



## **LONDON BOROUGH OF BRENT**

### **MINUTES OF THE EXECUTIVE Monday 14 October 2013 at 7.00 pm**

PRESENT: Councillor Butt (Chair), Councillor R Moher (Vice-Chair) and Councillors Crane, Denselow, Hirani, Mashari, McLennan, J Moher and Pavey

Also present: Councillors Cheese, Chohan, Hashmi, Lorber and RS Patel

Apologies for absence were received from: Councillor A Choudry

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

Councillors Crane, Denselow, Hirani, Mashari and R Moher declared personal interests in the report relating to the leasing of buildings at Barham Park as trustees of the Barham Park Trust and indicated that they would take no part in the discussion or voting thereon.

#### **2. Minutes of the previous meeting**

RESOLVED:

that the minutes of the previous meeting held on 16 September 2013 be approved as an accurate record of the meeting.

#### **3. Matters arising**

None.

#### **4. Deputation - award of the contract for Public Realm Services**

The Executive received a deputation from Mr Martin Francis (Brent and Harrow Palestine Solidarity Campaign) who spoke against the proposal in the report from the Strategic Director, Environment and Neighbourhoods to award the Public Realm contract to Veolia ES (UK) Ltd because Veolia was said to be complicit in the illegal occupation of Palestinian Territory, a moral position.

He referred to past promises that the council would pay greater heed to the concerns expressed by residents and a lack of transparency in the decision making process. Referring to the petition submitted to the meeting of the Executive in August, Mr Francis regretted that he had only recently received a formal written response. He questioned the fairness of the procurement process alleging the submission of misleading information and regretted that a request for extra time by a second bidder had not been acceded to, resulting in only one bidder being under consideration. Mr Francis urged the Executive to extend the existing contract for a year, that parks and ground maintenance should be separated and support given for an in-house bid.

The Executive heard from Mr Dan Judelson who felt that the council had a responsibility to ask questions about companies that would be in receipt of council tax payers' money and alleged that one of the bidders Veolia derived income from illegal activity. He regretted that a company such as Veolia should be a recipient of council tax payers' money. Mr Judelson reminded the Executive of the long term impact of Israeli settlements declared illegal since 1968 under international law questioned why this was not a consideration in the procurement process. Should Veolia be appointed, Dan Judelson called on the company to divest itself from alleged illegal activity.

Councillor Lorber (Leader of the Opposition) reminded the Executive that he had wished to raise this issue at a recent meeting of the Full Council but it had been ruled out of order. He expressed concern at the absence of competition in the procurement process which had resulted in the process going ahead with fewer than the six bidders in contrast to views expressed on competition at the recent Labour Party Conference. Referring to the detail of the contract, Councillor Lorber made reference to the requirement for residents to place bins close to the kerb which, in his experience, discouraged the contractor from returning them to the correct household and caused inconvenience. Councillor Lorber also expressed concern at the intention to have banded collection times in town centres and felt this would have an adverse effect on people who went to work during the day. He also felt that environmental promotion should be the responsibility of the council as policy maker, not the contractor.

Councillor Hashmi referred to the burial ground at Carpenders Park Cemetery and urged the Executive to ensure that it was well maintained under the contract and treated with respect. Gaynor Lloyd (Sudbury resident) expressed concern at the reference in the report over plans for environment promotion and pushing education through schools and expressed a wish for these campaigns to not be badged as Veolia initiatives but from the council. The Executive also heard from Aisling MacSweeney who urged the Executive to defer a decision on the new contract, to extend the existing one for a year and thereby allow more time for concerns to be resolved.

## **5. Award of the contract for managing the Public Realm**

The report from the Director of Environment and Neighbourhoods sought approval to award a contract for the provision of public realm services as required by Standing Order 88. The report summarised the process undertaken in tendering the contract of waste, recycling, street cleansing, winter gritting, grounds maintenance (including Brent Housing Partnership open spaces) and burial services and following the completion of the evaluation of tenders and recommended the award of the contract. The report also set out the financial savings and other benefits associated with the contract including improved waste and recycling services, street cleaning at weekends in key town centres and improvements in customer satisfaction.

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

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

Councillor Mashari (Lead Member, Environment and Neighbourhoods) introduced the report from the Strategic Director of Environment and Neighbourhoods and spoke in support of the proposal to award the Public Realm contract to Veolia ES (UK) Ltd. She stated that the proposed contract would achieve savings, transfer responsibility for residual waste to the contractor and put customers and outreach at the forefront. Initiatives included the introduction of weekly collections for flats above shops, consideration of food recycling, a commercial waste service, time banded collections in town centres, leaf fall service, spray cleaning and enforcement against non-compliance. There would also be larger bins for large families. £100,000 would be spent on education and increased recycling would save on landfill taxes. Payment of the London Living Wage was built in, the workforce would be up-skilled, rewarded for initiative and an apprenticeship scheme introduced. Vacancies would be advertised locally. On burials, there would also be a better relationship with funeral directors. Councillor Mashari considered the contract to be value for money and thanked officers involved for their work. Responding to views expressed by residents, Councillor Mashari commented that she had spoken to residents and had many meetings with objectors. She also seen the detailed response from the Borough Solicitor. She acknowledged the concerns expressed by Councillor Hashmi over Carpenders Park Cemetery. From her experience, she found that the refuse collectors took great care in replacing bins and assisted collections remained an option.

Councillor J Moher (Lead Member, Highways and Transportation) stated that the concerns expressed earlier in the evening against the contract did not relate to the substance of the contract. The council had an obligation to get the best deal for the borough and could not exclude the main contractor on pure political grounds. He corrected the value of the contract stated in recommendation 2.2 of the Director's report to £143.1M as set out in paragraph 8.1 of the financial implications.

The Chair (Councillor Butt, Leader of the Council) while expressing sympathy for the plight of the Palestinians, stated that the council was obliged to follow procurement rules. He felt the council had been open and transparent and extensive dialogue had taken place and efforts made to be fair to everyone. Regarding the contract length, the remit had been extended and contractor needed time to recoup their investment, hence the extension from seven to nine years duration. The Lead Member for Resources reminded of the financial position of the council and paid tribute to the hard negotiations that had achieved savings. Members heard that in their dealings with schools, Veolia would be representing the council under Brent branding. Members also concurred that the council was obliged to take a practical stance, exercise leadership mindful that most residents' prime concern was for cleaner streets and a reduction in fly tipping.

Fiona Ledden (Borough Solicitor) explained that the detailed legal advice which had been obtained was privileged information and as such could not be disclosed. She confirmed that from her communications with other local authorities that they had not excluded the company from the procurement process. Legal advice had also been taken on request by one party for an extension to the timetable. The Borough Solicitor also advised that the cost implications of delaying the start of the contract would be significant. The Director of Environment and Neighbourhoods confirmed that the consultations with Brent Housing Partnership leaseholders over Veolia ES (UK) Ltd to carry out grounds maintenance services, as referred to in the report, had completed successfully.

RESOLVED:

- (i) that approval be given to the award of the Public Realm Services contract to Veolia ES (UK) Ltd for an initial period of nine years with the option to extend for a further period of up to seven years;
- (ii) that it be noted that the value of the contract is estimated to be £143.1 million over the nine year duration of the contract and offers a full year saving of £1.3m from 2014/15 rising to £1.7m from 2017/18 onwards, compared to current budgets;
- (iii) that it be noted that the contract will also provide grounds maintenance and cleansing services in Barham Park;
- (iv) that it be noted that the Brent Housing Partnership Board has approved the award of the contract to Veolia ES (UK) Ltd;
- (v) that approval be given to the introduction of proposed changes to service arrangements under the Public Realm Services contract as set out in paragraphs 4.7.1 to 4.7.36 of the report from the Director of Environment and Neighbourhoods and the equality analysis in paragraphs 10.1-10.19 of the report be noted;
- (vi) that approval be given to the introduction of specific time-banded waste collections of residential and business waste from commercial areas as detailed in paragraphs 4.7.8-4.7.12 of the report to improve the cleanliness of Brent's streets, increase recycling and reduce waste disposal costs;
- (vii) that approval be given to the grant of lease and licence to the new contractor of such council premises as the contractor may occupy for the purpose of the performance of the contract; such lease and license to run concurrently with the contract and to be on terms to be agreed by the Strategic Director of Regeneration and Growth in consultation with the Borough Solicitor;
- (viii) that the risks associated with the new contract as identified in Section 5 of the report and the proposed approach to mitigation be noted;
- (ix) that the Executive note the TUPE implications for Council and other staff as set out in Section 6 resulting from the award of the Public Realm Services Contract;
- (x) that the Executive note the approach to managing the contract by deploying a single client team across both the council and BHP;
- (xi) that authority be delegated to the Strategic Director of Environment and Neighbourhoods in consultation with the Borough Solicitor to sign an agreement with BHP for the joint management of the contract;
- (xii) that the Public Realm contract be made London Living Wage compliant as set out in paragraph 4.7.37 of the Director's report;

- (xiii) that the Executive delegate to the Strategic Director of Environment and Neighbourhoods, in consultation with the Borough Solicitor and Lead Members, authority to finalise any outstanding contractual matters;
- (xiv) that approval be given to a variation to the council's existing Waste Services contract to deliver savings of £300,000 during 2013/14 as detailed in paragraphs 4.8.2 and 10.18 of the Director's report.

**6. Leasing of Buildings, Barham Park, 656-660 Harrow Road, Sudbury HA0 2HB**

The report before the Executive from the Strategic Director of Regeneration and Growth proposed that the Council enter into leases of property from the Barham Park Trust (BPT) as offered at the Trust meeting of 13 February 2013; and that officers be authorised to grant a sub-lease of those properties as appropriate.

Richard Barrett (Assistant Director, Property and Asset Management) outlined the proposals which involved three units within the Barham Park Building complex referred to as the Children's Centre, the Card Room and the Barham Park Veterans Accommodation. The council would enter into leases for the buildings and then sub-lease to individuals where appropriate. The council would continue to use part of the building as a Children's Centre. It was proposed that the council would offer the Veterans Association a four year sub lease for the areas comprising the snooker room initially rent free for one year rising gradually to full market rent at the end of the period. The third space, the Card Room was considered suitable for a café.

With the consent of the Executive, Mr R Patel addressed the meeting on behalf of Barham Veterans Association. He stated that the Club had been established since 1947 and had been council run until 2000. The expenses had fallen on the Vets who were not a commercial organisation and whose members were pensioners. Mr Patel advised that most of their activities took place in the Card Room and so any change of use would be a loss.

Councillor Lorber (Ward Councillor, Leader of the Opposition) expressed regret that the Vets and the Club had only recently had sight of the report and had not had the opportunity for proper discussion; indeed there had been no consultation since February 2013. They were only recently advised that they would no longer have use of the Card Room. This was in contrast with indications given 18 months previously and also agreements negotiated with the former Parks Manager which had involved free lets and evening use. Councillor Lorber questioned the need to enter into a leasing arrangement, and the motivation behind the proposal to seek planning permission for change of use to allow leasing to the charity ACAVA. He drew attention to the former library sites at Kensal Rise and Cricklewood where planning permission had been refused due to the loss of community space. He also questioned the assessment of the market rent which now was assessed to be one third of an earlier independent assessment and whether it could have been set at a level that was more beneficial to the Trust. Councillor Lorber urged the Executive to defer consideration of the report so that proper consideration could be given. Ms Gaynor Lloyd (Sudbury resident) questioned the proposed legal arrangements for the use of the park depot and whether these would create difficulties in the future.

In response, Richard Barrett (Assistant Director, Property and Asset Management) clarified that negotiations commenced approximately 15-20 months previously, could

not been progressed further in the absence of Executive authorisation. The offer of a year free rent was to be a buffer. He acknowledged that in the past there had been some confusion over responsibility for the Trust property and that it was now clear that only the Trust was authorised to enter into agreement with users of its land. Richard Barrett confirmed that cafés were usually popular with park users and the space would be marketed. Capital investment would be required for a longer lease. Fiona Ledden contributed that the council would look at the points raised by Gaynor Lloyd in relation to the Parks Depot, this meeting was to consider whether the council should take a lease from the Trust. In relation to the Vets, Fiona Ledden noted that there was a counter offer by the Vets for rental arrangements and that negotiation between the Vets, and officers and the Leader was an option.

Councillor Pavey (Lead Member, Children and Families) was pleased that the future of the Children's Centre on the site had been safeguarded. The Chair read out to the meeting the new recommendation (iii) which offered the Vets a sub-lease of the snooker and billiard rooms hoping the offer would help the organisation to become more self-sustainable, which was agreed.

**RESOLVED:**

- (i) that the Brent Council enter into three leases of buildings for lease terms in accordance with details set out in Paragraphs 3.8 -3.20 of the report from the Strategic Director of Regeneration and Growth. Final terms to be approved by the Strategic Director;
- (ii) that the the Strategic Director of Regeneration and Growth be authorised to approve terms for a sub-lease or assignment of a lease of the card room as appropriate along the lines set out in the Director's report;
- (iii) that the Vets be offered a sub-lease of the snooker and billiard room to regularise their use of Barham Park in accordance with the council's policy on use of council premises by voluntary organisations and that the terms and rental cost be discussed and agreed between the Operational Director Property and Projects and the Vets, in consultation with the Leader of the Council;
- (iv) that officers advertise in a local newspaper the disposal by way of the sub-lease(s) of those properties forming part of open space under Section 123 of the Local Government Act 1972 and if in the opinion of the Operational Director Property and Projects there are significant objections in respect of the loss of open space to refer those substantive objections back to the Executive to consider.

*Councillors Crane, Denselow, Hirani, Mashari and R Moher declared personal interests in this item as trustees of the Barham Park Trust and took no part in the discussion or voting thereon.*

**7. Brent House, 379 High Road, Wembley, HA9 - lease**

The report from the Strategic Director of Regeneration and Growth requested authority to grant lease extensions at Brent House to a commercial occupier in the best commercial interests of the Council.

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

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RESOLVED:

that authority be delegated to the Operational Director Property and Projects to agree suitable lease extensions as set out in the appendix to the report which was not for publication.

**8. Budget Strategy update**

On behalf of the Executive, Councillor R Moher welcomed Conrad Hall, newly appointed Chief Finance Officer, to his first meeting of the Executive. The Executive wished to place on record their gratitude to Mick Bowden Deputy Director, who had covered the Director's role in the interim.

Councillor R Moher in introducing the Budget strategy update report which set out the council's funding forecast for the next three years, Councillor Moher outlined the spending assumptions and reminded the Executive that the budget gap remained substantial. The Chief Finance Officer stressed the importance of taking a long term view on the budget pointing out that being made to make savings over the next three years were based on estimates, which were subject to change. The Chair concurred that the pressures were not diminishing but assured that the council would deliver for residents.

RESOLVED:

that the latest forecast for the Council's revenue budget for 2014/15 to 2016/17 at Appendix 1 of the report from the Deputy Director of Finance and the assumptions used to derive this, be noted.

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

None.

**10. Any other urgent business**

None.

The meeting ended at 8.55 pm

M BUTT  
Chair