of land and all relevant legal procedures;
- (c) Progress with the redevelopment of the Argo Business Centre, Post Office and 4-26 Stuart Road including any relevant acquisition of land as part of the redevelopment proposals and all relevant legal procedures;
- (d) Progress with pursuing options for the redevelopment of the current Albert Road Daycare Centre site and British Legion (Site 11A) including any relevant acquisition of land and all relevant legal procedures;
- (e) Progress with appointing architects for the detailed design of Bronte and Fielding House and Site 18;
- (f) Proceed with the procurement of a decentralised energy supplier within South Kilburn.

2.0 Recommendations

2.1 That the Executive note the progress made on the South Kilburn Regeneration project as set out in the report.

- 2.2 That the Executive agree to progress with Phase 2 of the regeneration proposals in line with the overall phasing strategy, including the redevelopment of Bronte and Fielding Houses, the Queens Park Station area (Zone 18) and 4-26 Stuart Road.
- 2.3 That the Executive authorise Officers to take preparatory steps with a view to procuring an EU compliant contract with a prospective energy suppliers to bring forward a decentralised energy solution for South Kilburn.
- 2.4 That the Executive note the appointment of Alison Brooks Architects from the LDA Architecture, Landscape and Urban Design Framework Agreement to lead the design team through to full planning application (RIBA Stage C or D) for the Bronte and Fielding site.
- 2.5 That the Executive note the appointment of Maccreanor Lavington Architects from the LDA Architecture, Landscape and Urban Design Framework Agreement to lead the design team through to full planning application (RIBA Stage C or D) for the Queens Park Station Area (Zone 18).
- 2.6 That the Executive agree to set rent levels for the affordable units within Phase 1b sites, including Wells Court, Cambridge Court, Ely Court, Bond House and Hicks Bolton House once completed, at a rent equivalent to Homes and Community Agencies Target Rent Levels and to adopt this rent level for other affordable development in South Kilburn until borough wide rent levels are reviewed later in the year.
- 2.7 That the Executive note the Director of Regeneration and Major Projects intention to undertake a mini-competition under the South Kilburn Developer Framework to identify a developer partner for the disposal of Phase 1b sites, including Wells Court, Cambridge Court, Ely Court, Bond House and Hicks Bolton House.
- 2.8 That the Executive authorise the Director of Regeneration and Major Projects to seek the Secretary of State's consent to the disposal and redevelopment of phase 2 sites including Cullen House, Site 11B and 4-26 Stuart Road on the estate for the purposes of ground 10A of Schedule 2 to the Housing Act 1985, to enable the Council to apply for a court order to obtain vacant possession of residential dwellings let under secure tenancies, Section 32 of the Housing Act 1985 to dispose of housing land, Section 19 of the Housing Act for appropriation of land for planning purposes and under the necessary Act (if applicable) to dispose of non housing land.
- 2.9 That the Executive authorise the making of compulsory purchase orders (CPOs) to acquire (a) all interests and rights in the properties listed in Appendix 1 and comprising the land shown edged red on the plans in Appendix 1 (the CPO Land) and (b) any new rights in the CPO Land which may be required under section 13 of the Local Government (Miscellaneous Provisions) Act 1976, notably the Argo Business Centre, Post Office and 4-26 Stuart Road, Site 18 comprising the Queen's Park Station Area and Site 11B comprising the Albert Road Daycare Centre (ARDC) and the British Legion.

- 2.10 That the Executive authorise the Director of Regeneration and Major Projects to stop long term lettings on Cullen House and 4-26 Stuart Road and continue to prioritise all new development site lettings in South Kilburn to tenants within sites on the next phase of development.
- 2.11 That the Executive note the Director of Regeneration and Major Projects' intention to undertake a mini-competition under the South Kilburn Developer Framework to identify a developer partner for the disposal of the 4-26 Stuart Road site and to secure any other affordable housing on the Argo and Post Office sites for that partner in pursuit of decant units for South Kilburn;
- 2.12 That the Executive note the Director of Regeneration and Major Projects' intention to take steps to secure the Albert Road site (11B) for disposal on the open market.
- 2.13 That the Executive authorise the submissions of the CPOs, once made, to the Secretary of State for confirmation whilst at the same time seeking to acquire the land by private negotiated treaty on such terms as may be agreed by the Director of Finance & Corporate Resources.
- 2.14 That the Executive authorise the service of demolition notices and the suspension of tenants' Rights to Buy in relation to secure tenancies at 4-26 Stuart Road and Cullen House, which are all on the South Kilburn estate, and authorise the Director of Regeneration and Major Projects to issue all and any notices required to be issued in connection with such demolition.
- 2.15 That the Executive authorise the:
 - 2.15.1 Director of Regeneration and Major Projects to enter into agreements and make undertakings on behalf of the Council with the holders of interests in the CPO Land or parties otherwise affected by the Scheme setting out the terms for the withdrawal of their objections to the confirmation of the CPOs and including the offering back of any part of the CPO Land not required by the Council after the completion of the development or the acquisition of rights over the CPO Land in place of freehold acquisition, where such agreements are appropriate;
 - 2.15.2 Making of one or more general vesting declarations or service of Notices to Treat and Notices of Entry (as appropriate) pursuant to the Compulsory Purchase (Vesting Declarations) Act 1981 and the Compulsory Purchase Act 1965 respectively should the CPOs be confirmed by the Secretary of State;
 - 2.15.3 Service of all requisite notices on the holders of the CPO Land relating to the making and confirmation of the CPOs
 - 2.15.4 Director of Regeneration and Major Projects to remove from the CPOs any plot (or interest therein) no longer required to be

acquired compulsorily for the scheme to proceed and to amend the interests scheduled in the CPOs (if so advised) and to alter the nature of the proposed acquisition from an acquisition of existing property interests to an acquisition of new rights (if so advised);

2.15.5 Director of Regeneration and Major Projects within the defined boundary of the CPO Land, to acquire land and/or new rights by agreement either in advance of the confirmation of compulsory purchase powers, if so advised, or following the confirmation of compulsory powers by the Secretary of State;

2.15.6 Director of Regeneration and Major Projects, if so advised, to seek to acquire for the Council by agreement any interest in land wholly or partly within the limits of the CPO Land for which a blight notice has been validly served.

3.0 Detail

Regeneration progress to date

- 3.1 In March 2011, the land receipt for zone 3c (former Carlton Vale Roundabout), has now been obtained and the site secured by London and Quadrant who have now started on site. The income from the land receipts for both 11a and 3c have been recycled back into the delivery of the remaining phase 1b sites and future phases, therefore sustaining the momentum of the regeneration. A pipeline of “planning approved” development sites will significantly assist the delivery of the regeneration programme as well as fulfilling new housing requirements for existing South Kilburn tenants. It is currently estimated that phase 1a sites will be ready for occupation between Autumn 2011 and Winter 2012, with Gordon House programmed for completion in September 2011; the Texaco Garage site and Marshall House, Albert Road site (zone 11a) completed April 2012 and the roundabout site (zone 3c) by December 2012.
- 3.2 On 22nd March 2011 and 12th May 2011 respectively, the planning applications for Cambridge, Ely and Wells Court and Bond and Hicks Bolton House were approved and the Compulsory Purchase Order submitted to the Secretary of State. The phase 1b developments will provide 86 market housing units and 122 affordable housing units, with the affordable housing units available for decant for phase 2 decants. Officers are now in a position to begin preparing tender documents for a mini competition for the qualifying developer partners under the existing South Kilburn Developer Framework, which are scheduled to be sent out at the end of June 2011.
- 3.3 The forecast costs associated with progression of these works are included within the table at paragraph 5.3 of this report within the Financial Implications.

Target Rent Requirements

- 3.4. The Executive are asked to consider raising rents on the next phase of developments to the equivalent of Housing Association Target Rents as a way of affording the redevelopment proposals, without having to jump to new rent regimes proposed by the HCA – see below and the accompanying paper setting out the proposed changes in the funding of affordable housing.
- 3.5 The original 2005 proposal to South Kilburn tenants moving from a demolished into a new block is that their rent would be based on existing South Kilburn rents uprated slightly to reflect that fact that they had a new property. The council could make this offer because it received Homes and Communities Agency grant (or equivalent estate regeneration subsidy) equivalent to around £100k per unit. At the same time schemes such as Gordon House which were not part of the original 'estate development' were built by housing associations, funded by the HCA and a condition of grant was to charge housing association Target Rent, broadly about £15 a week higher than council rents. On the phase 1 sites now being built, the council agreed that tenants would move in at South Kilburn council rent plus a 10% uplift and then converge to Target Rent. In February 2011, a new central government funding regime for affordable housing was introduced. The HCA's new grant regime relies on much lower levels of grant and much higher levels of rent, known as 'Affordable Rent' model and these are set at 80% of rents in the Open Market. The differences are set out in the table below but they generally more than double target Rent (many but not all rent increases will be met by Housing Benefit subject to a cap). The HCA recognise the problems in this approach in estate redevelopment. Clearly we are not able to get existing tenants to agree to a doubling or tripling of rent, but as yet the HCA has not proposed any financial regime that may help us develop within a reasonable rent regime and secure HCA funding.

Unit size	Current SK 'council' rents per week (average for comparison)	Housing Association Target rents per week	The new 'Affordable Rent' 80% market rent per week
1 bed	£80	£96.94	£200
2 bed	£88.45	£103.23	£250-£260
3 bed	£97.34	£109.53	£300-£325
4 bed	£106.09	£115.83	£450

- 3.6 Officers have sought advice from Navigant consultants to look at whether the council could continue to fund the redevelopment of south Kilburn, what level of rent is required and whether it could be achieved without the grant that triggers huge rent increases. The regeneration programme, reproviding 1200 council homes, based on Target Rents, and without HCA grant will produce a small surplus of £7.3m over the lifetime of the 15-20 year project. This analysis assumes a best case approach: that relatively high sales values and targets are met by housing associations in selling private homes to achieve the cross subsidy. However if current council rents are charged the scheme would receive about £12m less, making a loss of almost £5m.

- 3.7 In conclusion, setting Target Rents on the next and subsequent phases is the only realistic way of affording the whole scheme while not requiring large amounts of grant that would hike rents to the new 'Affordable Rent' levels. Moreover council rents are set to converge with Target Rents in the next few years in any case (inflation levels are likely to determine the pace of this convergence but the prediction is between 2014-2016).

Phase 2 - Progression of sites to detailed planning application

- 3.8 The Executive in March 2011 noted Officers' intention to select a design team from the LDA Architecture, Landscape and Urban Design Framework Agreement (LDA Framework) to progress with a detailed design for Bronte and Fielding House (Zones 3a and 3b) up to RIBA Stage C or D. Officers subsequently conducted a mini-competition under the LDA Framework and tenders were submitted and evaluated in early May and scored 30% on price and 70% on quality. The qualitative criteria considered how the submission performed in respect of:

- The council's submission for South Kilburn
- The characteristics for the specific sites, including opportunities and constraints
- Relevant experience
- Resources and the strength of the design team
- Ability to meet the council's requirements in terms of delivery
- Ability to meet the council's requirements in respect of public consultation.

Alison Brooks Architects tendered a price of £452,231. When this was combined with the qualitative aspects of the tender evaluation, Alison Brooks Architects achieved the highest score of 155 marks out of 170. As this is classed as a Medium Value contract, Officers will award a contract to Alison Brooks Architects using delegated powers to progress the detailed design work to RIBA Stage D and a planning application in early 2012. The final scores are available at Appendix 2.

- 3.9 A mini competition under the LDA Framework has also been conducted in relation to the Queens Park Station Area site (Site 18). The mini-competition was conducted on the same basis as above for the Bronte and Fielding House site using the same evaluation criteria and weightings. Submissions that achieved a combined score of 65 marks out of 100 were interviewed. Interviews were also scored using the same criteria. The tender submission that achieved the highest combined score (submission appraisal and interview appraisal together with price) were selected. Maccreanor Lavington Architects tendered a price of £449,950 and when this was combined with their qualitative scores, resulted in the firm achieving the highest combined score of 138.4 marks out of 170. As this is classed as a Medium Value contract, Officers will award a contract to Maccreanor Lavington Architects using delegated powers to progress the detailed design work leading to a planning application in early 2012. The final scores are available at Appendix

2. A Planning Brief was adopted for the site in 2007 and any new design will be in accordance with that brief.

- 3.10 Site 18 is currently owned by four separate parties; Transport for London, Greene King Brewery, Genesis Housing Association and the council. Genesis Housing Association is currently undertaking detailed design work for its own site but the council has asked them to consider proposals to comprehensively redevelop the whole site. Officers recommend that permission for the use of Compulsory Purchase Order should be given to ensure that the site is developed as a whole but officers are hopeful that any development will be supported by all parties. The Executive may be aware that there are draft proposals to locate a 130m² air shaft on the south-west corner of the site to service the proposed High Speed 2 (HS2) tunnel that would be built deep under this site. The council is considering its response to HS2 and will respond to the consultation in due course. Since the HS2 proposals are in draft, are much longer term and are by no means certain, Officers recommend that the council make representations about the location of the vent shaft and continue with its long held proposals to redevelop the site to regenerate the area.
- 3.11 The costs of the recommended architectural practices can be met from within the overall forecast costs for these site areas, as laid down in the table at paragraph 5.3 of this report.

The Argo Business Centre, former Post Office and 4-26 Stuart Road

- 3.12 The Argo Business Centre and former Post Office sites are located on Kilburn Park Road to the south of the South Kilburn regeneration area. The council has been approached separately by the owners of each of the sites for pre-planning application submission discussions. The Argo and Post Office sites sandwich the 4-26 Stuart Road block. While 4-26 Stuart Road was going to come forward as a much later phase of the South Kilburn development the proposals on either side allow a comprehensive approach to be taken to bring forward a coherent development. This provides an opportunity for the council to replace some existing affordable housing and provide some net gains to assist with the regeneration programme without having to use significant up-front funding of its own. It is proposed to add the site on to either of the Argo or Post Office developments and preferably both. A phased development would also allow the opportunity to decant these units into another part of the site.
- 3.13 Executive authority is sought to include 4-26 Stuart Road in the current phase of development, and to secure the necessary ground 10a and CPO approvals to allow the council to secure possession of the site. It is proposed that any new permanent lettings on the site are stopped and that existing tenants be given priority for decant to appropriate phases of development. In order to secure best value for the site it is proposed that a mini-competition is held under the South Kilburn Developer Framework to ensure the development potential and value of the site is realised with the affordable dwellings in the

development area as shown in Appendix 1 secured. There are no financial implications as yet for this project as it is expected that planning application costs will be covered by the developer. Executive authority will be sought for appointment of any developer identified under the South Kilburn Developer Framework given that their appointment is likely to be a High Value Contract under the Council's Contract Standing Orders and Financial Regulations.

Redevelopment options – The Albert Road Daycare Centre and British Legion (Zone 11B)

- 3.14 Site 11B encompasses the Albert Road Day Care Centre (ARDC) and the British Legion. The ARDC is currently being replaced on the John Billam site in Kenton. The ARDC will then be vacant in the summer of 2012 and represents an opportunity to bring forward a relatively unencumbered site, and a plan is needed to secure the vacant site and develop options focusing on its longer term development.
- 3.15 The site is earmarked for mostly private residential development within the South Kilburn Masterplan. The council has the option to bring forward designs such as on Site 18 but the current resources only allow a limited number of sites to be fully worked up in detail. Therefore it is proposed to offer the site for residential development on the open market in order to secure best value. The council will ensure that a small proportion of affordable housing is delivered for decant and that the quality of the development is ensured through the procurement and planning process. The timing of sale and development will be controlled by the council so as not to bring too many for sale units onto the market. Note that Site 18 is adjacent to Site 11B and has a high proportion of sale units. Site 11B does however offer a prospect of quicker development because it is less complicated than Site 18 and this gives the council some flexibility in ensuring a development pipeline to fund the affordable units we need to deliver.
- 3.16 The forecast costs associated with progression of these works are included within the table at paragraph 5.3 of this report within the Financial Implications.

Procurement of a decentralised energy supplier

- 3.17 As part of the regeneration of South Kilburn, the installation of a district heat network has always been considered. A district heat network will enable new developments in South Kilburn to achieve Code for Sustainable Homes Level 4 and provide energy service to users at a lower cost (normally 10% lower than the market price). All the approved new developments are required by planning Section 106 to connect to the district heat network. Alternative measures need to be installed if the network fails to come forward. It is proposed that hot water is pumped from an energy centre. The pipe carries this heated water past each building which is fitted with a heat exchanger that allows taking the heat from the network. For South Kilburn, it is proposed that heat will be generated by a district-wide combined heat and power (CHP) plant which generates electricity whilst also capturing usable heat that is

produced in this process. To meet heating demand in winter, centralised boilers will be installed in the energy centre. Each property drawing heat from the heat pipe is metered for heat consumption (for hot water and central heating) and will pay for this heat accordingly. An energy supply company (ESCo) is formed to deal with billing and collection of payments for heat supply and to install, maintain and manage the boiler system and heat network. ESCos can be community owned and run or can be a service provided by an outside company, sometimes a gas supplier.

- 3.18 An ESCo feasibility study for South Kilburn was undertaken by E.ON to see if the project could be viable and feasible. The conclusion is that the contract would be attractive to an ESCo. The contract is likely to be 25-40 years because of long build out period and risks associated with delays. The study also indicates £15.2m of capital expenditure (Capex) required. The level of financial contribution of an ESCo reflects the project risks such as Capex risk, operational management risk, plant replacement costs, customer credit risk, supply risk etc. An ESCo will contribute a proportion of Capex while the rest will be contributed by the developers who are required to connect to the network.
- 3.19 There have been many examples of district or estate wide energy systems that have proven unreliable, inefficient or too expensive. The new systems are considered to be much more efficient, they have the potential to provide cheaper energy to consumers and are as cheap to install as the package of measures otherwise required to get the Code for Sustainable Homes level 4. They are also better future proofed against further changes in code levels that will be required in coming years. The Mayor of London favours this decentralised energy approach and will seek its provision when applications in South Kilburn are referred to him (as he did on Wembley with the NW lands application). Officers therefore recommend that the issue is explored further.
- 3.20 Officers wish to take preparatory steps with a view to procuring a contract with a prospective energy supplier to bring forward a decentralised energy solution for South Kilburn. Officers propose to alert the potential bidders by issuing the Prior Information Notice (PIN) in June/July 2011 in OJEU. If a positive response is received from the market, Officers will seek Executive authority to invite tenders and approve the pre-tender considerations and the criteria to be used to evaluate tenders before the contract notice is published in autumn 2011. The council is not committing to an energy centre at this stage but is testing the market to see if the costs of provision and the energy benefits make it worthwhile to do so.

4.0 Legal Implications

- 4.1 The Council has the power (under section 123 of the Local Government Act 1972) to dispose of any of its land. However, unless it grants a lease of 7 years or less, it must obtain the best consideration reasonably obtainable, unless it obtains the consent of the Secretary of State to the transfer. Hence any transfer of the freehold or grant of a lease of any land within the South Kilburn area would require Secretary of State's approval, unless it was for

best consideration. There is a General Consent available, but this only applies to sales at an undervalue of less than £2 million, and is therefore unlikely to be applicable.

Tender submission assumptions - target rent

- 4.2 No significant implications are expected - the approach to setting Target Rents follows a precedent within other regeneration areas in the borough.

Procurement of developer partners for the 4-26 Stuart Road Site and the Argo and Post office Sites and for Phase 1b sites including Wells Court, Cambridge Court, Ely Court, Bond House and Hicks Bolton House

- 4.3 As a result of recent rulings in the European Court of Justice, if the Council utilise a development agreement in respect of any of the land, it will need to undertake an EU procurement process to find a partner to carry out the development. The ECJ has ruled that development agreements cannot be viewed as merely part of a land transfer, because they impose detailed requirements as to the development to be constructed and are therefore a form of procurement of works.
- 4.4 The intention is to identify developer partners using mini-competitions under the South Kilburn Developer Framework for both Phase 1b sites and also for the 4-26 Stuart Road Site and the Argo and Post office Sites. The South Kilburn Developer Framework is a framework established by Brent Council in accordance with the Public Contracts Regulations 2006 (the EU Regulations) and on advice from Trowers & Hamlins, the Council's legal advisors on this project. Establishment of the South Kilburn Developer Framework was agreed by the Executive on 14 March 2011 and following expiry of the mandatory minimum standstill period, developers were appointed to it. The use of the South Kilburn Developer Framework to identify developer partners is considered to satisfy the requirements of recent rulings in the European Court of Justice as detailed in paragraph 4.3.
- 4.5 The EU Regulations not only regulate the establishment of the framework agreement, they also prescribe rules and controls for their use. Following the establishment of the South Kilburn Developer Framework, development agreements may be called off under it without the need for the them to be separately advertised and procured through a full EU process. There are however strict rules that apply to the call-off process to ensure fairness and transparency and these have been incorporated into the call-off procedure for the South Kilburn Developer Framework.
- 4.6 The award of the 2 development agreements for the appointment of developer partners is also subject to the council's own Standing Orders and Financial Regulations in respect of High Value Contracts (the value of both contract with developer partners is likely to be such that they are classed as High

Value contracts). As a result, once developers have been identified following mini-competitions under the South Kilburn Developer Framework, Executive approval to award both development agreements will be required.

Appointment of design teams for the Bronte and Fielding Site and the Queens Park Station Area (Site 18)

- 4.7 As detailed at paragraphs 3.8 and 3.9, mini competitions under the LDA Framework have been conducted in relation to both the Bronte and Fielding Sites and the Queens Park Station Area site (Site 18). As the LDA Framework has been established pursuant to EU Regulations, contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full EU process.
- 4.8 The Council's Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where the call off under the framework agreement is recommended by the relevant Chief Officer who has confirmed that there is budgetary provision for the proposed call-off and provided that the Director of Legal and Procurement has advised that participation in the framework agreement is legally permissible. It is confirmed at paragraph 3.11 that the cost of call off contracts can be met from within the overall budget forecast for the site areas. Further, the Director of Legal and Procurement has advised that the use of the LDA Framework or the proposed call-offs is legally permissible. As the proposed contracts are Medium Value Contracts under the councils Contract Standing Orders and Financial Regulations, Officers have delegated powers to award such contracts.

Compulsory Purchase Orders

- 4.9 The Council has power to make a compulsory purchase order under section 226 (1)
(a) of the Town and Country Planning Act 1990 if it thinks that the acquisition will "facilitate the carrying out of development, redevelopment or improvement or in relation to the land". Under section 226(1) (A) the Council must not exercise the power under sub paragraph (a) unless it thinks that the development, redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objects – (a) the promotion or improvement of the economic wellbeing of their area; (b) the promotion or improvement of the social wellbeing of their area; (c) the promotion or improvement of the environmental wellbeing of their area.
- 4.10 Compulsory purchase orders must only be made if the Council is satisfied that there is a compelling public interest to do so. Para. 17 of Part 1 of the Memorandum to ODPM Circular 06/04 states:

"A compulsory purchase order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure

that the purposes for which it is making a compulsory purchase order sufficiently justify interfering with the human rights of those with an interest in the land affected. Regard should be had, in particular, to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention.”

- 4.11 For the reasons set out in this report and the report to the Executive Committee meetings on 23rd June 2010 and 15th November 2010, it is considered that there is such a compelling case for properties within Phase 2 of the proposed regeneration programme and that the public interest requires that the order be made in order to carry through the necessary redevelopment of the CPO Land.

- 4.12 Further, in making the order there should be no impediments to its eventual implementation. Para's 22 and 23 of Part 1 of the Memorandum to ODPM Circular 06/04 advise (in part):

“In demonstrating that there is a reasonable prospect of the scheme going ahead, the acquiring authority will also need to be able to show that it is unlikely to be blocked by any impediments to implementation. In addition to potential financial impediments, physical and legal factors need to be taken into account. These include the programming of any infrastructure accommodation works or remedial work which may be required, and any need for planning permission or other consent or license. Where planning permission will be required for the scheme, and has not been granted, there should be no obvious reason why it might be withheld.”

- 4.13 Executive will note that there will be sufficient funds available to meet the compensation costs for the acquisition of the land as South Kilburn Neighbourhood Trust has approval from Government Office for London (now the Department for Communities and Local Government), as well as funds secured from previous land receipts. Officers consider that there is a reasonable prospect of the Scheme going ahead subject to HCA funding being obtained. Whilst planning permission has not been granted for the development, it is considered that there is no obvious reason why it might be withheld, taking into account that a Masterplan has already been approved albeit that it is now intended to revise this slightly. Accordingly, it is considered that there are unlikely to be any impediments to implementation for the CPO for Argo Business Centre, Post Office and 4-26 Stuart Road, Site 18 and Site 11B.

- 4.14 It is necessary to consider the human rights implications of making CPOs. This information is covered in the 15th November 2010 Report to Committee.

Appropriation of land for planning purposes

- 4.15 Section 122 of the Local Government Act 1972 provides that a principal Council may appropriate for any purpose for which the Council are authorised to acquire by agreement land which belongs to the Council and is no longer

required for the purpose for which it is held immediately before the appropriation.

- 4.16 Appropriation is subject to third party rights over the land and in respect of the South Kilburn Estate as it is housing land the prior consent of the Secretary of State under Section 19 of the Housing Act 1985, if the appropriation includes land on which dwellings have been built or land over which owners or occupiers of dwellings have rights.
- 4.17 Section 237 of the Town and Country Planning Act 1990 provides where land has been appropriated for planning purposes any easements such as rights of way which may exist for the benefit of third parties are overridden on erection, construction or carrying out of maintenance of any building and change of use in accordance with planning permission, subject to payment of any compensation. The practical effect is that any rights which may exist do not delay or obstruct the development. This provides effective assurance to the developer that he will have a good title to the land.
- 4.18 The land must no longer be required for the purpose for which it is held immediately before appropriation. This test will be satisfied by deferring the date of the appropriation to a time when it is clear that the scheme will proceed. Once the appropriation is effected, the appropriated land will be held for planning purposes.

Withdrawal of Right to Buy / Demolition Notices

- 4.19 Initial Demolition Notices need to be served on secure tenants in accordance with the provisions of Section 138A and Schedule 5A of the Housing Act 1985 as amended by the Housing Act 2004 to prevent the Council from having to complete right to buy sales. Schedule 5A sets out what must be included in the Initial Demolition Notice, including the intention to demolish, the reasons for demolition and identifying the period within which the landlord intends to demolish. The period set out in the notice to carry out the demolition works must be more than reasonable to carry out the proposed demolition of the relevant properties or in any case not expire more than five years after the date of service of the notice.

Ground 10a of Schedule 2 to the Housing Act 1985

- 4.20 The Council is required to obtain the approval of the redevelopment scheme from the Secretary when seeking to re-house secure tenants who will not leave the properties that are due to be demolished. Before seeking approval, the Council is required to consult with tenants. Approval from the Secretary of State will enable to Council to use Ground 10A of Schedule 2 to the Housing Act 1985. The paragraph states that the landlord must first:
 - (a) serve a notice in writing on all secure tenants whose dwellings are affected by the scheme, stating: the main features of the scheme (or the scheme as it will be after a proposed variation to it); that the Secretary of State's approval is to

- be sought; and the effect of such approval in relation to proceedings for possession of the dwellings;
- (b) inform the tenants that they have a specified period (which must be at least 28 days) in which to make representations to the landlord; and
 - (c) consider any representations received during that period.
- 4.21 Unlike a tenanted transfer, however, no formal ballot will be carried out. However, the Secretary of State before giving his consent will consider the following:
- (a) the effect of the scheme on the extent and character of housing accommodation in the neighbourhood;
 - (b) over what period of time it is proposed that the disposal and redevelopment will take place in accordance with the scheme;
 - (c) to what extent the scheme includes provision for housing provided under the scheme to be sold or let to existing tenants or persons nominated by the landlord.
- 4.22 The landlord, in this case, the Council, must not apply to the Secretary of State for approval of a scheme unless the statutory consultation procedure has been carried out.

Disposal of Sites – Secretary of State's consent

- 4.23 At the appropriate time, officers will seek the approval of the Executive to dispose of relevant sites that need to be disposed of pursuant to the South Kilburn regeneration scheme to relevant organisations/housing providers at relevant values and seek the approval of the Executive to apply to the Secretary of State to obtain his consent to dispose of such sites, either under the relevant General Consents that have been granted under the Housing Act 1985 or the Local Government Act 1972 or pursuant to specific applications to the Secretary of State. In respect of Housing Revenue Account land, consent is required under sections 32 to 34 and 42 to 43 of the Housing Act 1985. If the sites are disposed of for less than market value or financial assistance is provided by the Council consent is also required from the Secretary of State under section 25 of the Local Government Act 1988. In respect of Council owned land that is not Housing Revenue Account land, the Council must take into account the content of section 123 of the Local Government Act 1972 and either confirm that the General Consent under that section applies or apply to the Secretary of State to obtain his specific consent to the disposal of the necessary sites.
- 4.24 The Prudential Capital Finance System, which was introduced in 1st April 2004, under regulation 12(1) imposes a pooling requirement (percentage of capital receipt to be payable to the Secretary of State) on receipts from sales of housing land which regulation 1(5) defines as any land, house or other building which was held within the Housing Revenue Account immediately before its disposal. The pooling rate for HRA assets (non RTB sales) is 50%. However, the regulations allow for certain types of capital receipts to be

treated as reduced before calculating the pooling percentage by reference to the “capital allowance”, which is the total of past or planned expenditure on affordable housing and regeneration projects as specified in regulations 17 and 18. The overall effect of the capital allowance is to allow capital receipts to be recycled into the authority’s own affordable housing and regeneration projects. Currently there are sufficient resources in the authority’s Capital Allowance to provide that none of the forecast capital receipts earmarked to this scheme would need to be pooled.

Procurement of a decentralised energy contract

- 4.25 As indicated in paragraph 3.20, Officers wish to take preparatory steps in market testing with a view to procuring a framework of prospective energy suppliers to bring forward a decentralised energy solution for South Kilburn
- 4.26 Officers wish to issue a Prior Information Notice (PIN) in June/July 2011 in OJEU Publication of a PIN does not oblige the Council to make the purchase referred to in the Prior Information Notice. If a positive response is received from the market, Officers will seek Executive authority to invite tenders and approve the pre-tender considerations and the criteria to be used to evaluate tenders before a contract notice is published The description of the nature and scope of works can be amended when the contract notice is subsequently advertised.

5.0 Financial Implications

Tender submission assumptions- target rent

- 5.1 The change in rents will help to ensure that the South Kilburn regeneration model is viable. Clearly the current economic climate is one of uncertainty, not least regarding continuing depressed sales values and reductions in grant funding for affordable housing. Nevertheless, officers remain confident that the overall phasing strategy can be sustained into future phases.
- 5.2 A report was produced by Navigant in spring 2011 which considered the financial viability of the delivery of the South Kilburn programme based on current rents and target rents. On the basis of this report the following conclusions have been drawn:
- At current rent levels a deficit would be produced and the regeneration of the area would not be viable.
 - The new 80% market rent model is considered to be unaffordable for residents.
 - The Navigant proposal for delivery of the programme based on target rents at £96.94 per week for a one bedroom property, £103.23 for a two bed property, £109.53 for a three bed property and £115.83 for a

four bed property are considered to be acceptable in terms of affordability for residents and programme viability.

Financial implications for the Disposal of Sites and Progression of Sites to detailed planning application

- 5.3 The table below summarises the current forecast position for the progression of the South Kilburn Regeneration Project in 2011/12, including those Phase 2 elements referred to in this report.

South Kilburn Regeneration Programme	£
Forecast Expenditure	
Masterplanning	200,000.00
General Development Costs	1,000,000.00
Albert Road Day Care centre	4,300,000.00
Bronte/ Fielding development site	800,000.00
Site 18 (Queens Park Station)	800,000.00
Site 11B (Albert Road)	100,000.00
Leaseholder Buyouts	9,000,000.00
Site 3c (Roundabout Site)	1,000,000.00
Total Forecast Expenditure	17,200,000.00
Forecast Resources	
Surplus Resources carried forward from 2010/11	11,700,000.00
Forecast Capital Receipts for 2011/12	10,928,000.00
Total Forecast Resources	22,628,000
Forecast Surplus Resources to Carry Forward to 2012/13	5,428,000.00

- 5.4 As indicated in the table above, the resource envelope for taking forward the South Kilburn Regeneration Programme in 2011/12 and beyond is determined by the level of the capital receipts to be secured from the disposals (by way of the 999 year lease) of land.
- 5.5 In effect the financial model for South Kilburn is for the regeneration scheme to 'wash its face' from this point forward. In other words the Council should be able to progress the scheme on an ongoing basis within the cash envelope generated from ongoing disposals, provided it remains committed to ring fencing these receipts into South Kilburn. This delivery strategy has been agreed and endorsed by the Homes & Communities Agency.
- 5.6 Oversight of this project is provided by an officer board that regularly monitors progress and reviews updated costs plan information. In the event of any cost overruns on this project, the board will review all possible options in order to bring the cost plan back into budget. In the event that this is not possible, then any cost overrun will sought to be met from existing Regeneration and Major Projects budgetary provision.
- 5.7 The cost of development of Queens Park Station Area (Site 18) will be met from the overall resource envelope for the regeneration of South Kilburn, specifically including land receipts from Albert Road (Zone 11A) and Carlton Vale Roundabout (Zone 3C) as outlined in the table above. This delivery

strategy has been agreed and endorsed by the Homes & Communities Agency, and is a condition of their grant funding for both the Albert Road and the Carlton Vale roundabout sites.

Procurement of a decentralised energy contract

- 5.9 Advertising a Prior Information Notice (PIN) in OJEU for a decentralised framework agreement for energy suppliers will enable the Council to maximize interest in the scheme and encourage more beneficial responses such as increased ESCo capital contribution, reduced heat losses and smaller penalties for not delivering enough units per year etc.
- 5.10 It is anticipated that the cost of this Project will be funded from the third party contributions via section 106 money and the contractor's own fund.
- 5.11 Officers are seeking ESCo technical assistance from the GLA. If the free consultancy fails to materialise, Officers will appoint consultants to provide technical support, commercial and financial analysis and programme management. Any costs associated with such appointments will be met from the overall funding envelope for the South Kilburn Regeneration Project.
- 5.12 If after evaluation of the ESCo bidders interest, progression with this element of the project is not deemed financially viable any costs previously met by the Council will be abortive, and as such would have to be recharged to an existing Regeneration and Major Projects revenue budget.

6.0 Diversity Implications

- 6.1 South Kilburn is a designated New Deal for Communities area and as such all interventions are specifically targeted at those people who suffer disadvantage in society. South Kilburn Neighbourhood Trust has a Race & Equality strategy, and through its widening participation theme seeks to find ways of involving and engaging with all local residents and particularly those who traditionally are 'hard to reach'. There has been and will continue to be widespread consultation and community engagement as proposals for the physical regeneration of the area are developed and delivered.
- 6.2 At a project level, each South Kilburn Neighbourhood Trust sponsored and supported project is subject to a full and independent appraisal undertaken by a panel of local residents and relevant officers. Part of the appraisal process is to test each activity against the Partnership's Race & Equality strategy to ensure full compliance. In line with the Council's Equality standards, all expenditure is monitored against equalities indicators on a regular basis.

7.0 Staffing/Accommodation Implications

- 7.1 There are no specific staffing or accommodation implications associated with the proposals contained within this report.

Contact Officer

Dave Carroll
Regeneration and Major Projects

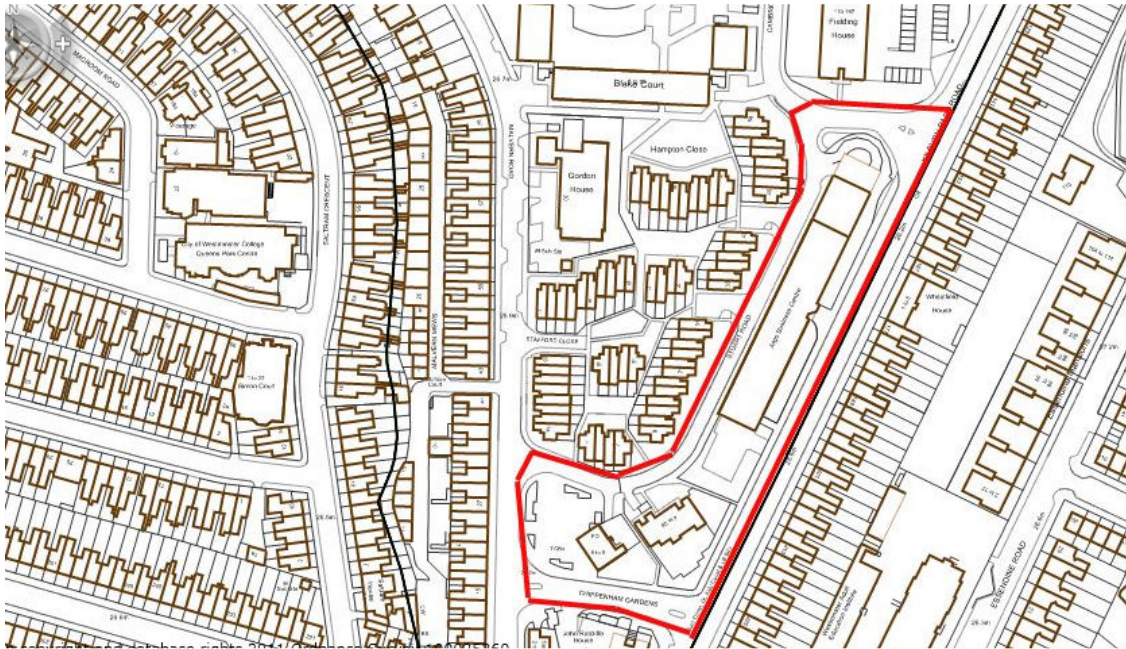
Tel: 0208 937 5202

Email Dave.Carroll@brent.gov.uk

ANDREW DONALD
Director of Regeneration and Major Projects

Appendix 1 - The CPO Land

The Argo Business Centre, Former Post Office and 4-26 Stuart Road



The Queens Park Station Area (Zone 18)



Redevelopment options – The Albert Road Daycare Centre and British Legion (Zone 11B)



Appendix 2 – final scoring for architect procurement: Bronte and Fielding House and Queen’s Park Station Area

Bronte and Fielding

Architect	Score (out of 170)
Alison Brooks Architects	155
Maccleanor Lavington Architects	153.3
MAE Architects	151.9
Karakusevic Carson Architects	143.2
Studio Egret West	127.6

Queen’s Park Station Area

Architect	Score (out of 170)
Maccleanor Lavington Architects	138.4
Karakusevic Carson Architects	130.9
Studio Egret West	130.8
Alison Brooks Architects	128.1
John Lyall Architects	123.7
Cottrel and Vermeulen Architects	116.1

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Impact Needs/Requirement Assessment Completion Form

Department: Regeneration and Major Projects	Person Responsible: Ian Hamilton
Service Area: New Initiatives Team	Timescale for Equality Impact Assessment : 18 th July Executive
Date: 10 th June 2011	Completion date: 10 th June 2011
Name of service/policy/procedure/project etc: South Kilburn Regeneration Programme	Is the service/policy/procedure/project etc: New <input type="checkbox"/> Old <input checked="" type="checkbox"/>
Predictive <input type="checkbox"/> Retrospective <input checked="" type="checkbox"/>	Adverse impact <input checked="" type="checkbox"/> Not found <input type="checkbox"/> Found <input type="checkbox"/> Service/policy/procedure/project etc, amended to stop or reduce adverse impact Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Is there likely to be a differential impact on any group? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Please state below:
1. Grounds of race: Ethnicity, nationality or national origin e.g. people of different ethnic backgrounds including Gypsies and Travellers and Refugees/ Asylum Seekers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2. Grounds of gender: Sex, marital status, transgendered people and people with caring responsibilities Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
3. Grounds of disability: Physical or sensory impairment, mental disability or learning disability Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	4. Grounds of faith or belief: Religion/faith including people who do not have a religion Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Grounds of sexual orientation: Lesbian, Gay and bisexual Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	6. Grounds of age: Older people, children and young People Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Consultation conducted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Person responsible for arranging the review:	Person responsible for publishing results of Equality Impact Assessment:
Person responsible for monitoring:	Date results due to be published and where:
Signed:	Date:

Impact Needs/Requirement Assessment Completion Form

Please note that you must complete this form if you are undertaking a formal Impact Needs/Requirement Assessment. You may also wish to use this form for guidance to undertake an initial assessment, please indicate.

1. What is the service/policy/procedure/project etc to be assessed?

The South Kilburn Regeneration Programme.

2. Briefly describe the aim of the service/policy etc? What needs or duties is it designed to meet? How does it differ from any existing services/ policies etc in this area

The aim of the service area is to deliver an ambitious 20 year vision, as set out in the Regeneration Strategy 2010-2030, to transform the borough with a specific focus on those people and places most in need within six key area including South Kilburn. These areas are of the highest priority for the service area, and are ranked as strategic priority 1 within the Regeneration Strategy. The specific aims of the South Kilburn regeneration Programme is to deliver regeneration through providing 1,243 new replacement affordable homes and 1,134 new market homes for South Kilburn, alongside the social infrastructure needed to support this development.

3. Are the aims consistent with the council's Comprehensive Equality Policy?

The council's Equality and Diversity Policy statement makes reference to the importance of ensuring that the services that we provide meet the needs of the community. The policy seeks to ensure that everyone has equal access to services, regardless of their race, heritage, gender, religious or non religious belief, nationality, family background, age, disability or sexuality. Services must be relevant, responsive and sensitive, and the council must be perceived as equitable in its provision of services by its service users, partners and the wider community.

The South Kilburn Programme will help Brent to achieve this through delivering improved employment, education, health and quality of life outcomes and by reducing levels of deprivation and focusing resources on those most in need. The South Kilburn Programme seeks to provide housing and facilities for the South Kilburn community based on their housing needs, their requests to stay in South Kilburn or whether to move from the area, and to provide social infrastructure to help support further social regeneration that respects and represents all of the South Kilburn residents. In this respect, the South Kilburn regeneration Programme will deliver a number of mutually beneficial objectives including the council's Regeneration Strategy (2010-2030), the Housing Strategy (2009-14) and the objectives to deliver social and economic growth and regeneration and protect services and the environment in the "Brent Our Future" strategy (2010-2014).

4. Is there any evidence to suggest that this could affect some groups of people? Is there an adverse impact around race/gender/disability/faith/sexual orientation/health etc? What are the reasons for this adverse impact?

There is no evidence that the regeneration Programme would adversely impact on certain groups of people, and on the contrary would provide a number of benefits to new and existing residents.

The council's Household surveys show that there are a high number of people living in unsuitable accommodation and a number of households are overcrowded. The regeneration of the area will address this problem and residents are surveyed before being allocated new housing to ensure that their needs are met.

The Brent Priority Neighbourhood Profiles data identifies that South Kilburn has a higher than average percentage of children aged 0-15, and the Kilburn Park Junior School currently scores the lowest at Key Stage 2 out of all of the schools across the council's priority areas. The South Kilburn Programme aims to deliver an improved and consolidated school to respond to the demand and the improved facilities will help to improve attainment results across the area.

The Programme will provide a new Healthy Living Centre, a new Multi Use Games Area and has already delivered a new Sports Hall at Cambridge Road. South Kilburn residents are the least likely to use parks and sports facilities out of any other priority area in the borough. The strategy seeks to improve the health of residents in the area through the promotion of healthy lifestyles with the provision of new sports and health facilities.

South Kilburn residents are the most fearful of crime compared to any other priority area in South Kilburn and around 20% are dissatisfied with the maintenance of the public realm (Brent Priority Neighbourhood Profiles Data, 2009). New building designs aim to reduce the fear of crime by "designing out" areas where crime can take place, with design input from police officers, and the designs seek to attain a higher level of public realm quality.

5. Please describe the evidence you have used to make your judgement. What existing data for example (qualitative or quantitative) have you used to form your judgement? Please supply us with the evidence you used to make your judgement separately (by race, gender and disability etc).

Impact Needs/Requirement Assessment Completion Form

The South Kilburn regeneration Programme has been in inception since 2004 and aims to deliver the mutual improvement objectives in the Housing Strategy and the Regeneration Strategy to improve housing, community

facilities, improvements in attainment and social cohesion. The Programme will provide for every aspect of both the existing and new community, and the qualitative and quantitative rationale for this is outlined in Section 4 above.

6. Are there any unmet needs/requirements that can be identified that affect specific groups? (Please refer to provisions of the Disability Discrimination Act and the regulations on sexual orientation and faith, Age regulations/legislation if applicable)

No

7. Have you consulted externally as part of your assessment? Who have you consulted with? What methods did you use? What have you done with the results i.e. how do you intend to use the information gathered as part of the consultation?

A large number of consultation events have been undertaken since 2003, at the original inception of the programme. Consultation was required to be carried out for a minimum of six weeks before the South Kilburn Masterplan (2005) could be adopted.

Since 2009, a number of consultation events have been held including:

- Revisions to the Masterplan – four consultation events and drop in sessions for residents. The consultation shaped the outcomes of the Masterplan, i.e. a reduction in overall heights of buildings.
- Designs for phase 1 developments – twelve consultation events were held for phase 1 developments which fed into the designs of the developments which informed residents of design progress and the main processes involved in the overall process.

8. Have you published the results of the consultation, if so where?

The results of many of the consultations since 2009 have been fed back to the community in the local magazine for the area, Connect SK, and details of the events and feedback have been kept in council databases.

In summer 2010, there were six consultation events held to design new housing at Wells Court, Cambridge Court, Ely Court, Bond House, Hicks Bolton House, Wood House and the shop at 1 and 2, Denmark Road.

An initial event was held to provide residents with an update of work undertaken so far and what was planned over the next year up to 2011; 60 people attended this event.

Three of the events sought to gauge residents' views on the designs of the homes and provide feedback to the architects in designing the blocks through a Resident's Design Group; these events were attended by 11 residents for the first meeting, 21 residents for the second and 23 residents at the third meeting.

Two New Homes Exhibitions were held between the first and second Resident's Design Group, which sought to show residents the latest designs of the homes. The first event was attended by around 30 people, and the second around 20 people.

9. Is there a public concern (in the media etc) that this function or policy is being operated in a discriminatory manner?

The Kilburn Times reported on the positive progress of the regeneration of South Kilburn on 31st March 2011. A number of issues that were raised at consultation included the detailed design of the new homes (i.e. internal features); heights of buildings; parking and landscaping. These issues have been resolved and compromises have been made to achieve the best outcomes for all parties.

10. If in your judgement, the proposed service/policy etc does have an adverse impact, can that impact be justified? You need to think about whether the proposed service/policy etc will have a positive or negative effect on the promotion of equality of opportunity, if it will help eliminate discrimination in any way, or encourage or hinder community relations.

n/a

11. If the impact cannot be justified, how do you intend to deal with it?

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n/a

12. What can be done to improve access to/take up of services?

n/a

13. What is the justification for taking these measures?

n/a

14. Please provide us with separate evidence of how you intend to monitor in the future. Please give the name of the person who will be responsible for this on the front page.

A number of aspects of the South Kilburn Programme are monitored by the Planning Service's Annual Monitoring Report, which is published yearly and provides information on completions and building standards. Progress on the programme itself is monitored by the Capital Portfolio Office's Project Management Initiation documents, and progress on the Programme is reported monthly to the South Kilburn Programme board.

15. What are your recommendations based on the conclusions and comments of this assessment?

The South Kilburn Programme is positively delivering new high quality homes and community facilities for new and existing residents of South Kilburn, and the findings of the Equality Impact Assessment supports the continuation of the South Kilburn Programme.

Should you:

1. Take any immediate action? No
2. Develop equality objectives and targets based on the conclusions? No
3. Carry out further research? No

16. If equality objectives and targets need to be developed, please list them here.

n/a

17. What will your resource allocation for action comprise of?

n/a

If you need more space for any of your answers please continue on a separate sheet

Signed by the manager undertaking the assessment:

Full name (in capitals please):

Date:

Service Area and position in the council:


Details of others involved in the assessment - auditing team/peer review:

Impact Needs/Requirement Assessment Completion Form

Once you have completed this form, please take a copy and send it to: **The Corporate Diversity Team, Room 5
Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD**

An online version of this form is available on the Corporate Diversity Team website.

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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from the Director of Regeneration and Major Projects</p>
<p style="text-align: right;">Wards affected: Alperton, Wembley Central and Stonebridge</p>	
<p style="text-align: center;">Alperton Masterplan – Supplementary Planning Document</p>	

1. Summary

- 1.1. Alperton has been identified as a growth area within the Local Development Framework (LDF) Core Strategy providing 1600 new homes and creating new employment opportunities, exploiting the canal to front development and providing the necessary physical and social infrastructure to support the new and existing communities.
- 1.2. This report sets out the consultation process carried out and the representations made on the draft Alperton Masterplan Supplementary Planning Document ("the draft SPD"). The report also sets out the proposed officer responses to the consultation representations and proposed changes to the draft SPD as a consequence.
- 1.3. The Executive is asked to agree to these changes to the draft masterplan SPD and thereafter formally adopt the Alperton Masterplan SPD to the Council's LDF Core Strategy.
- 1.4. The draft SPD can be found in appendix 1.

2. Recommendations

The Executive:

- 2.1. Agrees the proposed responses to the consultation representations and amendments to the draft masterplan SPD as outlined in section 4.0 and detailed in appendix 3 of this report.
- 2.2. Adopt the Alperton Masterplan as a Supplementary Planning Document to the Council's Local Development Framework (LDF) Core Strategy.

- 2.3. Agrees to delegate any minor changes to the final publication draft to the Director of Regeneration and Major Projects.

3. Background

- 3.1. Alpertons assets mean that it is an excellent location for new housing, new local employment and new amenities. The growth area is promoted in the Core Strategy for mixed use regeneration along the Grand Union Canal including at least 1600 new homes in the period to 2026, supported by infrastructure identified within the Infrastructure Investment Framework. The Core Strategy was approved for submission to the Secretary of State on 6th April 2009, and was subsequently agreed at Full Council.

- 3.1.1. In December 2009 the council's Executive approved a vision for Alpertons, which was illustrated and published in a prospectus document used to describe the vision to stakeholders and statutory partners. The vision for Alpertons was generated through consultation with residents, local businesses, Council Officers, landowners and Statutory Partners.

- 3.2. The draft SPD was then developed by the project team during 2010, using the vision document as a foundation for the proposals. The draft SPD provides detailed planning guidance specific to this growth area. The document establishes principles for development including uses, physical and social infrastructure, and relationship of the development with the canal, phasing and delivery.

- 3.2.1. Support for the document to proceed to public consultation was given at CMT in September 2010. Approval to carry out public consultation on the SPD was given by Planning Committee in October 2010. The draft SPD was formerly consulted on in January and February 2011.

3.3. Detail

- 3.3.1. The Alpertons "growth area" is a strip of brownfield land along the Grand Union Canal from Middlesex House in the west to the border with the Northfield Industrial Estate in the east, encompassing some of the poorest quality industrial land in the borough. The abiding impression of people visiting the industrial areas is not just its poor quality but the potential of the canal in creating a new waterside residential neighbourhood.

- 3.3.2. The council owns very little of the land identified and so cannot physically deliver the change on its own. This draft SPD is a planning document developed to inform and influence developers in the types of development the council would consider appropriate in Alpertons.

- 3.3.3. The draft SPD is intended to be a clear and accessible document which both interests and excites developers and potential investors and is a

useful tool to enable council officers to assess development proposals to ensure that they complement and support the vision for the area.

- 3.3.4. The draft SPD describes three distinctive new neighbourhoods/character areas linked by a high quality and lively stretch of canal.
- 3.3.5. “Alperton’s core: a cultural centre” will be a lively centre for cultural activities, community facilities and local shopping. Development will be mixed use with a supply of modern business space for economic growth.
- 3.3.6. The “Waterside residential neighbourhood” will predominantly be a place to live for families within a compact environment defined by a network of connected streets and public spaces. Access to the canal for existing and new residents will be introduced on the off-side.
- 3.3.7. The “Industrial transition zone: a new working suburbia” will provide modern business space for large and small operations. A new bridge link across the River Brent will connect the estate with the fabric of Park Royal.
- 3.3.8. The success of the transformation will depend on the delivery of improved streets and connections, supporting social and physical infrastructure including new public realm and open space interventions. A sustainable approach to transport is made which proposes fewer cars and improved connections to public transport; energy efficient design and the employment of renewable energy are encouraged.
- 3.3.9. Each character area is described in terms of its overall feel and character, land use, building height, street hierarchy, public realm and open space improvements and housing density, types and tenure. Viability appraisals have been undertaken to test that the housing types and density suggested are feasible and deliverable considering current and emerging market conditions.

4. Consultation

- 4.1. Approval to carry out public consultation on the draft SPD was given by Planning Committee in October 2010. Below is a summary of the consultation which took place, refer to appendix 2 for the consultation report.
- 4.1.1. The consultation commenced on the 5th January 2011 and closed on 25th February 2011, a total period of seven weeks. The public consultation was carried out in line with the Council’s statutory obligations set out in the Planning and Compulsory Purchase Act 2004. This act seeks to ensure greater public participation and transparency in the planning process. The Council has followed the general consultation process for a SPD as set out in the Statement for Community Involvement (SCI) and has actually gone over and above these minimum requirements in order to ensure that the content of the SPD genuinely reflects the wants and needs of the local community.

- 4.1.2. In addition to a notice in the local press a letter was sent to approximately 2500 residents and local businesses in Alperton to inform them of the consultation taking place, posters advertising the consultation were on display around Alperton and e-mails were sent to all known stakeholders including Statutory Consultees, ward councillors, landowners of properties within the masterplan area and anyone who expressed an interest in the first round of consultation which took place in 2009.
- 4.1.3. A summary of the draft SPD was prepared to inform the consultation process as the draft SPD itself was considered to be too long to be genuinely accessible to members of the local community, this summary was published with the draft SPD on the Council's website and on the Planning Portal, and hard copies of the document were made available at One Stop Shops, local libraries and St James Church on Stanley Avenue.
- 4.1.4. The Council organised five exhibitions displaying the summary of the draft SPD as well as hard copies of the whole document. The exhibitions took place at a range of venues across Alperton at different times of day and days during the week. This was to ensure that the exhibition was accessible to a wide cross section of the community and so that as many people as possible could attend, one of the exhibitions was at the Shri Sanathan Hindu Mandir with an interpreter present. In total 127 people attended these events.
- 4.1.5. Several one to one meetings were held with interested parties including local businesses, developer/ landowners and the headmistress at Alperton Community School. A presentation was made to the Heather Park Neighbourhood Watch group and since January 2011 a second presentation has been made updating this group on the progress of the project.
- 4.1.6. A questionnaire was prepared, based on the summary of the draft SPD, which asked for feedback on whether the aims and ambitions of the draft SPD were supported as well as providing an opportunity for consultees to choose which projects within the community were the most important. This questionnaire was available to be filled in online using the Planning Portal as well as being made available as hard copies at the exhibitions. A total of four people completed the online questionnaire and a further 33 completed hard copies.
- 4.1.7. All comments and suggestions received in letters, e-mails and the questionnaires, a total of 63 pieces of source material have been tabulated and sorted into different topic headings, circa 280 individual comments were recorded (refer to appendix 3). Of the completed questionnaires, letters and e-mails received the majority of representations have been supportive of the proposals but many have provided suggestions for where the document could be improved or have raised particular issues. Out of a total of 63 representations only three were entirely unsupportive of the

proposal. Whilst the sample size was too small to carry out any statistical analysis some key issues have been identified.

4.2. Questionnaire

- 4.2.1. The purpose of the questionnaire was to allow members of the community to comment on whether they agreed with the objectives of the draft SPD and to give them an opportunity to choose which of the potential projects which development could contribute towards were most important.
- 4.2.2. The number of questionnaires received was too small to be able to be used for statistical analysis, in addition to this, respondents tended to just fill out the sections which were relevant to them. In summary, between 33 and 57% of respondents agreed with the objectives of the draft SPD and between 3 and 11% of respondents did not agree.
- 4.2.3. Where respondents were asked to choose which projects they thought were most important in the first character area, Alpertons Core, 25% of respondents selected improvements to Alpertons Community School, 16% selected to improve the public space outside Alpertons Station. In the central character area 25% of respondents chose creating more open and green spaces along the canal and 21% of respondents chose a new road linking Woodside End and Mount Pleasant. In the Industrial Transition Zone 30% of respondents chose creating a new connection to the North Circular Road (which would reduce freight traffic on Beresford Road).

4.3. Social and Physical Infrastructure

- 4.3.1. Almost half of the representations received have said that it is important to provide sufficient additional social and physical infrastructure to support the existing growth including GPs, dentists, school places, nursery places and community facilities. Response: The council recognises that in order for the transformation of Alpertons to be a success new developments must have regard for the needs of the new and existing communities and the need for infrastructure, both social and physical, to be delivered alongside the new homes. This aim to create a successful place is embedded within the Core Strategy (CP5), the changing needs of the community as the population increases has been calculated and is set out in the Brent IIF. This approach is set out in Section 4.0 – Achieving the vision and more detail on the proposed location of the social infrastructure so that it is set out in Section 7.3 – Destinations and places, in response to these comments these two sections have been amended to make this intention clearer.
- 4.3.2. Representations received have also raised concern about the lack of open space for recreations and particularly for young people. Response: Section 7.3 describes the councils approach to meeting open space requirements in Alpertons, which includes improving existing open space and proposing locations of new open spaces which can be delivered through development. It has been noted however that this section should

provide more detail on how open spaces can be improved with a clear reference back to CP8 –Protection and enhancement of Open Space, Sports and Biodiversity and the requirements of the IIF.

- 4.3.3. Several comments have also been received about lack of support for the elderly and vulnerable members of the community and the need for more elderly care homes. Response: Supported housing need in the borough accommodates a wide range of client groups, which include the some of the most vulnerable people in the borough, including frail elderly people and individuals and households with multiple, complex needs. The provision of new care and support accommodation, as well as the remodelling of existing facilities, to enable people to live more independently is a strategic priority for the borough (CP21). The extent, number and location of such housing should come out of a borough wide assessment of needs and analysis of available resources and this will inform the next version of the IIF for the Borough. No changes to the draft SPD are proposed.

4.4. **Housing**

- 4.4.1. Some residents have raised concerns about the planned growth in the area, stating issues of overcrowding and congestion. Response: The decision to support growth in Alperton was already set out in the Core Strategy as one of the Boroughs Growth Areas. The Core Strategy (CP2) sets out the borough's plan for a sustainable population growth of 28,000 people by 2017 and the provision of at least 22,000 additional homes between 2007 and 2026. Over 85% of these new homes will be delivered in five growth areas, one of which is Alperton, where mixed use regeneration is identified as having the capacity to delivery a minimum of 1,600 new homes. The draft SPD has tested the acceptability of this target, which is informed by the LDF Site Specific Allocations. Indicative capacities and phasing for development sites across the borough are set out calculated on the basis of site area, accessibility to public transport, extant planning permissions and detailed pre-planning application discussion with developers. No changes are proposed to the draft SPD.
- 4.4.2. Several comments have been recorded about the massing and density of the new homes within the draft SPD and the low rise approach in the central character area– “Waterside Residential Neighbourhood”. Typically comments from the existing community have expressed support for the ambition to restrict the height of new development so that it is in keeping with the existing massing and landowners and developers have expressed concerns that the proposed low rise development is too restrictive stating that the draft SPD should be more flexible. Response: The Council has carried out a significant amount of testing of the layouts that are illustrated in the draft SPD. Proposals within the central character area aims to show how the compact and tight-knit character described in the vision can be achieved whilst being sympathetic with the surrounding building heights and maintaining the spirit of existing planning requirements. The draft SPD is intended to be clear about the scale of development that the Council

and Local community expect whilst at the same time being flexible in as much as it states that the proposals provide one interpretation of how development can come forward in Alperton to achieve the character that is set out in the vision and where design is of the highest or exemplary standard, higher densities will be considered. In response to these comments Section 4.0 and Section 9.0 - Waterside residential neighbourhood has been updated to reflect some of the comments received from developer/ landowners and it has been made clear that maps and diagrams are for illustrative purposes only and that future applications will not be held up against them to get an exact match.

- 4.4.3. Local residents have expressed concerns about building more high rise buildings in Alperton. Response: The guidance actually restricts taller, higher density housing to one area at the junction of Ealing Road and the canal near to Alperton Station. This area is considered suitable for higher density housing as it has good public transport links and is well served by a range of local services and amenities. Further, this area is characterised by taller buildings, such as Middlesex House, the recently completed development on Atlip Road, and the permitted proposal for the B&Q site, and therefore this form of development is considered to be in keeping with the existing built environment. No changes to the draft SPD are proposed.

4.5. **Transport**

- 4.5.1. Existing residents are concerned about the number of new cars which will be introduced to Alperton as a result of the new development and are concerned about increased congestion and in particular increased strain on parking in the area. Response: The proposals in the SPD have been designed so that, using the average parking ratios set out in Section 7.4 - Reducing car use, all new cars introduced to the area can be accommodated within the growth area boundary using a combination of on and off street parking. Car clubs and car sharing will also be encouraged in new development to reduce car use. If new development has an affect on parking availability on existing streets then the introduction of controlled parking should be considered if it is in the interest of existing residents. Some residents have suggested that a multi storey car park should be built or developments should consider underground car parking, neither of these solutions have been proposed in the draft SPD as they are considered to be unviable and contrary to sustainable development and the design principles of the draft SPD. Section 7.4 has been updated to reinforce this approach.
- 4.5.2. Concerns have been recorded about the impact of additional cars on road safety, specifically on Beresford Avenue and Mount Pleasant which is already considered to be dangerous. Response: The Council has referred concerns raised about existing safety on Beresford Avenue to the Highways Department who are investigating this item. Opportunities for road and junction improvements and traffic calming if necessary will be investigated as part of the transport assessment for each individual

development site. Section 7.2 - New routes and roads has been updated to reinforce this approach.

- 4.5.3. Support for better public transport has been noted, in particular more bus routes and increased frequency of existing routes. Residents have advised that they would like a bus routes to link Beresford Avenue to Stonebridge Park Station. Response: As a council we have an aspiration to secure a new bus route through the borough which will go through Alperton, linking Sainsbury's in the west with Beresford Avenue and Stonebridge Park Station. The council will continue to work closely with Transport for London to negotiate improved frequency of the 224 bus route and the potentially new bus route as the new homes are delivered and demand increases. Section 7.4 has been updated with more information on the proposed new bus route.

4.6. **Northfields Industrial Estate**

- 4.6.1. Comments have been received that support the alternative option to develop part of Northfields Industrial Estate for residential use but the representation from the GLA has been very clear that they cannot support this option as the Northfields Industrial Estate remains protected by the Mayor of London as a Strategic Industrial Location (SIL). Response: The Council believes that the site presents a major opportunity not only to provide additional homes but also contribute to the delivery of the essential social and physical infrastructure that Alperton needs including potentially a new open space and is disappointed that the GLA are not flexible enough to consider some enabling development to see this site come forward. Due to the specific concerns raised by the GLA however the council accepts reluctantly that any review of the site allocation will need to be completed through a Development Plan Document and so has withdrawn any reference to any alternative development option for this area. Section 10.3 – Opportunity to introduce residential development along the canal has been withdrawn.

4.7. **The Environment, Biodiversity and Waterside Regeneration**

- 4.7.1. Comments have been received from Natural England, British Waterways, Environment Agency and the community that there should be more detail on how green and open spaces including the canal and Brent River will be protected and enhanced, also more emphasis on sustainable development and the effects of climate change has been requested. Response: Section 7.5 – Environmental Sustainability has been updated to include more guidance on sustainable development including relevant biodiversity and canal-side protection and enhancement measures which will be sought from development proposals and an additional section 7.6 has been added on renewable energy and climate change adaption.
- 4.7.2. Support for new on line and off line moorings has been recorded alongside concerns from developers and landowners about the costs involved in delivering these. Response: The draft SPD promotes the installation of a

range of types of additional mooring points along the canal in appropriate locations and these have been proved to be deliverable by developments on the ground. To introduce canalside character alongside new developments, the masterplan does also suggest that it may be possible to introduce inlets at appropriate locations, which may be full depth or shallow constructions. The deliverability of specific proposals (technical and financial) would need to be properly investigated through the planning process.

- 4.7.3. Comments have been received about the need to improve the maintenance of the canal alongside concerns from developers about how this will be funded. Response: Although British Waterways will be principally responsible for the maintenance and upkeep of the tow path, new development in this area is likely to significantly increase the numbers of those using such spaces. The council will work together with developer partners and statutory undertakers in order to ensure that the canal is a successful public space and reasonable contributions to public realm improvements will be sought and negotiated upon as development comes forward. No change to the draft SPD is proposed.

4.8. Public realm, management and maintenance

- 4.8.1. Support for improvements to the public realm have been recorded alongside concerns that the public realm is not maintained adequately. Response: Public realm improvements are a central part of the proposals for Alperton, in order to create a legible and identifiable place which is pleasant and safe to walk around. The draft SPD is to be read in conjunction with The Brent Placemaking Guide which sets out public realm policy and design guidelines. Contributions to the management and maintenance of open spaces will be required as part of any development proposal. Section 7.2 has been updated to reinforce the requirement to refer back to the Placemaking Guide and Section 11.1 – Working with Partners has been update to show a commitment to working with partners and the community to improve public realm design and management and maintenance.

4.9. Anti Social Behaviour (ASB)

- 4.9.1. Concerns about ASB including dog fouling, littering, vandalism and aggressive behaviour were recorded. Response: While the draft SPD cannot deal with every individual or particular problems related to ASB, it does provide support to ensure that in planning dwellings and neighbourhoods attention is given to planning out crime by adopting important design principles such as ensuring overlooking of spaces, providing good lines of sight and so-on. An amendment is proposed in section 4.0 to underline this important issue. It is recognised that the council will need to work closely with other teams including SNT, parks and streetcare as the area is developed to tackle such issues and section 11.1 has been updated to show this.

4.10. Conservation

- 4.10.1. Comments have been received that there should be more consideration for the historic environment. Response: The council will expect the usual detailed analysis of the impact of development on adjacent registered heritage assets, as part of any definite development proposal. The impact on views in and out of the Conservation Area will require testing and Brent Council will require the test as a part of any Design and Access statement.

4.11. Viability

- 4.11.1. Concerns have been recorded that the proposals are unrealistic and undeliverable. Response: The draft SPD sets out a broad interpretation of the vision for Alperton, including building massing that is able to deliver approximately 1600 homes, as identified within the Core Strategy. On the basis of estimations of land values, construction costs and sales values, the council is comfortable that the proposals are deliverable across medium to long term development cycles. The viability of specific proposals will be tested through the planning process having consideration for the need to deliver mixed and sustainable development, including infrastructure to support development and affordable housing. No changes are proposed.
- 4.11.2. Concerns about the accuracy of the viability study have been recorded and the affordable housing targets have been recorded. Response: On the basis of availability of information, the council has a broad understanding of costs and values in the masterplan area and these are not perceived to be prohibitive. The 2009 Affordable Housing Viability Study concludes that although circumstances vary from site to site, it is appropriate for the council to maintain the 50% borough wide target and this is included within the Adopted LDF Core Strategy (2011). Development proposals that come forward will be tested for viability through the planning process having regard for a number of factors, including the deliver of affordable housing. In any case, it is not possible for the draft SPD to introduce a policy that differs from the Core Strategy.
- 4.11.3. The requirement to work closely with the community during delivery stage has been recorded. Response: Section 11.1 has been update to show a commitment to working with partners and the community during delivery stage.

5. Financial Implications

- 5.1. The council's property interests in the area are very limited, its role in delivery is to facilitate development and help to prioritise the physical and social infrastructure needed to support new homes and adapt to changing economic circumstances. There is no proposal from the council to inject any kick start capital investment into the area.

- 5.2. **Revenue Expenditure:** The draft SPD is essentially a development promotional tool giving clear guidance and certainty to developers. It will be for land owners and developers to come forward on private land and bring forward proposals. The revenue costs to the council of any further planning work hereafter will be limited. It will be mostly limited to a role of encouragement and assistance through established Planning and Regeneration and Major Projects (R&MP) Teams. A relatively small sum has been identified using New Homes Bonus funds to look at stalled development sites in the area. There is a clear business case for this work as it should be remembered that early delivery of new homes has significant benefits to the council in receiving New Homes Bonus.
- 5.3. **Infrastructure Expenditure:** The overall infrastructure needs of building 1600 new homes in this area was set out in the council's IIF. This was completed in 2008 and officers are now updating this IIF to support the proposed introduction of the Community Infrastructure Levy (CIL). In 2008, the 1600 new homes to be provided over the next 15-20 years were calculated to require £24.4m of infrastructure (transport, education, health, open space, children's plan, community facilities and the like). Only £10.4m of this was identified at the time leaving a circa £14m shortfall. The scale of shortfall is by no means unusual and is normally remedied by reducing the quality or quantity of infrastructure or by utilising other funding schemes that are not known at the time. So for example, the New Homes Bonus, which was not available in 2008, could deliver at least £12m if it continued through the whole period. It is also proposed that CIL would collect more than the current S106 planning obligations. The costs of infrastructure development would therefore be largely neutral. Even if they were not, the council's judgement within the Core Strategy is that is growth provides housing stock renewal, jobs and other improvements to the borough that will be worth any notional infrastructure cost.
- 5.4. **School provision:** The 2008 IIF only included the costs of providing for the 'extra new' population that would be generated by the new homes. This amounted to an extra form of entry at secondary school level and two forms of entry at primary school level, based on expanding existing schools (so no land acquisition costs were included). At the time the redevelopment of Alperton Community School was promoted as a Building Schools for the Future (BSF) Project and full replacement funding was assumed. Currently there is likely to be enough capital resource generated through either S106 or CIL to cover the cost of school expansion in the area if it takes place on existing school sites. The complete redevelopment of Alperton Community School is largely outside of the growth agenda because it was to remedy existing deficiencies in the school buildings and layout. Nevertheless the R&MP team will review the possible development options by the Autumn/Winter of this year for report to Executive.
- 5.5. The Council expects that the published document will improve pre-application understanding and negotiations with developers and contribute to improved application processing times. The adopted draft SPD will, in

parallel with the infrastructure study, clarify the Council's expectations upon developers for their contribution to roads, schools, open space, health and community facilities etc.

- 5.6. The original planning and consultation work was met from R&MP and planning service budget and any future costs, for example publishing the document, will be met from R&MP budgets funded from the New Homes Bonus.

6. Legal Implications

- 6.1. The Planning and Compulsory Purchase Act 2004 has changed the statutory basis for drawing up development plans in England and Wales. Unitary Development Plans and Supplementary Planning Guidance will be replaced by a Local Development Framework (LDF). Supplementary Planning Documents (SPD) are intended to provide greater detail and clarify the Council's planning policies however, they cannot introduce new policies.
- 6.2. New Planning Policy Statement 12 "Local Spatial Planning" (PPS12) sets out the procedural policy and process of preparing Local Development Documents, including SPD. SPD's are produced as part of the council's Local Development Framework and replace Supplementary Planning Guidance (SPG). The SPD's expand on the council's adopted policies to provide more detailed information than can be contained in the policies themselves. The draft SPD cannot introduce new policy and is consistent with the Core Strategy.
- 6.3. Any of the Council-led infrastructure proposals will have to go through the appropriate Council procedures e.g. obtaining approvals from the Planning Committee and the Executive if required.

7. Diversity Implications

- 7.1. The Statement of Community Involvement identifies how the public are to be engaged in the preparation of draft SPD in general. An inclusive approach to the consultation was taken.
- 7.2. The draft SPD sets out the development framework in one of the most diverse communities in London. The regeneration of the area is set to embrace and celebrate this diversity through the securing of a range of facilities for the community to meet the needs of its diverse ethnic, cultural and religious groups. It also tries to create a broad base of employment opportunities for different sectors and supports skills and other training and job placements. The draft SPD also tries to create an environment such as new public parks and spaces which will be accessible to all.
- 7.3. The Council has carried out an impact needs/requirement assessment on the draft SPD, refer to appendix 4.

8. Staffing/Accommodation Implications (if appropriate)

- 8.1. There are no additional staffing requirements arising as a result of the recommendations of this report.

9. Environmental Implications

- 9.1. The Planning Act 2008 allows Local Planning Authorities to prepare SPD without undertaking SA/SEA, as long as they screen for the need for a Sustainability Appraisal (SA) incorporating a Strategic Environmental Assessment (SEA) of the SPD as it is produced. In light of the 2008 Planning Act, the Council is required to carry out a screening to ensure that the legal requirements for SA/SEA are met where there are impacts that have not been covered in the appraisal of the parent DPD.
- 9.2. The draft SPD screening report is attached in appendix 5.

Appendices:

Appendix 1 – Draft Alperton Masterplan SPD
Appendix 2 – Consultation Report
Appendix 3 – Table of consultation comments
Appendix 4 – INRA
Appendix 5 – Sustainability Appraisal Statement

Background Papers


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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from the Director of Regeneration and Major Projects</p>
<p style="text-align: right;">Ward Affected: Dudden Hill</p>	
<p>Church End Car Park disposal and resolution to use CPO powers</p>	

Appendix1 which is *Not for publication ('below the line')

1.0 SUMMARY

- 1.1 This report seeks member approval to the disposal of the Council's remaining freehold interest in Church End Car Park to Catalyst Housing Group Limited (CHGL).
- 1.2 The report also seeks approval to initiate compulsory purchase of all interests (inclusive of freehold interests) other than that already owned by the housing association in this area.
- 1.3 Both these actions outlined in summary above will enable CHGL to bring forward the regeneration of this area in line with Council objectives

2.0 RECOMMENDATIONS

- 2.1 That the Executive approve the disposal of its freehold interest to Catalyst Housing Group Limited (CHGL) in accordance with the terms set out in this report and as outlined in the confidential appendix.
- 2.2 That the Executive also authorise:
 - (a) the making of compulsory purchase orders (the CPO's) to acquire all interests and rights in the properties listed in 3.5 and shown as the land hatched in black on the plan attached in the appendix 2 together with properties referred to in 3.7 (which properties are referred to hereafter as "the CPO Land") under section 226 (1)(a) of the Town and Country Planning Act 1990 and any new rights in the CPO Land which may be required under section 13 of the Local Government (Miscellaneous Provisions) Act 1976.

(b) the Director of Regeneration and Major Projects in consultation with the Director of Legal and Procurement to include in the Compulsory Purchase Order authorised by this Executive meeting such other additional interests and rights as are disclosed during the land referencing exercise which the Director of Regeneration and Major Projects in consultation with the Director of Legal and Procurement deem it necessary to facilitate the delivery of the Church End Growth Area.

(c) To include authority to the appropriation of land for planning purposes where applicable

2.3 That Members authorise the submissions of the CPOs, once made, to the Secretary of State for confirmation whilst at the same time seeking to acquire the land by private negotiated treaty on such terms as may be agreed by the Director of Regeneration and Major Projects

2.4 That Members authorise the:

2.4.1 Director of Regeneration and Major Projects to enter into agreements and make undertakings on behalf of the Council with the holders of interests in the CPO Land or parties otherwise affected by the scheme setting out the terms for the withdrawal of their objections to the confirmation of the CPOs and including the offering back of any part of the CPO Land not required by the Council after the completion of the development or the acquisition of rights over the CPO Land in place of freehold acquisition, where such agreements are appropriate;

2.4.2 Making of one or more general vesting declarations or service of Notices to Treat and Notices of Entry (as appropriate) pursuant to the Compulsory Purchase (Vesting Declarations) Act 1981 and the Compulsory Purchase Act 1965 respectively should the CPO be confirmed by the Secretary of State;

2.4.3 Service of all requisite notices on the holders of the CPO Land including rights in the CPO Land relating to the making and confirmation of the CPO;

2.4.4 to remove from the CPO any plot (or interest therein) no longer required to be acquired compulsorily for the scheme to proceed and to amend the interests scheduled in the CPO (if so advised) and to alter the nature of the proposed acquisition from an acquisition of existing property interests to an acquisition of new rights (if so advised);

2.4.5 within the defined boundary of the CPO Land, to acquire land and/or new rights by agreement either in advance of the confirmation of compulsory purchase powers, if so advised, or following the confirmation of compulsory powers by the Secretary of State;

if so advised, to seek to acquire for the Council by agreement any interest in land wholly or partly within the limits of the CPO Land for which a blight notice has been validly served.

3.0 DETAIL

- 3.1 The Council has been working closely with CHGL since 2001 to bring forward a comprehensive mixed use development in the Church End Growth Area. This proposed transaction and making of a CPO will enable the final phase of this regeneration to commence which will encapsulate the car park and surrounding area.
- 3.2 Terms have been provisionally agreed to sell the remaining freehold interest owned by the Council in this area. The terms are set out in the confidential appendix and are recommended for acceptance.
- 3.3 The area totals 2,990 sq m and comprises an open-air market, currently used 2 days per week, with the remainder comprising of public highway and open grassed verge type areas. The Council land is shown stippled and edged in black on the attached plan.
- 3.4 For this next phase of regeneration CHGL is looking to develop a scheme comprising 143 residential units, 1,526 sqm of mixed retail/commercial space and a 1255 sqm market square. It is important to note that this scheme will also make provision to replace the existing market. A planning application is anticipated to be submitted by December 2011.
- 3.5 CHGL has been acquiring properties in the area since 2001. However there remain a small number of properties that Catalyst has been unable to secure through negotiation and which are proving difficult to acquire. Therefore CHGL has requested the Council provide support through utilisation of it's compulsory purchase powers. The remaining properties in private ownership are shown on the following schedule:

213 Church Road – Butchers shop and 2 flats
217c Church road- Residential flat
217 Church Road- Mini cab office
219 Church Road- Barbers shop and flats
229 Church Road- Dentist-
231 Church Road- Dentist-
233 Church Road- Café

- 3.6 Under the Town and Country Planning Act 1990 (“the 1990 Act”) (as amended) the Council has the ability to resolve to make a Compulsory Purchase Order to acquire these units on behalf of CGHL so as to purchase compulsorily for development, redevelopment and improvement certain land in Church End . The land is shown edged in black and hatched on the plan annexed.
- 3.7 The Compulsory Purchase Order shall also include areas of public highway and other small areas of land which the Council has historically occupied but to which there is no clear title. It is likely that

title to such areas may be successfully registered at the Land Registry through the use of statutory declarations recording the Council's long term use and occupation, but in the event that this is unsuccessful the Compulsory Purchase Order will provide reassurance that control of these areas can be gained.

- 3.8 Section 226(1)(a) empowers local authorities on being authorised by the Secretary of State to acquire land compulsorily for the purposes of development, redevelopment or improvement where it is not certain that they will be able to acquire the land by agreement and where they believe that:
1. The acquisition will facilitate the carrying out of development, redevelopment or improvement on or in relation to that land; and
 2. The development, redevelopment or improvement is likely to contribute to the promotion or improvement of the economic, social or environmental wellbeing of their area.
- 3.9 CHGL is prepared to give the Council an indemnity to meet all compensation costs and expenses reasonably and properly incurred as a direct consequence in making and in connection with the making and implementation of a CPO and any highway stopping up orders. CHGL will continue with best endeavours to acquire outstanding interests and shall keep the Council fully informed of negotiations for the acquisition of any outstanding interest.
- 3.10 The use of CPO powers is required to ensure that individual landowners are not able to prevent the regeneration of this area proceeding and to ensure that the regeneration is not ransomed by owners seeking inflated levels of compensation.

4.0 Background

- 4.1 The Council has supported a number of initiatives to improve the environmental quality of the Church End area and its economic regeneration. In April 2005 the Council's Executive approved a non-statutory regeneration action plan which concentrated on five key sites, the Car Park being a key central site in the regeneration of the Church End area.
- 4.2 The car park area was and still remains an area prone to anti-social behaviour. The shops on Church Road are of varying quality and do not positively assist in raising the tone of the shopping street. The Market uses the car park twice a week but has potential to be significantly improved.
- 4.3 In 2006, the Council was successful in securing £2m Growth Area Fund resources from the government for a proposal to reduce the roundabout at the Neasden Lane- Church Road junction to enable transport improvements and to create an enlarged car park site that

would allow a mixed use development to take place on the car park site. The express purpose of the works was to create a development site that could accommodate an enclosed and secure development.

- 4.4 The Council completed public consultation at the end of 2006 and there was significant support for the proposals. The physical road and other works were completed in 2008 and the site is now expanded on its northern edge to allow the secure development proposal.
- 4.5 The Council also worked with CHGL to bring forward development proposals for new housing, shops and a new market square. CHGL then worked in acquiring premises by agreement in order to carry out the more comprehensive scheme.
- 4.6 CHGL is now attempting to purchase the remaining properties they need in order to complete the scheme. They are intending, by the end of this calendar year, to submit the planning application for the comprehensive development of the site. The CPO is therefore required to ensure the process can be successfully completed.
- 4.7 Specifically the Council's car park site will accommodate a larger food store in order to boost the attractiveness of the town centre. The proposal also contains a market square which will offer purpose built market facilities which should allow the continuation of the market. The new housing proposed for the site will be particularly oriented at new home buyers by providing homebuy (shared ownership units) but the proportion of deposit etc will encourage local home ownership. Church End has a high level of social rent housing and the proposal is to encourage a diversification of tenure that also brings in more local spending power to help invigorate the local shops.

5.0 FINANCIAL IMPLICATIONS

- 5.1 The Council will receive a capital premium set out in the confidential appendix.
- 5.2 However the Council will, as a result of the disposal, forego current rental income from the market of £35,000 per annum exclusive. To avoid the Property budget inadvertently suffering from this loss an adjustment will be necessary to the base line to take account of this reduction in anticipated receipt.

6.0 LEGAL IMPLICATIONS

6.1 *Compulsory Purchase Orders*

- 6.1.1 The Council has power to make a compulsory purchase order under section 226 (1)(a) of the Town and Country Planning Act 1990 if it thinks that the acquisition will "facilitate the carrying out of development, redevelopment or improvement or in relation to the land". Under section 226(1)(A) the Council must not exercise the power under sub paragraph (a) unless it thinks that the development,

redevelopment or improvement is likely to contribute to the achievement of any one or more of the following objects – (a) the promotion or improvement of the economic wellbeing of their area; (b) the promotion or improvement of the social wellbeing of their area; (c) the promotion or improvement of the environmental wellbeing of their area.

- 6.2 Compulsory purchase orders must only be made if the Council is satisfied that there is a compelling public interest to do so. Para. 17 of Part 1 of the Memorandum to ODPM Circular 06/04 states:

“A compulsory purchase order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which it is making a compulsory purchase order sufficiently justify interfering with the human rights of those with an interest in the land affected. Regard should be had, in particular, to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention.”

For the reasons set out in this report it is considered that there is such a compelling case for the proposed regeneration programme and that the public interest requires that the order be made in order to carry through the necessary redevelopment of the CPO Land.

- 6.3 Further, in making the order there should be no impediments to its eventual implementation. Para’s 22 and 23 of Part 1 of the Memorandum to ODPM Circular 06/04 advise (in part):

“22. In demonstrating that there is a reasonable prospect of the scheme going ahead, the acquiring authority will also need to be able to show that it is unlikely to be blocked by any impediments to implementation. In addition to potential financial impediments, physical and legal factors need to be taken into account. These include the programming of any infrastructure accommodation works or remedial work which may be required, and any need for planning permission or other consent or license.

Where planning permission will be required for the scheme, and has not been granted, there should be no obvious reason why it might be withheld...”

Members will note that there will be sufficient funds available to meet the compensation costs for the acquisition of the land.

Whilst planning permission has not been granted for the development, it is considered that there is no obvious reason why it might be withheld, taking into account the long term planning work and specific site allocation. Accordingly, it is considered that there are unlikely to be any impediments to implementation.

- 6.6 It is necessary to consider the human rights implications of making CPOs. The Convention Rights applicable to the making of any CPO

orders are Articles, 6 and 8 and Articles 1 of the First Protocol. The position is summarised in para. 17 of Part 1 of the Memorandum to ODPM Circular 06/04.

6.7 Article 6 provides that:

“In determining his civil rights and obligations...everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial tribunal established by law”

6.8 Consultation has already taken place with communities that will be affected by any orders made, and further consultation is proposed as set out in this report.

6.9 All those affected by the Orders will be informed and will have the right to make representations to the Secretary of State and to be heard at a Public Inquiry. Those directly affected by the Order will also be entitled to compensation for any losses that they may incur as a result of the acquisition.

6.10 Article 1 of the First Protocol states that:

“Every natural or legal person is entitled to peaceful enjoyment of his possessions” and “(n)o one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by the law and by the general principles of international law....”

6.11 Whilst occupiers and owners will be deprived of their property if an Order is confirmed, this will be done in accordance with the law. It is being done in the public interest as required by Article 1 of the First Protocol. The reasons for this are set out in this Report

6.12 Members need to ensure that there is a reasonable prospect of the Scheme underpinning the CPO proceeding. This is addressed in paragraph 3 above .

6.13 The consequences of abandoning a confirmed CPO depends on:

- (a) whether a notice to treat or entry has been served on the owner of the land or not; and
- (b) whether the Council has entered the land following the service of the notice or made a General Vesting Declaration in respect of the land.

6.14 The passing of a resolution to make a CPO does not trigger the right to serve a blight notice. However, residential occupiers could claim blight after a CPO has been submitted to the Secretary of State for confirmation and notices have been served on owners and occupiers.

6.15 If the CPO is not acted upon at all, then no compensation is payable. Where notice to treat and entry have been served, and then not acted upon, the Council is under an obligation to inform the owner of the

withdrawal of the notices or expiry as the case may be (as notice to treat has a life span of three years from date of service) and will be liable to pay compensation to the owner for all losses and expenses occasioned to him by the giving of the notice and its ceasing to have effect. The amount of compensation shall in default of agreement be assessed by the Lands Tribunal. Interest is payable on the compensation.

- 6.16 The acquisition procedure is governed by the Acquisition of Land Act 1981, the Compulsory Purchase of Land Regulations 2004 and the Compulsory Purchase of Land (Vesting Declarations) Regulations 1990.
- 6.17 The CPO must be advertised locally and copies served on any owners, lessees, tenants (whatever the tenancy period), occupiers, all persons interested in, or having power to sell and convey or release, the land subject to the CPO. In addition the CPO must be served on persons whose land is not acquired under the CPO but nevertheless may have a claim for injurious affection under Section 10 of the Compulsory Purchase Act 1965, such as owners of rights of access to and from the public highway, easements and covenants that are affected by the CPO. Officers will prepare a detailed Statement of Reasons setting out the justification for compulsory acquisition. This statement will cover all the issues set out in this Report.
- 6.18 If any duly made objections are not withdrawn, the Secretary of State must hold an Inquiry and consider the conclusions and recommendations of the Inspector before confirming the Order.
- 6.19 Before and during the compulsory acquisition process, the Council is expected to continue the process of seeking to acquire the properties sought by negotiation and private agreement: see Part 1 of the Memorandum to Circular 06/04 Paras. 24 and 25. Para. 25 notes that “undertaking informal negotiations in parallel with making preparations for a compulsory purchase order can help to build up a good working relationship with those whose interests are affected by showing that the authority is willing to be open and to treat their concerns with respect...”.
- 6.20 Any dispute as to the amount of compensation to be paid is referred to the Lands Tribunal for determination.

Appropriation of land for planning purposes

- 6.21 Section 122 of the Local Government Act 1972 provides that a principal Council may appropriate for any purpose for which the Council are authorised to acquire by agreement land which belongs to the Council and is no longer required for the purpose for which it is held immediately before the appropriation.
- 6.22 Section 237 of the Town and Country Planning Act 1990 provides where land has been appropriated for planning purposes any

easements such as rights of way which may exist for the benefit of third parties are overridden on erection, construction or carrying out of maintenance of any building and change of use in accordance with planning permission, subject to payment of any compensation. The practical effect is that any rights which may exist do not delay or obstruct the development. This provides effective assurance to the developer that he will have a good title to the land.

- 6.23 The land must no longer be required for the purpose for which it is held immediately before appropriation. This test will be satisfied by deferring the date of the appropriation to a time when it is clear that the scheme will proceed. Once the appropriation is effected, the appropriated land will be held for planning purposes.

7.0 DIVERSITY IMPLICATIONS

- 7.1 Impact Needs Resources assessment attached.

8.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 8.1 There are no staff or accommodation issues arising from this report.

9.0 BACKGROUND PAPERS

Various papers held in Planning and Property and Asset Management

Contact Officers

James Young Property and Asset Management 0208 937 1398
James.young@brent.gov.uk

Dave Carroll Head of New Initiatives 0208 937 5202
Dave.carroll@brent.gov.uk

ANDREW DONALD
Director of Regeneration and Major Projects

APPENDIX 2



Church End Car Park Disposal and Resolution to Use CPO Powers.
"Area in Brent Occupation" - freehold and highway, shown edged and stippled black and having an area of 0.299 Hectares.

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NORTH



1:1,000

Plan to stated scale if printed at A4.

Impact Needs/Requirement Assessment Completion Form

Department: Regeneration and Major Projects	Person Responsible: James Young
Service Area: Property and Asset Management	Timescale for Equality Impact Assessment :
Date: 9 May 2011	Completion date:10 June 2011
Name of service/policy/procedure/project etc: Church End Local Centre CE1	Is the service/policy/procedure/project etc: New <input type="checkbox"/> Old <input checked="" type="checkbox"/>
Predictive <input checked="" type="checkbox"/> Retrospective <input type="checkbox"/>	Adverse impact Not found <input checked="" type="checkbox"/> Found <input type="checkbox"/> Service/policy/procedure/project etc, amended to stop or reduce adverse impact Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Is there likely to be a differential impact on any group? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Please state below:
1. Grounds of race: Ethnicity, nationality or national origin e.g. people of different ethnic backgrounds including Gypsies and Travellers and Refugees/ Asylum Seekers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	2. Grounds of gender: Sex, marital status, transgendered people and people with caring responsibilities Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
3. Grounds of disability: Physical or sensory impairment, mental disability or learning disability Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	4. Grounds of faith or belief: Religion/faith including people who do not have a religion Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
5. Grounds of sexual orientation: Lesbian, Gay and bisexual Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	6. Grounds of age: Older people, children and young People Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Consultation conducted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Person responsible for arranging the review: James Young	Person responsible for publishing results of Equality Impact Assessment: James Young
Person responsible for monitoring: Dave Carroll- to monitor overall regenerative aspects of the scheme. Andy Bates Planning Officer to monitor progress of planning application	Date results due to be published and where: July 2011- to be published on intranet site.

Impact Needs/Requirement Assessment Completion Form

Signed: J Young

Date: 9 6 11

Please note that you must complete this form if you are undertaking a formal Impact Needs/Requirement Assessment. You may also wish to use this form for guidance to undertake an initial assessment, please indicate.

1. What is the service/policy/procedure/project etc to be assessed?

Church End Local Centre- this is a geographic area allocated in the site specific allocation in the replacement Unitary Development Plan (UDP)

Map Ref: **MOS1**

Location: Car Park r/o 189 - 235, 187 Church Road

Phasing: Mid-term Area Ha: 0.37

Proposals: Housing/Mixed use, retention of trees and open space retention of reduced car park on part of site.

Policy Context: Site adjoins Church Road local shopping centre and Church End MERA.

Development Objectives: Comprehensive development compatible with adjoining local shopping centre and Church End redevelopment. Regeneration of Church End. Creation of a lively place, with a high quality environment, safe and convenient pedestrian routes and safe and attractive public spaces. Some use of any adjoining surplus highway capacity may be acceptable.

The Council will use a Compulsory Purchase Order for the comprehensive redevelopment of this site.

Plans of the proposals are attached in the committee report.

2. Briefly describe the aim of the service/policy etc? What needs or duties is it designed to meet? How does it differ from any existing services/ policies etc in this area

Brent Council has adopted its Replacement Unitary Development Plan (UDP). The Plan provides planning guidance for the development and use of land. As such, it seeks to improve the environment of the Borough, promote the regeneration of areas in need of renewal in a sustainable way and promote access to new development for the whole community.

The UDP was adopted after several rounds of public consultation and a public inquiry which gave those with an interest in the future of Brent, an opportunity to have their say on the plan's policies and proposals. Many residents, businesses and other interested parties have participated in drawing up the Plan which will have a central role in shaping the Borough over the coming years.

Parts of the Borough will be transformed over the next few years and it is important that there is clear planning guidance so that change is implemented in a way which brings environmental, economic and social benefits and is in the interests of local people. There is also much in Brent that is worthy of protection and conservation. The Plan provides the necessary guidance and controls to allow for the changes necessary to regenerate the run-down parts of the borough whilst protecting and enhancing the positive aspects of our environment.

3. Are the aims consistent with the council's Comprehensive Equality Policy?

Brent Council is committed to ensuring that the services we provide are relevant to the needs of all sections of the community and that our workforce represents the people we serve.

We aim to ensure that our services meet the varied individual needs and expectations of local people and that everyone has equal access to services, regardless of their race, heritage, gender, religious or non-religious belief, nationality, family background, age, disability or sexuality. We recognise that services must be relevant, responsive and sensitive, and that the Council must be perceived as fair and equitable in its provision of services by our service users, by our partners and the wider community. We aim to ensure that our contractors and others who deliver our services also share our vision and values. We have extensively consulted on the scheme at a local level and consider that the proposals take account of the diversity in the particular locality.

4. Is there any evidence to suggest that this could affect some groups of people? Is there an adverse impact around race/gender/disability/faith/sexual orientation/health etc? What are the reasons for this adverse impact?

The site is in an area of high economic deprivation, investment in this area should therefore have a positive impact on the locality and the Compulsory Purchase Order will result in the comprehensive redevelopment of this area.

Impact Needs/Requirement Assessment Completion Form

There will be an adverse impact on the business that it is proposed to exercise Compulsory Purchase Orders on to enable the wider and comprehensive regeneration to take place.

The new residential properties will be lifetime homes and 10% of the units accessible to wheel chair users. This level of provision is in accordance with the London Plan and this level meets identified needs. Lifetime homes standards ensure that homes are easily adaptable for people with mobility problems now and in the future. The allocation of affordable housing will be in line with the Council's policy

4. Please describe the evidence you have used to make your judgement. What existing data for example (qualitative or quantitative) have you used to form your judgement? Please supply us with the evidence you used to make your judgement separately (by race, gender and disability etc).

The site allocation has been extensively consulted upon and it has been public knowledge since 2009 that the council will use a CPO. The initial consultation happened in summer 2008 and leaflets were produced and offers of translation to minority languages and delivered by hand to shopping street traders. A number of consultation events were held at Catalysts offices in Church Road were undertaken on a Saturday and weekday night that a number of local traders attended. Catalyst also have been talking to traders seeking to acquire properties required for the scheme.

Market traders were consulted separately on the future of the local market in the summer 2008 over the form of the new market and were in agreement to the new proposals. Most local residents and traders supported the regeneration proposals.

The council's Original consultation exercise focused on using a questionnaire for the Planning/town centre issues and a separate Transportation Issues. The questionnaires were hand delivered to 1000 homes in the locality of the proposed development. This geographical spread goes further than common in dealing with planning applications. 63 responses were received on the Transport consultation and 32 on the planning/regeneration questionnaire (the scanned questionnaires are available). Typically a response of 1% is not unusual in post questionnaire surveys. The survey forms contained contact details for a selected number of languages offering translation (Hindi, Urdu and Gujarati). As well as the questionnaire the council carried out evening and weekend consultation events (30 people attended) and collected further views through the council's website where 67 responses were recorded. The council also carried out a public meeting on Church End (16 attendees) a Harlesden ACF on 3rd October and a Willesden ACF on 10 October. The responses were overwhelmingly in favour (93% on transport for example). The following report can be found on the November Executive Agenda 2006.

The council has not carried out any more significant public consultation since this date because the background transportation works were not completed until 2009 and the development proposals have not moved forward until the land is sold to Catalyst (the purpose of the report) –the council will then oblige Catalyst to carry out further pre or post application consultation and the council will consult formally on any application following statutory requirements.

Proportion of Wheelchair Parking, Wheelchair housing and Lifetime Homes. The proportion of homes and parking spaces that should be made available to people with disabilities are set out in the London Plan, the council's UDP and the Council's Core Strategy-please let me know if you want links from the council's planning page. In considering planning applications the council must follow these well established policy provisions unless material circumstances indicate otherwise. For example, while 5% of spaces that are designed for wheelchair access may not seem significant as a parking standard, there is no evidence that suggests that this level is insufficient to accommodate access needs for those people with mobility problems using a car, nor is there any evidence that this level suppresses travel demands of the disabled. I am also not aware of any disabled group that is looking for a greater provision.

6. Are there any unmet needs/requirements that can be identified that affect specific groups? (Please refer to provisions of the Disability Discrimination Act and the regulations on sexual orientation and faith, Age regulations/legislation if applicable)

The Council will ensure that 5% of parking spaces will be specifically designed to meet the needs of disabled people.

7. Have you consulted externally as part of your assessment? Who have you consulted with? What methods did you use? What have you done with the results i.e. how do you intend to use the information gathered as part of the consultation?

The site specific allocations were consulted upon between 25 November 2010 and 19 January 2011 and no changes are proposed to the allocation. Also other consultation took place as set out at 4 above.

Impact Needs/Requirement Assessment Completion Form

8. Have you published the results of the consultation, if so where?

The results of the consultation are published at http://brent.limehouse.co.uk/portal/planning/ssapo/ssa_psc?tab=list

9. Is there a public concern (in the media etc) that this function or policy is being operated in a discriminatory manner?

Adverse comments have not been received on this site allocation

10. If in your judgement, the proposed service/policy etc does have an adverse impact, can that impact be justified? You need to think about whether the proposed service/policy etc will have a positive or negative effect on the promotion of equality of opportunity, if it will help eliminate discrimination in any way, or encourage or hinder community relations.

No adverse impact

11. If the impact cannot be justified, how do you intend to deal with it?

NA

12. What can be done to improve access to/take up of services?

NA

13. What is the justification for taking these measures?

NA

14. Please provide us with separate evidence of how you intend to monitor in the future. Please give the name of the person who will be responsible for this on the front page.

To be undertaken by Dave Carroll who will assess the impact of the regeneration proposals in future. In addition Andy Bates Planning Officer will monitor the planning application as it progresses and liaise with Building Control to ensure that the development is built as designed.

15. What are your recommendations based on the conclusions and comments of this assessment?

No further action

Should you:

1. Take any immediate action?
2. Develop equality objectives and targets based on the conclusions?
3. Carry out further research?

16. If equality objectives and targets need to be developed, please list them here.

17. What will your resource allocation for action comprise of?

If you need more space for any of your answers please continue on a separate sheet

Signed by the manager undertaking the assessment: **Page 146**

Impact Needs/Requirement Assessment Completion Form

Full name (in capitals please): James Young

Date: 9 06 11


Service Area and position in the council: Property and Asset Management

Details of others involved in the assessment - auditing team/peer review: Dave Carroll Head of Project Initiatives

Once you have completed this form, please take a copy and send it to: **The Corporate Diversity Team, Room 5 Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD**

An online version of this form is available on the Corporate Diversity Team website.

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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from the Director of Regeneration and Major Projects</p>
<p style="text-align: right;">Ward Affected: Willesden Green</p>	
<p>Disposal of 249 Willesden Lane, Willesden</p>	

Not for publication

Appendix 1 to this report is not for publication as it contains the following category of exempt information as specified in the Local Government Act 1972 namely

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

1.0 SUMMARY

- 1.1 249 Willesden Lane is currently occupied by the Council's Brent & Harrow Trading Standards Unit. In accordance with the Council's strategy toward rationalising its office portfolio ahead of the move to the Civic Centre an opportunity has arisen to relocate staff into Brent House. This report therefore recommends the disposal of the freehold interest in 249 Willesden Lane.

2.0 RECOMMENDATIONS

- 2.1 That the Executive agree to the sale in accordance with the terms set out in the confidential **Appendix, Paragraphs 5.1 and 5.2.**
- 2.2 That the Executive authorise the Assistant Director, Property and Asset Management to conduct further negotiations and secure a sale in the best financial interests of the Council in the event that any preferred parties fail to conduct the transaction with due diligence.

3.0 DETAIL

- 3.1 249 Willesden Lane is a three-storey 1920s building with surface car parking. The building currently provides office space of approximately 17,475 sq ft (1,624 sq m) in size. The site is irregular in shape and circa 0.6 acres (0.24 hectares). A location plan is attached.

- 3.2 The existing occupiers Brent and Harrow Trading Standards are relocating to Brent House following further reorganisation of the offices and the creation of a desk sharing environment. Minor improvements are being made to office space within Brent House chiefly requiring the removal of cellular offices and the creation of shared eating / rest areas. This re-design is being kept to a minimum in recognition of the anticipated decant to the Civic Centre in early 2013.
- 3.3 The disposal of 249 Willesden Lane was originally anticipated to take place in June 2013 following the completion of the Civic Centre. However the Council's reorganisation and subsequent reduction in staff numbers coupled with the reconfiguration and open plan, modern ways of working in Brent House have provided an opportunity for the property to be vacated ahead of schedule.
- 3.4 The Council's appointed consultants, Colliers International, marketed the building and received 165 requests for the property details from our marketing campaign and showed 47 parties round the property over eight block viewings. The bid date was the 11th May 2011 and 18 bids were received. These are set out in the confidential appendix
- 3.5 Bids were received for a variety of uses and fall into two categories. The first category is offers received unconditional. The second, which has elicited higher offers but which carries more risk in achieving the sum offered, are conditional offers. These conditions relate mainly to the effect of a covenant on the site and the securing of a successful planning consent.
- 3.6 To aid the decision as to which offer to accept in the best interests of the Council informal discussions have taken place with officers from the Planning Department. Planning officers have reviewed the type of uses proposed and have confirmed that a change of use and sensible redevelopment, subject to further details as to scale and design, is likely to be acceptable
- 3.7 One further aspect to take into account is that an unconditional offer if accepted could be completed in a short space of time. Whilst accepting an unconditional offer will extend the period to completion due to the requirement to secure planning permission and resolution of the covenant. Thus it should be noted that whilst the building remains empty the Council will remain responsible for outgoings such as empty rates, utilities and security of the premises.
- 3.8 The property has been offered to other units within the Council and no other interest has been received. Therefore, subject to decant this property can be considered as surplus to requirements.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The capital receipt and running costs including rent payments are ring fenced to fund the Civic Centre.
- 4.2 Due to early sale the Civic Centre budget will benefit by a windfall of approximately 1.5 years of savings on that previously budgeted.

- 4.3 This saving will be reduced for each month the sale is deferred but could be off-set by a higher capital receipt post-planning consent. This is not a guaranteed rise in the sale proceeds.

5.0 LEGAL IMPLICATIONS

- 5.1 The value of this property is in excess of the value of properties which can be sold under the delegated authority of the Head of Property and Asset Management. As such the Executive needs to agree to this disposal before this can be undertaken.
- 5.2 Under Section 123 of the Local Government Act 1972 the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease. The essential condition is that the Council obtain (unless it's it is a lease for 7 years or less) the best consideration that is reasonably obtainable
- 5.3 Disposals on the open market, including by way of auction, after proper marketing will satisfy the best consideration requirement.

6.0 DIVERSITY IMPLICATIONS

- 6.1 An INRA has been undertaken and there are no impacts that are required to be addressed.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 Staff will be relocated to Brent House.

8.0 BACKGROUND PAPERS

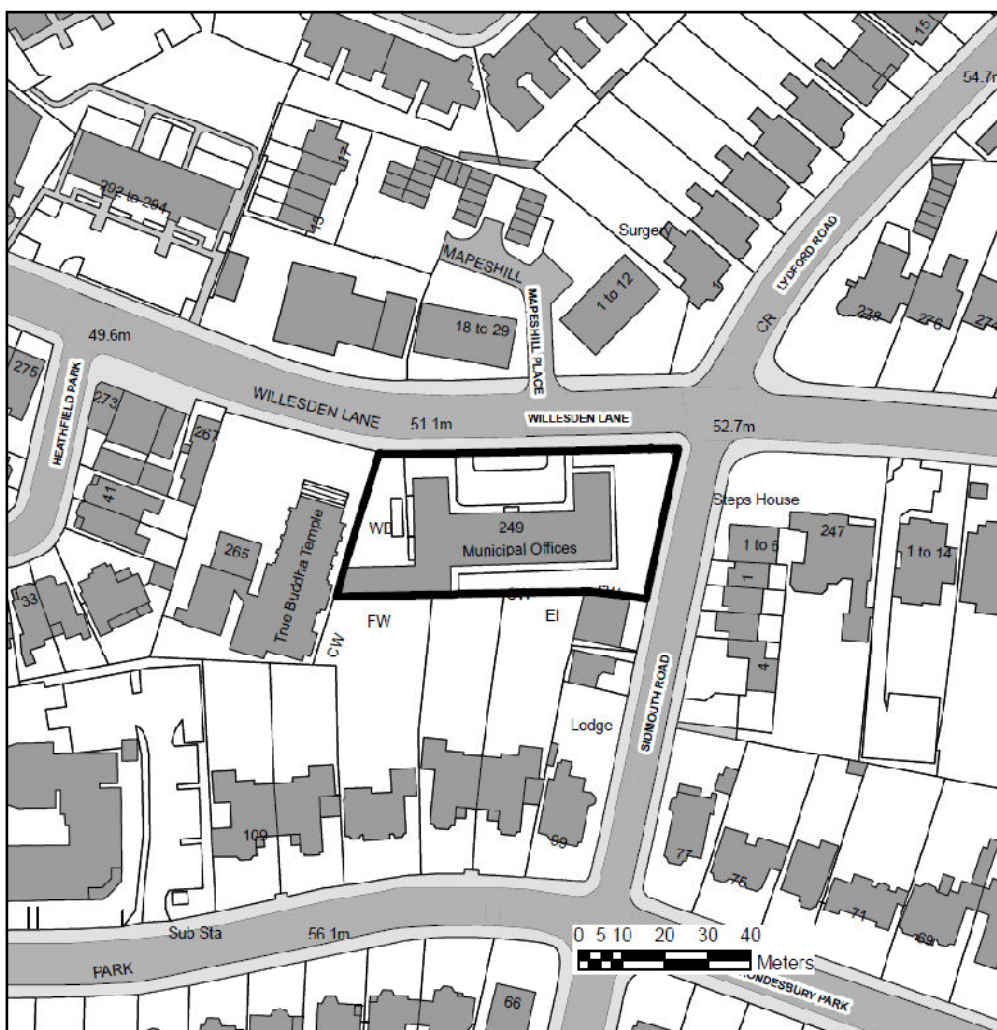
Various papers held in Property and Asset Management

Contact Officers:
Richard Barrett
James Young

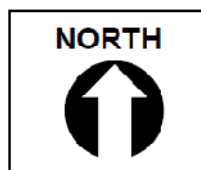
Location Plan

EXECUTIVE COMMITTEE


DISPOSAL OF 249 WILLESDEN LANE, WILLESDEN



**Premises shown
heavily outlined black.**
Plan for information purposes only.



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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Joint Report from the Director of Regeneration and Major Projects and The Chief Executive of Brent Housing Partnership</p>
<p style="text-align: right;">Wards Affected: Brondesbury Park</p>	
<p>Disposal of 58 and 86 The Avenue</p>	

1.0 SUMMARY

- 1.1 This report seeks Executive approval for the open market disposal of two Council owned residential properties situated at 58 The Avenue, Brondesbury, London, NW6 7NP, and 86 The Avenue.

2.0 RECOMMENDATIONS

- 2.1 That Members approve the open market disposal of the Council's freehold interest of the buildings comprising dilapidated and vacant residential units 58 The Avenue, Brondesbury, London, NW6 7NP, and 86 The Avenue, Brondesbury, London NW6 7NN.
- 2.2 That Members agree the Assistant Director of Regeneration & Major Projects (Property & Asset Management) to instruct marketing agents so as to ensure that the best price is achieved on sale of the freehold and to instruct Legal in the matter of the disposal.

3.0 DETAIL

- 3.1 Number 58 The Avenue, Brondesbury, London NW6 7NP is a 3 storey building comprising three flats (flats 58A, 58B, and 58C). The property is managed by Brent Housing Partnership (BHP) and was being let to secure Council tenants.

3.2 The current layout of the building has not been converted so that each dwelling is independent of others. Thus, this property would be considered a House in Multiple Occupation (HMO) if fully occupied.

3.3 Flats 58B and 58C have been left void for a number of years because the property is a HMO and the intention had been to convert the building into self contained flats once flat 58A became void. The dates each flat was last occupied and the rent they could potentially achieve is shown in Table 1 below.

Table 1 Number 58 The Avenue

Site Address	Status	Size	Weekly Rent	Annual Loss of Rent
58A The Avenue	Void since April 2011	3 double Bedrooms	£123.83 Gross	£6,439.16
58B The Avenue	Void since August 2005	4 double Bedrooms	£129.37 Gross	£6,727.24
58C The Avenue	Void since January 2000	2 double Bedrooms	£114.40 Gross	£5,948.80

3.4 The void report considered three main options available in relation to 58 The Avenue:

Option 1 – Maintain the status quo/do nothing and assume the opportunity cost of the annual loss of rents estimated at £19,115.

Option 2 – Authorise capital funding to repair and convert the property into self contained flats for use as social rented accommodation at an estimated cost of between £200k and £240k.

Option 3 – Dispose of the Council's freehold interest of the building in present condition on the open market which will achieve a significant capital receipt but will result in loss of social housing stock. BHP had the property surveyed and valued by an independent estate agent in July 2009. The valuation report confirms that at the time of the survey the building, if sold as a large family house, would expect to realise in the region of £1,000,000 on the open market.

3.5 Number 86 The Avenue, Brondesbury, London NW6 7NN is a 3 storey, 6 bedroom house. This property has recently become void on 2nd May 2010. The previous secure Council tenant had resided in the property since 1982 and refused all works part of the Decent Homes Programme. As a result, the property is in poor condition.

3.6 The date the property was last occupied and the rent it could achieve is shown below.

Table 2 Number 86 The Avenue

Site Address	Status	Size	Weekly Rent	Annual Loss of Rent
86 The Avenue	Void since May 2010	5 double Bedrooms and 1 single Bedroom	£137.55 Gross	£7,152.60

3.7 The main options available for 86 The Avenue are as follows:

Option 1 – Maintain the status quo/do nothing and assume the opportunity cost of the annual loss of rents estimated at £7,152.

Option 2 – Repair and refurbish the property to a standard where it can be let as social rented accommodation. The cost of all required works to bring the property up to standard where it could be let is estimated at £40,780.

Option 3 – Dispose of the Council's freehold interest of the building in present condition on the open market which will achieve a significant capital receipt but will result in a loss of social housing stock. The property has not yet been valued but it is expected to achieve a similar value to 58 The Avenue in its present condition, which is in the region of £1,000,000 on the open market.

3.8 The recommendation in this report is for the Council to dispose of its freehold interest in 58 and 86, The Avenue in their current condition on the open market for a capital receipt. The reasons for the recommendation are as follows:

- I. Doing nothing is not a viable option because the properties are void and will continue to deteriorate if left vacant. Despite any reasonable precautions/actions by BHP, there is also the risk from squatting and potential ongoing maintenance liability.
- II. Taking into consideration the costs of bringing the properties up to a lettable standard, the potential level of rental income achievable is not sufficient to justify the Council retaining the properties as social housing stock.
- III. As the costs of bringing the properties up to a lettable standard far outweighs the benefits of ownership through the rental income, disposal of the properties to a Registered Provider to retain the properties within the social housing stock is not considered to be a viable option.

- IV. Disposal of the properties is in line with the corporate objectives set out in the Council's Strategic Asset Management Plan.
- V. Disposal of the properties in their current condition provides the Council with a significant capital receipt of approximately £2,000,000 to support the overall capital programme. There is a loss of a relatively small potential rental income to the revenue account in return for a significant capital receipt.

3.9 The Executive is therefore asked to give its approval to dispose of the properties. Any delay in the sale of the properties could lead to a further deterioration in the condition of the properties, which may lead to an actual reduction in the potential capital receipt realisable. An early disposal is therefore recommended.

4.0 FINANCIAL IMPLICATIONS

4.1 It is anticipated a price for the freehold in the region of £2,000,000 is likely to be realised on the open market for both dwellings together.

4.2 The global annual rent loss is expected to be in the region of £26,267. However, in order to bring the properties up to a lettable standard, the repair and conversion works are approximately £280,078.

4.3 The Council's general policy is that receipts arising from the disposal of land and properties are used to support the overall capital programme. The forecast receipts arising on 58 and 86, The Avenue were not included in the Council's Disposals Programme at the time of budget setting and as such do not form part of the resources identified to support the whole capital programme approved by the Council on 28 February 2011. As such if members approve the disposal of these properties there would be a forecast reduction in the level of Unsupported Borrowing required to fund the Capital Programme with an associated reduction in pressure on the revenue account to meet borrowing costs centrally.

4.4 Members should note that the Local Authority (Capital Finance and Accounting) (England) Regulations 2003 states that capital receipts a local authority derives from the disposal of an interest in other housing land (non Right to Buy) must be "pooled" at a rate of 50%. However, the regulations also state that a local authority can treat such receipts as reduced by an amount up to the value of its available Capital Allowance at the time the specified amount is calculated. For the purposes of these regulations the Capital Allowance is a provision that reflects the authority's past and current forecast investment in regeneration schemes and the provision of affordable housing. Currently the Council is maintaining a capital allowance significantly in excess of the forecast capital receipt and there will be no requirement to pool any of the derived income if Members elect to dispose of these properties.

5.0 LEGAL IMPLICATIONS

- 5.1 Under Section 123 of the Local Government Act 1972 the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease. The essential condition is that the Council obtain (unless it is a lease for 7 years or less) the best consideration that is reasonably obtainable.
- 5.2 Disposals on the open market, either by way of auction or by way of appointing a marketing agent, will satisfy the best consideration requirement.
- 5.3 Where the Council intends to dispose of housing land it requires the consent of the Secretary of State for Communities and Local Government. The General Consent 2005 issued under the Housing Act 1985 sets out a number of categories of disposal which have deemed consent. .
- 5.4 However a successful bidder at an auction or tender may be an organisation which would not fall within the categories of purchaser which are covered by a deemed consent.
- 5.5 Therefore auction or tender conditions have to state that the disposal is conditional upon the Secretary of State giving consent to the disposal of the dwelling. A deemed consent will automatically apply if the successful bidder is an individual or individuals who have not previously purchased a vacant dwelling from the Council in the current financial year.
- 5.6 If the purchaser does not fall within the scope of a deemed consent the Council will make an application for a special consent.

6.0 DIVERSITY IMPLICATIONS

- 6.1 Impact Needs Requirement Assessment completed.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 There is a loss of potential social housing stock although significant expenditure is necessary to bring the units up to lettable standard.

8.0 Background Papers

None

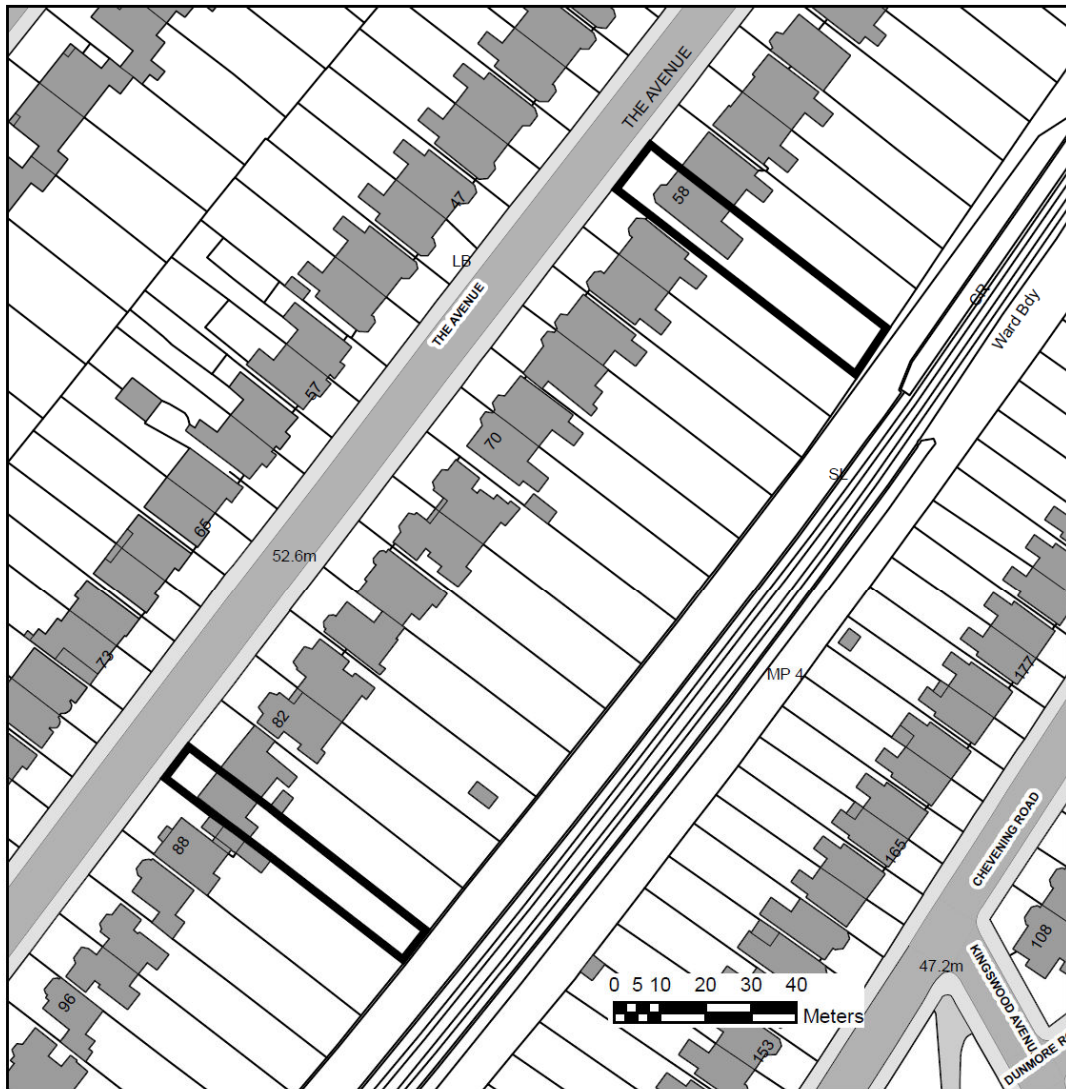
Contact Officers

James Young Deputy Head of Property and Asset Management, Regeneration & Major Projects Tel 020 8937 1398, email james.young@brent.gov.uk

Gerry Doherty Chief Executive BHP Tel 020 8937 2244, email [gerry.doherty @brent.gov.uk](mailto:gerry.doherty@brent.gov.uk)

Appendix 1 Site Map

EXECUTIVE COMMITTEE **Disposal of the Council's freehold interest in** **property at 58 and 86 The Avenue, Brondesbury.**



**Premises shown
heavily outlined black.**
Plan for information purposes only.

NORTH



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Impact Needs/Requirement Assessment Completion Form

Department: Regeneration and Major Projects		Person Responsible: James Young Deputy Head of Asset Management Regeneration and Major Projects	
Service Area: Property and Asset Management		Timescale for Equality Impact Assessment : Executive Meeting 18 July 2011	
Date: 29 June 2011		Completion date: 29 June 2011	
Name of service/policy/procedure/project etc: The report to the Executive on 18 July 2011 seeks approval for the sale of the freehold of 58 The Avenue, Brondesbury, London, NW6 7NP, and 86 The Avenue, a HMO and a 6 bed house respectively. The properties have been left void for a number of years and are dilapidated.		Is the service/policy/procedure/project etc: New <input checked="" type="checkbox"/> Old <input type="checkbox"/>	
Predictive <input checked="" type="checkbox"/> Retrospective <input type="checkbox"/>		Adverse impact <input checked="" type="checkbox"/> Not found <input type="checkbox"/> Found <input type="checkbox"/>	
Service/policy/procedure/project etc, amended to stop or reduce adverse impact Yes <input type="checkbox"/> No <input type="checkbox"/>			
Is there likely to be a differential impact on any group? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		Please state below:	
1. Grounds of race: Ethnicity, nationality or national origin e.g. people of different ethnic backgrounds including Gypsies and Travellers and Refugees/ Asylum Seekers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		2. Grounds of gender: Sex, marital status, transgendered people and people with caring responsibilities Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
3. Grounds of disability: Physical or sensory impairment, mental disability or learning disability Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		4. Grounds of faith or belief: Religion/faith including people who do not have a religion Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
5. Grounds of sexual orientation: Lesbian, Gay and bisexual Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		6. Grounds of age: Older people, children and young People Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Consultation conducted Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>			
Person responsible for arranging the review:		Person responsible for publishing results of Equality Impact Assessment:	
Person responsible for monitoring:		Date results due to be published and where:	
Signed:		Date:	

Impact Needs/Requirement Assessment Completion Form

Please note that you must complete this form if you are undertaking a formal Impact Needs/Requirement Assessment. You may also wish to use this form for guidance to undertake an initial assessment, please indicate.

1. What is the service/policy/procedure/project etc to be assessed?

The sale through marketing agent of 58 The Avenue, Brondesbury, London, NW6 7NP, and 86 The Avenue. The properties have been left void for a number of years and are in a dilapidated condition. A significant amount of capital expenditure would be required to bring the properties back into use. No other potential uses have been identified which could generate a level of rental income sufficient to justify retaining the properties as social housing stock.

2. Briefly describe the aim of the service/policy etc? What needs or duties is it designed to meet? How does it differ from any existing services/ policies etc in this area

In line with the Council's Asset Management Strategy, the Council to dispose of voids properties that require significant investment to refurbish them to a standard where they can be let, so that funds and proceeds can be used on other projects.

3. Are the aims consistent with the council's Comprehensive Equality Policy?

Yes as the properties will be sold via independent marketing agents through a bidding process.

4. Is there any evidence to suggest that this could affect some groups of people? Is there an adverse impact around race/gender/disability/faith/sexual orientation/health etc? What are the reasons for this adverse impact?

No. Both properties are vacant.

5. Please describe the evidence you have used to make your judgement. What existing data for example (qualitative or quantitative) have you used to form your judgement? Please supply us with the evidence you used to make your judgement separately (by race, gender and disability etc).

It is the nature and method of sale and also there are no occupiers.

6. Are there any unmet needs/requirements that can be identified that affect specific groups? (Please refer to provisions of the Disability Discrimination Act and the regulations on sexual orientation and faith, Age regulations/legislation if applicable)

There are no unmet needs or requirements that can be identified that can affect specific groups as the properties are in a dilapidated condition and no alternative use for the properties have been identified.

7. Have you consulted externally as part of your assessment? Who have you consulted with? What methods did you use? What have you done with the results i.e. how do you intend to use the information gathered as part of the consultation?

Impact Needs / Requirement Assessment Completion Form

No as this is not necessary due to the nature of the transaction.

8. Have you published the results of the consultation, if so where?

No because none was undertaken.

9. Is there a public concern (in the media etc) that this function or policy is being operated in a discriminatory manner?

No because the method of disposal is open and transparent.

10. If in your judgement, the proposed service/policy etc does have an adverse impact, can that impact be justified? You need to think about whether the proposed service/policy etc will have a positive or negative effect on the promotion of equality of opportunity, if it will help eliminate discrimination in any way, or encourage or hinder community relations.

There will be no adverse impact because of the method of disposal.

11. If the impact cannot be justified, how do you intend to deal with it?

N/A

12. What can be done to improve access to/take up of services?

The properties will be sold through marketing agents which will ensure that any interested party will be made aware of the proposed sale.

13. What is the justification for taking these measures?

To ensure that there is sufficient publicity for those parties who are interested in bidding for the properties.

14. Please provide us with separate evidence of how you intend to monitor in the future. Please give the name of

Impact Needs / Requirement Assessment Completion Form

the person who will be responsible for this on the front page.

James Young will monitor the sale process with the marketing agents on a regular basis with regard to the interested parties, from the initial bidding process through to the exchange of contracts and thereafter to an anticipated successful sale.

15. What are your recommendations based on the conclusions and comments of this assessment?

That the Council is able to sell the properties by way of instructing marketing agents.

Should you:

1. Take any immediate action?
2. Develop equality objectives and targets based on the conclusions?
3. Carry out further research?

16. If equality objectives and targets need to be developed, please list them here.

N/A

17. What will your resource allocation for action comprise of?

No resources needed

If you need more space for any of your answers please continue on a separate sheet

Signed by the manager undertaking the assessment:

Full name (in capitals please):

J Young
DENISH PATEL


Date: 29 JUNE 2011

Service Area and position in the council:

DEVELOPMENT MANAGER, PROJECS AND ASSET MANAGEMENT.

Details of others involved in the assessment - auditing team/peer review:

Once you have completed this form, please take a copy and send it to: **The Corporate Diversity Team, Room 5 Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD**

	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from Director of Finance and Corporate Services</p>
All Wards	
Budget Strategy 2012/13 to 2015/16	

1.0 Introduction

- 1.1 This report sets out the financial prospects for the Council for the next four years.
- 1.2 It seeks Executive approval for the overall budget strategy based on the One Council Programme and the delivery of the Borough Plan.

2.0 Recommendations

- 2.1 To note the latest forecast for the Council's revenue budget for 2012/13 to 2015/16 at Appendix A and the assumptions used to derive this.
- 2.2 To endorse the overall budget process set out in the report.
- 2.3 To note the proposed budget timetable.

3.0 Baseline Position 2012/13 to 2014/15

- 3.1 The Budget Report to Full Council on 28 February 2011 included a financial forecast as part of the Medium Term Financial Strategy, which included the following main assumptions:

3.2 Spending assumptions

- Service area budgets rolled forward at 2011/12 levels into future years;
- No allowance for pay inflation in 2012/13 other than 2% for staff earning less than £21k per annum and then 2% for all staff in future years;
- Inflation of 2% for prices in 2012/13 and future years;
- Additional contributions to meet the Pension Fund deficit with contributions of £1.7m (2012/13), £0.5m (2013/14) and £1.7m (2014/15);
- No savings assumptions built into service area baseline budgets;
- Provision for cost pressures in service area budgets of £6m per annum including identified growth for future years of £1,089k in 2012/13, £297k in

2013/14 and £297k in 2014/15. This provision was intended to meet ALL other costs arising from additional demand pressures, legislative or other regulatory changes which lead directly to additional costs to the council, and any on-going loss of income due to economic conditions or other factors.

- The medium term forecast for central items included:
 - *Debt charges (capital financing charges net of interest receipts)*: These were forecast to grow from £25.359 in 2011/12 to £26.563m in 2012/13, £27.603m in 2013/14 and £29.104m in 2014/15 as a result of capital programme commitments including the Civic Centre;
 - *Levies*: These were forecast to grow from £2.238 in 2011/12 to £3.089m in 2012/13, £3.986m in 2013/14 and £4.973m in 2014/15. The main reasons for this are the continuing increases in the real cost of waste disposal as the Landfill Tax escalator continues to rise by £8 per tonne per year, an allowance for higher waste tonnages than expected for the Pay as You Throw levy and an allowance for higher West London Waste Authority costs than expected. The impact of the Landfill Allowance Trading Scheme could also have a significant impact in later years;
 - *South Kilburn Development*: Funding from central items (to cover expenditure such as decant costs) for the South Kilburn Development is set at £900k in 2011/12, rising to £1.5m in subsequent years as the level of development increases;
 - *Freedom Pass/concessionary fares*. These have risen significantly over the last few years and currently stand at £13.767m. There are no indicative figures for later years but the current assumption is that prices will rise by 4% and there will be a 1.5% increase in usage. In addition because of the volatility of this budget in the past an additional contingency of £500k has been allowed for in 2012/13 to reflect any additional increases in transport costs. Therefore, Brent has budgeted for an additional £1.257m (2012/13), £826k (2013/14) and £872k (2014/15).
 - *New Homes Bonus/Regeneration*. For 2011/12 the Council is matching the income received for the New Homes Bonus with additional spend on regeneration because of the linkages between the two areas. It was assumed that the level of income would be £1.25m per annum to 2014/15.
 - *Redundancy and Restructuring Costs*. A budget of £6.354m has been set aside for 2011/12. These costs are assumed to remain constant over the medium term but their mix is likely to change with higher redundancy and severance costs in the earlier years being replaced with the actuarial strain costs of meeting the costs of early retirements which are spread over three years.

3.3 Resource assumptions

- Formula Grant of £165.911m in 2011/12 falling by £13.066m to £152.845m in 2012/13 (based on the settlement figure), to £151.011m

in 2013/14 and to £139.383m in 2014/15 (based on national assumptions from the Spending review). Since the budget report, Government has indicated the complete replacement of the Formula Grant system from April 2013 (see below);

- Other unallocated grants to remain at 2012/13 levels;
- Council tax base increase of 0.25% per annum in line with previous forecasts;
- Council tax collection of 97.5% in each year;
- Council tax increases ranging from 0% to 3.5% per annum;
- Income from fees & charges assumed to be in line with the general price inflation assumption of 2%.

3.4 Depending on assumptions on Council Tax increases over the period, the assumptions above produced a gap to be bridged for the period 2012/13 to 2014/15 between £57.3m and £68.6m as follows:

Table 1: Estimated Budget Gap at 28 February 2011

	2012/13 £m	2013/14 £m	2014/15 £m
Net savings required where council tax rise is:			
- 0% per annum	23.6	16.6	28.4
Cumulative	23.6	40.2	68.6
- 2.5% per annum	21.0	14.0	25.6
Cumulative	21.0	35.0	60.6
- 3.5% per annum	20.0	12.9	24.4
Cumulative	20.0	32.9	57.3

3.5 Funding of Local Government from 2013/14

On 17 March 2011 the Government launched the Local Government Resource Review to consider the way that formula grant and business rates are distributed to local authorities. The first phase of the review is due to report in July 2011 and covers:

- a. the optimum model for incentivising local authorities to promote growth by retaining business rates, whilst ensuring that all authorities have adequate resources to meet the needs of their communities and to deliver the commitments set out in the Spending Review;
- b. the extent to which these proposals can set local authorities free from dependency on central funding;

- c. considering how to fund authorities where locally raised funding would be insufficient to meet budget requirements and control council tax levels, as well as councils who do not collect business rates, such as upper tier authorities, recognising that some parts of the country are currently more dependent on government funding;
- d. reviewing the scope for greater transparency and localisation of the equalisation process;
- e. the position of councils whose business rate yield would be significantly higher than their current spending;
- f. how to ensure appropriate protections are in place for business, within a framework of devolving power to the lowest level possible;
- g. how to deliver Tax Increment Financing proposals against a context of greater retention of business rate revenues;
- h. how various aspects of the business rate system, including business rate revaluation and reliefs, should be treated;
- i. examining the scope for further financial freedoms for local authorities, while standing up for and protecting the interests of local taxpayers; and
- j. the wider implications of rates retention for related policies, including the work of the Commission on the Funding of Care and Support and the Government's other incentive schemes (the New Homes Bonus and the commitment to allow communities to keep the business rates for renewable energy projects).

The current intention is that any new arrangements will be in place for the 2013/14 financial year. Until the outcome of the review is known there will be considerable uncertainty regarding resources for the Council after 2012/13.

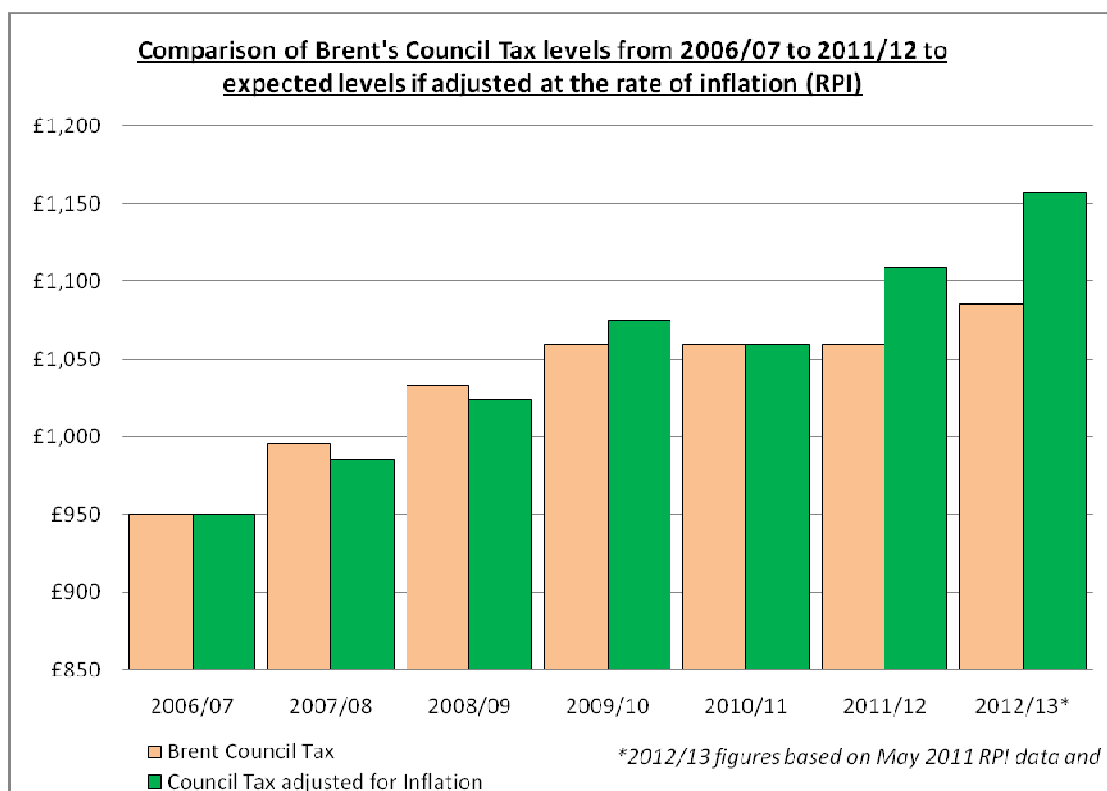
3.6 Council Tax

The Localism Bill provides for the introduction of referendums to veto excessive council tax increases. Each year the Secretary of State will determine a set of principles which will be used to decide whether council tax increases are excessive. Where an authority sets a budget that is deemed excessive it must make arrangements to hold a referendum by the first Thursday in May and also prepare an alternative budget. If the proposed excessive council tax increase is rejected the alternative budget will have effect.

At this stage there is no indication of the level of council tax increase that would be deemed excessive for 2012/13 or later years.

The chart below compares Brent's Council Tax Band D from 2006/07 to 2012/13 with the levels had Council Tax been increased by inflation each year. The Council Tax increase of 2.5% for 2012/13 is only included for illustrative purposes. The graph shows how initially council tax increases

were higher than inflation but that in recent years the cumulative effect of inflation has outstripped council tax increases.



3.7 Forecast General Fund Position 2012/13 to 2015/16

Appendix A sets out revised financial forecasts based on the latest available information. The following changed assumptions from the February forecast are included:

- Projections extended to 2015/16;
- Allowance for growth reduced from £6m per annum to £5m – pressures above this will need to be absorbed within service area budgets;
- Service area savings for 2012/13 relate fully to decisions taken as part of the 2011/12 budget process;
- inclusion of the latest savings forecasts relating to One Council programme;
- assumed stepped increase in employer's national insurance costs;
- increases in the rate of carbon tax over the medium term;
- increased forecast of resources from the New Homes Bonus
- Additional £2.239m added to reserves to take total to £12m.

3.8 On the above basis the overall reductions in net expenditure required to produce a balanced budget are set out in the table below.

Table 2: Updated Budget Gap

	2012/13 £m	2013/14 £m	2014/15 £m	2015/16 £m
Net additional savings required where council tax rise is:				
- 0% per annum	10.9	5.5	25.2	25.9
Cumulative	10.9	16.4	41.6	67.5
- 2.5% per annum	8.3	2.9	22.4	23.1
Cumulative	8.3	11.2	33.6	56.7
- 3.5% per annum	7.3	1.7	21.3	21.8
Cumulative	7.3	9.0	30.3	52.1

3.9 Capital Programme

Appendix B sets out current Capital Programme assumptions and the consequential impact on borrowing costs have been factored into the main financial forecasts.

Key work for the next two years includes the building of the Civic Centre with an estimated borrowing requirement of £53.868m and the schools programme of £24.522m over the two years, which is externally funded via Central Government Grant.

Clearly capital money is not free – it has a revenue impact and hence the strategy for future years will be to support programmes which are externally funded and those which deliver revenue savings equal to or greater than the debt costs. Conversely schemes requiring unsupported borrowing and which have net debt costs must be reduced to a minimum or eliminated.

3.10 Housing Revenue Account (HRA)

The HRA finance system will change from 1 April 2012 with the removal of the national subsidy scheme. Within Brent this will mean a one-off payment from the Government in return for no longer receiving annual subsidy payments.

The final details are still to be confirmed but this will have a significant impact on the long-term financial health of the HRA.

If the Council were to support the 'Optimised Almo' proposals contained in the recent Navigant review, this would improve the HRA position and may well have a beneficial impact on the General Fund

4.0 Proposed Budget Strategy and the One Council Programme

- 4.1 The Council's budgeting process has changed significantly to meet the challenges of delivering services with reducing resources. The One Council programme, along with a fundamental review of service provision across the Council have been the key drivers for delivering the savings required.
- 4.2 Over the next few years the delivery of the savings from the One Council programme will continue to be a vital ingredient of the Council's strategy of protecting front-line services whilst cutting costs.
- 4.3 In addition there are a number of emerging national and local issues for the Council to address over the next four years.
- 4.4 Appendix C shows emerging budget themes across the services of the Council. It is proposed that these will form the broad basis for budget reviews along with other areas identified by Directors and their DMTs:
- 4.5 In addition, other areas of focus will include:
- The impact of WLA and pan-London initiatives;
 - Areas no longer funded by specific grants (e.g. Sure Start) where it can be assumed that no service will be continued by the Council unless a business case can be made to justify their continuance along with identified funding;
 - A full review of grants to voluntary organisations
 - Benchmarking and review of all corporate functions and a pegging of costs within reasonable target ranges

4.6 Other Measures

Apart from the main projects within the One Council Programme there are a number of other actions that will need to be undertaken to help deliver a balanced and robust budget over the medium term.

- (i) Ensuring that each Service Area does not overspend its current year's budget and that where potential overspends are identified, virements to cover this are identified at the time.
- (ii) Ensuring that One Council savings are delivered as forecast and again, where slippage occurs, identifying compensating savings;
- (iii) All central items to be robustly controlled.
- (iv) "*Inescapable Growth*" to be minimised and funded from within existing budgets if at all possible.
- (v) Borrowing within the capital programme limited as a maximum to currently assumed levels and with priority given to funding from other sources.

- (vi) Engage in the Local Government Resource Review and lobby on areas affecting resources available to Brent
- (vii) Consider various options around levels of Council Tax.

5.0 Timetable

- 5.1 Appendix D sets out a draft outline timetable for the 2012/13 budget.

6.0 Financial Implications

- 6.1 These are contained in the body of the report. There are no direct costs or other direct financial implications arising from this report.

7.0 Legal Implications

- 7.1 A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular, local authorities are required by section 32 of the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. The Chief Financial Officer is required to report on the robustness of the proposed financial reserves.
- 7.2 Under the Brent Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer (the Director of Finance and Corporate Resources) and the Monitoring Officer (the Borough Solicitor). If the Council should fail to set a budget at all or fail to set a lawful budget, contrary to the advice of these two officers there may be a breach of the Code by individual members if it can be demonstrated that they have not had proper regard to the advice given.
- 7.3 In accordance with section 106 of the Local Government Finance Act 1992, where a payment of Council Tax that a member is liable to make has been outstanding for two months or more at the time of a meeting, the member must disclose the fact of their arrears (though they are not required to declare the amount) and cannot vote on any of the following matters if they are the subject of consideration at a meeting: (a) any decision relating to the administration or enforcement of Council Tax (b) any budget calculation required by the Local Government Finance Act 1992 underlying the setting of the Council Tax or (c) any recommendation, resolution or other decision which might affect the making of the Annual Budget calculation. These rules are extremely wide in scope so virtually any Council decision which has financial implications is one which might affect the making of the budget underlying the Council Tax for next year and thus is caught. The former DoE (now DCLG) shared this interpretation as it made clear in its letter to the AMA dated 28th May 1992. Members who make a declaration are not entitled to vote on the matter in question but are not prevented by the section from taking part in the discussion. Breach of the rules is a criminal offence under section 106 which attracts a maximum fine of £1,000.

8.0 Diversity Implications

- 8.1 Impact assessments will be carried out in advance of formulation of budget proposals.

9.0 Staffing Implications

- 9.1 None directly as a result of this report.

10.0 Background Information

- 10.1 Report to Full Council, 28 February 2011 – 2011/12 Budget and Council Tax.

11.0 Contact Officers

- 11.1 Clive Heaphy, Director of Finance and Corporate Services, Town Hall, Forty Lane, Wembley Middlesex HA9 9HD, Tel. 020 8937 1424.

CLIVE HEAPHY
Director of Finance and Corporate Services

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FINANCIAL FORECAST 2012/13 - 2015/16
July Estimate

Revised Financial Forecast 2012/13 - 2015/16					
	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000
<u>Service Area Budgets (SABs)</u>					
Children & Families	57,703	57,703	57,703	57,703	57,703
Environment and Neighbourhood Services	42,567	42,567	42,567	42,567	42,567
Adult Social Care	92,361	92,361	92,361	92,361	92,361
Regeneration & Major Projects	21,768	21,768	21,768	21,768	21,768
Corporate					
- Central Units	12,466	12,466	12,466	12,466	12,466
- Finance & Corporate Services	13,864	13,864	13,864	13,864	13,864
	240,729	240,729	240,729	240,729	240,729
<u>Savings</u>					
Identified Service Savings	0	(3,684)	(3,684)	(3,684)	(3,684)
Identified One Council Programme Savings	(31)	(10,620)	(18,850)	(21,350)	(21,350)
	(31)	(14,304)	(22,534)	(25,034)	(25,034)
<u>Cost Pressures for Service Areas</u>					
Cost Pressures	2,000	7,000	12,000	17,000	22,000
Inflation Provision	2,520	7,670	13,970	21,570	29,270
	4,520	14,670	25,970	38,570	51,270
<u>Other Budgets</u>					
Central Items	46,170	50,395	53,483	57,173	61,077
<u>Grants & Balances</u>					
Government Grants Unallocated	(23,414)	(24,155)	(24,155)	(24,155)	(24,155)
Council Tax Grant	(2,585)	(2,575)	(2,575)	(2,575)	0
Contribution to/(from) Balances	2,500	2,239	0	0	0
	22,671	25,904	26,753	30,443	36,922
Total Budget Requirement	267,889	266,999	270,918	284,708	303,887
Plus Deficit on the Collection Fund	1,006	0	0	0	0
Grand Total	268,895	266,999	270,918	284,708	303,887

FINANCIAL FORECAST 2012/13 - 2015/16
July Estimate

Revised Financial Forecast 2012/13 - 2015/16					
	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'000

Budget Gap at 0%, 2.5% and 3.5% Council Tax Increase

Reductions required if Council Tax increase is 0% in each year	(10,913)	(16,407)	(41,567)	(67,455)
Reductions required if Council Tax increase is 2.5% in each year	(8,333)	(11,165)	(33,586)	(56,652)
Reductions required if Council Tax increase is 3.5% in each year	(7,297)	(9,036)	(30,288)	(52,108)

Formula Grant	165,911	152,845	151,011	139,383	132,414
The Formula Grant has been calculated based upon best estimates within the Spending Review					

Council Tax Calculation for 2.5% increases

Brent Council Tax Requirement 97,252 in 2011/12, 97,495 in 2012/13 and assuming 0.25% increase for future years.	1,058.94	1,085.40	1,112.58	1,140.39	1,168.92
% Increase in Brent part of CT	0.0%	2.5%	2.5%	2.5%	2.5%

Balances

Balances Brought Forward	7,261	9,761	12,000	12,000	12,000
Underspends/(Overspends)	0	0	0	0	0
Contribution to/(Use of Balances)	2,500	2,239	0	0	0
Balances Carried Forward	9,761	12,000	12,000	12,000	12,000

ANALYSIS OF CENTRAL ITEMS 2011/12 -2015/16					
	2011/12 £'000	2012/13 £'000	2013/14 £'000	2014/15 £'000	2015/16 £'001
Coroners Courts	235	235	235	235	235
LGA	49	49	49	49	49
London Councils	179	170	170	170	170
LGIU Subscription	20	20	20	20	20
West London Alliance	30	30	30	30	30
Copyright Licensing	24	24	24	24	24
External Audit	474	474	474	474	474
Corporate Insurance	340	360	380	400	420
Capital Financing Charges	25,359	26,563	27,603	29,104	30,668
Levies	2,238	3,089	3,986	4,973	6,058
Premature Retirement Compensation	5,148	5,277	5,409	5,544	5,683
Remuneration Strategy	229	229	229	229	229
South Kilburn Development	900	1,500	1,500	1,500	1,500
Insurance Fund	1,800	1,800	1,800	1,800	1,800
Freedom Pass Scheme Growth	0	1,257	2,083	2,955	3,875
Affordable Housing PFI	1,159	1,188	1,217	1,248	1,280
Council Elections	100	100	100	100	100
Carbon Tax	432	576	720	864	1,008
New Homes Bonus	(1,250)	(2,085)	(2,085)	(2,085)	(2,085)
Regeneration	1,250	2,085	2,085	2,085	2,085
Redundancy and Restructuring Costs	6,354	6,354	6,354	6,354	6,354
Procurement Income	(480)	(480)	(480)	(480)	(480)
Schools Refurbishment	1,500	1,500	1,500	1,500	1,500
Other Items	80	80	80	80	80
TOTAL	46,170	50,395	53,483	57,173	61,077

SERVICE AREA: CHILDREN AND FAMILIES					
ANALYSIS OF SAVINGS					
Unit	Item	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Schools Traded Services and changing to the schools budget	Over the last three years C&F have reviewed charges to the schools budget rather than the general fund achieving £2.5m additional charges. Recent reviews have indicated that a further £1m can be charged mainly covering 3 children centres £860k. Further savings are still being reviewed for future years.	1,000			
Children's Centres	Savings are to be achieved through a restructuring of the children centre teams £550k and a review of centrally commissioned services £450k. A further £700k from Sure Start central expenditure and £255k from the development of a child based funding formula for ongoing allocations to centres. In addition a further £200k from not starting the Sudbury, Cricklewood and Kingsbury centre and £105k from various schools taking responsibility for all maintenance and revenue costs of buildings. Any potential costs still need to be identified	2,250	1,300		
Social Care Transformation	A number of areas have been identified for reducing costs foster placements, children in residential homes, semi independent living, payments for children that have been adopted and other arrangements as well as families without recourse to public funds and the Youth Offending Service	1,800			
Children's Social Care Restructuring	Savings will be achieved through further rationalisation of the fostering and adoption service including their panels. Income will be generated through the sale of approved adopters. A rationalisation of the safeguarding service through streamlining the child protection conference process including a reduced contribution to the LSCB. In addition there will be a reduction to commitments against the care matters grant with a cessation of the support to the Young Carers Centre, reductions in the Youth Offending Service and limited reductions in the Crisis Intervention Service and in unqualified staff in the localities social work teams.	1,300			
Children with Disabilities and SEN	Restructuring of short break provision (£190k), cease Easter holiday play schemes (£20k), implementation of new continuing care framework awarding additional financial responsibility on health services (£50k), reduction in SEN early years support (£63k). Decrease in core staffing for the Education Psychology Service and increased charging of non statutory services (£108k).	431	194		
School Improvement Service	Increase in charges for the Music Service (£50k) and £483k from reduction of consultancy support and post deletions within the School Improvement Service.	533	180		
Youth & Connexions	Restructuring and reduced service offering for the Youth Service including staff losses of £153k and impacting on the Dennis Jackson Centre (£36k), St Raphael Centre (£70k) and Wembley Centre (£101k). For Connexions staff savings of £34k with £80k reduction to PA delivery contracts and reduced careers guidance contract (£200k).	674	117		
Various	Ceasing a number of activities that had been funded via Area Based Grants that have ceased or had been part of ring-fenced grants for which the ring-fencing has been removed. These include: extended schools, School travel advisers, Choice Advisers, Sustainable Travel, extended rights for free travel, Positive Activities for Young people, Youth Opportunities Fund, Early Years Workforce, early years sustainability and Childrens Fund.	2,512			
Various	Savings in managerial, spans of control and operational activities as a result of waves 1 and 2 of the staffing and structure review	1,375	134		
Various	Savings from the standardisation of Outer London Weighting across officer and former manual grades.	167	68		
Various	Increased income generation mainly within Youth Services	27			
	TOTAL	12,069	1,993	0	0

SERVICE AREA: ENVIRONMENT AND NEIGHBOURHOOD SERVICES					
ANALYSIS OF SAVINGS					
Unit	Item	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Control Room/CCTV Room	Merge the two existing rooms, share staff, reduce management & supervisory resource, and reduce hours of operation.	280			
Environmental Health	To cease the programme of alley gating and area based environmental improvement.	251			
Festivals	Reduce the number of festivals to include Respect, Countryside Day, Diwali, Holocaust Memorial Day and Bonfire Night.	231			
Grounds maintenance	Reduce level of grass cuts, no London in Bloom entry and less winter bedding in 2011/12 only	100	(100)		
Highways	Reduction in Highways Maintenance Contract Expenditure - through reducing the volume of reactive maintenance.	200			
Highways	Restrict responsive highways maintenance to pothole and footway trips for 2011/12 only	100	(100)		
Highways	Renegotiate reduction in streetlighting contract.	100			
Parking	Controlled Parking Zones - cease work to introduce new, and review/adjust existing schemes.	240	60		
Parking	Improve Contractor performance from 0.87 PCN/hour to 1.22 PCN/hour and settle a favourable dispute on Parking Suspensions.	300			
Parks	To cease the static parks wardens service.	200			
Streetcare	Graffiti removal - reduce number of teams from 4 to 2.	162	54		
Parks	Delete playground inspector post.	20			
Review of Regulatory services	Review regulatory services creating business compliance and nuisance separation.	300			
Sports	Closure of Charters Sports Centre.	155	10		
Sports	Willersden Sports Centre - reduce contract price from agreement by reducing the excess profit payment clause.	75			
Sports	Vale Farm Leisure Centre - negotiated reduction in contract price following extension of contract.	33	47		
Streetcare	CCTV - deletion of consultants budget.	69			
Streetcare	Reconfigure work of StreetCare Support section – the saving to be achieved by merging the support functions that currently serve Environment & Protection through separate arrangements.	200			
Streetcare	Reduce number of gully teams from 3 to 2; reduce sign shop staff by one; close stores; delete the Deputy Manager post.	180			
Streetcare	Streetlighting Energy - reduced consumption through dynamic billing.	90			
Streetcare	Reduction in contract for Street Trees through reduction in planned maintenance (£50k) and tree planting (£25k) - only for 2011/12	75	(75)		
Streetcare	Reduce number of Waste Development Officers from 5 to 3 and cease Schools Education Programme.	85			
Streetcare	Reduce frequency of cleansing in residential (Zone 5) areas from twice per week to once per week.	350			
Streetcare	Move staff from 6 to 5 days a week to avoid redundancy costs on the Veolia contract by identifying ways of implementing the reduction of cleansing frequencies in residential areas from 3 times per week to twice per week.	100			
Streetcare	Additional savings on the waste and recycling contract.	600			
Streetcare	Negotiate the addition of gully cleansing and graffiti removal work to Veolia contract.	50			
Streetcare	Reduced contribution to West London Waste Authority levy.	700			
Streetcare	One Council projects in Streetcare	461			
Arts & Libraries	Reduce grant by 10% to Tricycle Theatre	20			
Arts & Libraries	Review of Libraries	408			
Various	Savings in managerial, spans of control and operational activities as a result of waves 1 and 2 of the staffing and structure review	1,726	183		
Various	Savings from the standardisation of Outer London Weighting across officer and former manual grades.	247	50		
Various	Increased income generation mainly from increased charges for parking permits, on and off street parking and moving traffic contraventions	2,658	(166)		
	TOTAL	10,766	(37)	0	0

SERVICE AREA: ADULT SOCIAL CARE					
ANALYSIS OF SAVINGS					
Unit	Item	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Adult Social Care Commissioning and Procurement	Transformation of service through redesign of services, improve services and commission alternative services which offer more choice and control to service users	4,120	412		
Mental Health	Community Networks - Delete operational and purchasing budgets for Kingsbury Manor, Harlesden resource Centre and John Wilson House and provide two specialist CDW posts that will work in Community services (employment,welfare and support teams) to signpost service users to private and voluntary resources.	880			
Mental Health	Community Services Employment/Welfare/Support Team - delete 4 vacant posts	120			
Mental Health	Spot Purchases - Reduce reliance on residential and nursing spot purchase placements through the adoption of a Placement Reduction Strategy. It is expected that after 3 years there will be no new cases of residential placements other an exceptional cases.	250			
Home Delivery Meals	Increase the take up of hot meals to day centres by 25,000.	121			
Transport Eligibility Criteria	To encourage independent travel to day care provision	127	43		
Grants	Review the support to the voluntary sector programme	249			
Taxicard Scheme	To withdraw from the scheme in 2012/13		221		
Brent Integrated Community Equipment Services	Reduce Brent's contribution to the joint LA/NHS budget through negotiating a lower percentage contribution 40% from 50%.	150			
Various	The impact of inflation on means tested contribution to the costs of residential and home care packages and a 7% increase in the charge for clients in bed and breakfast and group homes.	693			
Various	Savings in managerial, spans of control and operational activities as a result of waves 1 and 2 of the staffing and structure review	719	15		
Various	Savings from the standardisation of Outer London Weighting across officer and former manual grades.	220	108		
Learning Disability	Day Services for Learning Disabilities - To improve service outcomes and reduce costs through consolidating all current day centres into the purpose-built John Bilham Resource Centre and redesign the service model to support users to access services in the community more independently.	635	433		
Various	Personalisation - Customer Journey project will address a number of operational problems and significantly improve the end to end assessment process. This will cover all staff and client groups involved in the end to end customer journey in Learning Disability, Older People/Physical Disability and Hospital Discharge.	1,298	8		
TOTAL		9,582	1,240	0	0

SERVICE AREA: REGENERATION AND MAJOR PROJECTS					
ANALYSIS OF SAVINGS					
Unit	Item	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Regeneration & Major Projects	Departmental consolidation of non-managerial staff in planning/regeneration/housing teams, restructuring the business support functions and bringing forward the medium term facilities management solution.	182	100		
Regeneration	Reduce the capacity of the Brent In 2 Work service by the end of 2010/11. All inhouse ESOL related employment activities will be stopped and premises at 1 Olympic Way vacated. A new function will be set up which will focus on employment and education opportunities for the 'hardest to help' based around the new phases of the Wembley Development, South Kilburn and Civic Centre Projects. This is a one off saving from reserves built up from the Working Neighbourhood Fund	700	(700)		
Property	Property savings from within Chesterfield house and Cotterell House from flexible working	224			
Supporting People	Reduce providers contract price through negotiation and contract variations without significant impact on service users. This can be achieved through closing under utilised and unpopular shared houses or reducing the number supported through floating support. There will be reductions in central support. A framework contract for housing support services will be available under the WLA from November 2011.	1,200	600		
Housing Solutions/HRC	Implement lean service principles to back office staff	120			
Housing Solutions	Delete incentives for the procurement of private sector housing	193			
Housing Agencies	Decommission the Brent Community Law Centre (£226k) and the Brent Private Tenants Rights Group (£37k)	263			
Homeless Strategy	A review of the current spend to achieve the saving. Much of the spend is used to support front-line service delivery targeted at preventative work	200			
Housing Register	Development of a sub-regional system to replace the paper-based current system with an online application process	100	100		
Underoccupation Scheme	Reduce incentive payment to underoccupiers in social housing who accept a move to a smaller property from £4k to £1k.	200			
Private Housing Enforcement Team	Reduce the senior/specialist expert advice available to the team through reconfiguring the team.	56			
Traveller's Site	To increase rent charges for travellers site license fees, increased charges for empty property grant, disabled facilities and small works admin charge.	7			
Various	Savings in managerial, spans of control and operational activities as a result of waves 1 and 2 of the staffing and structure review	437	40		
Various	Savings from the standardisation of Outer London Weighting across officer and former manual grades.	100	20		
TOTAL		3,982	160	0	0

SERVICE AREA: CORPORATE UNITS					
ANALYSIS OF SAVINGS					
Unit	Item	2011/2012 £'000	2012/2013 £'000	2013/2014 £'000	2014/2015 £'000
Customer & Community Engagement	The Diversity team has lost funding for the Prevent Programme and will no longer be able to support this. The structure has been reviewed to provide a more focussed team.	143			
Customer & Community Engagement	Additional income from increased charges for advertising £14k and the Registration Service £23k.	37			
Legal & Procurement	Savings from deletion of the Liberal Democrat Researcher post, regarding of Labour Group Office Manager to Political Assistant, training savings and additional external income.	100			
Strategy, Performance & Improvement	There are 5 policy, partnership and performance teams across the Authority. The teams provide support to units on performance management, analysis of performance and reporting of data. There are also a number of specialist services such as GIS team, statutory schools data and evidence base provision within the function. There are also a number of non policy functions such as Welsh Harp Education, Land Charges and Property Database. Savings will be achieved through the review of the Welsh Harp Centre with options being explored with schools for this work and the restructuring of the policy teams with the loss of 12 posts.	500			
Finance & Corporate Services	Successful retendering of the Revenue & Benefits IT Contract	1,200			
Finance & Corporate Services	Finance modernisation project involving the centralisation of Finance and creation of a Finance Service Centre, a business partnering model and the implementation of a single accounting system.	1,105			
Various	Savings in managerial, spans of control and operational activities as a result of waves 1 and 2 of the staffing and structure review	1,990	254		
Various	Savings from the standardisation of Outer London Weighting across officer and former manual grades.	242	74		
TOTAL		5,317	328	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
RESOURCES: GENERAL FUND				
Capital Grants and other contributions				
Government Grant - SCE (C)	(11,632)	(11,630)	(11,630)	(11,630)
Primary Capital Programme	(3,620)	0	0	0
Basic Need Grant - Additional Primary Places	(11,790)	0	0	0
Devolved Formula Capital	(631)	(631)	(631)	(631)
Other External Grant	(22,022)	(7,463)	(5,680)	(5,680)
Capital Receipts in Year - Right to Buy Properties	(500)	(600)	(600)	(600)
Corporate Property Disposals	(3,585)	(3,630)	(3,630)	(3,630)
Other Receipts	(12,027)	(5,365)	(369)	(200)
Additional Contributions	(55)	0	0	0
S106 Funding	(8,401)	(11,523)	(16,364)	(7,940)
Borrowing				
Unsupported Borrowing	(6,076)	(5,541)	(5,526)	(3,730)
Unsupported Borrowing (Self Funded)	(47,656)	(36,652)	(17,616)	(200)
Invest to Save Schemes				
External Grant Funding	(50)	(50)	(50)	(50)
Total Resources	(128,045)	(83,085)	(62,096)	(34,291)
EXPENDITURE: GENERAL FUND				
Regeneration and Major Projects				
<u>Civic Centre</u>				
Civic Centre	47,456	36,452	17,416	0
<u>Children and Families</u>				
School Schemes	36,478	11,630	11,630	11,630
Myplace Grant (Big Lottery Fund) - Roundwood Youth Centre	1,244	0	0	0
<u>Housing Schemes</u>				
PSRSG and DFG council	4,780	4,780	4,780	4,780
New Units	100	0	0	0
<u>Corporate</u>				
Property Schemes	610	610	610	610
Strategy, Partnerships & Improvement Schemes	16,872	6,290	169	0
S106 Works	8,401	11,523	16,364	7,940
Total Regeneration and Major Projects	115,941	71,285	50,969	24,960
Children and Families				
Devolved Formula Capital	631	631	631	631
Total Children & Families	631	631	631	631
Environment & Neighbourhoods				
TfL Grant Funded Schemes	4,000	4,000	4,000	4,000
Leisure & Sports Schemes	535	535	535	535
Highways Schemes	2,920	2,920	3,550	3,550
Parks & Cemeteries Schemes	85	80	165	165
Total Environment & Neighbourhoods	7,540	7,535	8,250	8,250
Housing & Community Care: Adults				
Ringfenced Grant Notifications for Adult Care	1,102	658	0	0
Total Housing & Community Care: Adults	1,102	658	0	0
Corporate				
ICT Schemes	400	400	400	400
Central Items	2,431	2,576	1,846	50
Total Corporate	2,831	2,976	2,246	450
Total Service Expenditure	128,045	83,085	62,096	34,291
Surplus carried forward	0	0	0	0
Deficit to be funded	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

Housing Revenue Account

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
RESOURCES: HOUSING REVENUE ACCOUNT				
Supported Borrowing				
Major Repairs Reserve	(7,000)	(7,000)	(7,000)	(7,000)
Contributions	(1,684)	(1,684)	(1,684)	(1,684)
Unsupported Borrowing	(600)	(600)	(600)	(600)
Total Resources	(9,284)	(9,284)	(9,284)	(9,284)
EXPENDITURE: HOUSING REVENUE ACCOUNT				
Housing Revenue Account				
ALMO	600	600	600	600
Individual Schemes	8,684	8,684	8,684	8,684
Total Expenditure	9,284	9,284	9,284	9,284
(Surplus)/Deficit	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

Summary of Position

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £001	Capital Programme £001
RESOURCES				
General Fund	(128,045)	(83,085)	(62,096)	(34,291)
Housing Revenue Account	(9,284)	(9,284)	(9,284)	(9,284)
Total Resources	(137,329)	(92,369)	(71,380)	(43,575)
EXPENDITURE:				
General Fund	128,045	83,085	62,096	34,291
Housing Revenue Account	9,284	9,284	9,284	9,284
Total Expenditure	137,329	92,369	71,380	43,575
Surplus carried forward	0	0	0	0
Deficit (to be funded)	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund - Regeneration and Major Projects

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Civic Centre				
Civic Centre (Self Funded)	47,456	36,452	17,416	0
Total Capital Programme	47,456	36,452	17,416	0
Funding				
Unsupported Borrowing (Self Funded)				
Civic Centre	(47,456)	(36,452)	(17,416)	0
Total Funding	(47,456)	(36,452)	(17,416)	0
Funding Gap	0	0	0	0
Children and Families Schemes				
Myplace Grant (Big Lottery Fund) - Roundwood Youth Centre	1,244	0	0	0
Total direct funded schemes	1,244	0	0	0
Access Initiatives	451	451	451	451
Targeted Capital Fund Grant (TCF)				
Additional TCF Funding (14-19 diplomas, Special Educational Needs and disabilities)	7,213	0	0	0
Targeted Capital Fund Grant	7,213	0	0	0
Individual School Schemes				
Ark Academy (Additional DCSF Funding)	1,300	0	0	0
Alpertown School Underpinning	2	0	0	0
Wembley Manor Re-build and Expansion	373	0	0	0
John Kelly (Crest Academies) - Environmental Improvement Government Grant	301	0	0	0
Wykeham School	81	0	0	0
Oliver Goldsmith	109	0	0	0
Individual School Schemes	2,166	0	0	0
Asset Management Plan:				
Health & Safety	0	50	50	50
Asset Management Plan Works	798	197	197	197
Asset Management Plan Schemes	798	247	247	247
New Opportunities Fund Works				
St Mary's CoFE - multi use games area	80	0	0	0
Claremont High - pitch drainage	35	0	0	0
Queens Park Community - fitness suite	78	0	0	0
Commitments carried forward from previous years	0	0	0	0
New Opportunities Fund Works	193	0	0	0
Primary Capital Programme (PCP grant) + BNSV				
Sudbury School (PCP)	2,488	0	0	0
Wembley High Primary School (PCP)	1,132	0	0	0
Park Lane (BNSV)	1,400	0	0	0
Brentfield (BNSV)	2,343	0	0	0
Newfield (BNSV)	2,486	0	0	0
Preston Manor (BNSV)	5,561	0	0	0
Primary Capital Programme (PCP grant)	15,410	0	0	0
Expansion of Secondary/Primary School Places				
Park Lane Expansion (Main Programme contribution to BNSV scheme)	1,000	0	0	0
Brentfield (contribution to BNSV scheme)	647	0	0	0
Newfield (contribution to BNSV scheme)	682	0	0	0
Preston Manor (contribution to BNSV scheme)	1,300	0	0	0
Provision for school expansion (inc previous hut replacement allocation)	2,876	4,590	4,590	4,590
Expansion of Secondary/Primary School Places	6,505	4,590	4,590	4,590
Commitments carried forward from previous years (Newfield School Hygiene Room)	10	0	0	0
Special Educational Needs Schemes	10	0	0	0
Contingency for final accounts	200	200	200	200
Surplus Capital Grant not yet Allocated to Schemes	3,532	6,142	6,142	6,142
Total Children and Families Schemes	37,722	11,630	11,630	11,630
Funding				
Grant				
Central Government - SCE (C) (Modernisation Allocation)	(2)	0	0	0
Central Government Grant (per 2010 Settlement) - Basic Need	(7,411)	(7,411)	(7,411)	(7,411)
Central Government Grant (per 2010 Settlement) - Capital Maintenance for LA schools	(4,219)	(4,219)	(4,219)	(4,219)
Primary Capital Programme	(3,620)	0	0	0
Basic Need Safety Valve Grant - Additional Primary Places	(11,790)	0	0	0
Ark Academy (Additional DCSF Funding)	(1,300)	0	0	0
John Kelly (Crest Academies) - Environmental Improvement Government Grant	(301)	0	0	0
Myplace Grant (Big Lottery Fund) - Roundwood Youth Centre	(1,244)	0	0	0
Targeted Capital Funding (TCF) (Education)				
Additional TCF Funding (14-19 diplomas, Special Educational Needs and disabilities)	(7,213)	0	0	0
New Opportunities Fund Expenditure	(187)	0	0	0
Capital Receipts				
Capital Receipts in Year - Corporate Property Disposals	(185)	0	0	0
Unsupported Borrowing - General Fund				
Individual School Schemes (inc NOF works funding shortfall £4k)	(184)	0	0	0
Asset Management Plan Schemes	0	0	0	0
Hut Replacement Programme Schemes	0	0	0	0
Expansion of Secondary/Primary School Places	(56)	0	0	0
Special Educational Needs Schemes	(10)	0	0	0
Sudbury Primary School PCP Scheme	0	0	0	0
Contingency	0	0	0	0
Total Children and Families Funding	(37,722)	(11,630)	(11,630)	(11,630)
Funding Gap	0	0	0	0

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Housing Schemes				
Private Sector Renewal Support Grant and Disabled Facilities Grant council	4,780	4,780	4,780	4,780
New Units	100	0	0	0
Total Housing Capital Programme	4,880	4,780	4,780	4,780
Funding				
Grant				
Disabled Facilities Grant	(1,680)	(1,680)	(1,680)	(1,680)
Capital Receipts				
Capital Receipts in Year - Right to Buy Properties	(500)	(600)	(600)	(600)
Former LRB/Ex-GLC Properties	(200)	(200)	(200)	(200)
Corporate Property Disposals	(2,400)	(2,200)	(1,630)	(1,630)
Unsupported Borrowing - General Fund				
Private Sector Renewal Support Grant and Disabled Facilities Grant council	0	(100)	(670)	(670)
New Units	(100)	0	0	0
Total Housing Funding	(4,880)	(4,780)	(4,780)	(4,780)
Funding Gap	0	0	0	0
Property Schemes				
Project Management - to provide additional resources to Service Areas	200	200	200	200
Carbon Reduction Measures (to include Salix match funding) - Self Funded	200	200	200	200
Asbestos Surveys	30	30	30	30
Inspections of Non-Housing Property	80	80	80	80
Combined Property and ICT Initiatives	100	100	100	100
Total Property Schemes	610	610	610	610
Funding				
Unsupported Borrowing - General Fund				
Project Management - to provide additional resources to Service Areas	(200)	(200)	(200)	(200)
Asbestos Surveys	(30)	(30)	(30)	(30)
Inspections of Non-Housing Property	(80)	(80)	(80)	(80)
Combined Property and ICT Initiatives	(100)	(100)	(100)	(100)
Unsupported Borrowing (Self Funded)				
Carbon Reduction Measures (to include Salix match funding)	(200)	(200)	(200)	(200)
Total Property Funding	(610)	(610)	(610)	(610)
Funding Gap	0	0	0	0
Strategy, Partnerships & Improvement Schemes				
South Kilburn Regeneration Project	15,507	6,290	169	0
The Growth Fund - Programme of Development	1,365	0	0	0
Total Strategy, Partnership & Improvement Schemes	16,872	6,290	169	0
Funding				
Grant				
The Growth Fund	(1,365)	0	0	0
The Growth Fund - Contribution to South Kilburn Regeneration	(3,630)	(1,125)	0	0
Capital Receipts				
South Kilburn Regeneration Earmarked Land Receipts	(11,827)	(5,165)	(169)	0
Contributions				
South Kilburn Trust Contribution to Regeneration Project	(50)	0	0	0
Total Strategy, Partnerships & Improvement Funding	(16,872)	(6,290)	(169)	0
Funding Gap	0	0	0	0
S106 Funded Works				
Environmental Health	102	121	140	100
Landscape & Design	277	414	552	200
Public Art	73	107	141	100
Parks	483	583	682	500
Planning	271	406	542	300
Street Care	96	64	32	100
Sports	231	342	453	200
Sustainable Strategy	10	13	15	10
Transportation	2,699	4,033	5,367	3,000
Education	3,473	4,738	7,583	3,000
Housing	402	386	509	200
Brent into Work	249	264	279	200
General	35	52	69	30
Total S106 Funded Works	8,401	11,523	16,364	7,940
Funding				
S106				
Children and Families S106 Funding - General	(3,473)	(4,738)	(7,583)	(3,000)
Environment and Culture S106 Funding	(4,277)	(6,135)	(7,993)	(4,540)
Housing and Community Care: Housing S106 Funding	(402)	(386)	(509)	(200)
Corporate: Brent into Work S106 Funding	(249)	(264)	(279)	(200)
Total S106 Funding	(8,401)	(11,523)	(16,364)	(7,940)
Funding Gap	0	0	0	0
TOTAL REGENERATION & MAJOR PROJECTS CAPITAL PROGRAMME	115,941	71,285	50,969	24,960
TOTAL REGENERATION & MAJOR PROJECTS CAPITAL FUNDING	(115,941)	(71,285)	(50,969)	(24,960)
TOTAL REGENERATION & MAJOR PROJECTS FUNDING GAP	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund - Children and Families Capital Programme

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Expenditure				
Devolved Capital	631	631	631	631
Total Children & Families Forecast Capital Programme	631	631	631	631
Funding				
Grant				
Devolved Formula Capital	(631)	(631)	(631)	(631)
Total Children & Families Funding	(631)	(631)	(631)	(631)
Funding Gap	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund - Environment & Neighbourhoods Capital Programme

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Transport for London Grant Funded Schemes	4,000	4,000	4,000	4,000
Environment Programme Works				
Pavements and Roads	2,895	2,895	3,500	3,500
Streetscene/Street Trees	25	25	50	50
<u>Parks & Cemeteries:</u>				
Parks Infrastructure	70	70	145	145
Cemetery and Mortuary Service	10	10	20	20
Burial Vaults at Willesden New Cemetery (Self Funded)	5	0	0	0
<u>Leisure & Sports</u>				
Delivering the Sports Strategy	535	535	535	535
Total Environment Scheme Capital Programme	3,540	3,535	4,250	4,250
Total Environment & Neighbourhoods Capital Programme	7,540	7,535	8,250	8,250
Funding				
Grant				
TFL Grant Income (Borough Spending Plan)	(4,000)	(4,000)	(4,000)	(4,000)
Contributions				
Cemetery Improvements (funded from donation)	(5)	0	0	0
Capital Receipts				
Capital Receipts in Year - Corporate Property Disposals	(1,000)	(1,430)	(2,000)	(2,000)
Unsupported Borrowing - General Fund				
Highways Schemes	(1,920)	(1,490)	(1,550)	(1,550)
Parks	(70)	(70)	(145)	(145)
Cemeteries	(10)	(10)	(20)	(20)
Leisure & Sports	(535)	(535)	(535)	(535)
Total Environment Funding	(7,540)	(7,535)	(8,250)	(8,250)
Funding Gap	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund - Housing and Community Care: Adults Capital Programme

Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Additional Grant Notifications (Ringfenced):				
Campus Reprovision Programme (PCT Grant Funded)	450	0	0	0
Surplus Capital Grant not yet Allocated to Schemes	652	658	0	0
Total Housing & Community Care: Adults	1,102	658	0	0
Funding				
Grant				
PCT Learning Disabilities Grant	(450)	0	0	0
Adults PSS Grant	(652)	(658)	0	0
Total Adults Funding	(1,102)	(658)	0	0
Funding Gap	0	0	0	0

CAPITAL PROGRAMME 2011/12 TO 2014/15

Housing Revenue Account - Housing Capital Programme

Programme Details	2010/11	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
Disabled Facilities Works (Unsupported Borrowing)	600	600	600	600
Major Repairs Allowance Works	7,000	7,000	7,000	7,000
Main Programme RCCO (HRA)	1,684	1,684	1,684	1,684
Total Housing Capital Programme	9,284	9,284	9,284	9,284
Funding				
Contributions				
Main Programme Revenue Contribution to Capital Outlay (RCCO) (HRA)	(1,684)	(1,684)	(1,684)	(1,684)
Major Repairs Reserve	(7,000)	(7,000)	(7,000)	(7,000)
Unsupported Borrowing - Housing Revenue Account:				
Disabled Facilities Works	(600)	(600)	(600)	(600)
Total Housing HRA Funding	(9,284)	(9,284)	(9,284)	(9,284)
Funding Gap	0	0	0	0

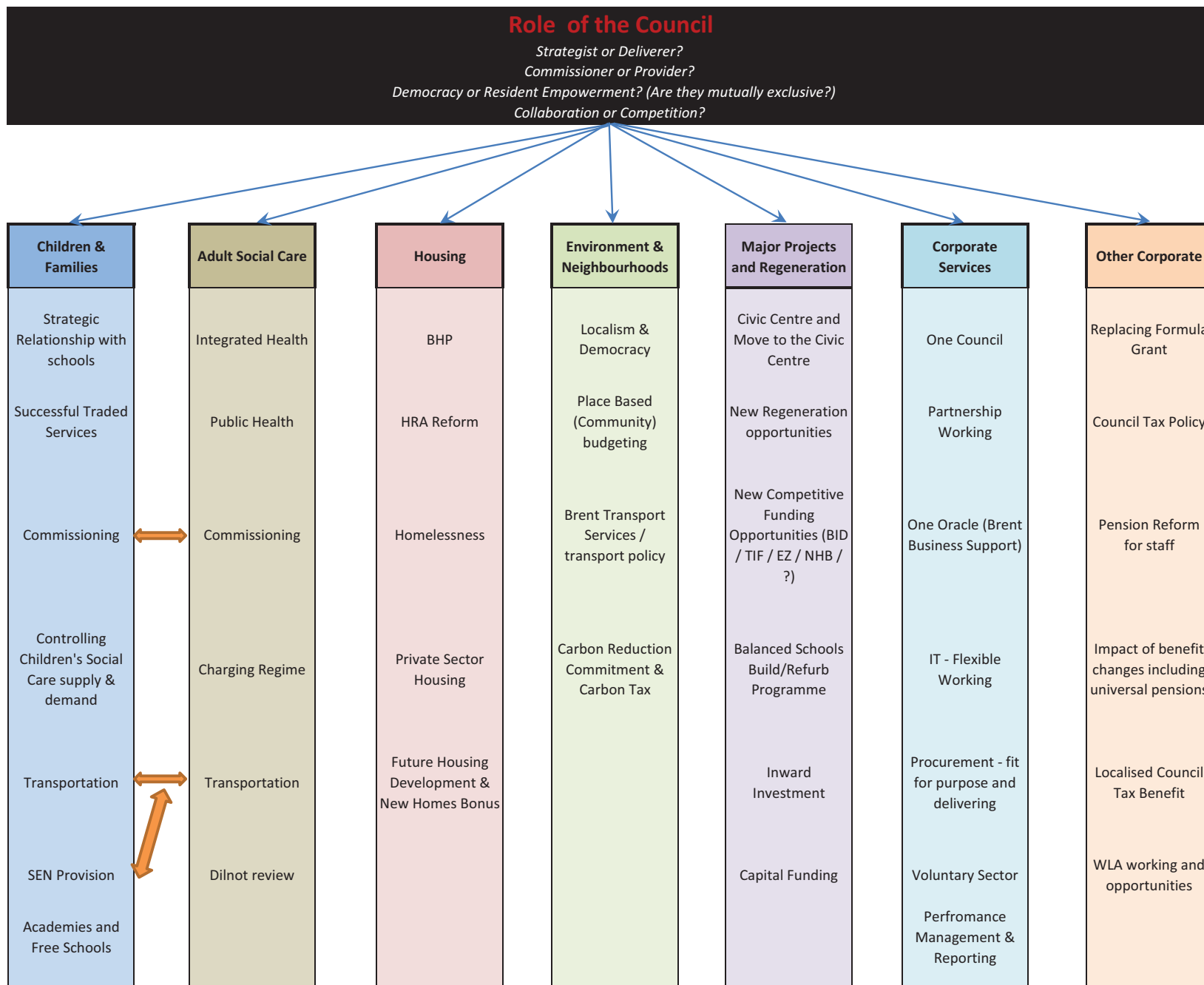
CAPITAL PROGRAMME 2011/12 TO 2014/15

General Fund - Corporate Capital Programme


Programme Details	2011/12	2012/13	2013/14	2014/15
	Capital Programme £000	Capital Programme £000	Capital Programme £000	Capital Programme £000
ICT Schemes				
Combined Property and ICT Initiatives (To be used on Sharepoint Initiative in 2010/11)	400	400	400	400
Total ICT Schemes	400	400	400	400
Central Items				
Carbon Trust Works	50	50	50	50
Total Central Items	50	50	50	50
Forecast Levels of Slippage in Year	2,381	2,526	1,796	0
Total Finance & Corporate Services Capital Programme	2,831	2,976	2,246	450
Funding				
Grant				
Salix Grant Funding (Carbon Trust Works)	(50)	(50)	(50)	(50)
Unsupported Borrowing - General Fund				
Combined Property and ICT Initiatives	(400)	(400)	(400)	(400)
Forecast Levels of Slippage in Year	(2,381)	(2,526)	(1,796)	0
Total Housing HRA Funding	(2,831)	(2,976)	(2,246)	(450)
Funding Gap	0	0	0	0

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2012/13 - Budget Strategy for July Awayday



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	<p style="text-align: center;">Executive 18 July 2011</p> <p style="text-align: center;">Report from Director of Customer and Community Engagement</p>
Wards affected: All	
Future funding of an events programme	

1.0 Summary

1.1 This report outlines:

- the overarching priorities underpinning the future delivery of a programme of activities that are inclusive to all which have been developed following recent consultation.
- options for the council's funding for the delivery of a programme of activities for the borough within the current financial constraints. This report takes into consideration feedback from the council's recent consultation (Appendix 2a and 2b) on the council's Arts and Festivals offer as well as feedback and monitoring gathered over a number of years (Appendix 3) and London Boroughs events comparison (Appendix 4).

2.0 Recommendations

That Executive:

- 2.1 approves Option 3 (outlined at 6.5). This will deliver a reduced events programme with no cultural or faith-related events from 1 April 2012.
- 2.2 endorses the commitment to providing advice and support for local community groups to stage a broad range of celebratory events.
- 2.3 notes the priorities underpinning any future delivery of an inclusive events programme.

3.0 Detail

- 3.1 There is a clear commitment to the development of an improved arts and culture offer in Brent and a strategic context for change outlined in the council's Corporate Borough Plan, Brent – Our Future 2010-2014 and Brent's Cultural Strategy 2010-

2015. Brent is a key partner within the Brent Culture, Sports and Learning Forum which developed Brent's Cultural Strategy adopted by the council in 2010.

The Cultural Strategy acknowledges that Brent has a key leadership role in developing partnerships among cultural providers to ensure the best possible opportunities flourish within the borough. There is a clear commitment to supporting local community groups, advising them on how to stage and deliver their own events, encouraging local ownership while ensuring safe delivery.

3.2 A clear strategy for an inclusive events programme in Brent is overdue and required. There are a number of increasingly urgent reasons for clarity and direction, namely:

3.2.1 Public sector funding cuts and the need for the council to make savings.

3.2.2 Reorganisation of both the arts and festivals teams to reflect agreed strategic priorities and to support Brent's cultural offer outlined in Brent's Cultural Strategy.

3.2.3 The imbalance of resource invested into specific festivals as the programme has developed in an 'ad hoc' way.

3.2.4 The need for clear outcomes from grant funded organisations.

3.2.5 Imbalance of spend and cultural emphasis in the festivals programme.

3.2.6 Fragmented approach to events delivery across the council.

3.2.7 Brent Council has traditionally delivered far more events and festivals than the majority of other local authorities.

4. **Overarching priorities for a future inclusive events programme**

4.1 The attached priorities (Appendix 1) have been written to align with the principles of Brent's Cultural Strategy 2010-2015.

4.2 The council's four priorities have been produced to ensure activities and opportunities are planned and developed in an agreed and coordinated way within Brent, rather than accepting the historical ad hoc list of festivals currently delivered as being the appropriate programme for the borough.

4.3 It recognises the vital role the council plays in community leadership in the encouragement, development and empowerment of local community groups and increasing community cohesion.

4.4 **2012 Olympics**

It is anticipated these priorities will underpin an inclusive programme of events for the next four years which recognises the significance of the 2012 Olympic and Paralympic Games and identifies that the period leading up to the Games and after will be the dominant cultural event for the whole of London in the next 12 months. With Brent hosting events in two Olympic venues – football at Wembley Stadium, badminton and rhythmic gymnastics at Wembley Arena – the delivery model for activities during this period is likely to be heavily influenced by the Games.

4.5 **New Civic Centre/Cultural Hub in Willesden**

Any future programme of events will also acknowledge the impact of the new Civic Centre from the summer of 2013. The position of the Civic Centre, opposite Arena Square, provides opportunities to host a range of cultural events. The building will have significant quality public areas within which to host activities including halls, a garden, foyer and gallery areas. The council is keen to maximise the use of the building for community and income generation purposes and will develop a Calendar of Events to ensure this is achieved. The Calendar will include a wide range of activities to reflect the diversity of the borough, promote arts and culture and celebrate key Brent community events. In addition the council is proposing to develop a new cultural hub in Willesden.

5.0 **Consultation and monitoring**

- 5.1 The recommendations within this report have been developed in consultation with internal and external partners and stakeholders over a sustained period of time. It builds on the extensive participation that developed the Culture Sport and Learning Forum's Cultural Strategy during 2010.
- 5.2 The most recent consultation took place from 7 March to 26 April 2011. The results can be found in Appendix 2a and 2b. The consultation included an online consultation document, a paper consultation and presentations at Brent's Multi-faith Forum and Brent's Culture, Sports and Learning Forum. There were 202 responses to the online and paper consultation plus nine emails, one letter and feedback from the Environmental Projects and Policy Team.
- 5.3 The consultation document sets out the council's proposed eight priority areas of work, four for Arts and four for Festivals, and asked: if they were the right priorities; were they of equal importance; and to rate them in preference of importance. It also asked if there were other areas of work not covered in the identified priorities and there was a final open question asking if there was anything additional to add.
- 5.4 Other relevant consultations and feedback have taken place over the past few years which have also informed the proposed options. These include a period of public consultation in 2008 for stakeholders to comment on the festivals programme (Appendix 5); a mapping exercise of current provision took place in 2009 (Appendix 6); consultation on the Cultural Strategy took place in 2010; and London Borough events comparison (appendix 4).
- 5.5 The priorities consulted on for the delivery of a festivals programme were:
- An all encompassing approach that promotes festivals and events which are inclusive of all Brent's communities
 - Promoting events that act as a community showcase creating vibrant public spaces which attract visitors to the borough
 - Promoting a business development approach to festivals and events which secure additional funding and sponsorship
 - Promote best practice jointly between the council and external event organisers to ensure we deliver safe and well organised events.
- 5.6 The response percentages to the questions were:
- Are they the right priorities?

- 53% agreed, 46 % disagreed
- Are they equally important?
 - 70% disagreed, 30% agreed

- 5.7 Two online petitions were also set up by interested parties. These were:
- Petition to retain support to the St Patrick's Day Parade – 110 signatures (Appendix 9).
 - Petition to continue funding the Navratri festival – 281 signatures (Appendix 10).

A paper petition was also received:

- Save Navratri Petition – We oppose Brent Council cutting funding for the Navratri celebrations and call for it to be restored – approximately 5,000 signatures.

- 5.8 The consultation provided an opportunity for feedback on the current and future provision for events/festivals. The full results are attached as Appendix 2a and 2b. Respondents identified the two preferred priorities as an all encompassing approach that was inclusive of all Brent's communities and promoting events that act as a community showcase creating vibrant public spaces. In general, there was recognition of the need to save money while still delivering activities for Brent's diverse communities. There was support for specific cultural or faith activities but overall the consensus was to deliver activities that were not faith-based but rather brought Brent's communities together in a celebration.

6.0 Options for a future inclusive programme of events

- 6.1 The options have been developed with consideration to the need to make savings on the current levels of spend, the results of all consultation over a sustained period of time, and to meet the needs of Brent's diverse communities in an equitable way. Depending on the option chosen an action plan would need to be developed to ensure delivery.

- 6.2 The four priorities for the Events and Marketing Team are:

- **An all encompassing approach**
Promoting festivals and events which are inclusive of all Brent's communities. Festivals and events are a great driver for promoting a sense of belonging and unit in local communities. The event programme aims to produce cultural events that are inclusive to all Brent's diverse residents.
- **Promoting best practice**
To ensure that Brent delivers safe events officers will work with and assist external event organisers. To promote the current online guidance which provides clear, up-to-date guidance on all the necessary steps for delivering an outdoor event, ensuring the guidance is maintained and accessible to all event organisers.
- **Events that act as a community showcase**
Promoting events that create vibrant public spaces which attract visitors to the borough. Events create opportunities that showcase areas that are not typically tourist destinations, while participation in events can broaden horizons, realise aspirations, improve education attainment and contribute to health through feelings of self-worth and wellbeing.

- **Promoting a business development approach**

Activity will be developed to secure additional funding and sponsorship. Using the programme of activities there is an opportunity to create a business plan for festivals and events with the aim to increase earnings from sponsorship to support limited budgets.

6.3 **Option 1**

Continue with the current programme of events and festivals

It would not allow for the savings identified to be made which would result in savings needing to be identified from other areas. Also the level of activity is increasingly unsustainable and inappropriate given the pressures on the council's budget and the changing demographic of the borough. The consultation identified that there was no appetite for maintaining the status quo and also recognition that savings were necessary.

6.4 **Option 2**

Deliver the reduced list previously proposed and consulted on

This would involve stopping all festivals apart from Respect, Countryside Day, Diwali, Holocaust Memorial Day and fireworks night. It is proposed that the funding to Diwali is reduced by £25,000 and the Navratri grant is ceased. This would bring a saving in the first year of £231,000.

This option would allow for already identified savings to be achieved. It does allow for scope to review Respect and Countryside Day to more closely reflect the requirements for Brent's diverse communities. But, by keeping a clearly faith focused event such as Diwali, it could lead to claims of unfairness or lack of access to resources to newer communities. This point was also identified in the consultation feedback and could potentially have a negative impact on Brent's reputation.

6.5 **Option 3**

Cease delivery of any faith-based events and deliver a reduced programme

Deliver one Brent Celebrates event (which is anticipated to be an event attracting up to 30,000 people) and continue to provide fireworks night and Holocaust Memorial Day. The council would also work with others in the community, to provide advice and guidance to resident groups to promote festivals and events they may identify.

This would mean the council ceasing its current events for Chanukah, St Patrick's Day, Eid, Diwali, Christmas, St George's Day, LGBT Month, International Women's Day. It would also no longer fund Navratri or the Christmas/festive lights.

This option would enable the council to build on the support already provided to a number of events, festivals and activities delivered by community groups which is currently working well. This would meet the requirements identified in the Brent Cultural Strategy 2010-2015 of providing a key leadership role in developing partnerships with cultural providers. This support could include advice and, where appropriate, training. Savings of approximately £270,000 would be achieved in the first year. The consultation feedback does not oppose this option and does support festivals and activities that bring all communities together.

This is the recommended option.

6.6 **Option 4**

All festivals are ceased and the festival team is disbanded

This is the second option recently consulted on and would result in £508,000 savings in the first year less redundancy costs.

The recent consultation has shown that this is not a preferred option. While respondents recognised that there is a requirement to making savings it is not accepted that this should be at the cost of ceasing all activity. Most identify they would like to see some form of festival/event activity but that it should move away from any 'religious' attachment. This option would also not meet with the agreed requirements of the Brent Cultural Strategy 2010-2015 in providing a key leadership role in developing partnerships among cultural providers and supporting/advising on delivery of community owned events. It does not enable the council to exercise its power to provide (or arrange for the provision of) entertainment, the development and improvement of the knowledge, understanding and practice of the arts, and otherwise attract visitors to the area for recreation, etc under S144 and 145 of the Local Government Act 1972. It would also have a significant detrimental impact on support for activities for 2012 and support for activities at the Civic Centre when open.

- 6.7 It should be noted that the council is not proposing stopping the celebration of any specific dates or events. It would positively encourage these taking place – they would need to be community-led.
- 6.8 For future delivery of an inclusive programme of events it is suggested that the newly formed Events and Marketing Team in Customer and Community Engagement lead on the programme with identified cross-council support from relevant services areas as required. These would include parks, health safety and licensing, libraries arts and heritage and others as required.

7.0 Festivals/Events/Activities for 2011/2012

- 7.1 No major events have been programmed in for this financial year as this would have pre-empted the Council Executive's decision. If the Executive decides to continue providing a festivals/events programme it is proposed that this is regarded as a transition year with a new inclusive programme being developed from next year.
- 7.2 There is insufficient time to programme any large scale events this year, in particular Respect, Countryside Day and Diwali. With the recruitment of specialist staff having been on hold pending the outcome of this report the planning activity necessary to ensure the safe delivery of these events has not taken place. This has not allowed for work to take place within communities and schools to ensure activities are in place to deliver 'on the day'.
- 7.3 There is an opportunity to deliver a reduced programme of activities for the current financial year but these would have to take place within the reduced budget available.
- 7.4 As part of this reduced programme a Festival of Light and Firework Display could be delivered on 5 November, a free activity open to all to attend, which would bring together the finale of Diwali and Fireworks Night.

8.0 Financial Implications

- 8.1 Options 2 and 3 reduces the current provision resulting in a saving of £231,000 and £275,000 respectively, assuming the savings are taken at the start of financial year 2011/2012.

- 8.2 Option 1 would not realise any savings which would require additional savings to be identified in service areas.
- 8.3 Option 4 would see a saving of £508,000 but redundancy costs and salaries paid would need to be taken into account for 2011/2012. The full year saving would be in effect from 2012/2013.

9.0 Legal Implications

- 9.1 While there is no duty on the council to provide arts or events activities, the Local Authority has a power to provide (or arrange for the provision of) entertainment, the development and improvement of the knowledge, understanding and practice of the arts, and otherwise attract visitors to the area for recreation etc under S144 and 145 of the Local Government Act 1972.

10.0 Diversity/Equality Implications

- 10.1 An Equality Impact Assessment has been conducted and audit carried out. It is attached as appendix 7.
- 10.2 Section 149 in Chapter 1 of Part XI of the Equality Act 2010 is the new public sector equality duty which came into force on 5 April 2011. Attached as appendix 8 is a full explanation of the duty which members need to consider. Broadly speaking Section 149 extends the scope of the duty to all 'protected characteristics' as defined in section 4 of the Act except marriage and civic partnership.
- 10.3 The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; race; religion and belief; sex; and sexual orientation.
- 10.4 The EIA finds that the current historical provision for events/festivals does not meet the needs of the eight protected characteristics and consultation feedback indicates that there are concerns that the current programme is potentially divisive. The proposition to go with a reduced programme that includes an all inclusive Brent Celebrates event would mainstream the protected characteristics. There would also be opportunities for individuals or groups to receive advice, training and support to allow them to deliver local activities for specific equality groupings.

11.0 Staffing/Accommodation Implications (if appropriate)

- 11.1 A restructuring of the Festivals Team has been carried out as part of a wider restructure of the Customer and Community Engagement Team. The restructure was carried out in accordance with the council's Managing Change policy. Staff and trade unions were fully consulted.
- 11.2 The restructure of the Festivals Team has allowed for this small team of two to be aligned with the current Business Development Team – also a small team of two – to form an Events and Marketing Team of three full-time equivalent staff. This alignment will allow for greater promotion and support of events activities and also for greater opportunities to identify and develop sponsorship where appropriate.

Background Papers

Appendix 1 – Draft Arts and Festivals Strategy

Appendix 2a and 2b – Consultation results

Appendix 3 – Monitoring information

Appendix 4 – London Boroughs events comparison

Appendix 5 – Brent Festival Strategy Review

Appendix 6 – Culture indicators

Appendix 7 – Equality Impact Assessment

Appendix 8 – The Public Sector Equality Duty

Appendix 9 – Petition to retain support to the St Patrick's Day Parade

Appendix 10 - Petition to continue funding the Navratri festival

Appendix 11 – Cost of Events

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