



Executive

Monday 14 October 2013 at 7.00 pm

Boardroom - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Membership:

Lead Member Councillors:

Portfolio

Butt (Chair)	Leader/Lead Member for Corporate Strategy & Policy Co-ordination
R Moher (Vice-Chair)	Deputy Leader/Lead Member for Finance and Corporate Resources
A Choudry	Lead Member for Crime Prevention and Public Safety
Crane	Lead Member for Regeneration and Major Projects
Denselow	Lead Member for Customers and Citizens
Hirani	Lead Member for Adults and Health
Mashari	Lead Member for Environment and Neighbourhoods
McLennan	Lead Member for Housing
J Moher	Lead Member for Highways and Transportation
Pavey	Lead Member for Children and Families

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 - 10
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3	Matters arising	
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Environment and Neighbourhood Services reports

4	Award of the contract for managing the Public Realm	11 - 98
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This report seeks the approval of the Executive to award a contract for the provision of public realm services as required by Standing Order 88. This report summarises 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, recommends the award of the contract. The report also sets 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. This report also seeks approval from the Executive to amend the Council's current waste and street cleaning contract to deliver £300,000 savings during 2013/14.

Appendix referred to below

Ward Affected:
All Wards

Lead Member: Councillors Mashari and J Moher
Contact Officer: Jenny Isaac, Assistant
Director, Neighbourhood Services
Tel: 020 8937 5001 jenny.isaac@brent.gov.uk

Regeneration and Major Projects reports

5	Brent House, 379 High Road, Wembley, HA9 - lease	99 - 104
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To request authority to grant lease extensions at Brent House to a commercial occupier in the best commercial interests of the Council.

Appendix referred to below

Ward Affected:
Wembley
Central

Lead Member: Councillor Crane
Contact Officer: Richard Barrett, Property and
Asset Management
Tel: 020 8937 1334 richard.barrett@brent.gov.uk

6 Leasing of Buildings, Barham Park, 656-660 Harrow Road, Sudbury HA0 2HB 105 - 112

To agree that the Council enters into leases of property from the Barham Park Trust (BPT) as offered at the Trust meeting of 13 February 2013; and to authorise officers to grant a sub-lease of those properties as appropriate.

Ward Affected:
Sudbury

Lead Member: Councillor Crane
Contact Officer: Richard Barrett, Property and
Asset Management
Tel: 020 8937 1334 richard.barrett@brent.gov.uk

Central Reports

7 Budget Strategy update 113 - 120

This report sets out the Council's funding forecast for the next three years.

Ward Affected:
All Wards

Lead Member: Councillor R Moher
Contact Officer: Mick Bowden, Deputy Director
of Finance
Tel: 020 8937 1460 mick.bowden@brent.gov.uk

Children and Families reports - none

Adult and Social Care reports - none

8 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.

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

10 Exclusion of Press and Public

The following items are not for publication as they relate to the following category of exempt information as specified in the Local Government Act 1972 namely:

APPENDICES:

- Award of the contract for managing the Public Realm
- Brent House, 379 High Road, Wembley, HA9 - lease

Reports above relate.

Date of the next meeting: Monday 11 November 2013



- 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 on a first come, first served basis.



LONDON BOROUGH OF BRENT

MINUTES OF THE EXECUTIVE Monday 16 September 2013 at 7.00 pm

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

Also present: Councillors Cheese, Hashmi and Van Kalwala

Apologies for absence were received from: Councillor Hirani

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 19 August 2013 be approved as an accurate record of the meeting.

3. **Matters arising**

None.

4. **Order of business**

The Executive agreed to take earlier in the meeting, those items for which members of the public were present.

5. **Deputation - funding to develop community based meals on wheels**

With the consent of the Executive, Dr Calderbank (on behalf of Brent Fightback) addressed the meeting about the proposals in the report from the Acting Director of Adult Social Services to cease the provision of a council meals-on-wheels service and to replace it with services provided by community organisations. Dr Calderbank expressed concern at the possible reduction in care for the elderly and vulnerable clients, the impact on the providers in terms of redundancies, reliance on unpaid volunteers, reliability of service and any sanctions and alternative arrangements in place in the event of service failures. He also questioned arrangements in place for on-going monitoring to ensure that standards were maintained. Dr Calderbank drew attention to complaints over the absence of puddings which had been addressed and questioned why the council was proceeding with the scheme in the light of the

findings from the pilot. He regretted the intention to leave charitable organisations to bridge funding gaps.

Mr Graham Durham speaking on behalf of Brent NHS Patients Campaign, while supporting the work of community organisations, also questioned the reliance on volunteer staff and noted that new employment opportunities were now not likely to come back to the borough at the end of the previous contract. Mr Durham drew attention to the complaints particularly about food quality and the lack of puddings and also plans for presentation of meals. He stressed the need for strong contract compliance given the number of contractors involved and questioned the basis of cost savings reminding the Leader of his commitment to London living wage. He felt that it was possible that not all clients would be comfortable in having their food delivered by an organisation with a spiritual background.

The Chair thanked the speakers for their contributions.

6. Funding to develop community based meals on wheels

Phil Porter (Acting Director of Adult Social Services) introduced the report which described a proposal to cease the provision of a Council meals-on-wheels service, and set out progress made to date on developing and facilitating transition to service users being sign-posted to community organisations able to provide such services.

The report also set out the current meals on wheels budget, and provided an illustration on the projected savings from this service restructure over the next two financial years. The report sought approval to proceed with the transition to this model of meeting service users' needs. Phil Porter stated that the driver for the proposals was to improve services and to increase independence and control, working with the community. He acknowledged the complaints made but put that from the pilot, the majority were happy with the service. Service provision had been timely and contact made with the clients. He assured that no changes would be made without a review of individual needs assessing capacity and support networks and contingency plans would be in place. Phil Porter acknowledged there would be challenges but the council would work with providers and social workers would help resolve problems. He also referred to the council's commitment to pay London Living Wage and difficulties in making this a contractual requirement. Savings would be made but there was potential for a better service and contingency plans were in place. Puddings would be available for purchase. The council would be taking on the role of facilitator and empowerment clients while ensuring they were safe, not exploited and had their preferences respected.

Other members of the Executive put forward their experience of community provision. Councillor Mashari referred to visits to Cricklewood Homeless Concern and had been impressed by the standards and quality of service. Additionally, an advantage was some providers were located close to residents and, in some cases, a close relationship already existed. She felt that cultural and personal preferences would be better catered for.

Councillors Pavey and Denselow raised questions on arrangements in place for customers to change their provider and also, bearing in mind the vulnerability of clients what sanctions were in place to protect clients. Phil Porter assured that

organisations such as Elders Voice would assist and support, food standards would be assessed during reviews and the core contract specified the range of requirements. The council would work with providers but the prime concern was the safety of the community and ensuring they get their meals.

The Chair, Councillor Butt (Leader of the Council) expressed support for the proposals which would deliver an improved service for residents and also savings for the council. He thanked the presenters for their contributions whose concerns would be taken into account.

RESOLVED:

- (i) that the progress made to date in developing a market within the community, for the provision of meals to vulnerable individuals through developing a network of providers who will contract directly with the individual to provide meals be noted;
- (ii) that the progress made to date in informing service users of the proposed change and beginning to shift service users into services with community-based providers be noted;
- (iii) that approval be given to the cessation of a council meals on wheels service;
- (iv) that approval be given to the development of a community directory of local providers for service users to choose from, whilst allowing scope for service users to make their own choices and spend their money (including, possibly direct payments to assist with the cost of delivery) on alternative meal options;
- (v) that approval be given to the process of reviewing the care needs of all those who currently receive a meals on wheels service so that effective care plans can be set up to ensure that, notwithstanding the termination of the contract with Apetito, we continue to fulfil our statutory duty. This may include facilitating individuals, unable to access community resources independently, to receive a meal in their home via a direct payment of £3.50 towards the 'transactional costs' of food delivery and preparation. (As is required currently any individual will be required to make a £3.50 client contribution towards each meal);
- (vi) that proposals for Adult Social Services to procure an emergencies and major incidents meals service to provide hot meals to rest centres where there is a need for these to be provided following a major disaster or other emergency situation, pending the termination of the Apetito contract be noted;
- (vii) that the meals on wheels budget and savings projections be noted.

7. Deputation - lease disposal: land adjacent to 19 Dudden Hill Lane and 290 High Road, Willesden

Mr Mistry (Brent Indian Community Centre) and Mr Clive Newman (local resident) addressed the Executive concerning proposals in the report from the Strategic

Director of Regeneration and Growth to regenerate land adjacent to 19 Dudden Hill Lane as part of development for a table tennis centre, to be provided by the charity Greenhouse, with residential accommodation. Mr Mistry felt that BICC, the adjacent land owner, had not been adequately consulted and was disappointed that plans they had submitted, were not being progressed and their investment wasted. Mr Newman also referred to what he considered to be on-going negotiations and at having their proposals rejected. He felt the report was misleading and he had written separately to members. Mr Newman and asked for consideration to be deferred to allow a proper discussion.

David Whittington acting for Greenhouse, advised that he had been in discussion with the council about community investment and a sporting facility for young people. The site was in disrepair and the new premises would be a state-of-the-art sporting facility with a landmark entrance. He referred members to the aims of the charity as set out in the Director's report and assured that community consultation would be a fundamental part of the proposals.

The Chair thanked the presenters for their contributions.

8. Lease disposal - land adjacent to 19 Dudden Hill Lane and 290 High Road, Willesden

Councillor Crane (Lead Member, Regeneration and Major Projects) introduced the report before the Executive on the future of land adjacent to 19 Dudden Hill Lane and responded to concerns heard earlier in the meeting from adjacent property Mr Mistry speaking for adjacent property owner Brent Indian Community Centre and also Mr Clive Newman.

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 Crane reminded the Executive of the history of the site which had always been difficult to manage and the opportunity from Greenhouse to invest in young people, many of whom were disadvantaged. The facility could also be used by schools and the wider community. Councillor Crane acknowledged the informal use of the site by BICC would have to cease should the scheme progress hence on-going discussions. He referred them to the financial implications set out in the appendix to the report and the significant investment which would provide a welcome boost for the area.

Councillor R Moher (Deputy Leader, Lead Member) commended the work of the Greenhouse with Wembley High School children. The coaches had been much appreciated and there had been a positive impact on education which had benefitted the wider community. The project would also make a positive contribution to the healthy borough programme. Councillor Choudry (Lead Member, Crime Prevention and Public Safety) echoed concerns over the lack of consultation and Councillor Crane clarified the area which was under consideration and drew attention to the detailed information in the appendix to the report.

The Chair (Councillor Butt, Leader of the Council) restated the wish that the proposal would be a catalyst for development in the area. He referred to concerns expressed earlier in the meeting which would also be taken into account during the consultation exercise and drew members' attention to the information set out in appendix to the report which was not for publication.

He thanked Mr Mistry and Mr Newman for their contributions.

RESOLVED:

- (i) that approval be given to a sale by private treaty with Greenhouse Charity;
- (ii) that officers negotiate and enter into an agreement for a lease on the subject lands, as set out in the plan attached to the report from the Strategic Director of Regeneration and Growth to enable the construction of a table tennis centre with, if required, residential development;
- (iii) that on satisfactory completion of building works, the council enters into a lease of up to 250 year lease subject to negotiation with Greenhouse Charity in accordance with the terms set out in the confidential Appendix to the report from the Strategic Director of Regeneration and Growth;
- (iv) that authority be delegated to the Operational Director Property and Projects to agree such terms that are in the best interests of the Council;
- (v) that officers advertise (at the appropriate time) the proposed letting of public open space (as set out in paragraph 5.3 of the report from the Strategic Director of Regeneration and Growth) 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 to report back to the Executive for it to consider;
- (vi) that it be noted that the Brent Indian Community Centre (BICC) have enjoyed informal use of an adjacent play area, the Greenhouse proposal would terminate such arrangement and officers will involve BICC in future consultation;
- (vii) that it be noted that due to the emerging Housing Revenue Account Growth Strategy the site has been forwarded to them to appraise, should a feasible option come forward then members will be provided with a verbal update.

9. Extra Care Sheltered Housing Scheme Management Grant

The report from the Directors of Adult Social Care and Regeneration and Major Projected requested that the Executive authorise the award of a grant for the purpose of providing scheme management within local extra care services. Phil Porter Acting Director of Adult Social Services reminded the Executive of the background to the scheme stating that consideration was now to be given to a revised proposal. There would be an annual review of the grant which was for four years.

RESOLVED:

that approval be given to the award of a four year grant of £84,864 p.a. to Willow Housing and Care for the provision of the housing support element of extra care scheme management to the occupiers of 136 extra care units.

10. Statutory consultation on proposed changes to Business Permits

The report from the Strategic Director of Environment and Neighbourhoods summarised the representations received from the statutory consultation process following the proposed changes to business permits agreed on 19 September 2012 and made recommendations in relation to the issues raised during the consultation process. Councillor J Moher (Lead Member, Highways) acknowledged the increase which was considered to be relatively minor in comparison to other boroughs and the retail price index.

RESOLVED:

- (i) that the representations received in relation to the notices of proposals dated 9 May 2013 and 6 June 2013 and summarised in section 5.0 of the report from the Strategic Director of Environment and Neighbourhoods be noted;
- (ii) that approval be given to the proposals previously agreed by the Executive on 19 September 2012 in the report entitled "Parking Service Simplification and Pricing" and further summarised in section 4.1 of the report without change;
- (iii) that officers be authorised to proceed with the implementation of the proposals set out in Section 4.1 of this report as previously agreed by the Executive on 19 September 2012.

11. Stonebridge redevelopment proposals including primary school expansion and the Stonebridge Day Centre

The subject land was detailed in Appendices 1 and 2 of the report from the Strategic Director of Regeneration and Growth, and comprised the former Stonebridge Day Centre currently Stonebridge Primary School Annexe, Stonebridge Primary School including the Welsh School and adjoining lands including the Adventure Playground and Stonebridge Open Space. The report set out redevelopment proposals, as per the Urban Initiatives options and capacity study (Appendix 3) and South Studio RIBA stage A & B options and capacity study (Appendix 4) which indicated what could be achieved. Councillor Crane (Lead Member, Regeneration and Major Projects) advised that discussion would take place on the future use of the day centre. A further report would be submitted should sufficient capital funding not be raised from property sales. Further consultation would also be required on the future of the Welsh School and a review conducted into the management and operation of the nearby playground.

RESOLVED:

- (i) that approval be given to the following the principles of redevelopment:

- that the existing Stonebridge Day Centre be redeveloped to provide new housing
 - that the listed Stonebridge Primary School be permanently expanded from two Forms of Entry (2FE) to three Forms of Entry (3FE) accommodating 'bulge classes' currently located at Stonebridge Day Centre – subject to School Governing Body consent
 - that the existing Adventure Playground be re-planned and improved
 - that the Stonebridge Open Space be re-planned and improved
 - and that residential development is brought forward in order to better utilise the lands
- (ii) that public consultation and negotiation be undertaken on the development proposals with local stakeholders in particular, the managers of the Adventure Playground, the Welsh School and the Secretary of State in relation to land adjacent to Stonebridge Primary School;
- (iii) that approval be given to the disposal of the surplus former Stonebridge Day Centre and of any new housing land as indicated in Appendices 1 and 2 of the Director's report;
- (iv) that authority be delegated authority to the Operational Director Property and Projects, to agree the detailed terms of the disposal transaction(s) in conjunction with the Director of Finance and Corporate Services;
- (v) that it be noted that, subject to confirmed scheme costs, there could be a requirement for additional funding. If this is required there will be a separate report to Executive. This could be met from the potentially increased receipt from the Day Centre over and above that included in the capital disposals programme;
- (vi) that approval be given to the Stonebridge Open Space being taken as a contribution toward the funding of overall redevelopment scheme proposals.

12. **Residential leasehold property strategy**

Councillor McLennan introduced the report which recommended the use of the Leasehold Reform Act 1967 and the Leasehold Reform, Housing and Urban Development Act 1993 by the Council to carry out a rolling programme of enfranchisements in line with the Council's draft HRA Asset Management Strategy, utilising the enfranchisement pot to fund the programme. The Executive noted that enfranchisement was the process by which the council could seek to buy the freehold interest outright or purchase an extended lease term in relation to residential leasehold properties which the council owned for a defined period of time under long leases.

RESOLVED:

- (i) that approval be given to the proposed residential leasehold enfranchisement strategy, under the approach set out in paragraphs 3.31 to 3.34 of the report from the Strategic Director of Regeneration and Growth which recommended a combination of options for dealing with the council's fixed term residential leasehold interests;

- (ii) that approval 'in principle' be given to the recycling of capital receipts arising from the disposal of leasehold properties that are surplus to requirement into the enfranchisement pot;
- (iii) that approval 'in principle' be given that where the council was the freeholder and where the leaseholder was exercising his or her enfranchisement rights to buy the freehold or a lease extension, that these capital receipts be also recycled into the enfranchisement pot;
- (iv) that approval 'in principle' be given that that where the available funding in the enfranchisement pot potentially delays or prevents the council being able to carry out enfranchisements, that such costs be met directly from HRA Resources;
- (v) that it be noted that officers shall produce a report for the Executive on individual property transactions where the prescribed delegated authority limit of the Operational Director of Property and Projects was exceeded;
- (vi) that it be noted that the council owns the leasehold interest in two large blocks consisting of approximately 65 flats. The lease has 54 years remaining and officers are investigating the option of extending the lease. A separate report will be produced for the Executive on the recommendations once the options have been considered with BHP and discussions with the parties holding superior interests have taken place.

13. **National Non-Domestic Rate Relief – review of policy**

The Council has the discretion to award rate relief to charities or non-profit making bodies. It also has the discretion to remit an individual National Non-Domestic Rate (NNDR) liability in whole or in part on the grounds of hardship. The award of relief was based on policy and criteria last agreed by the Executive in 2008. Councillor Denselow, in introducing the report, advised that officers had reviewed the current policy and criteria and it was proposed that no amendments be made. It was noted that from 1 April 2013 there have been changes to the financing of the cost of awarding relief and the respective proportions met by the council, the government and the GLA. These changes were part of the broader changes concerning NNDR arising from the new Business Rate retention scheme.

RESOLVED:

- (i) that the policy and criteria for determining entitlement to discretionary rate relief in respect of National Non-Domestic Rates as detailed in Appendix 1 to the report from the Strategic Director of Regeneration and Growth be agreed and to be effective from 1 April 2014 and that this be reviewed every three years;
- (ii) that the changes to the financing of discretionary rate relief as detailed in paragraph 3.8 and 3.9 of the Director's report be noted;
- (iii) that the applications for discretionary rate relief detailed in Appendix 3 of the Director's report be agreed.

14. Performance and Finance 2013/14 quarter 1

The Chair (Councillor Butt, Leader of the Council) introduced the report the purpose of which report was to provide members with a corporate overview of Finance and Performance information to support informed decision-making and manage performance effectively. He drew attention to the measures in place to manage the overspend and changes within Children and Families and Adult Social Care to ensure financial targets were met. Mick Bowden commented that the overspend was currently forecast to be lower than in previous years and the Lead Member for resources concurred adding that the revised Borough Plan would lead to better outcomes.

RESOLVED:

- (i) that the Finance and Performance information contained in the report be noted and remedial actions agreed as necessary;
- (ii) that the current and future strategic risks associated with the information provided be noted and remedial actions agreed as appropriate;
- (iii) that the responsible officers continue to make progress as necessary;
- (iv) that approval be given to the budget virements as set out within the appendix to the report.

15. WLWA Capital Contribution update

On 15 July 2013 the Executive agreed in principle to a capital contribution of up to £15million to the West London Waste Authority (WLWA) in respect of a waste treatment facility being built, in return for an annual interest payment from the WLWA. The report before members provided an update on the loan agreement being developed.

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).

RESOLVED:

that the latest position on the WLWA capital contribution update be noted.

16. Any other urgent business

None.

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

None.

The meeting ended at 8.15 pm

M BUTT
Chair



Executive
14 October 2013

Report from the Strategic Director of Environment and Neighbourhoods

For Action

Wards Affected:
ALL

Award of the Contract for Public Realm Services

1.0 SUMMARY

- 1.1 This report seeks the approval of the Executive to award a contract for the provision of public realm services as required by Standing Order 88. This report summarises 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, recommends the award of the contract. The report also sets 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.
- 1.2 This report also seeks approval from the Executive to amend the Council's current waste and street cleaning contract to deliver £300,000 savings during 2013/14.

2.0 RECOMMENDATIONS

- 2.1 The Executive approve 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.
- 2.2 The Executive note that the value of the contract is estimated to be £142.3 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.
- 2.3 That the Executive note that the contract will also provide grounds maintenance and cleansing services in Barham Park.
- 2.4 The Executive note that the Brent Housing Partnership Board has approved the award of the contract to Veolia ES (UK) Ltd.

- 2.5 That the Executive approve 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 and note the equality analysis in paragraphs 10.1-10.19.
- 2.6 That Executive approve 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 to improve the cleanliness of Brent's streets, increase recycling and reduce waste disposal costs.
- 2.7 That the Executive approve 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.
- 2.8 That the Executive note the risks associated with the new contract as identified in Section 5 and the proposed approach to mitigation.
- 2.9 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.
- 2.10 That the Executive note the approach to managing the contract by deploying a single client team across both the council and BHP.
- 2.11 That the Executive delegate approval 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.
- 2.12 That the Executive agrees to make the Public Realm contract London Living Wage compliant as set out in paragraph 4.7.37.
- 2.13 That the Executive delegate to the Strategic Director of Environment & Neighbourhood Services, in consultation with the Borough Solicitor and Lead Members, authority to finalise any outstanding contractual matters.
- 2.14 That the Executive approve 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.

3.0 DETAILS

3.1 Overview

- 3.1.2 The council's current contract for waste, recycling and street cleaning ends on 31 March 2014. On 15 October 2012, the Executive approved the Council's participation in a collaborative procurement exercise for the provision of waste, recycling, street cleansing, winter gritting, grounds maintenance and burial services. The project was called 'Managing the Public Realm' and became incorporated into the One Council programme. The aim of the proposed contract is to improve resident satisfaction through better integrated services that deliver financial savings of £1.3M pa. On 11 February 2013 the Executive approved the contract award criteria.

3.1.3 The Public Realm Services contract includes the following:

- Waste collection and recycling services including the processing of recycled materials to generate an income.
- Street cleansing and litter picking across Brent's highways, parks and open spaces.
- Grounds maintenance across all Brent parks, cemeteries, open spaces and land managed and/or owned by Brent Housing Partnership ("BHP")
- Burial services
- Winter gritting

3.1.4 It was originally agreed that the street cleansing of BHP's roads and estates would be included in this contract. Unfortunately, the statutory consultation with leaseholders didn't cover this aspect. The Public Realm contractor and BHP's own street cleansing contractor will be asked to work together to ensure residents get a seamless service wherever possible. The BHP Board have received and agreed a report proposing awarding the Public Realm contract to Veolia ES (UK) Ltd for their grounds maintenance services and the necessary leaseholder consultations have been carried out.

3.2 Vision for the public realm contract

3.2.1 The contract aims to deliver a new vision for the Public Realm in Brent, giving greater emphasis on improving the appearance of all public places and helping implement Brent's Place Making Guide. In February 2013 the Executive agreed the vision for this contract:

- Improve the way Brent 'looks and feels' to visitors, businesses and residents, including good quality and clean open spaces,
- Encourage greater consideration by residents and communities of how to generate less waste, emphasising reduction, reuse, recycling and composting;
- Promote a greater sense of civic pride and a stronger local identity.
- Make a positive impact on social, environmental and economic sustainability.

3.2.2 From this contract, the council is seeking to achieve the following objectives:

- Deliver good quality services and demonstrate continuous improvement, whilst seeking to achieve high performance and customer satisfaction throughout the life of the contract;
- Value for money services with on-going cost improvements year on year, particularly through maximising economies of scale and other efficiencies;
- Help the Council achieve its economic and social regeneration objectives through proposals such as apprenticeships, local recruitment, wage levels and supporting and developing the local supply chain;
- Deliver sustainable services which reduce the council's carbon footprint by aiming for a carbon neutral service;
- A flexible contract, encouraging innovation and taking account of changing legislation and policy;
- Change public perception and behaviours where ultimately residents and visitors will improve, and take pride in, the appearance of Brent's public places, reduce their carbon footprint, minimise the amount of waste they produce and maximise the amount of waste they segregate for reuse, recycling, composting and recovery.

3.3 Summary of the specification

3.3.1 The specification for the Contract is output based and includes specific quality standards the Contractor will be required to achieve. The output specification sets high level expectations and required bidders to use their experience and knowledge to shape their proposals for delivering an innovative, quality and cost effective service. During competitive dialogue these proposals were extensively assessed and negotiated until the preferred standard specification and the optimum price was agreed. These detailed proposals then become contractual and can be enforced as part of the contract.

3.3.2 The contract will be expected to work closely with the council to develop a new Public Realm strategy setting out the future direction for waste and recycling, street cleaning, and parks.

3.3.3 The following paragraphs summarise the key elements of the output specification.

Customer service and behavioural change

- Design, provide and manage an education and awareness service which positively changes public behaviour on environmental and sustainability issues in particular reduce, reuse and recycle.
- Increase the level of community engagement and partnership working including working with 'friends of' groups.
- Develop, implement and operate the Services in a manner that maintains and improves good public satisfaction, including managing and learning from complaints.
- Act as the first point of contact for councillor enquiries.

Waste and recycling

The specification for waste is designed to minimise waste and increase recycling:

- Provide a scheduled residual, recycled and composted waste collection service that maximises the amount of waste segregated for reuse, recycling, composting and recovery.
- Design, provide and manage an assisted collection service for those elderly, infirm or disabled persons who are physically unable to present household waste and recyclables at standard collection points.
- Provide a Bulky Household Waste Collection service that maximises the amount of waste segregated for reuse, recycling and recovery.
- Provide a sorting facility for co-mingled dry recyclable waste that enables the Authority to increase material recycling levels; maximise the quality of materials and optimise the benefits generated from the sale of material collected.
- Design, provide, manage and market a commercial waste collection service that maximises income and the amount of waste segregated for reuse, recycling, composting and recovery.

Street Cleansing

- Provide comprehensive cleansing services that deliver high performance standards across all land use types and which maximise the amount of waste segregated for reuse, recycling, composting and recovery. The council expects all areas covered by the contract to be cleansed at Grade A (as defined in the Environmental Protection Act 1990). When the quality falls below this level the contractor is required to restore cleanliness to the correct grade within a specified timescale.

- Provide and manage receptacles including, but not be limited to, litter bins, cigarette bins, gum bins, dog waste bins, wreath bins and 'On the go' recycling bins ensuring that they never become full or overflowing.
- Design, provide and manage a blossom and leaf fall service that prioritises the removal of blossoms and leaves to reduce risk to citizens.
- Provide a fly tipping removal service which proactively reduces the amount of fly tipped waste and delivers the highest possible performance standards in the removal of fly tipped waste thereby maximising the amount of waste segregated for reuse, recycling, composting and recovery.
- Provide a graffiti and fly posting removal service that meets EPA standards.

Grounds maintenance

- Provide a comprehensive Grounds Maintenance service to deliver the agreed standards in all of the Authority's parks, open spaces, cemeteries and burial grounds and BHP housing estates and to ensure that:
 - all parks and open spaces, cemeteries and burial grounds are maintained in a clean, safe, accessible and well maintained condition at all times;
 - all pitches meet the applicable standards of the relevant sporting governing body.
- Facilitate the locking and unlocking of identified parks, open spaces and cemeteries and to facilitate the use of sports pavilions and pitches, and to assist in the enforcement of the Byelaws and Dog Control Orders.
- Ensure that all playgrounds, outdoor gyms and Multi Use Games areas are regularly inspected and kept in a clean, safe, accessible and well maintained condition at all times.
- Ensures that biodiversity, nature conservation and habitat management plays an integral role in service delivery.

Burials

Provide and manage a burial service to ensure it:

- Meets the burial demand of residents and non-residents;
- Recognises the different ethnic and religious communities within the Authority and their burial needs;
- Treats all its customers with dignity, respect and reverence;
- Develops a positive relationship with funeral directors;
- Recognises the wider benefits of cemeteries and burial grounds as green spaces for relaxation, education, wildlife, biodiversity and heritage;
- Ensures all the necessary works are carried out to enable the burial and or interment in the agreed location of both 'full body' and 'cremated remains' in graves, vaults or woodland burials.
- Memorials within the cemeteries are safe and stable and appropriate records of testing are maintained.

Winter gritting

- Provide an adequate and effective service to ensure that safe passage along main highways, priority routes and other relevant land uses is not endangered by ice and/or snow during the designated winter period.
- Design, provide, manage and locate salt bins to reduce risk to residents.

Other areas

- The contractor was also asked to commit to up-to-date IT, apprenticeships, supporting economic regeneration and open book accounting.

3.4 Contract targets and contract management

- 3.4.1 The Council has transferred the risk for non-delivery and/or poor performance to the Contractor through an output based specification. The contract will be self-monitoring, meaning that the contractor is accountable for measuring, monitoring and improving their own performance with the council carefully auditing their performance. This, along with Key Outcome Targets set for each of the different services will ensure that the Contractor is motivated to deliver the services.
- 3.4.2 There are two tiers of targets: 4 Contract targets and 65 Key Outcome Targets. The Contract targets have been bid back by the Contractor for the first 3 years of the Contract. After this, these will be developed on an annual rolling basis at the start of each Contract Year as part of the Annual Service Improvement Report through the Partnering Board. The Contract Targets in subsequent years shall be at least as stringent as the Contract Targets in Year 3. If certain annual Contract Targets are exceeded then the Authority will make incentive payments to the Contractor, conversely, if these annual Contract Targets are not met then there will be payment deductions.
- 3.4.3 The KOTs cover all the services, with a time to rectify any problems and if the issues remain the contractor incurs default points which can lead to payment deductions.
- 3.4.4 The Contract Targets are:

1. **Residual waste tonnages** - £7m or 30% of the waste budget is currently spent on disposing of residual waste. This is a significant risk to the Council and this risk is being transferred to the Contractor. The Council calculates that it will save £105/t for waste recovered and not disposed of as residual waste, partially offset by increases in organic waste processing costs (based on the current charge per tonne from the West London Waste Authority (WLWA) and will be adjusted as the charge changes.

The Contractor will have Residual Waste Disposal annual targets. If the Contractor doesn't achieve the reductions in tonnes of residual waste they will pay the full WLWA costs for every tonne above their target. If the contractor exceeds their Residual Waste Disposal Tonnage Contract Target, the Council will share with the Contractor the saving in relation to the treatment of Residual Waste, Garden Waste, Food Waste and Mixed Organic Waste.

2. The standard of **cleanliness of Brent's streets** – this is very important to our residents. There will be financial deductions for each 1% that litter, detritus, graffiti and fly posting fail to meet cleansing targets. If they exceed their targets they will receive an incentive payment.
3. **Carbon emission reduction** – a deduction of £15/t will be made for each tonnage of carbon emitted above the contract target. If they exceed their targets they will receive an incentive payment.
4. **Customer satisfaction** for waste, cleansing, grounds maintenance and burial services, measured by an independent organisation. For every percentage point the target is missed for each of the services, a £5,000 deduction will be made i.e. a £20,000 deduction for each percentage point per customer satisfaction across the four services. If they exceed their targets they will receive an incentive payment.

3.5 Excess profit and risk share

- 3.5.1 Where the Contractor generates a profit associated with the delivery of the services in any Contract Year in excess of that included in the financial model, the Council shall be entitled to receive 50% of such Excess Profit (over and above that for which the Council has received payment through the Shared Commercial Waste Income and Shared Recyclables). This therefore provides a potential income source to the Council in the future.
- 3.5.2 The income from recyclates is based on a fixed price for the first three years where the Contractor takes the risk for the amount of guaranteed revenue received from the sale of the material. This transfers risk from the council to the contractor ensuring a reliable income stream.

3.6 Contract management

- 3.6.1 The contract for Brent Council and BHP will be monitored by a single team within the Recycling and Waste Service. The team will audit the contractor's work and help identify and deliver further opportunities for service efficiencies. Officers will agree with BHP how the parties will effectively operate the contract together.
- 3.6.2 All Member and resident enquiries will be directed to, and handled by, the contractor in the first instance, thus placing responsibility on the Contractor to 'own' and be accountable for service complaints.
- 3.6.3 The contract will be managed through a weekly Contract Operations Group discussing day to day issues; a months Contract Management Board monitoring performance and payment and a senior Executive Partnering Board ensuring the goals of the contract are being met and determining the future direction of the contract.

4.0 **Procurement and Evaluation Process**

4.1 Background to Competitive Dialogue

- 4.1.1 The Council decided to follow a competitive dialogue process which is broadly set out below:
- Pre-qualification (PQQ) stage – a minimum of 3 bidders and up to a maximum of 5 bidders could be invited for the next stage.
 - Invitation to Submit an Outline Solution (ISOS) - At this stage the draft output specification was sent out to the shortlisted bidders who provided their initial proposals to meet the specification. The proposals were then evaluated and the top 3 scoring organisations were then taken forward to the next stage.
 - Invitation to Submit a Detailed Solution (ISDS) - The 3 shortlisted bidders were invited to submit a detailed solution that were then discussed and fine-tuned. The ISDS was then evaluated and the 2 top scoring organisations were invited for ISFT.
 - Close of Dialogue and Invitation to Submit Final Tenders (ISFT) - At this stage the council formally declared the Closure of Dialogue and requested final tenders. These were evaluated and the preferred bidder selected. The council then finalises clarifications only with the preferred bidder.
 - The contract is awarded by the Executive and BHP Board.

4.2 Contract award criteria

4.2.1 Overall, the council wants to maintain quality and with the current budget pressures, to get the best possible price. To achieve this, the criteria were:

- 60% quality and 40% price/commercial considerations for ISOS and ISDS.
- 40% quality and 60% price/commercial considerations for ISFT.

The detailed evaluation methodology for each stage is referred to in the Background Papers.

4.2.2 The Core Evaluation Panel (consisted of Council Officers from Waste and Recycling, and Sports and Parks) were supplemented by advisors from HR, Finance, Property, Procurement, Legal, Health & Safety, Business Continuity, IT, Equalities, Customer Services and Sustainability) and Specialist Advisors. The Core Evaluation Panel reported to the Public Realm Project Board and had delegated responsibility to:

- Determine an organisation's ability to meet the requirements of the service specification by using pre-determined scoring criteria for each phase of the Competitive Dialogue Procurement process. This was established by ensuring attendance at relevant dialogue sessions with shortlisted bidders and evaluating solutions submitted by bidders.
- Scored all bids through each of the different procurement phases, namely PQQ, ISOS, ISDS and ISFT. Although other Officers from specialised areas were involved in the evaluation process the final scoring was agreed by the Core Evaluation Panel.
- Keep the Public Realm Project Board (comprised of senior officers from Environment & Neighbourhoods, BHP, Finance and Corporate Policy) updated during the key stages of the procurement process and make a recommendation to the Project Board on the preferred bidder.
- Make a recommendation to the Executive through the Strategic Director of Environment and Neighbourhood Services to award the contract to the preferred bidder to provide the services on behalf of the council, based upon the service specification designed for those services.
- Keep auditable records of all meetings to ensure probity.
- Follow the principles of pre-determined cooperation and competition rules.

4.3 Stage One - Pre-Qualifying Stage

4.3.1 As the cost of the current Waste Services contract is approximately £17.2m per annum it was considered that the estimated value of the Public Realm contract would be in excess of the financial thresholds for application of the Public Contracts Regulations 2006 and therefore the contract was advertised in the Official Journal of the European Union (OJEU) to seek expressions of interest. The notice specified the Council's requirement to procure providers of waste, recycling, street cleaning and grounds maintenance and burial services.

4.3.2 Interested parties were required to complete a pre-tender questionnaire. The questionnaire requested information about the company, the services that it offered, and details of referees.

4.3.3 Six organisations submitted pre-tender questionnaires by the deadline on 21st January 2013 through the online tendering portal. The companies are detailed in Appendix 1.

- 4.3.4 The questionnaires were evaluated by the Evaluation Panel to determine whether the companies met the Council's minimum standards by assessing them under the PQQ general criteria.
- 4.3.5 Five of the companies met all of the minimum criteria. One company failed on Sustainability & Carbon Policy sections and therefore did not meet all of the minimum criteria. The detailed scores are set out in in the confidential Appendix 2.
- 4.3.6 The unsuccessful company was notified and given feedback on their pre-tender questionnaires.
- 4.4 Stage Two - Invitation to Submit Outline Solution (ISOS)
- 4.4.1 Five companies were invited to participate in the second phase (ISOS). The companies are identified in Appendix 3.
- 4.4.2 Dialogue sessions were held with all bidders after issuing the ISOS pack of information. This included 2.5 days with each individual bidder through February and March 2013 where bidders got the chance to go through and discuss their respective solutions for:
- each of the services
 - discuss service agreement clauses and pension risk share agreement
 - Key Outcome Targets and Contract Targets
 - pricing schedule
 - evaluation model and methodology of the Evaluation panel and how the weightings were distributed amongst Price and Quality which had weightings of 40% and 60% respectively
- 4.4.3 Actions from these meetings were shared with bidders after each meeting and clarifications sought from both the Council and the bidders. Improvements were then successfully integrated in the Council's final ISOS documents which were then revised and re-issued to bidders on the 2nd of April 2013 through the online portal Due North.
- 4.4.4 All 5 bidders submitted bids for ISOS by the deadline of 19th of April 2013.
- 4.4.5 The Evaluation Panel (which called on specialists from different areas) read these 5 bids and provided quality scores whilst pricing scores were evaluated separately by the Council's financial officers supported by external financial advisor. The pricing scores were then agreed by the Evaluation Panel. The final scores are in Appendix 3.
- 4.4.6 The recommendation of the Evaluation Panel was agreed by the Project Board and the 3 shortlisted bidders selected for the next phase, Invitation to Submit Detailed Solution (ISDS). The unsuccessful companies were notified and given feedback on the evaluation of their Outline Solution.
- 4.5 Stage Three - Invitation to Submit Detailed Solution (ISDS)
- 4.5.1 Officers invited Bidders 2, 3 and 6 to participate at ISDS. Following the first ISDS dialogue meeting, officers were notified by Bidder 3 that it was forced to withdraw from the procurement process due to internal changes within their company structure and issues relating to resourcing and targets.

- 4.5.2 After taking appropriate legal advice, the Project Board decided to reinstate the next placed bidder (Bidder 5) in order to maximise options made available by having 3 bidders in the ISDS process. Bidder 5 agreed to participate in the ISDS dialogue.
- 4.5.3 Dialogue sessions were held with all 3 shortlisted bidders. This comprised 3 full days with each individual bidder during May and June 2013. They were invited to discuss:
- Their respective solutions for each of the services
 - Service agreement clauses and pension risk share agreement
 - Key Outcome Targets and Contract Targets
 - The Pricing Schedule
 - The Evaluation Model and methodology.
 - Any other issues that the bidders wanted to discuss.
- 4.5.4 Actions from these meetings were shared with bidders after each meeting and clarifications were sought from both the council and the bidders. Improvements were then incorporated into the ISDS documents. These were then revised and re-issued to bidders on the 17th June 2013.
- 4.5.5 All 3 bidders submitted bids for ISDS by the deadline date of 21st of June 2013.
- 4.5.6 The Evaluation Panel (which called on specialists from different areas) read these 3 bids and provided quality scores. Pricing scores were evaluated separately by the Council's finance officers, supported by an external financial advisor. The pricing scores were then agreed by the Evaluation Panel. The final scores are set out in Confidential Appendix 4.
- 4.5.7 The recommendation of the Evaluation Panel was agreed by the Project Board and the 2 shortlisted bidders selected for the next phase, Invitation to Submit Final Tender Proposals (ISFT), were Bidders 2 and 6.
- 4.5.8 The unsuccessful company, Bidder 5, was notified and given feedback on the evaluation of their Detailed Solution.
- 4.6 Stage Four - Invitation to Submit Final Tender (ISFT)
- 4.6.1 Pre- ISFT dialogue sessions were held with both bidders shortlisted from ISDS, this included 2 half days with each individual bidder held on 26th July and 2nd August 2013 where bidders got the chance to go through their respective solutions for each of the services, discuss service agreement clauses and pension risk share agreement, Key Outcome Targets and Contract Targets, pricing schedule, evaluation model and methodology of the Evaluation panel and how the weightings were distributed amongst Price and Quality which have weightings of 60% and 40% respectively for ISFT. Bidders were also given the chance to raise any other issues that they wanted to discuss.
- 4.6.2 Two companies were invited for the last procurement phase ISFT on the 12th August 2013. .
- 4.6.3 The council received a request from Bidder 2 for a significant extension of time for submission of bids. Officers fully considered the merits of the request but determined that it was not appropriate to agree such an extension.
- 4.6.4 The council received only one bid by the deadline of 23rd August 2013 from Veolia ES (UK) Ltd.

4.6.5 Following receipt of the bid, the Evaluation Panel proceeded to carry out a full evaluation of the bid to satisfy itself that the bid could meet the council's requirements for the provision of comprehensive and cost effective service under the Public Realm Services Contract. Full details of the scoring of the bid are detailed at Appendix 5.

4.6.6 Given that Officers consider the bid received demonstrates the capability to provide a comprehensive and cost effective Public Realm service, the Public Realm Board and Evaluation Panel recommend the award of the Public Realm Services Contract to Veolia ES (UK) Ltd.

4.7 Summary of the services proposed by Veolia

4.7.1 The contract will deliver overall improvements in the quality of services for the residents of Brent and savings. The following sections set out in a summary of the services and other commitments that Veolia will deliver.

Customer service

4.7.2 There will be significant investment in in-cab technology on the refuse trucks. This allows the drivers to report missed bins, contamination and route changes and this will be transmitted to the Brent contact centre in real time. This will help the Brent customer service team resolve more issues the first time a resident contacts them.

4.7.3 Veolia will also handle all initial councillor enquiries and investigate and respond to all stage one complaints relating to all public realm services.

4.7.4 To make it easier to report concerns residents will be able to use the 'Love Clean Streets' app to report fly tipping, graffiti and other local concerns. Veolia are also proposing that people can log complaints / service requests on-line via Council's website.

Waste and recycling

4.7.5 Veolia are proposing to continue with the current system of alternate weekly collections of dry recycling and refuse. They also plan to introduce a weekly collection of recycling at flats above shops and will look to further extend the food recycling service into areas currently not served. Current rules around side waste and bin fill levels will be retained. To deliver these improvements and to make savings there will be a change in collection day and this will be carefully communicated to residents.

4.7.6 To help save costs residents will be asked to present their bins as close to the boundary of their property as possible. This is already common practice across London and across much of Brent. Assisted collections will remain fully available to residents and will be promoted as part of a detailed communications plan. Further detail is provided in Section 10 and the detailed Equality Impact Assessment at Appendix 6.

4.7.7 It is also vital that we continue to increase recycling, therefore, in line with many parts of the country, new or replacement bin sizes will be reduced from 240 litres to 140 litres. To mitigate any impact, residents with larger households will be able to request 240 litre bins. Further detail is provided in Section 10 and the detailed Equality Impact Assessment at Appendix 6.

4.7.8 The Council currently operates a 'clear all' policy in its Town centres. Under this policy all waste presented, whether domestic or commercial, is collected through the day between 6am and 10pm. The policy is labour intensive with up to three visits to key town centres during a day. It also means that rubbish bags are a permanent presence on our streets.

Unfortunately, it also means that some businesses are disposing of their waste free of charge by dumping it with legitimate household waste rather than having a commercial waste contract.

- 4.7.9 Sections 20 and 22 of the London Local Authorities Act 2007 allow the authority to prescribe periods of time in which waste can be presented. Under this legislation, the Council propose to introducing time banded collections of waste in town centres to keep the streets clean of waste. The council will stipulate the hours during any day in which businesses and residents can leave their bags of waste out for collection and the timebands will apply to the first 50 metres of any side roads leading off from the main roads and to the main roads themselves. Usually, the times will include an hour in the morning and two hours in the evening. Any waste left outside these windows will be subject to enforcement action.
- 4.7.10 Other London boroughs who have introduced time-banded collections (Camden, Newham, Wandsworth, Lesisham, Hackney, Westminster, Haringey and Waltham Forest) have all experiences significant improvements in the cleanliness of their streets. Timebanding also:
- Increases the number of businesses that have commercial waste contracts, reducing illegal dumping
 - Improves the amount of recycling, reducing disposal costs
 - Reduces the number of visits to each town centre, delivering savings
 - Ensures that private waste contractors collect the waste businesses are paying them to collect
 - Reduces congestion by having fewer visits to collect the waste.
- 4.7.11 In accordance with legislation a public notice must be issued in at least two local newspapers at least one month prior to implementation. Discussions will be held with various businesses, residents and other stakeholders as to the time and duration of the timebands for collection. The council must install signs as a permanent marker of the operating times. Officers seek, through this report, authority to consult on time banding and to introduce it in Brent's key town centres.
- 4.7.12 To deliver all these improvements Veolia have pledged to support the council to introduce timebanding.
- 4.7.13 Veolia will also provide the council with an income from the recyclable material. Veolia will handle and manage the waste collected through the dry recycling service and they will pay the council for the waste collected.

Environmental promotion

- 4.7.14 Veolia will take on responsibility for changing resident behaviour to reduce tonnes of residual waste and to increase recycling. To do this they are investing in a communication and education team and a comprehensive communication and engagement campaign. During the first three years Veolia will:
- Educate and encourage all staff to play their part – from encouraging grounds maintenance staff to recycle more to supporting the 'bin men' to educate our residents day to day
 - Focus on recycling in flats through road shows, leaflets, door knocking including evenings and weekends. To drive the change in behaviour if an estate hits a certain percentage of recycling there is a reward.
 - Invest in a campaign focused on street cleansing, encouraging residents and businesses to stop dropping and dumping litter.

- Push education through schools through the 'war on waste campaign', assembly talks, projects, visits to waste sites and theatre performances
- Carry out a campaign to increase reuse.
- Conduct targeted visits to householders where there is excess waste and/or contamination, ultimately backed up with enforcement. The initial role on all enforcement will be Veolia who will collate the necessary evidence and pass to the Council.
- 30 road shows and 10 meetings including residents associations and friends groups.

Commercial Waste

4.7.15 All businesses are legally obliged to manage their waste and recycling. They are not meant to leave it out on the street to be picked up by street cleaners or as part of the domestic waste services provided to residents. Unfortunately, a proportion of the waste out on Brent's streets is left by businesses who aren't meeting their obligations. To help local businesses, Veolia will offer a commercial waste service at reasonable rates. Businesses will be able to buy a bagged service, or if they require a container service for both residual waste and recycling.

4.7.16 Further, Veolia have proposed the introduction of time banded collections of waste in town centres, subject to council agreement. As set out earlier, this proposal will see businesses only able to present their waste on the pavement during specific windows of time each day. Officers consider this will help make the street scene much tidier in these areas. Alongside this, if businesses continue to put their waste out on Brent's streets Veolia will gather the evidence and where possible the Council will take enforcement action against them.

Street cleaning

4.7.17 Veolia have committed to providing an excellent cleansing service. There is a move away from a contract that specifies how often the streets are cleaned to a requirement that Brent's streets are kept clean, no matter how often the streets need cleaning. The graded standards shown below are as defined in the original Code of Practice on Litter and Refuse issued under section 89(7) of the Environmental Protection Act 1990. These four grades also correspond to the scales used by local authorities for recording levels of cleanliness.

Grade A: No litter or refuse

Grade B: Predominately free of litter and refuse apart from some small items

Grade C: Widespread distribution of litter and/or refuse with minor accumulations

Grade D: Heavily affected by litter and/or refuse with significant accumulations

4.7.18 Veolia will ensure that their operation achieves a Grade "A" Standard after cleansing. It is recognised that a grade A cannot be maintained at all times, and the presence of a few small items of litter and refuse, not yet accumulating, are regarded by the public as acceptable for short periods of time. It is expected that Veolia should, through monitoring and the appropriate use of their resources, keep land clear of litter and refuse so that it does not fall below a grade B and is cleansed to an A on a regular basis. If the standard is reported to fall below the grade of cleansing required then Veolia will return to the areas and restore the area to Grade A within time limits set out in the contract. They will be measured purely on the level of cleanliness their operations are able to bring about. They have committed to delivering against very challenging annual targets and to improving these targets year on year.

4.7.19 Veolia have redesigned their service around 7 villages and this will give a new focus particularly at weekends and evenings in Zones A and B. Veolia have promised more fluid cleansing services, with their application of resource adapted to the specific needs of Brent

by always having the right resource in the right place at the right time. The current 5 cleansing zones will be replaced by 7 'land use' types. The level of cleansing applied at each land use type will vary depending on need, moving away from the blanket approach to cleansing in residential streets. Busier residential streets will be cleaned more often.

Zone A Main Retail & Commercial
Zone B Other Retail & Commercial, schools.
Zone C Industry & Warehousing.
Zone D Main Road Land – North Circular Road.
Zone E High Obstruction Housing.
Zone F Medium Obstruction Housing.
Zone G Low Obstruction Housing.
Zone H Recreation Land.

- 4.7.20 There will be a continued focus on increasing the amount of cleansing waste that is recycled. The cleansing operation will be fully integrated across streets, parks and open spaces and will be organised on a 'village' basis. There will be 7 villages, with the managers and operatives taking responsibility for the standard of cleansing in their own areas. Bagged waste will be held in lockable on-street containers prior to pick up, so no longer visible to the public.
- 4.7.21 Operations will commence with an 'early shift' (0530 hours – 1430 hours for manual sweeping; 0500 hours - 1400 for mechanical sweeping) that will ensure the agreed standards of cleanliness for all land use types are achieved in the morning. Once these standards have been achieved it is more straightforward to maintain them to Grade A standard and a lower resource is applied in the late shift period (1400 hours – 2200 hours). The exception is in Zone A, where the resource level will be the same in the mornings and evenings. There will be a new weekend service, operating both in the morning and the afternoon.
- 4.7.22 Fly tips will be cleared promptly. That is a key requirement. Veolia have committed their operatives to becoming "the eyes and the ears" of the council, trained to identify, report, and manage all day-to-day fly-tips using mobile devices. The initial role on all enforcement will be Veolia. Enforcement investigations will be managed as far as possible by the Veolia supervisors and managers who will ensure photographic evidence and pocket notebook records are taken to secure evidence. Once a case is correctly and sufficiently built, Veolia will work with Brent's enforcement team to bring final prosecution.

Grounds Maintenance and Burials

- 4.7.23 Veolia have recognised how important these services are to Brent's residents. They have committed to maintain the quality of our parks during the life of the contract. Specific parks will continue to be maintained to Green Flag standards, although we will no longer submit applications for the Green Flag awards. Veolia have demonstrated an understanding of the sensitivity and complexity of the burial service and committed to meet those standards. Veolia will take over vehicles and equipment as part of the mobilisation.
- 4.7.24 There will be a focus on increasing recycling in our parks, both through the regular litter picking, but also through composting. There is also a commitment to engage with 'Friends of Groups', to carry out clean up days, and to help local groups apply for grants from the Veolia Trust. Veolia have also acknowledged that some of our parks are very busy at the weekends and they will provide a cleansing service at weekends during the summer months for the following parks:
- Gladstone Park

- Roundwood Park
- Welsh Harp Reservoir
- Barham Park
- Roe Green Park
- Woodcock Park
- Butlers Green
- King Edwards Park Wembley

4.7.25 Veolia have committed to match the current burial service and to ensure that its services reflect the diversity of Brent's residents.

Winter gritting

4.7.26 Veolia will be responsible for gritting the agreed routes and as part of that responsibility they are purchasing extra machinery for rapid gritting of footways in zone 1s. With the addition of grounds maintenance to the service they will also have a larger pool of staff available to be redeployed to gritting in emergencies.

4.7.27 Currently salt is stored at Harrow. Under this new arrangement Veolia will provide a salt store in Brent, giving a further cost saving, but also making it easier to grit Brent's roads and footways.

4.7.28 The Council has also negotiated changes to the way winter gritting costs and risks are handled. Currently any 'catch up' work after bad weather is at the councils cost and in the future this is at Veolia's cost. The Council also currently pay per run, but going forward this is a fixed price, no matter how many times Veolia have to grit the roads. This gives the council cost certainty.

Contract targets

4.7.29 Residual waste tonnages - Veolia have committed to reduce the residual waste, saving the council money on disposal. The table below summarises the tonnage reductions.

Contract Year		Residual Waste Disposal Tonnage Contract Target (tonnes per annum)	Maximum Green Waste Tonnage (tonnes per annum)	Maximum Food Waste Tonnage (tonnes per annum)	Maximum Mixed Organic (Green and Food) Waste Tonnage (tonnes per annum)
Baseline	2012/13	66,162			14,643
1	2014/15	59,778	7,661	7,836	15,496
2	2015/16	57,329	7,774	8,241	16,015
3	2016/17	55,671	7,923	8,502	16,425
Total change from baseline		-10,491			+1,782

4.7.30 Veolia have committed to on-going improvements in the standard of cleanliness of Brent's streets and open spaces.

Year	% of streets with less than unacceptable	% of streets with less than unacceptable	% of streets with less than unacceptable	% of streets with less than unacceptable level
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	level of Litter LCS 1	level of Detritus LCS 2	level of Graffiti LCS 3	of Flyposting LCS 4
Current baseline	13	14	5	3
2014/15	10	11	7	1
2015/16	9	10	6	1
2016/17	8	9	5	1

4.7.31 During the first three years of the contract Veolia are committing to an 8.5% reduction in CO2 emissions.

Year	T Co2 e/Year
2014/15	2717
2015/16	2703
2016/17	2690

4.7.32 Over the first three years of the contract Veolia have committed to improve customer satisfaction across the key services.

	% satisfaction with waste collection	% satisfaction with street cleansing	% satisfaction with grounds maintenance	% satisfaction with burial service
Current baseline	77	56	72	91
2014/15	80	60	80	93
2015/16	82	65	82	94
2016/17	85	70	85	95

Employment opportunities, supporting local business and other commitments

4.7.33 As the procurement of Public Realm services commenced before the main provisions of the Public Services (Social Value) Act 2012 came into force on 1 January 2013, the provisions of the Act are not strictly relevant. The Council has however had regard to the ethos of the Act in the procurement in trying to improve economic, social and environmental well-being within Brent. In this regard, Veolia will provide at least 8 apprentices including 2 apprentices for grounds maintenance and work with a range of other providers to provide local employment opportunities when vacancies arrive. They will aim for as many vacancies to be filled by Brent residents as possible through the following routes:

- Work with Job Centre Plus, Cue Personnel and Skills Training Centre to source local people who are seeking work, provide training and then work with Cue to find work.
- Work with Reemploy and Shaw Trust - provider of employment services to people with disabilities, Blue Sky (employment services to ex-offenders), and Veolia Restart (18-24 year old NEETS)
- Provide training opportunities through their dedicated training facilities – Campus Veolia.
- Ensure all staff are trained to NVQ level 2 as a minimum by December 2014.

4.7.34 Veolia has been awarded Platinum status by Business in the Community. They currently spend over £13 million pa in Brent including larger businesses such as McGovern's and small enterprises such as local caterers and will endeavour to favour local procurement where possible.

4.7.35 Veolia offer all staff ½ a day per year to carry out volunteering. In 2012 70% of the staff took up this opportunity (this equates to approximately 955 volunteer hours). They aim to increase this year on year.

4.7.36 Veolia will also comply with the 'Safer Lorries' pledge to improve safety for cyclists. This includes ensuring lorries have proximity alerts and signage and that drivers have additional training.

London Living wage

4.7.37 Veolia has agreed to make the contract London Living wage compliant at an additional cost of £55,000 per annum.

4.8 Options for further savings

4.8.1 During the competitive dialogue process the financial outlook for local government has deteriorated further and Brent Council now faces a budget shortfall of £20m in 2014/15'. The Medium Term Financial Plan is currently being changed to revise the £55m shortfall between 2014/15 and 2016/17 and will be communicated to members shortly. As a result officers asked bidders to identify other savings options which were not part of the financial evaluation. Within the contract there is a change control mechanism that will help the authority and Veolia to accurately price any service changes during the life of the contract, ensuring that prices are transparent and fair to both parties

4.8.2 As the incumbent Veolia have offered to vary their current contract and implement the crew reductions and change to curtilage collections as soon as possible to deliver savings of £300,000 during 2013/14. This will mean a change in collection days and this will be carefully communicated to residents. The equality implications are considered in Appendix 6.

5 Risks

5.1 Throughout the process there has been careful attention to managing and reducing the risks. A summary of the key risks and mitigation are set out below.

Description	Impact (1 -5)	Probability (1 - 5)	RAG Status	Preventative/ Mitigating Actions
RISKS DURING MOBILISATION				
CONTRACT EXECUTION Delay in signing the contract would have an impact on the timeframe available for the mobilisation of the services.	3	1	Green	The services agreement was discussed with the contractor throughout the procurement process to ensure rapid contract signature. No significant or materials changes are anticipated.
STAFF ENGAGEMENT Contractor does not carry out adequate staff engagement.	3	1	Green	The Contractor has extensive experience of mobilising contracts of this type, including staff engagement. The Contractor's approach to staff engagement was discussed throughout the procurement process and raises no concerns.

Description	Impact (1 -5)	Probability (1 - 5)	RAG Status	Preventative/ Mitigating Actions
SERVICE CONFIGURATION Contractor fails to complete service configurations during the mobilisation period and the performance of services is affected at Contract commencement.	3	1	Green	The Contractor has extensive experience of mobilising contracts of this type, including borough-wide service configurations. The Contractor's approach to service configuration was discussed throughout the procurement process and raises no concerns. Council officers will support and facilitate the mobilisation plan of the contractor.
RISKS DURING THE OPERATION OF THE CONTRACT				
LEGISLATION General changes in law and/or contract specific lead to higher contract costs.	3	2	Green	The Contractor has extensive experience of managing contracts of this type and duration to ensure flexibility and responsiveness to legislative changes. The Contractor's approach to legislative changes and good practice trends was discussed throughout the procurement process and raises no concerns.
ENVIRONMENTAL Contractor fails to design, provide and manage the Services in a sustainable way to minimise the environmental impact of the operations and reduce carbon emissions.	2	1	Green	The Contractor has extensive experience of managing contracts of this type to reduce the environmental impact of the operations. A Contract Target requires the Contractor to reduce the environmental impact of the operations and reduce carbon emissions. This will be overseen by a robust performance management framework.
FINANCIAL Contractor fails meet the Contract Targets and the Key Outcome Targets leading to financial penalties.	3	1	Green	The Contractor has extensive experience of managing contracts of this type and meeting stringent target performance. The Contractor's approach to target setting and monitoring was discussed throughout the procurement process and raises no concerns.
WASTE COLLECTION Requirements from the West London Waste Authority (WLWA) (e.g. disposal charges, disposal points, waste handling) reduce Council income and/or increase Contract cost.	3	1	Green	The Contractor has extensive experience of managing contracts of this type and duration to ensure flexibility and responsiveness to changes. WLWA is the statutory waste disposal authority and has been engaged throughout the procurement process. Unforeseen future requirements will be implemented by providing adequate time to the Council and the Contractor to make changes.

Description	Impact (1 -5)	Probability (1 - 5)	RAG Status	Preventative/ Mitigating Actions
Delivering Services Contractor is unable to meet and standards for waste and recycling, cleansing, grounds maintenance or burials	3	1	Green	The Contractor has extensive experience of managing contracts of this type and meeting stringent performance targets. The Contractor's approach to target setting and monitoring was discussed throughout the procurement process and raises no concerns. The Contract will be overseen by a robust performance management and monitoring framework.

6 STAFFING IMPLICATIONS

- 6.1 Waste, recycling and street cleaning services are currently provided in Brent through an external contractor – Veolia. Resident engagement and education on recycling, waste and street cleansing is currently provided in-house as is graffiti removal and toilet cleaning. Grounds maintenance services for Brent's parks and open spaces and burials are currently provided in-house. Grounds maintenance for land managed by BHP is provided by Wettons and SDK manage the dog fouling bins in Parks. There are TUPE implications for Council staff, SDK and Wettons arising from awarding this the contract.
- 6.2 Officers identified a total of 88 council employed staff as potentially liable to transfer to a contractor pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE"). These figures will be finalised during the detailed TUPE conversations that happen post contract award.
- 6.3 The staff and Unions have been kept informed during the process. The Council intends to work with Veolia to ensure Brent Council staff will have the best possible support during this time. The following table sets out a summary of the consultation to date.

<u>Staff consultation</u>		
Date	Event	Purpose
07.06.12	Staff / HR meeting	Update Grounds and burial staff of very early stages of Public Realm procurement.
March, May and June 13	Tool box talks / news bulletin	Update Grounds and burial staff on Public Realm procurement.
21.05.13	GMB/Unison meeting	Provided background and scope of the Public Realm project and outlined staff implications.
21.05.13	Staff Meeting	Update to waste and recycling staff.
24.05.13	Staff Meeting	Update to graffiti and cleansing operatives.

01.07.13	GMB/Unison Meeting	Provided an update on the project and staffing implications
25.07.13	GMB/Unison Meeting	Provided an update on procurement and Client Structure
13.08.13	GMB/Unison Meeting	Presented the Recycling and Waste Staff Consultation paper. No comments received
14.08.13	Staff Consultation	Consultation launch involving one to one meetings of Recycling and Waste staff affected to present paper and start consultation process. GMB and Unison invited and attended to represent members.
28.08.13	Staff consultation	Consultation paper about client structure shared with Parks managers and papers distributed to front line staff via depot notice boards.
17.09.13	GMB/Unison meeting	Updated Unions on progress. No comments received.
19.09.13	Staff	Client structure finalised and circulated to all affected staff following careful analysis of feedback.

- 6.4 Council employed staff transferring to a contractor under TUPE would do so on their current terms and conditions of employment. Although pension rights do not transfer under TUPE, the Council is under a legal obligation to secure pension rights for its staff who do transfer, which was done by requiring contractors to confirm they would either provide such staff with continued access to the Local Government Pension Scheme ("LGPS"), provide pension arrangements that are broadly comparable to the LGPS or in exceptional circumstances pay appropriate compensation to disadvantaged staff. Veolia's tender confirmed that they would apply for admitted body status thus allowing staff continued access to the LGPS.
- 6.5 The levels of staffing required by the incoming contractor are less than the existing establishment as a result of efficiencies driven through new working methods and technological advancement. The incoming contractor shall consult the workforce in the mobilisation phase of the contract in order to determine how the staffing reductions may be realised.
- 6.6 Veolia will comply with the contractual Managing Change Policy.
- 6.7 As stated in 6.1, there are TUPE implications for Wettons and SDK arising from awarding this contract. Information was provided by the existing contractors for the purpose of TUPE and although the details are not known, contractor to contractor transfers will take place. There are no financial implications for the Council, although the Council has a responsibility for providing accurate TUPE information to the tenderers.

- 6.8 To meet the needs of this new Public Realm contract and the establishment of a single client team across the Public Realm Services the Recycling and Waste service is being realigned. The Council's Managing Change procedure is being implemented and whilst eight officers posts are being deleted, fifteen new posts have been created and five officers have been assimilated.
- 6.9 There are a number of employees who are "service tenants" that live in Council owned accommodation in a number of parks in the borough who will be affected by these proposed changes. A service tenancy is a tenancy where the employee's contract of employment with the landlord requires the employee to occupy a residential property for the better performance of his duties. Following any award of contract, the council will liaise with staff and Veolia to review the situation on a case by case basis.

7.0 PROPERTY IMPLICATIONS

- 7.1 The 15 October 2012 Executive report set out terms of a freehold site acquisition by Brent for a new depot at Marsh Road, Alperton. The proposal was that this would be used as the main depot supporting this Public Realm contract. In addition, a number of existing depot sites have been offered to bidders, at the following locations and site plans are attached to this report at Appendix 8:
1. Gladstone Park
 2. John Billiam Park
 3. King Edwards VII Park
 4. Northwick Park
 5. Preston Park
 6. Roe Green Park
 7. Roundwood Park
 8. Tokyngton Recreation Ground
 9. Vale Farm
 10. Barham Park
 11. Alperton Cemetery
 12. Carpenders Park Cemetery
 13. Marsh Road Depot
 14. Drury Way
 15. Paddington Old Cemetery
 16. Victoria Road Former Toilet
 17. Willesden New Cemetery
- 7.2 The Public Realm Contract will include leases in a standard format with any variations agreed during dialogue that will apply to all premises (excluding Barham Park).
- 7.3 As Barham Park is held by the Council in trust, contracting provisions are different and a form of occupation license was provided to bidders for this purpose.

7.4 During dialogue each bidder detailed which sites they required, what aspect of the contract the site would be utilised for, the works they planned and high level costs. Veolia's submission is summarised in the table below:

Depot	Address	Site use	Veolia works
Gladstone Park	Rickyard Depot, Gladstone Park, Parkside, London NW2	Cleansing, grounds maintenance, storage.	
John Billiam Park	Depot and Mess Room, John Billam Sports Ground, Woodcock Hill, Harrow, HA3 0PQ	Grounds maintenance, storage.	
King Edwards VII Park	King Edward VII Wembley Depot, Park Lane, Wembley, HA9 7RX	Cleansing, grounds maintenance, storage.	
Northwick Park	Northwick Park Depot, The Fairway, Wembley, HA0 3TQ	Storage.	
Roe Green Park	Roe Green, Kingsbury Road, London NW9 9HA	Cleansing, grounds maintenance, storage.	
Roundwood Park	Roundwood Park Depot, Roundwood Park, Robson Avenue, London NW10 3SH	Cleansing, grounds maintenance, storage.	
Tokington Recreation Ground	Tokington Recreation Ground Depot, Monks Park, Wembley HA9	Grounds maintenance, storage.	
Vale Farm	Vale Farm Depot, Watford Road, Wembley, HA0 3HG	Cleansing, grounds maintenance.	
Barham Park	Grounds Maintenance Yard, 656 Harrow Road, Wembley, HA0 2HB	Grounds maintenance.	
Alpertons Cemetery	Alpertons Cemetery Depot, Alpertons Cemetery, Clifford Road, Wembley	Burial.	
Carpenters Park Cemetery	Carpenters Park Cemetery Depot, Carpenters Park Cemetery, Oxhey, Watford, Hertfordshire WD19 5RL	Burial.	
Marsh Road Depot	7 Marsh Road, Wembley, HA0 1ES	Waste collection, commercial waste, cleansing and winter maintenance, storage.	Works – drainage, interceptor, minor refurbishment works to current office block. at £95,000
Preston Park		Storage	
Drury Way	Lorry Park, Drury Way, London NW10	Waste collection.	
Paddington Old Cemetery	Paddington Cemetery Depot, Paddington Cemetery, Willesden Lane,	Burial.	

Depot	Address	Site use	Veolia works
	Kilburn, London NW6 7SD		
Victoria Road Former Toilet	Former Public Convenience, Victoria Road, London NW6	Cleansing	
Willesden New Cemetery	Willesden New Cemetery Lodge, Willesden New Cemetery, Franklyn Road, London, NW10 9TE	Burial.	

- 7.5 Current proposals envisage Drury Way being utilised for the first year of the contract only, with operations being relocated to Marsh Road. Drury Way is in a prime location off the North Circular Road and opposite IKEA and therefore has significant potential for alternative use. The options will be evaluated 6 months before the site becomes free.
- 7.6 For the purposes of early works and mobilisation, during dialogue stage each bidder was supplied with a copy of the Council's building license allowing early entry to relevant sites.
- 7.7 A supplemental lease was supplied to cover situations where sites may not be available on the start date of the main contract. Similar to the license the document has been provided to bidders during the dialogue process for comment.

8.0 FINANCIAL IMPLICATIONS

- 8.1 The estimated value of this contract for Brent will be £15.9 per annum, or £143.1m over the initial 9 year contract term. The table below shows how the savings arise over the contract period, compared to existing budgets.

	Year 1	Year 2	Year 3	Year 4	Years 5-9
	2014/15	2015/16	2016/17	2017/18	2018/19 - 2022/23
	£000	£000	£000	£000	£000
Current budget for waste & recycling and street cleansing	14,029	14,029	14,029	14,029	14,029
Current budget for grounds maintenance, burials and parks	1,218	2,334	2,334	2,334	2,334
BHP budget	550	550	550	550	550
Current budget waste collection from Council buildings	115	115	115	115	115
Total budget available	15,912	17,028	17,028	17,028	17,028
Veolia contract price	14,794	15,943	15,943	15,943	15,943
Direct contract savings	1,118	1,085	1,085	1,085	1,085
<u>Other related savings and costs:</u>					
Marsh Road depot: capital financing costs	267	267	267	267	267
Rent savings from Brent Transport				(186)	(186)
Additional savings from Environment budget	(582)	(582)	(582)	(582)	(582)
Additional savings from WLWA disposal costs			(377)	(377)	(377)

Total other savings	(315)	(315)	(692)	(878)	(878)
Total savings	1,433	1,400	1,777	1,963	1,963
Savings relating to BHP	(165)	(165)	(165)	(165)	(165)
Net budget savings for the Council	1,268	1,235	1,612	1,798	1,798
Less additional costs of London Living Wage option	(55)	(55)	(55)	(55)	(55)
Net budget savings including LLW option	1,213	1,180	1,557	1,743	1,743

Notes:

1. Year 1 budget for grounds maintenance and burials is a part year figure as these services come under the contract from September 2014.
2. Additional savings from the Environment budget relates to services that were previously carried out internally but now form part of the new contract, as a result of competitive dialogue process.
3. Additional savings from WLWA disposal costs are based on guaranteed reduced tonnages under the new contract see paragraph 8.4.
4. Savings related to BHP are shown separately as they do not form part of the Council's general fund budget but will accrue to BHP, and have been removed from the overall savings figure.
5. London Living Wage has also been show separately, see paragraph 8.17 for more details.
6. The table excludes the annual inflationary increases to be applied to the contract price (see paragraph 8.7-8.8), any additional income from profit share from other sources identified in the payment mechanism (see paragraph 8.9-8.12), potential additional savings options and any incentive payments that may be paid in the situation of excellent performance.
7. The financial model that underpins the savings assumption takes into consideration that the Council will provide a depot that will be run by the contractor.

8.2 The previous Executive report noted savings of £1.3m, which was built into Council's budget projections. The above table shows that over the period of the contract this target has been exceeded and will deliver £1.7m by 2017/18. The increase is due to a combination of the competitive dialogue process and guaranteed performance improvements in terms of waste tonnages.

8.3 Costs incurred in the tender process, i.e. one-off project costs, procurement and legal support amount to £481,000 and are to be met from the One Council programme enabling fund.

Waste tonnages and costs

8.4 As part of the contract there will be a reduction in residual waste. The following table shows the full impact of the performance improvements generated under the new contract compared to existing budgets over the next three years.

	2014/15	2015/16	2016/17
	£'000	£'000	£'000
Current Brent Pay as you throw waste disposal budget	7,002	7,002	7,002
Estimated PAYT costs under existing WLWA contract	7,661	7,877	7,400
Projected overspend on current budget	659	875	398
Estimated costs with new WLWA PAYT contract	7,179	7,175	6,625
Savings/costs compared to current budget	177	173	(377)
Estimated reduction from new contract compared to current costs	(482)	(702)	(775)

8.5 Therefore under the new contract most of the projected overspend in years 1 & 2 is eliminated. In addition, from 2016/17 onwards savings of £377K will be delivered. Costs

under the new contract are based on guaranteed waste tonnages, and if these targets are exceeded the contractor bears the additional costs from WLWA. This also gives the council greater cost certainty.

Payment Mechanism

- 8.6 Within the payment mechanism, there a number of items which guarantee levels of income and expenditure within the overall contract price, thereby transferring risks to the contractor as well as providing incentives to maximise efficiencies. A good example is winter gritting where the contractor will meet the cost of additional winter runs and the costs of catching up with domestic waste collections after snow.
- 8.7 Additionally, there are provisions for income and profit share arrangements, where the council would receive additional income, as outlined in 8.11 -8.14. The payment mechanism also includes financial penalties to the contractor for performance failures, thereby further incentivising the contractor to deliver a service as outlined in line with key output targets.

Indexation

- 8.8 Careful negotiation and analysis has resulted in an indexation clause that directly reflects the costs of carrying out this type of contract and that the council doesn't pay for inflation that is outside the scope of the works. The contract price will be subject to an annual indexation to take account of inflation. The first indexed increased will apply from 1 April 2015, and will cover inflationary increases to that date. Thereafter there will be an annual inflation adjustment each 1st April. 8% of the contract price is fixed, to take account of fixed capital repayment costs. The remaining 92% to be indexed is split as follows
- 65.2 % weighting for changes in the Average Weekly Earnings Index (average basic earnings covering the whole economy)
 - 23.9% weighting for Consumer Price Index changes
 - 10.9% for Derv Indexation changes (fuel)
- 8.9 The annual inflation increase will form part of the Council's budget setting process. Some of the inflationary increases may potentially be mitigated by additional income as outlined below.
- 8.10 The contract also takes some account of the projected household increases coming to Brent. The contract provides for a 7% increase in households before the cost of household waste collection rises.

Income

- 8.11 For the first three years there is a guaranteed income figure for Commercial Waste included in the tender bid. Within Veolia's overall annual contract price they have included a guaranteed income of £694k per annum less £511k of costs. For any additional net profit above this, Veolia would pass on 75% of this to Brent. The contractor would charge commercial organisations directly for collection of their waste. These organisations can choose who collects their waste. If income is below the guaranteed figure, the contractor will fully bear the cost of any shortfall.
- 8.12 For the first three years for recyclable materials there is a guaranteed income figure of £1.144M per annum less costs of £1.3M for storage, haulage and processing of materials. For any additional income above the guaranteed level, Veolia would pass on 60% to Brent

and Veolia would bear any increase in processing costs. Again, the contractor would fully bear the cost, if there was a shortfall in income against the guaranteed figure.

- 8.13 Prices for recyclable materials tend to be volatile, and to take account of this there will be rebasing of the prices every three years. Currently recycle prices are relatively low due to prevailing economic conditions, and it is likely that prices will increase over the period of the contract. Having rebasing exercises would therefore allow the Council to benefit from any increases in recycle prices, as the guaranteed income figure would increase accordingly.

Excess profit

- 8.14 There is also a profit share arrangement, whereby in any contract year, any profits additional to that included in the tender bid would be shared 50% with Brent (in addition to any payments to the Authority for profit shares on commercial waste and recyclables as above).

Incentives and deductions

- 8.15 The payment mechanism includes incentive payments and deductions. The Council currently has a separate budget for West London Waste related costs of £7m. The incentive payment within this contract relates to savings to the Council for waste recovered and not disposed of as residual waste (estimated saving of £105 per tonne, partially offset by increased organic waste processing costs). The contractor will be required to use at least 70% of any incentive payment to incentivise staff and the sharing mechanism is set out in the following table.

WLWA Saving	Contractor's Share of WLWA Saving
0 to £200,000	30%
£200,000 to £400,000	40%
£400,000 to £1,000,000	50%

- 8.16 There are a range of penalty deductions for performance failures, including failure to meet residual waste disposal targets, cleansing targets, greenhouse gas emissions, and customer satisfaction levels. These are considered rigorous enough to sufficiently incentivise the contractor to provide a high standard of service delivery. In the event of excellent performance there will be incentive payments.

London Living Wage

- 8.17 There is a provision whereby the Council can require the contractor to pay all staff at least the level of the London Living wage. The additional cost of this option is £55,000 per annum, which would be added to the contract price. The table in 8.1 shows total savings including and excluding this option. If actual costs, including inflation, exceed £55,000 the contractor will bear the additional costs.

Pensions and risk share arrangements

- 8.18 The council and the contractor have agreed a risk share agreement that ensures Brent staff that enter into TUPE arrangements are eligible to be members of the Local Government Pension Scheme and that the contractor meets any additional payments that may be required under the agreement. The main purpose of this agreement is to ensure risk and responsibility is transferred to the contractor.

Further savings options

- 8.19 Bidders were asked to identify options available to the Council for maximising efficiencies on services over the life of the contract, which would generate additional savings. The table after paragraph 8.1 takes into account Veolia's proposal to vary their current contract and implement the crew reductions and change to curtilage collections as soon as possible to deliver savings of £300,000 during 2013/14.

9.0 LEGAL IMPLICATIONS

- 9.1 The estimated value of the Public Realm contract over its lifetime is in excess of the EU threshold for tendering services contracts and is therefore governed by the Public Contracts Regulations 2006 (the 'EU Regulations'). The Public Realm contract is also governed by the council's own Contract Standing Orders in respect of High Value Contracts and Financial Regulations.
- 9.2 As the Public Realm contract is classed as a High Value Contract, approval of the Executive is required for authority to award the contract.
- 9.3 In accordance with EU Regulations, the Council must observe a minimum 10 calendar day standstill period before the contract can be awarded. Therefore once the Executive has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision and unsuccessful tenderers will be provided with additional debrief information in accordance with EU Regulations. Following expiry of the standstill period, the successful tenderer will be issued with a letter of acceptance.
- 9.4 As the procurement of the Public Realm contract is a collaborative procurement, the Council is putting in place clear and effective arrangements with BHP for the operation of the contract as outlined in paragraphs 3.6.1-3.6.2.
- 9.5 The leases to be granted under the terms of the contract will be ancillary to the service level contract. Therefore the leases will be contracted out of the statutory business security of tenure provisions comprised in Part II of the Landlord and Tenant Act 1954. Given therefore the purpose of the leases are to protect the Council's position with regard to Council property, a peppercorn rent will be charged.
- 9.6 The Council has been granted a licence by the Barham Park Trust to operate the depot on the site to provide grounds maintenance services exclusive to Barham Park, the Contractor will be granted a licence to operate the depot on a similar basis. The grant of the licence by the council to the Contractor falls within the scope of the licence granted by the Barham Park Trust to the council pursuant to the delegation.
- 9.7 As the leasing of the depots are a disposal of land for the purposes of the Local Government Act 1972 if the premises are categorised as public open space for the purposes of the Local Government Act 1972 the Council is required to publish a public open

space notice in respect of the proposed leases in the local newspaper on two consecutive public dates and provide 21 days for objections.

- 9.8 The public open spaces notice of the disposal was published on 8th and 15th August 2013 in the local newspaper with the period for objections expiring on 30th August 2013. The Council has received no objections.
- 9.9 In considering the reduction in bin sizes and other changes, Members should have regard to the public Sector Equality Duty set out at Section 149 of the Equality Act 2010 and as set out in Section 10 below.
- 9.10 Legal implications concerning staffing are included in Section 6 above.
- 9.11 As detailed at paragraphs 4.7.1 to 4.7.36 it is proposed that the service under the Public Realm contract will be delivered in ways that differ from current operating practices. .
- 9.12 Paragraph 4.7.7 proposes the reduction in bin sizes when bins need replacement or new bins are required. Section 46 of the EPA allows a local authority to determine the kind and number of bins and other receptacles householders should use for their household waste. Section 46 of the EPA also permits a local authority to specify where a householder should place the bin and other receptacle for collection and would thus permit the change proposed in paragraph 4.7.6 requiring householders to present their bins as close to the boundary of their property as possible.
- 9.13 With reference to time-banding of collections, as indicated in paragraph 4.7.8-4.7.12, the London Local Authorities Act 2007 (the “2007 Act”) provides that the council may make regulations requiring occupiers of premises to place household waste (s20 of the 2007 Act) and commercial and industrial waste (s22 of the 2007 Act) in receptacles of a kind and number specified. The relevant sections of the 2007 Act make it clear that such regulations may also cover the periods during which receptacles should be placed on the highway. The 2007 Act indicates that regulations should only be made if the council is satisfied that doing so would prevent nuisance or detriment to the amenities of its area. Members are referred to paragraph 4.7.10 which sets out the way in which Officers consider the introduction of time banding would prevent such nuisance or detriment.
- 9.14 In addition to the award of the Public Realm Contract, Members are being asked to approve a variation to the Council’s current Waste Services contract as set out in paragraph 4.8.2. The Waste Services contract does permit the parties to agree variation of the contract. In agreeing such variation, Members should have regard to the equality and diversity matters as detailed in Section 10.

10.0 EQUALITY AND DIVERSITY IMPLICATIONS

- 10.1 The legal duty is set out at Section 149 of the Equality Act 2010. It requires the Council, when exercising its functions, to have ‘due regard’ to the need to eliminate discrimination, harassment and victimization and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who share a ‘protected characteristic’ and those who do not share that protected characteristic.
- 10.2 A ‘protected characteristic’ is defined in the Act as:

- age;
- disability;

- gender reassignment;
- pregnancy and maternity;
- race;(including ethnic or national origins, colour or nationality)
- religion or belief;
- sex;
- sexual orientation.

Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

- 10.3 Having due regard to the need to ‘advance equality of opportunity’ between those who share a protected characteristic and those who do not includes having due regard to the need to remove or minimize disadvantages suffered by them. Due regard must also be had to the need to take steps to meet the needs of such persons where those needs are different from persons who do not have that characteristic, and encourage those who have a protected characteristic to participate in public life.
- 10.4 The steps involved in meeting the needs of disabled persons include steps to take account of the persons’ disabilities. Having due regard to ‘fostering good relations’ involves having due regard to the need to tackle prejudice and promote understanding. Complying with the duty may involve treating some people better than others, as far as that is allowed by the discrimination law.
- 10.5 In addition to the Act, the Council is required to comply with any statutory Code of Practice issued by the Equality and Human Rights Commission.
- 10.6 The equality duty arises where the Council is deciding how to exercise its duties and powers regarding Public Realm services.
- 10.7 The council’s duty under Section 149 of the Act is to have ‘due regard’ to the matters set out in relation to equalities when considering and making decisions on the provision of these services. Accordingly due regard to the need to eliminate discrimination, advance equality, and foster good relations must form an integral part of the decision making process. Members must consider the effect that implementing a particular policy will have in relation to equality before making a decision.
- 10.8 There is no prescribed manner in which the equality duty must be exercised. However, the council must have an adequate evidence base for its decision making. This can be achieved by a variety of means including gathering details and statistics on who uses the service. The potential equality impact of the proposed changes to the service has been assessed, and that assessment is found at Appendices 6 and 7 and a summary of the position is set out below. A careful consideration of this assessment is one of the key ways in which members can show “due regard” to the relevant matters.
- 10.9 Where it is apparent from the analysis of the information that the policy may have an adverse effect on equality then adjustments should be made to avoid that effect (mitigation). The steps proposed to be taken are set out in paragraph 10.12-10.19 and in more detail in the equality analysis.
- 10.10 Members should be aware that the duty is not to achieve the objectives or take the steps set out in s.149. Rather, the duty on public authorities is to bring these important objectives relating to discrimination into consideration when carrying out its public functions (which

includes the public realm functions). “Due regard” means the regard that is appropriate in all the particular circumstances in which the authority is carrying out its functions. There must be a proper regard for the goals set out in s.149. At the same time, Members must also pay regard to any countervailing factors, which it is proper and reasonable for them to consider. Budgetary pressures, economics and practical factors will often be important, and the financial savings which are required and provided by these proposals are set out in this report. The weight of these countervailing factors in the decision making process is a matter for members in the first instance

- 10.11 The impact of the service changes have been kept to a minimum as there are very few changes in service and where necessary Veolia has built in measures to mitigate the effect of these changes on service users. Full Equality Impact Assessments are attached at Appendices 6 and 7. The Authority designed strategic objectives to guide the procurement of the new contract and to ensure that residents’ needs are prioritised. By carefully building on these objectives and centrally embedding them into their proposed public realm strategy, Veolia has mitigated any major diversity implications.
- 10.12 The procurement process identified two areas where some service change needs to occur to maximise value for money and these are listed below:
- a) clarification of the bin presentation requirements will be provided to ensure that bins are presented at the curtilage unless a resident meets the criteria for assisted collections.
 - b) that 140 litre bins will be provided for all new requests. Where a household can present a case for a larger bin, this will be provided.
- 10.13 Potential Impact 1: Language barrier. Due to Brent’s diverse composition, there may be a language barrier preventing some households from utilising the waste and recycling services properly. To mitigate this, Veolia has submitted detailed proposals for a communications strategy and focussed community engagement plans which include clear information in a range of easily accessible forms including some information in a variety of languages and pictorial and symbol guidance.
- 10.14 Potential Impact 2: Age. The new contract emphasises electronic channels for customer contact and the dissemination of information to the public. This may have an impact on some older people, especially those who are not fluent in English and not confident with technology. Veolia will therefore use a range of communications methods as described in their communications strategy which includes some focussed face to face contact with customers who are less likely to respond to electronic means. Some older people may also find it difficult to bring their bins to the edge of their property. The assisted collection service will continue and will be communicated widely.
- 10.15 Potential Impact 3: Disability. There may be a risk of negative impact due to a change in curtilage presentation for those who are mobility restricted because of disability. Assisted collections will be maintained as a priority service under the new contract.
- 10.16 Potential Impact 4: Faith. Specific requirements regarding burial requirements and bereavement needs of our diverse community have been identified and embedded within the new contract specifications. The Contractual requirements reflect the Council’s cemetery and burial strategy which has been the subject of a detailed equality analysis previously considered by members.

- 10.17 No impacts have been identified for the following categories: gender reassignment, maternity and pregnancy, sexual orientation and marriage/civil partnership.
- 10.18 There is an option to vary the current contract with Veolia, delivering savings in 2013/14 by reducing the number of waste and/or recycling collection rounds and implementing the curtilage collections now. The impact of curtilage collections is addressed above. Reducing collection rounds will result in changes to the day that the bin is collected, in some parts of the borough. The frequency of collection will not change. This will be carefully and robustly communicated by Veolia. There is no additional equality impact.
- 10.19 In so far as it is not possible to mitigate all the negative impacts on the protected groups identified above members are advised that the countervailing factors of the financial pressure faced by the council and the savings that the proposed changes yield are relevant when reaching a decision on the proposed changes to the service.

Appendices

Appendix 1 (Confidential)	Bidder Details
Appendix 2	PQQ evaluation results
Appendix 3	ISOS evaluation results
Appendix 4	ISDS evaluation results
Appendix 5	ISFT evaluation results
Appendix 6	Equality Analysis for the Public Realm Contract
Appendix 7	Site maps

BACKGROUND PAPERS

Managing the Public Realm - contract award criteria and update, 11 February 2013
 Report to the Executive Managing the Public Realm - 15 October 2012
 Public Realm Evaluation Methodologies

CONTACT OFFICERS

Jenny Isaac, Operational Director Neighbourhoods

Sue Harper
Strategic Director, Environment and Neighbourhoods

APPENDIX 2 – PQQ EVALUATION SCORING

	Total
Bidder 1	72.67
Bidder 2	80.67
Bidder 3	70.33
Bidder 4	59.67
Bidder 5	79.33
Bidder 6	86.67

APPENDIX 3 - ISOS EVALUATION RESULTS

ISOS Contract Performance (Quality) Summary

SCORE (WEIGHTED TO TIER 2)

	Rec Org % Target	LCS % Targets	CO ₂ Target	Customer Satisfaction Target	TOTAL
	CW _{RCT} %	LCS %	tCO ₂ e/year	CS _{AVERAGE}	12.5%
Bidder 1	0%	73%	0%	97%	6.4%
Bidder 2	100%	82%	0%	98%	11.8%
Bidder 3	58%	100%	0%	98%	10.3%
Bidder 4	35%	74%	0%	97%	8.2%
Bidder 5	50%	82%	0%	100%	9.3%
Weighting	40%	30%	0%	30%	

TOTAL QUALITY SCORE

(WEIGHTED TO TIER 2)

		Bidder 1	Bidder 2	Bidder 3	Bidder 5	Bidder 6
Compliance with the Specification	12.5%	7.0%	7.9%	8.9%	8.8%	9.0%
Proposed Systems and Working Methods	25.0%	13.4%	14.1%	13.8%	16.7%	19.0%
Operational and Mobilisation Plans	25.0%	11.3%	16.4%	14.2%	17.2%	18.5%
Proposals for Enhancement of Services	6.3%	3.1%	3.8%	4.4%	4.5%	4.4%
Delivery of Customer Excellence	6.3%	4.0%	4.1%	4.0%	4.6%	4.1%
Approach to Innovation and Sustainability	12.5%	7.6%	8.1%	8.9%	8.0%	10.5%
TOTAL	87.5%	46.4%	54.3%	54.0%	59.8%	65.4%

ISOS Total Cost Evaluation

SCORE (WEIGHTED TO TIER 2)

	Price		Performance & Payment Mechanism				TOTAL
	Average Total Annual Cost	Rates	Performance & Pay Mech	Cost Certainty	Commercial Innovation	Maximising efficiencies	
Bidder 1	70%	0%	0%	60%	40%	40%	67%
Bidder 2	100%	99%	0%	60%	60%	60%	98%
Bidder 3	100%	84%	0%	60%	80%	80%	98%
Bidder 4	70%	100%	0%	60%	60%	60%	70%
Bidder 5	86%	92%	0%	60%	20%	40%	83%
Weighting	91.65%	2.35%	0%	2%	2%	2%	

ISOS Evaluation Summary

	BIDDER 1	BIDDER 2	BIDDER 3	BIDDER 5	BIDDER 6
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QUALITY

Contract Performance	6%	12%	10%	8%	9%
Deliverability	46%	54%	54%	60%	65%
Weighting	60%	60%	60%	60%	60%
TOTAL QUALITY	32%	40%	39%	41%	45%

PRICING / COMMERCIAL

Cost	67%	98%	98%	70%	83%
Weighting	40%	40%	40%	40%	40%
TOTAL PRICING / COMMERCIAL	27%	39%	39%	28%	33%

TOTAL BID SCORE	58%	79%	78%	69%	78%
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Appendix 4 – ISDS Evaluation Scoring

ISDS Contract Performance (Quality) Summary

SCORE (WEIGHTED TO TIER 2)

	Residual Target	LCS % Targets	CO ₂ Target	Customer Satisfaction Target
	CW _{RES%}	LCS %	tCO ₂ e/yea r	CS _{AVERAGE}
BIDDER 2	100.00%	100%	100%	95%
BIDDER 5	76.02%	89%	94%	100%
BIDDER 6	93.12%	96%	96%	97%
Weighting	30%	30%	10%	30%

TOTAL
12.5%
12.3%
11.1%
11.9%

ISDS Deliverability - Method Statement (Quality) Summary

SCORE (WEIGHTED TO TIER 2)

		BIDDER 2	BIDDER 5	BIDDER 6
Compliance with the Specification	10.0%	6.8%	6.9%	7.2%
Proposed Systems and Working Methods	40.0%	23.9%	24.5%	27.4%
Operational and Mobilisation Plans	20.0%	12.5%	11.5%	16.0%
Proposals for Enhancement of Services	10.0%	6.8%	7.1%	6.6%
Delivery of Customer Excellence	10.0%	6.9%	5.6%	6.0%
Approach to Innovation and Sustainability	10.0%	6.4%	7.4%	7.3%
TOTAL	100.0%	63.4%	62.9%	70.6%

ISDS Cost Evaluation

SCORE (TIER 2 WEIGHTINGS)

	Price		Commercial				TOTAL
	Average Total Annual Cost	Rates	Performance & Pay Mech	Cost Certainty	Commercial Innovation	Maximising efficiencies	100.0%
BIDDER 2	100%	0%	100%	40%	40%	60%	94.6%
BIDDER 5	84%	0%	60%	40%	40%	80%	79.3%
BIDDER 6	92%	100%	60%	60%	40%	80%	89.0%
Weighting	87.75%	2.25%	4%	2%	2%	2%	100.00%

ISDS Evaluation Summary

Bidder 2 Bidder 5 Bidder 6

QUALITY

Contract Performance	12.3%	11.1%	11.9%
Deliverability	63.4%	62.9%	70.6%
Weighting	60%	60%	60%
TOTAL QUALITY	45.4%	44.4%	49.5%

PRICING / COMMERCIAL

Cost	94.6%	79.3%	89.0%
Weighting	40%	40%	40%
TOTAL PRICING / COMMERCIAL	37.8%	31.7%	35.6%

TOTAL BID SCORE	83.2%	76.1%	85.1%
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APPENDIX 5 – ISFT EVALUATION RESULTS

ISFT Contract Performance (Quality) Summary

SCORE (WEIGHTED TO TIER 2)

	Residual Target %	LCS % Targets	CO ₂ Target	Customer Satisfaction Target
	CW _{RES} %	LCS %	tCO ₂ e/year	CS _{AVERAGE}
BIDDER 2	0.00%	0%	0.00%	0.00%
BIDDER 6	100.00%	100%	100.00%	100.00%
Weighting	30%	30%	10%	30%

TOTAL
12.5%
0
0.125

ISFT Deliverability - Method Statement (Quality) Summary

SCORE (WEIGHTED TO TIER 2)

		BIDDER 2	BIDDER 6
Compliance with the Specification	10.0%	0.0%	7.2%
Proposed Systems and Working Methods	40.0%	0.0%	26.8%
Operational and Mobilisation Plans	20.0%	0.0%	16.0%
Proposals for Enhancement of Services	10.0%	0.0%	7.5%
Delivery of Customer Excellence	10.0%	0.0%	6.8%
Approach to Innovation and Sustainability	10.0%	0.0%	7.7%
TOTAL	100.0%	0.0%	72.1%

ISFT Cost Evaluation

SCORE (TIER 2 WEIGHTINGS)

	Price		Commercial			
	Average Total Annual Cost	Rates	Performance & Pay Mech	Cost Certainty	Commercial Innovation	Maximising efficiencies
BIDDER 2	NO BID	NO BID	0.00%	0.00%	0.00%	0.00%
BIDDER 6			80.00%	40.00%	80.00%	80.00%
Weighting	82.88%	2.13%	5%	3%	3%	4%
						100.00%

ISFT Evaluation Summary

Bidder 1 Bidder 2

QUALITY

Contract Performance	0.0%	12.5%
Deliverability	0.0%	72.1%
Weighting	40%	40%
TOTAL QUALITY	0.0%	33.8%

PRICING / COMMERCIAL

Only 1 Bid received.

APPENDIX 6 – EQUALITIES IMPACT ASSESSMENT PUBLIC REALM CONTRACT

Brent Council Equality Analysis Form

Please contact the Corporate Diversity team before completing this form. The form is to be used for both predictive Equality Analysis and any reviews of existing policies and practices that may be carried out.

Once you have completed this form, please forward to the Corporate Diversity Team for auditing. Make sure you allow sufficient time for this.

1. Roles and Responsibilities: please refer to stage 1 of the guidance	
Directorate: Environment and Neighbourhoods Service Area: Environment and Neighbourhoods	Person Responsible: Name: Jenny Isaac Title: Operational Director Contact No: 020 8937 5001 Signed:
Name of policy: Managing the Public Realm (project and resultant contract)	Date analysis started: July 2012 Completion date: tbc Review date: ongoing
Is the policy: New <input checked="" type="checkbox"/> Old <input type="checkbox"/>	Auditing Details: Name: David Pietropaoli Title: Waste Policy Manager Date: June 2013 Contact No: 020 8937 5291 Signed:
Signing Off Manager: responsible for review and monitoring Name: David Pietropaoli Title: Waste Policy Manager Date: Contact No: 020 8937 5291 Signed:	Decision Maker: Name individual /group/meeting/ committee: Project Board (Managing the Public Realm) Date:

2. Brief description of the proposed new contract. Describe the aim and purpose of the policy what needs or duties is it designed to meet? How does it differ from any existing practice in this area?

Please refer to stage 2 of the guidance.

Managing the Public Realm is a One Council Programme project consolidating two separately proposed One Council projects:

- The second phase of the Waste and Street cleansing Review, a project designed to manage the procurement process of the next waste services contract and deliver efficiency savings of £1.215m by 2014/15.
- The Grounds Maintenance Review, a project designed to review the service provision in parks, cemeteries and open spaces and deliver efficiency savings of £200k from 2012/13 and a further £100k from 2014/15.

The Public Realm Brent contract, incorporating waste management, grounds maintenance and BHP (procurement and contracting, detailed specifications and client structure) is being adopted. The project has the following main objectives –

- To design and procure a public realm contract for Brent in collaboration with BHP.
- To develop an integrated approach to the public realm that maintains resident satisfaction and improves the customer journey.
- To deliver a high standard of public realm maintenance that is good value for money.

It seeks to create a new emphasis on the management, maintenance and condition of the 'public realm'. To this end, the project team has designed 4 main strategic objectives to guide the procurement of the new contract and to ensure that the public's needs are prioritised. A new Public Realm strategy will be written at the start of the new contract, with these as a potential foundation:

Strategic Principle 1	To provide a clear framework for the delivery and maintenance of a high standard of the public realm in Brent.
Strategic Principle 2	To raise awareness of the significance of the public realm in Brent and nurture a sense of civic ownership.
Strategic Principle 3	To reduce Brent's carbon footprint by delivering sustainable, carbon neutral services and engaging with communities to adopt environmentally sustainable behaviour.
Strategic Principle 4	To encourage the creation of local job opportunities and economic growth and investment via a high quality environment.

Recent performance statistics show an improvement in performance for the council's waste and parks services due to the recently concluded waste and street cleansing review.

	Mar-10	Mar-11	Mar-12	Mar-13	Target 2013/14
NI191 Residual household waste per household	677.72	643.64	556.77	464.33	356
NI192 Percentage of household waste sent for reuse, recycling and composting	28.86	33.31	36.86	42.23	50%
NI192d Tonnage household waste collected	104294.59	106572.71	98615.08	90320.35	n/a
NI192n Tonnage household waste that is sent for reuse, recycling, composting or anaerobic digestion	30095.22	35502	36346.44	38389.18	n/a
BV082Percentage of household Waste Recycled	14.96	16.01	20.83	25.9	27%
BV082Percentage of household Waste Compost	13.9	17.3	16.03	16.57	23%
BV082Percentage of Waste Landfilled	71.14	66.69	63.14	61.9	57%

Local KPI Total waste for borough	104294.59	106572.71	98615.08	90320.35	n/a
BV84 Household Waste Collected per Head of Population (kg)	385.46	417.17	384.38	289.26	n/a
Local KPI Households receiving collection of 5 recyclables - % of all households	71.44	70.83	95.37	95.37	96%

Topline figures, satisfaction survey (waste/street cleansing)

May-13

Target 2014/15

Percentage of residents satisfied with the waste and recycling collection services	77.4%	Next survey in 2014/15 (dependent on contractor schedule)
Percentage of satisfied with waste and recycling response times	65.6%	
Satisfaction with communication and information from waste and recycling services	77.7%	
Percentage of residents satisfied with the street cleansing services	55.8%	
Percentage of residents satisfied with street cleansing response times (speed that litter is removed)	46.4%	

	Mar-10	Mar-11	Mar-12	Mar-13	Target 2013/14
Local KPI Number of visits by over 65's to the walk programme in parks	n/a	2329	4475	4485	4575
Local KPI Number of visits by young people to multi sports sessions in parks	n/a	885	1287	774	1000
Local KPI Satisfaction with children's play in parks (Annual Parks Residents Survey)	9	n/a	n/a	Replaced by Time Out Survey (see below)	
Local KPI Satisfaction with cleanliness in parks (Annual Parks Residents Survey)	9.5	n/a	n/a		
Local KPI Increase the satisfaction rating through the Annual Parks Residents Survey for grounds maintenance	9.7	n/a	n/a		
Local KPI Increase the satisfaction rating through the Annual Parks Residents Survey for grass verges	7.9	n/a	n/a		

New KPIs (grounds/burials)

	Mar-10	Mar-11	Mar-12	Mar-13	Target 2013/14
% of respondents satisfied with Brent Parks (in Time Out Survey)	n/a	n/a	n/a	77%	Next survey in 2014/15
% of respondents satisfied with children's play in parks (in Time Out Survey)	n/a	n/a	n/a	60%	
% of respondents satisfied with cleanliness in parks (in Time Out Survey)	n/a	n/a	n/a	78%	

The project differs from any existing services in this area because it aims to bring together the waste and street cleansing services currently managed by the Recycling and Waste Unit with the grounds maintenance services currently managed by the Sports and Parks Unit along with grounds services on housing estates and land managed/owned by BHP. The project will align those services to achieve the planned improvements and efficiencies.

This Equality Analysis has been revised to account for any new and relevant developments that occurred during the detailed solutions dialogue and final tender stages of the procurement process. The vast majority of policies continue unchanged as this is just the procurement of a new contract. There are a range of improvements including street cleaning at weekends in key town centres, additional recycling for residents and additional employment opportunities. There are two minor policy changes to ensure that value for money is obtained:

1. Residents will be asked to put their bins at the front edge (curtilage) of their property rather than the current arrangement where they can leave it anywhere for collection. The assisted collection service will continue therefore supporting residents with disabilities, the elderly, and those that are

mobility impaired.

2. To continue to encourage recycling when residents ask for a new or replacement bin they will be provided with a standard 140 litre residual waste bin rather than the current 240 litre bin. If residents can demonstrate that they require the larger residual waste bin it will be provided. This will encourage residents to divert as much as they can to recycling and composting.

3. Describe how the proposed new policy will impact on all of the protected groups:

This is predominantly about a new contract delivering the current service or slightly better. There are only two minor changes to the services (as set out in the previous section) which could bring a risk of impacting on the protected groups.

Borough characteristics overview:

The latest census estimates (2011) show that Brent's population currently stands at 311,200 people (rounded). This is an increase of over 47,700 people (rounded) since the previous Census in 2001 and a percentage increase of 15.4 %. The current household figure stands at 110,286.

In comparison to the rest of London, Brent has:

- The third biggest average household size
- The third largest population increase since 2001
- A population density of 72 persons per hectare compared to the London average of 68.6
- A higher ratio of males to females. The ratio is higher still in the age range of 20-39 years.

Table 1 (see appendix A) gives a brief comparison of the main Mosaic segments represented in Brent and their ranking (1 = most popular). It shows clear differences in levels of housing and affluence, possibly indicating different resident needs across the borough. Due to the large discrepancy between the 2011 Census and other population estimates used in the interim, the council can now be prepared to deal with a larger volume of residents than perhaps previously anticipated.

The new contract will maintain and in some cases improve the standard of service that Brent residents enjoy. The latest household waste collection strategy in Brent has ensured record performance in improved recycling rates and decreasing reliance on landfill. The new contract includes highly effective marketing and communications to maintain the improving performance.

As mentioned above, the contract will run to a specially designed list of key outcome targets that will form the basis of the monitoring structure that will drive the contracted services. These aim to ensure that the correct focus and outcomes for the contract are identified, measured and maintained from the outset. The key outcome targets cover service specific activities as well as ensuring that there is proper consideration and representation given to Brent's unique demographic make up. The contract has a requirement to keep relevant data under constant review and to monitor service progress accordingly.

Age:

Brent has traditionally had a comparatively young and transient population, especially in pockets in the middle and south of the borough. English is not the first language for a large percentage. Many people, especially those in the age range of 20-39 temporarily settle in Brent to find work before moving on. This phenomenon is reflected in the ratio of young males in the borough and the number of school children (ages 0-4) from BaME backgrounds (fig 1a). The ratio of males to females is highest in the 15-19 age group category, (109 to 100) and the 30-34 category, (108 to 100). The population pyramids show the distribution of population in Brent (both sexes) is biased towards the age groups 25-29 and 30-35 (fig 1b).

Between the 2001 and 2011 Censuses, the population of 0-4yr olds and 40-54 year olds have almost doubled in Harlesden and Kensal Green. The 25-29 age group category has seen a 76.4% and 84.6% rise in Tokyngton and

Wembley central wards respectively. The recent demographic changes in the borough have been taken into careful consideration during the communications planning.

The highest density of under 16s (fig 2) is around Harlesden/Kensal Green, north Willesden and Kilburn which are amongst our most deprived neighbourhoods. It is important to ensure that this is part of the overall decision making process when communications are designed, especially for young families where English is not the first language.

Although it is difficult to measure fast moving population churn in the borough, we can map the turnover of new council tax accounts (fig 3) in properties to highlight the areas which might be hotspots. Again, the communications plan will take this into account.

The population density of over 65s (fig 4) in Brent clearly shows that older people tend to be concentrated across the borough in areas where the population is well-established (has been residing in the same place for the long-term). In other words they tend to reside in areas with a low turnover of new council tax accounts. There is also a correlation between areas where over 65s tend to reside and where assisted collections (fig 5) take place, particularly in areas where council tax churn is lower.

Possible impacts would mainly be to older residents who may require assisted waste. The policy of bin presentation at the property curtilage will be carefully monitored where assisted collections are currently requested. In areas to the north of the borough with older populations and larger properties, there may initially be an increased demand for assisted collections and this has been embedded into the contract. Please see the attached appendix B for further analysis.

Gender:

No adverse impacts identified.

Gender reassignment:

No adverse impacts identified.

Disability and health inequalities:

Brent has the fourth highest proportion of disabled residents on self-directed support in London (NASCIS, 2011). 15.6 % of our population have stated that their condition is long-term and has limited their mobility.

To cater for our residents who do have a disability or health inequality, assisted collections will be maintained. The changes to curtilage presentation will be carefully monitored to mitigate against any risk to the current assisted collection service and the council does not foresee any major impact. Please see above also (age).

We are also looking at how we can best serve our disabled residents who use our parks. Focussed maintenance of our parks and green spaces will mitigate potential risks and ensure that most of our community parks are safe and suitable for disabled residents to enjoy.

Race:

Black and Minority Ethnic groups (BaME) in Brent account for most people in the borough at 55 per cent. The largest visible minority group is Indian followed by Black Caribbean and Black African. 34 per cent of local residents say that English is not their main language and 22 per cent of Brent households do not have anyone with English as a main language. More than 130 languages are spoken in addition to English, with Gujarati, Hindi, Punjabi, Somali and Urdu being the most widely spoken.

Many young people from ethnic minority backgrounds come to work in Brent, often starting or bringing young families with them. The main Mosaic map (fig 6) gives us a good idea of where in the borough lie pockets of lower income workers living in diverse areas (group I). Any possible impacts to them regarding waste services and grounds maintenance of their local parks will be dealt with via effective and well-planned community engagement).

There may also be some impact with regard to waste services if a language barrier prevents a household from

utilising the waste services properly. For example, if recycling containers are inadvertently contaminated due to a misunderstanding over the types of recyclates accepted.

With such a diverse and constantly churning population, the new contract takes steps to ensure that communication materials and access to services are clear to all residents. Where there are changes to the service (outlined above) the new communications strategy and plan will be targeted to ensure that all residents will be kept informed and that effective engagement takes place.

Maternity and pregnancy:

No adverse impacts identified.

Religion or belief:

No adverse impacts identified.

Our new public realm contract has taken into account the burial requirements and bereavement needs of our diverse community. We will be offering separate options for a wide range of faiths in a sustainable and well-maintained environment.

Sexual orientation:

No adverse impacts identified.

Marriage and civil partnership:

No adverse impacts identified.

Please give details of the evidence you have used:

In order to determine whether or not the project is likely to have an adverse impact or even discriminate against any groups in the resident base, the following data sets and documentation have been utilised and referred to where appropriate:

1. Performance management data
2. Census data 2011 (updated data sets – May 2013 revision)
3. Census 2001 (revised data sets)
4. Brent demographic data (Evidence Base)
5. Mosaic Public Sector (all types shown for comparison)
6. National and local statistics (ONS, GLA, NOMIS, GiGL etc.)
7. 'Brent Our Future' 2010-2014, the council's corporate strategy
8. Brent Council's 'Household Waste Collection Strategy 2010-2014
9. Service level management plans (sports and parks)
10. Service level waste collection data
11. Service level parks and land use data
12. CACI income data (2011, 2012 and 2013)
13. GLA London Datastore (various)
14. Consultations (cemeteries and waste services)
15. Brent Housing Partnership, various strategies and policies, see data room list.

How the datasets and information have been utilised is described above. For a full list, please visit the Data Room, see section 6 evidence (below).

4. Describe how the proposed new contract will impact on the Council's duty to have due regard to the need to:

(a) Eliminate discrimination (including indirect discrimination), harassment and victimisation;

The public realm contract is designed to continue the robust waste collection service of the previous contract by ensuring that all sections of Brent are catered for and none are discriminated against. This includes clinical waste collections, bespoke collections around the North Circular Road and assisted collections. Well designed communications leaflets and well labelled bins also aim to mitigate against any risk of discrimination on the grounds of language and housing type. It is important to note that the services we offer do not promote discrimination, harassment or any form of victimisation, rather they promote the ease of day to day life in the borough and have been researched prior to implementation to ensure a good fit with the area demographic in question.

Similarly, the servicing of the borough's green spaces will be continued to the best standard possible to ensure that they continue to be inclusive to all sections of our resident base. All of the installed MUGAs, outdoor gyms and play areas in our borough parks are DDA compliant to ensure that they are suitable for use by the widest range of groups in our borough. A separate technical manual for grounds maintenance has been written for the new Public Realm contract detailing the minimum standards of maintenance required.

Special attention has been paid to our burial services as these are considered to be sensitive. We would like to ensure that they are maintained as fair and inclusive and should reflect respect for the wide range of faiths we have in Brent. Our borough has a diverse resident base and we have ensured that our burial services will continue to respectfully cater to the widest range of cultural groups possible.

Key outcome targets have been carefully designed to maintain the current high level of service and take into account any sensitive services like burials where any adverse impact may be mitigated. Service progress would be regularly monitored against correct, accurate and relevant information which will be regularly reviewed.

Any risk of discrimination has been mitigated as far as possible.

(b) Advance equality of opportunity;

The new public realm contract has been designed to give Brent residents a good standard of service. In recent years, the council has introduced several new facets to its waste collection service in order to increase value for money and provide residents with a fairer and better quality service. These include: the introduction of a new and improved waste collection service for all residents living in street level properties and blocks of flats, the introduction of a new recycling service for households living along the North Circular Road etc.

The contract will aim to ensure that current standards and improving performance are maintained alongside the continuation of a robust service with value for money. The rollout of smaller residual waste bins to households will further encourage the opportunity to produce less residual waste overall. It aims to be inclusive to its entire customer base where possible and continue to introduce initiatives that include customers that would otherwise be excluded from an efficient regular service.

Where our parks and sports areas are concerned, the council feels that protecting their services and focusing maintenance according to needs will provide a much richer and community based

experience. For example, smaller pocket parks that are often sited in densely populated urban areas will be kept safe and clean with a particular emphasis on play areas and courts/pitches. Over recent years we have ensured our parks are conducive to promoting healthier living for everyone as well as informal learning for young people and this is something we wish to maintain through the life of the new contract.

The contract also brings a range of employment opportunities for local residents which aims to support equality of opportunity.

(c) Foster good relations

The council and BHP will ensure that fostering and maintaining good relations will be central to the process of designing and implementing the new public realm contract. It is envisaged that the new contract will be demand-led which will mean that sound relations between the contractor, council and customer base will be central to the service achieving its targets.

The council also hopes that by focusing on the public realm as a whole, it will provide a far better experience for residents, fostering a sense of shared ownership which in turn will be positive for the council and community.

5. What engagement activity did you carry out as part of your assessment?

Please refer to stage 3 of the guidance.

i. Who did you engage with?

Residents: We conducted a satisfaction survey in May 2013 to gauge how residents feel about their public realm services. The results have been analysed and provided for bidders. Please see the above section for some topline figures. These figures also provide a baseline for the satisfaction target that the new contract must maintain or improve upon. To mitigate any risk, we are ensuring that all residents will be kept well informed and updated when any change occurs. Our aim is that the new contract start should appear seamless for our residents.

BHP residents: Brent Housing Partnership has sent notices to all leaseholders as a form of consultation to inform them of the changes in their services. In addition, there was a meeting between the bidders and key representatives of BHP leaseholders.

'Friends of' Parks groups: The groups were informed of the council's plans.

Bidders and incumbent: Bidders, including the incumbent, have been engaged during each major developmental stage of the bidding process through focussed dialogue sessions. In addition, the remaining bidders at the final tender stage were present for a meeting with Brent Housing Partnership stakeholders in August 2013.

ii. What methods did you use?

Face to face meetings and MORI style surveys.

iii. How have you used the information gathered?

The information has been embedded into the procurement process and shared fully with the bidders.

6. Have you identified a negative impact on any protected group, or identified any unmet needs/requirements that affect specific protected groups? If so, explain what actions you have undertaken, including consideration of any alternative proposals, to lessen or mitigate against this impact.

Please refer to stage 2, 3 & 4 of the guidance.

Category	Impact	Mitigation
Age	There is a risk that some older residents will find it difficult to bring their bin to the edge of their property. The availability of assisted collections will mitigate any risk of impact.	We anticipate that assisted collections may increase slightly but they will continue to be a priority service under the new contract. They are also included in the suite of key outcome targets mentioned above.
Gender	No risk of adverse impact identified.	
Disability and health inequalities	There is a risk that some older residents will find it difficult to bring their bin to the edge of their property. The availability of assisted collections will mitigate any risk of impact.	We anticipate that assisted collections may increase slightly but they will continue to be a priority service under the new contract. They are also included in the suite of key outcome targets mentioned above.
Ethnicity	There may be some impact due to the language barrier, particularly where there are pockets of fast moving transients.	A large amount of due diligence has been done to ensure a timely and accurate picture of the borough's diversity has been compiled at the time of contract award. This will also be updated constantly to ensure the shifting demographics are catered for. Any language barriers will be mitigated by the well designed and flexible communications strategy and action plans that are being designed for the contract. There will also be an emphasis on borough wide community engagement so that all residents will be made aware of exactly what is expected of them.
Pregnancy and maternity	No risk of adverse impact identified.	
Faith	No risk of adverse impact identified.	Although we do not anticipate any negative impact here, we have ensured that the burial service was prioritised due to its sensitive

		nature. Again a lot of research was done to ensure that Brent maintains an inclusive and sensitive service that caters for the needs of its diverse community.
Larger households	Not a traditional category but treated as one for this EA. There is a risk of an adverse impact on larger households with the standard new or replacement bin size being 140l rather than 240l.	The council will mitigate the impact due to new bin sizes by offering 240 litre bins will also be made available but only on an individual needs basis.

Please give details of the evidence you have used:

In order to ensure that all stages of this project are based on accurate and timely information, the project team constructed a comprehensive data room for the duration of the project. The data room included several types of relevant documentation, indexed according to function and use, and ranging from borough wide policies, GIS mapping and performance information to individual parks listings with land usage etc.

The data room gave bidders a thorough snapshot of the borough and its public realm service.

Prospective bidders got a good idea of the borough's demographics and recent service performance before doing their own detailed due diligence and tailoring their respective bids to the needs of the client base. Once the contract has been awarded, the new contractor can use the information in their performance management and continuation of service.

7. Analysis summary

Please tick boxes to summarise the findings of your analysis.

Protected Group	Positive impact	Adverse impact	Neutral
Age			X
Disability			X
Gender re-assignment			X
Marriage and civil partnership			X
Pregnancy and maternity			X
Race			X
Religion or belief			X
Sex			X
Sexual orientation			X

8. The Findings of your Analysis

Please complete whichever of the following sections is appropriate (one only).
Please refer to stage 4 of the guidance.

No major change

Your analysis demonstrates that:

- *The policy is lawful*
- *The evidence shows no potential for direct or indirect discrimination*
- *You have taken all appropriate opportunities to advance equality and foster good relations between groups.*

Please document below the reasons for your conclusion and the information that you used to make this decision.

None.

Adjust the policy

This may involve making changes to the policy to remove barriers or to better advance equality. It can mean introducing measures to mitigate the potential adverse effect on a particular protected group(s).

Remember that it is lawful under the Equality Act to treat people differently in some circumstances, where there is a need for it. It is both lawful and a requirement of the public sector equality duty to consider if there is a need to treat disabled people differently, including more favourable treatment where necessary.

If you have identified mitigating measures that would remove a negative impact, please detail those measures below.

Please document below the reasons for your conclusion, the information that you used to make this decision and how you plan to adjust the policy.

N/A

Continue the policy

This means adopting your proposals, despite any adverse effect or missed opportunities to advance equality, provided you have satisfied yourself that it does not amount to unlawful discrimination, either direct or indirect discrimination.

In cases where you believe discrimination is not unlawful because it is objectively justified, it is particularly important that you record what the objective justification is for continuing the policy, and how you reached this decision.

Explain the countervailing factors that outweigh any adverse effects on equality as set out above:

One of the key work streams of the project (workstream 3) has managed the procurement process for the new public realm contract. Brent has engaged potential contractors at each competitive dialogue stage to ensure that potential adverse impacts on specific groups were identified, managed and mitigated. The EA shows that, with regard to a shared waste collection service and grounds

maintenance, the identified potentially adverse impacts are mitigated by the proposed actions.

Please document below the reasons for your conclusion and the information that you used to make this decision:

A thorough and wide ranging communications plan is being drawn up and focused information will be available to residents as the contract is mobilised. Veolia will be using local media sources (for example our website) and wider publicity will include media such as The Brent Magazine and external advertising.

We also envisage that by working closely with the contractor we can bring forward further innovation (technology) to optimise take up and ensure that customer contact is facilitated. We believe that the project proposal and new contract described above is an effective approach to deliver a robust and consistent public realm service to our resident base within the limited budget we are faced with. All local authorities are to respond effectively to the central government changes to reducing local authority funding and the new contract is the most likely and cost effective option for Brent with regard to managing its public areas and waste.

Stop and remove the policy

If there are adverse effects that are not justified and cannot be mitigated, and if the policy is not justified by countervailing factors, you should consider stopping the policy altogether. If a policy shows unlawful discrimination it must be removed or changed.

Please document below the reasons for your conclusion and the information that you used to make this decision.

9. Monitoring and review

Please provide details of how you intend to monitor the contract in the future.
Please refer to stage 7 of the guidance.

Key performance indicators for current monitoring have been listed above. It is likely that the former national indicators will be continued throughout the lifetime of the project due to the comparative value. Local indicators may not be scrapped at this stage although some have been revised and included in the new Time Out survey. Key performance indicators for the new contract will be discussed as part of the competitive dialogue stage and honed and implemented during the mobilisation phase.

Performance monitoring will be continuous and fluid and equality considerations will be taken into account both when decisions are made and after the changes are implemented. Where equalities data is not currently captured, this may be introduced via the performance management arrangement in the new contract.

After implementation of the new contract, there will be detailed analysis of contract targets and KOTs including recycling, levels of waste sent to landfill, services available to residents via our parks, grounds maintenance and satisfaction rates. This should enable the service to respond to identified issues in a focussed manner. There will be dedicated performance management and contract management teams on both the client and contractor to ensure successful delivery throughout.

10. Action plan and outcomes

At Brent, we want to make sure that our equality monitoring and analysis results in positive outcomes for our colleagues and customers.

Use the table below to record any actions we plan to take to address inequality, barriers or opportunities identified in this analysis.

Action	By when	Lead officer	Desired outcome	Date completed	Actual outcome

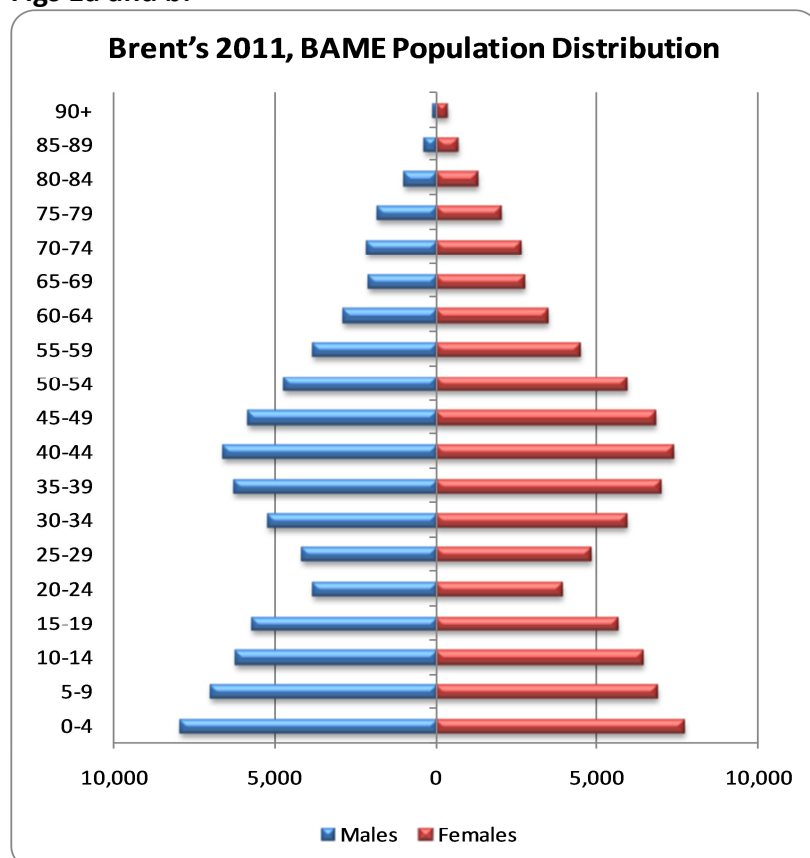
Please forward to the Corporate Diversity Team for auditing.

APPENDIX A DETAILED DATA FOR PUBLIC REALM EQUALITY ANALYSIS

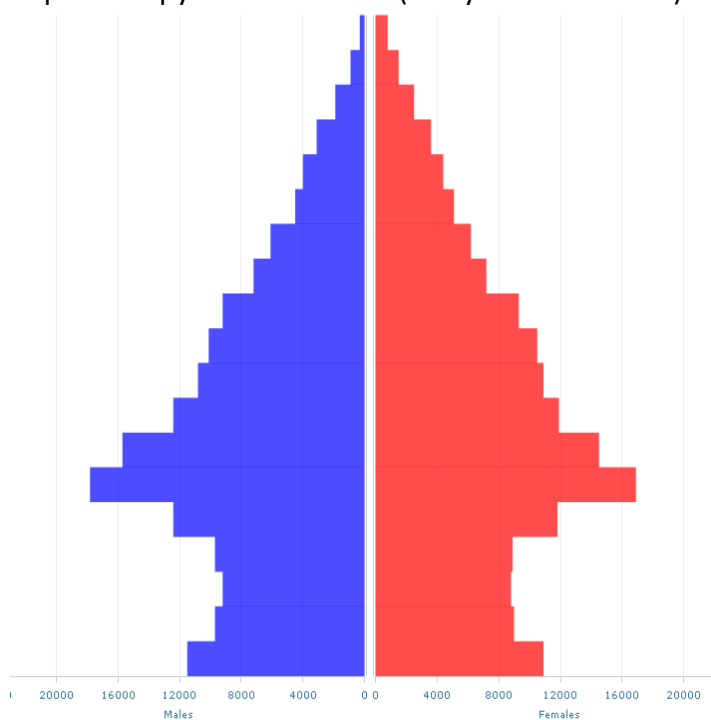
Table 1: Brent Mosaic types and rank (most popular type is ranked 1)

Group	Group Description	Brent	
		%	Rank
		2010	
A	Residents of isolated rural communities	0.00	15
B	Residents of small and mid-sized towns with strong local roots	0.51	12
C	Wealthy people living in the most sought after neighbourhoods	4.63	6
D	Successful professionals living in suburban or semi-rural homes	0.73	9
E	Middle income families living in moderate suburban semis	22.57	2
F	Couples with young children in comfortable modern housing	0.57	11
G	Young, well-educated city dwellers	25.59	1
H	Couples and young singles in small modern starter homes	9.13	5
I	Lower income workers in urban terraces in often diverse areas	10.65	4
J	Owner occupiers in older-style housing in ex-industrial areas	0.10	14
K	Residents with sufficient incomes in right-to-buy social houses	0.47	13
L	Active elderly people living in pleasant retirement locations	1.81	7
M	Elderly people reliant on state support	1.77	8
N	Young people renting flats in high density social housing	19.65	3
O	Families in low-rise social housing with high levels of benefit need	0.58	10

Figs 1a and b:



Source: Greater London Authority (to be updated with census data on 28th June)
Population pyramid for Brent (in 5 year increments)



Source: Census 2011

Fig 2: population density of under 16s in Brent, Mayhew 2007.

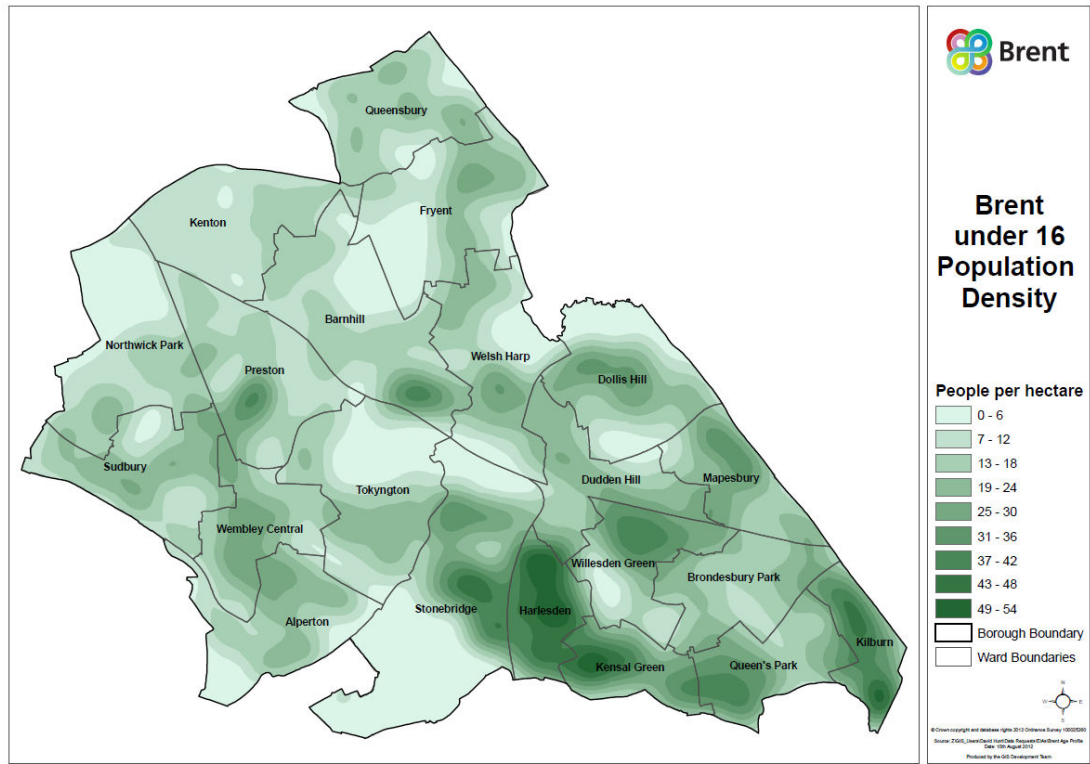


Fig 3: Housing churn as predicted by new council tax accounts in each property (April 2010 to August 2011), Brent Council data.

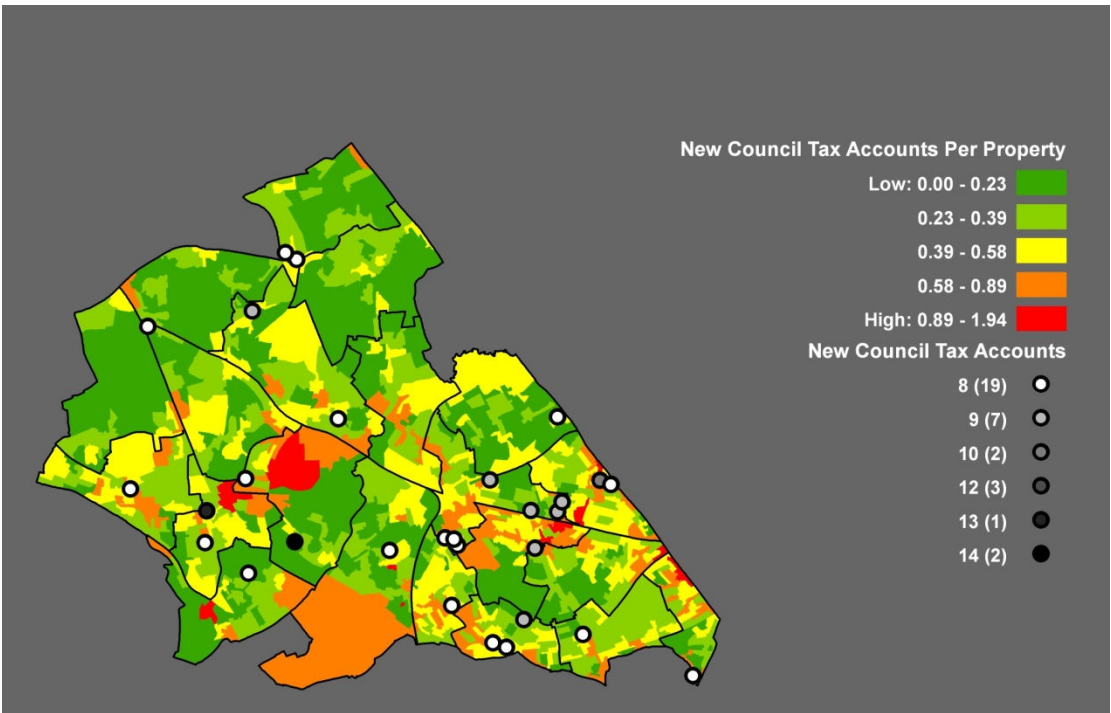


Fig 4: population density of over 65s in Brent, Mayhew 2007.

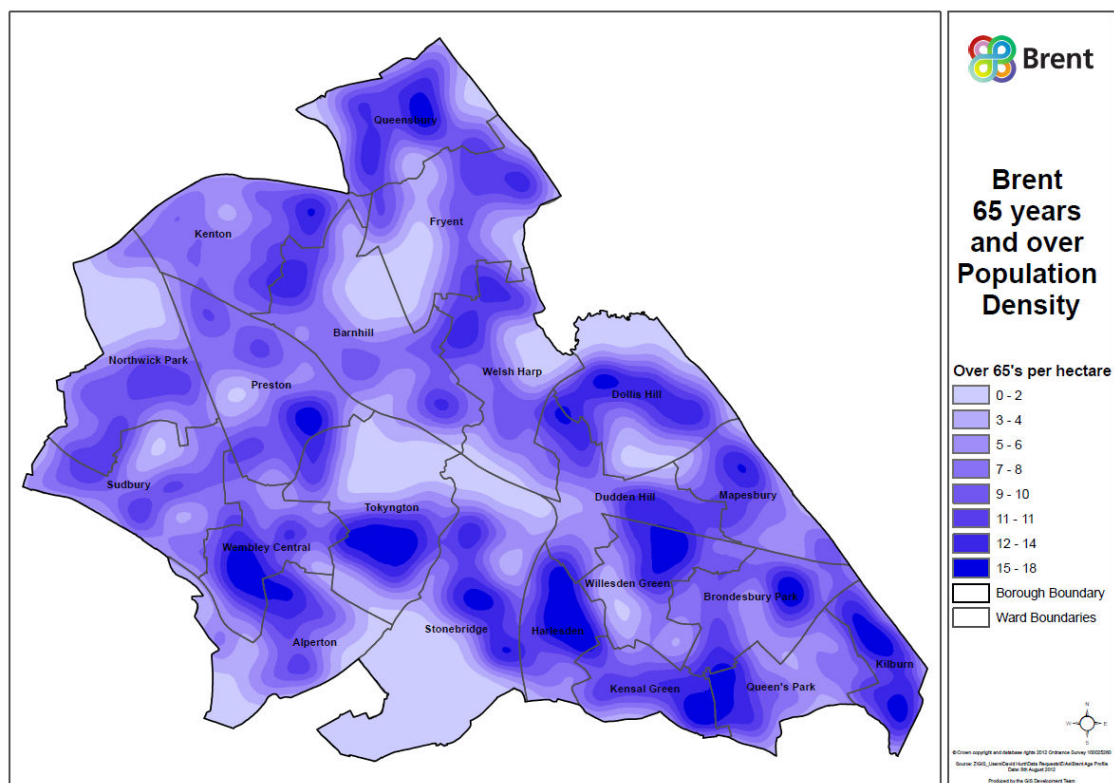


Fig 5: Map showing assisted collections in Brent, Brent data 2012.

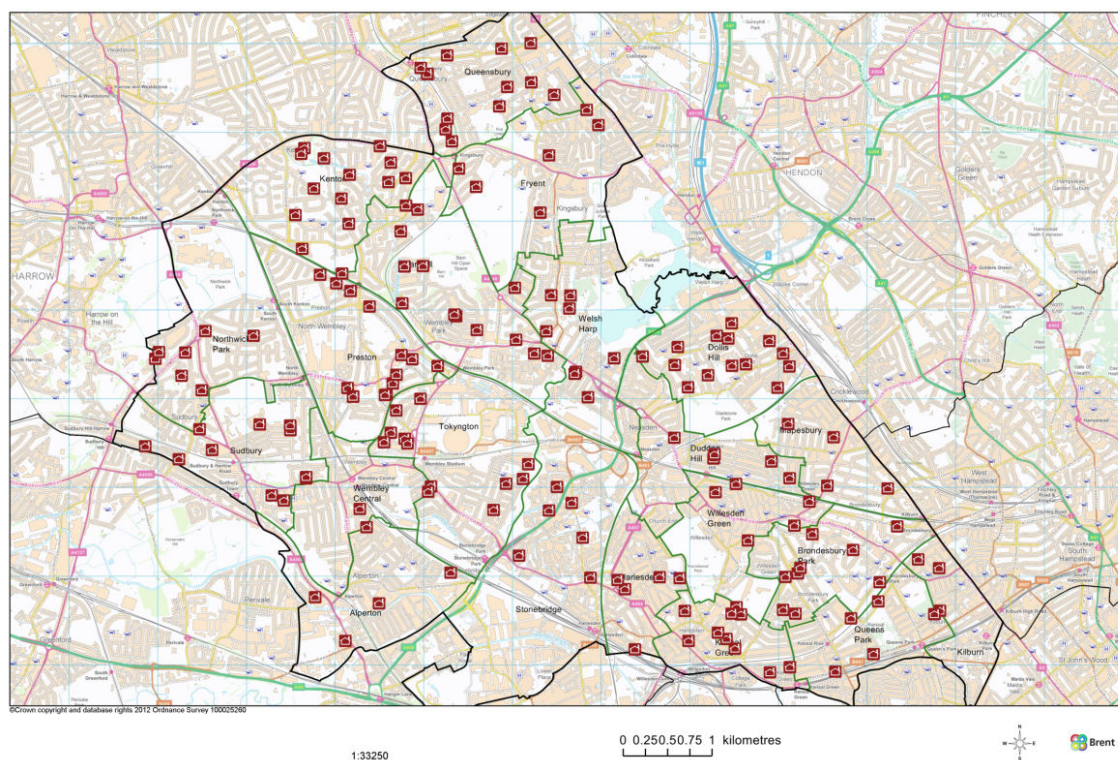


Fig 6: Mosaic Public Sector groups and their distribution in the borough. Group descriptions below.



A	Residents of isolated rural communities
B	Residents of small and mid-sized towns with strong local roots
C	Wealthy people living in the most sought after neighbourhoods
D	Successful professionals living in suburban or semi-rural homes
E	Middle income families living in moderate suburban semis
F	Couples with young children in comfortable modern housing
G	Young, well-educated city dwellers
H	Couples and young singles in small modern starter homes
I	Lower income workers in urban terraces in often diverse areas
J	Owner occupiers in older-style housing in ex-industrial areas
K	Residents with sufficient incomes in right-to-buy social houses
L	Active elderly people living in pleasant retirement locations
M	Elderly people reliant on state support
N	Young people renting flats in high density social housing
O	Families in low-rise social housing with high levels of benefit need

Figs 7 and 8: Priority neighbourhoods of Kilburn, Harlesden and Stonebridge below.



Table 2: Census summary

Area	Census estimate 2011	% change 2001-11	Population density (per Ha)*	% change 2001-11	Sex ratio	Median age	< 19s	20-64	65+	Short term residents	Occupied households
Brent	311,200	15%	72.0	15.4	101	33	17.7 %	64.6 %	11 %	87	110,300
London	8.17m	14%	68.6	14.0	98.2	54	17.3 %	64.4 %	10.7	-	3,266,173

Notes:

All figures are from the 2011 Census estimate unless otherwise stated.

The percentage change in population density is not an official estimate but manually calculated.

*November 2012 revision, (rest all July 2012).

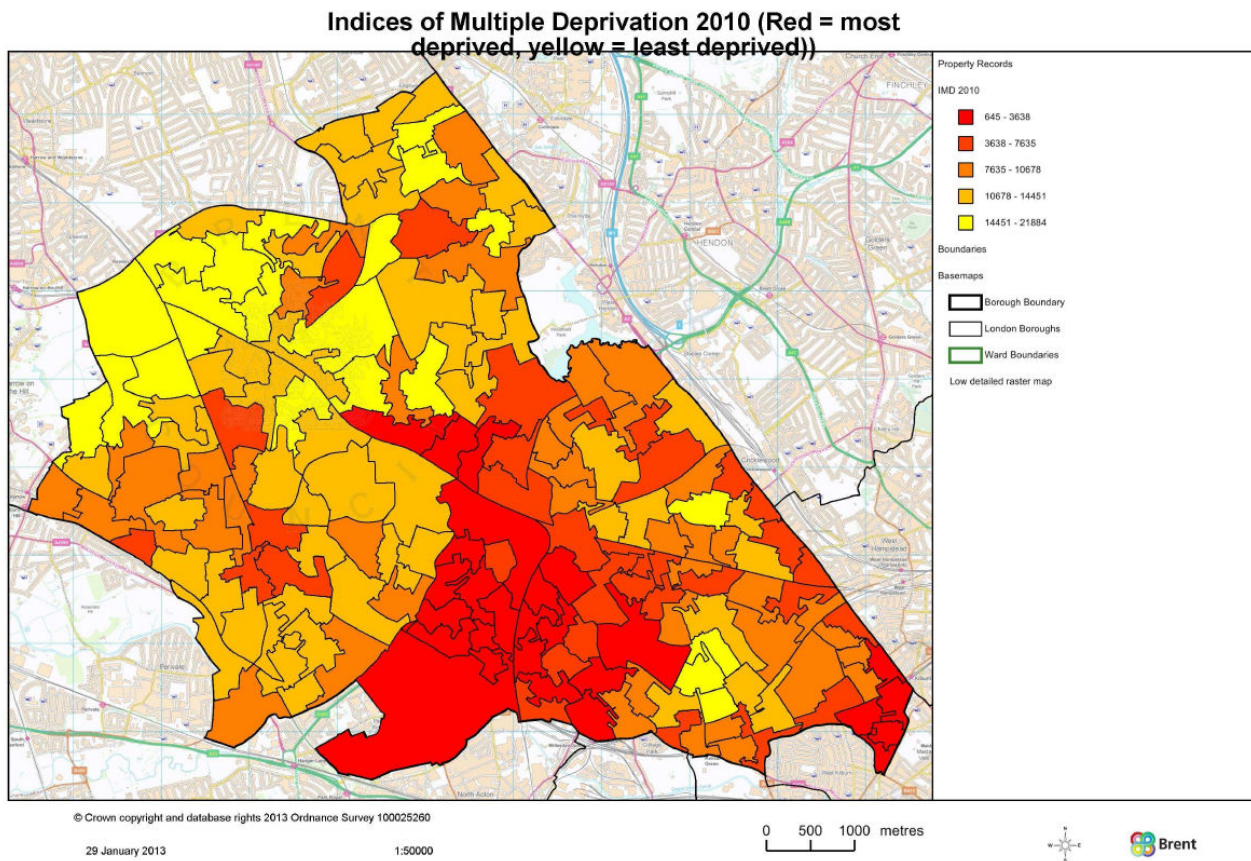
Table 3: Household analysis

	Census 2011			Per cent differences		
	Number of Households	Average Household Size	Rank of average Household Size (of 348)	Household Population	Communal Establishments Population*	Number of Households *
Brent	110,300	2.8	3	18.2	3.9	10.3
London	99,000	2.4	-	11.6	7.3	8.3

Communal establishments = those establishments with multiple occupants that were approached differently during the census. A responsible adult was tasked with giving out individual census forms to occupants within the building. Examples include prisons, student accommodation, nursing homes etc.

*using unrounded figures, occupied spaces only

Fig 9: Indices of Multiple Deprivation 2010 (mapped)



APPENDIX B – DETAILED ANALYSIS OF POLICY CHANGE

1. Curtilage collection

Brent has a varying percentage of properties at street level which may be subject to the curtilage collection. . We are expecting this collection arrangement to only affect those properties with larger gardens as those with smaller gardens tend to keep their bins at the property boundary already.

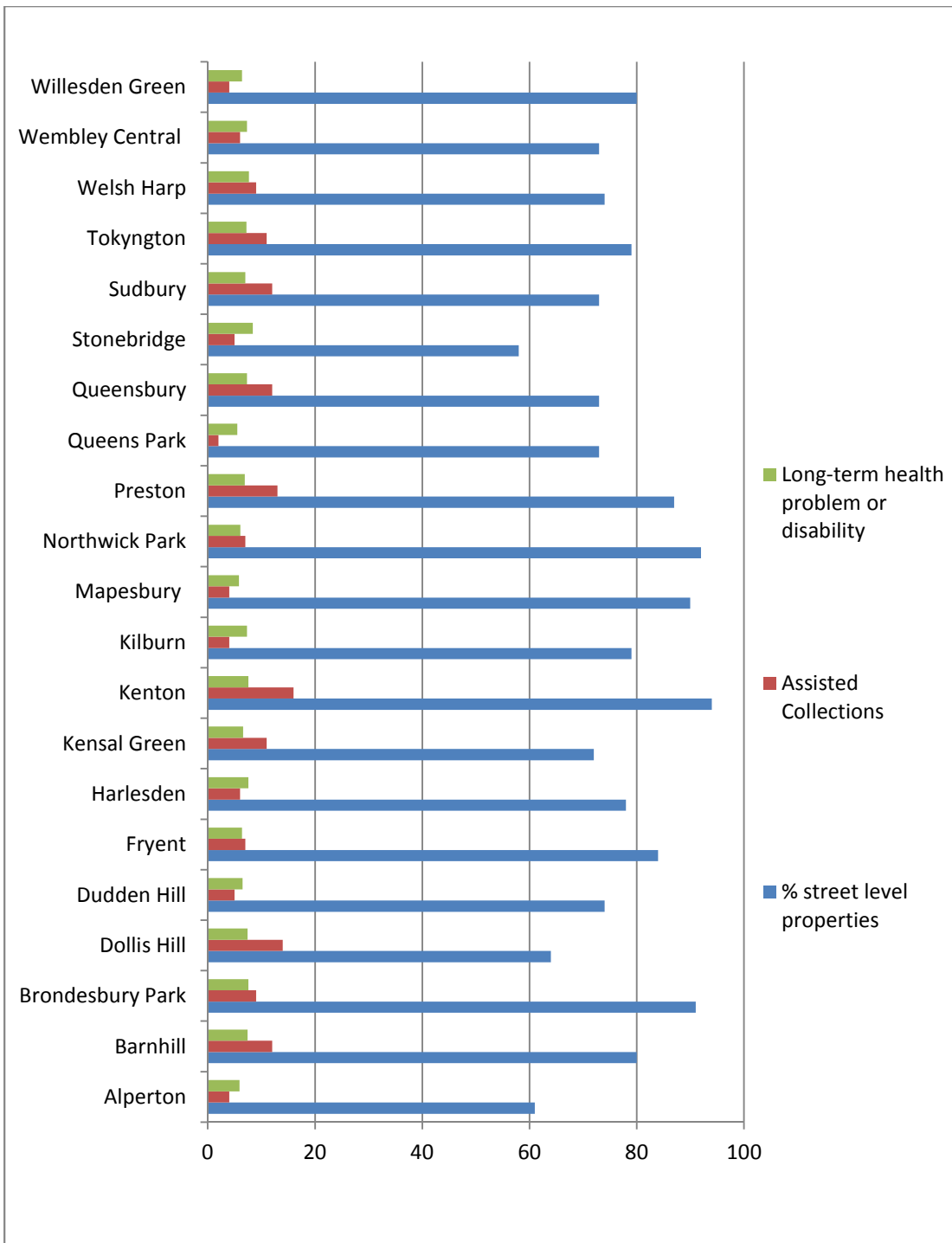
Curtilage collections may have some effect where residents may suffer from mobility issues preventing them from presenting their bin at the edge of their property. Restricted mobility is most likely due to old age and/or disability. Brent currently runs a borough wide assisted collection scheme for such households. This scheme will not change under the new contract and an increase in requests is fully catered for under the new contract.

- a) Disability/mobility restriction: This category will be filtered automatically as all requests for assisted collections have to be assessed by the applicant's GP or nurse. The assumption is that severely disabled persons already have the service or have assistance at home. Any increase will likely be from moderately disabled applicants.
- b) Elderly and mobility restricted or registered disabled: This category will be filtered automatically as all requests for assisted collections have to be assessed by the applicant's GP or nurse.
- c) Language barrier: this category will be mitigated by a new communications plan designed specifically for the new contract. Statistics below show that this could mean an increased take up of the service in those wards with a higher percentage of non-English speaking households (Alperton, Wembley Central and Welsh Harp) and a lower number of assisted collections.

Age	Long-term health problem or disability	Day-to-day activities limited a lot	Day-to-day activities limited a little	Day-to-day activities not limited
All categories: Age	308,895	20,609	22,911	265,375
Age 0 to 15	62,739	850	1,155	60,734
Age 16 to 24	38,407	604	922	36,881
Age 25 to 34	64,631	1,107	1,896	61,628
Age 35 to 49	66,325	3,484	4,684	58,157
Age 50 to 64	44,880	5,464	6,164	33,252
Age 65 to 74	17,756	3,609	4,061	10,086
Age 75 to 84	10,907	3,683	3,145	4,079
Age 85 and over	3,250	1,808	884	558

Source: Census 2011.

Comparison graph showing assisted collections, severe mobility restriction and street level property type. More affluent areas to the north of Brent and those with an older population have a greater take-up of assisted collections compared to disability numbers. This could be due to the size of property and also age.



Source: Brent Council data 2012 and Census 2011.

Ward	% street level properties	Assisted Collections	Long-term health problem or disability
Alperton	61	4	5.9
Barnhill	80	12	7.4
Brondesbury Park	91	9	7.6
Dollis Hill	64	14	7.4
Dudden Hill	74	5	6.5
Fryent	84	7	6.4
Harlesden	78	6	7.6
Kensal Green	72	11	6.6
Kenton	94	16	7.6
Kilburn	79	4	7.3
Mapesbury	90	4	5.8
Northwick Park	92	7	6.1
Preston	87	13	6.9
Queens Park	73	2	5.5
Queensbury	73	12	7.3
Stonebridge	58	5	8.4
Sudbury	73	12	7
Tokington	79	11	7.2
Welsh Harp	74	9	7.7
Wembley Central	73	6	7.3
Willesden Green	80	4	6.4

Source: Brent Council data 2012 and Census 2011 (last column and table below – English proficiency).

	Cannot speak English well	Cannot speak English	Total	All categories	%
Alperton	1592	342	1934	13455	14
Wembley	1442	307	1749	14116	12
Welsh Harp	1054	197	1251	13103	10
Dudden Hill	1042	195	1237	14355	9
Harlesden	1269	220	1489	16154	9
Queensbury	1099	253	1352	14565	9
Sudbury	1129	188	1317	14251	9
Tokyngham	1102	243	1345	14509	9
Dollis Hill	938	147	1085	12783	8
Fryent	866	146	1012	12850	8
Kensal	929	169	1098	14149	8
Preston	1023	187	1210	14793	8
Stonebridge	1008	200	1208	15998	8
Willesden	1046	180	1226	14885	8
Barnhill	918	181	1099	15058	7
Kenton	630	143	773	11761	7
Mapesbury	716	108	824	14888	6
Brondesbury	477	111	588	12525	5
Northwick	547	112	659	12398	5
Kilburn	580	112	692	16230	4
Queens Park	457	89	546	14554	4

Mitigation of the above will occur due to the nature of the priority service and through effective customer engagement and communication.

2. Introduction of 140 litre residual waste bins

Replacing 240 litre bins with 140 litre bins to reduce residual waste will apply to all households who request a new bin. . Provision of a traditional 240 litre bin will be by exception only to those households who can provide a justifiable reason for the extra capacity. This service change will most likely affect larger households and multiple occupancy dwellings where there is a higher density of people in each property.

A process to assess each case will be developed during the mobilisation phase and implemented at the start of the contract. According to the 2011 Census, this is an average of 17% of Brent households of 5 or more persons with variations between wards (see table above). When compared with English language proficiency there is some correlation between larger households and lower proficiency. In fact the two wards with the lowest English proficiency also have the highest percentage of households with 5 or more people. Any risks due to this particular service change will be mitigated by focussed communications and proposed customer engagement. The process for requesting larger refuse bins or additional dry recycling bins and food waste containers will be included in the communications plan so that all households know what is expected of them.

	Sum (5 or more people)	total (ward)	%
Alperton	1047	4156	25
Wembley	1102	4380	25
Dollis Hill	955	4264	22
Queensbury	991	4727	21
Sudbury	1013	4843	21

Preston	984	4995	20
Tokyngham	958	4864	20
Fryent	843	4374	19
Dudden Hill	945	5198	18
Kenton	701	3866	18
Northwick	725	4139	18
Stonebridge	1052	5903	18
Barnhill	935	5,407	17
Welsh Harp	838	4809	17
Harlesden	842	6654	13
Willesden	739	6067	12
Brondesbury	558	5,338	10
Kensal	606	6063	10
Mapesbury	600	6307	10
Queens Park	518	6274	8
Kilburn	536	7658	7

Source: Census 20

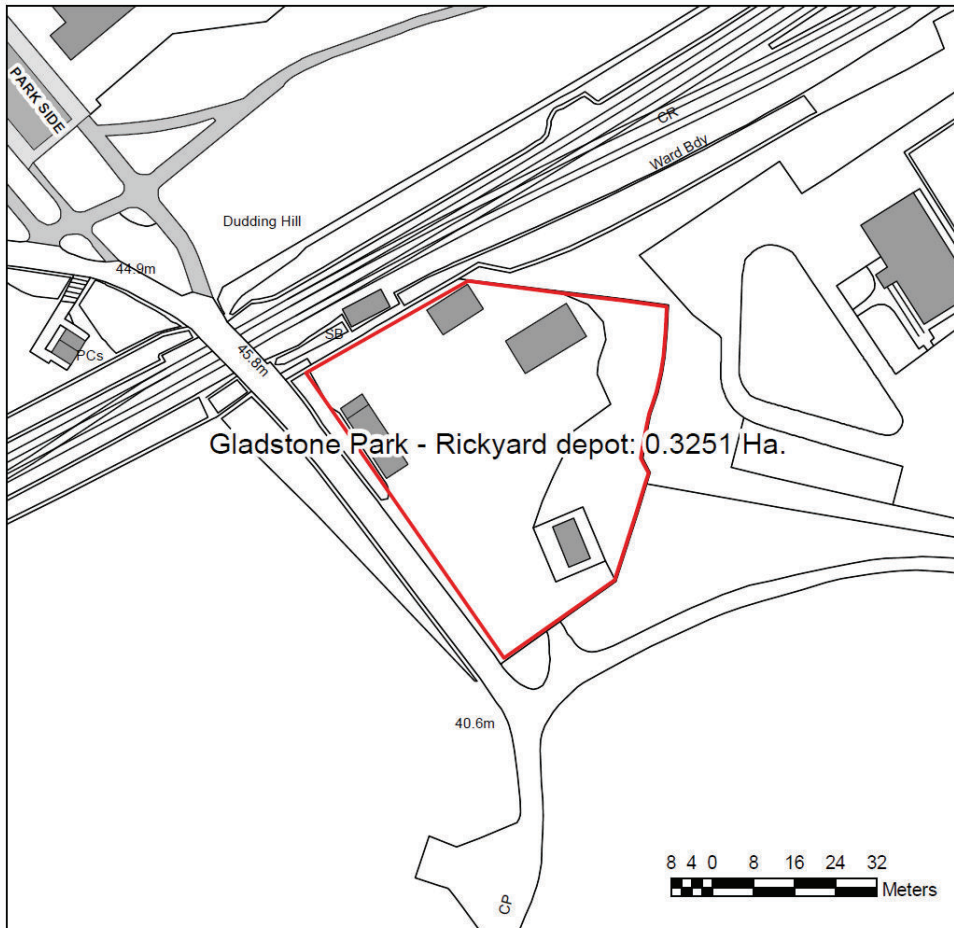
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Rickyard Depot, Gladstone Park, Parkside, London



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Depot and Mess Room, John Billam
Sports Ground, Woodcock Hill,
Harrow, HA3 0PQ**



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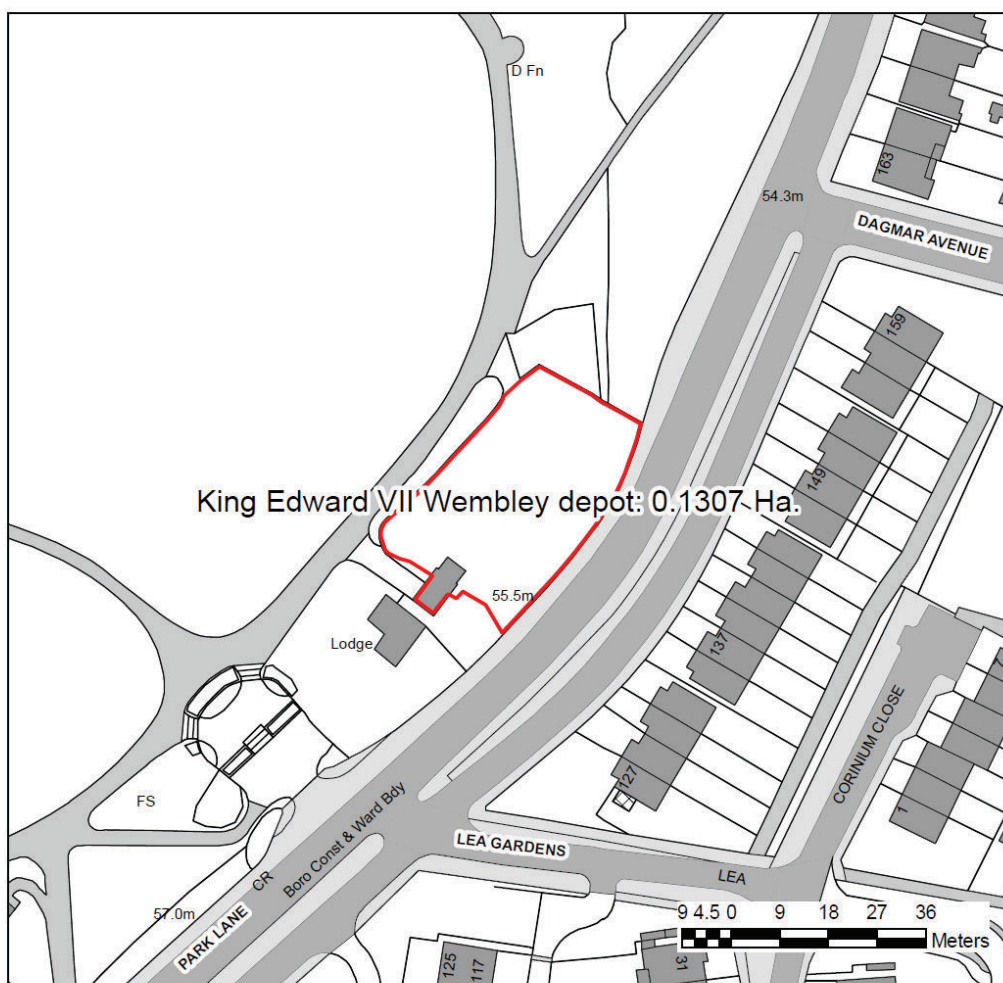
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Public Realm Contract - Parks Depots.

King Edward VII Wembley Depot, Park Lane, Wembley, HA9 7RX



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Depot, Northwick Park Sports Pavilion, The Fairway, Wembley, HA0 3TQ



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Storage & Mess Facility, Preston Park,
College Road, Wembley, HA9 8RJ
See inset for internal building layout.**



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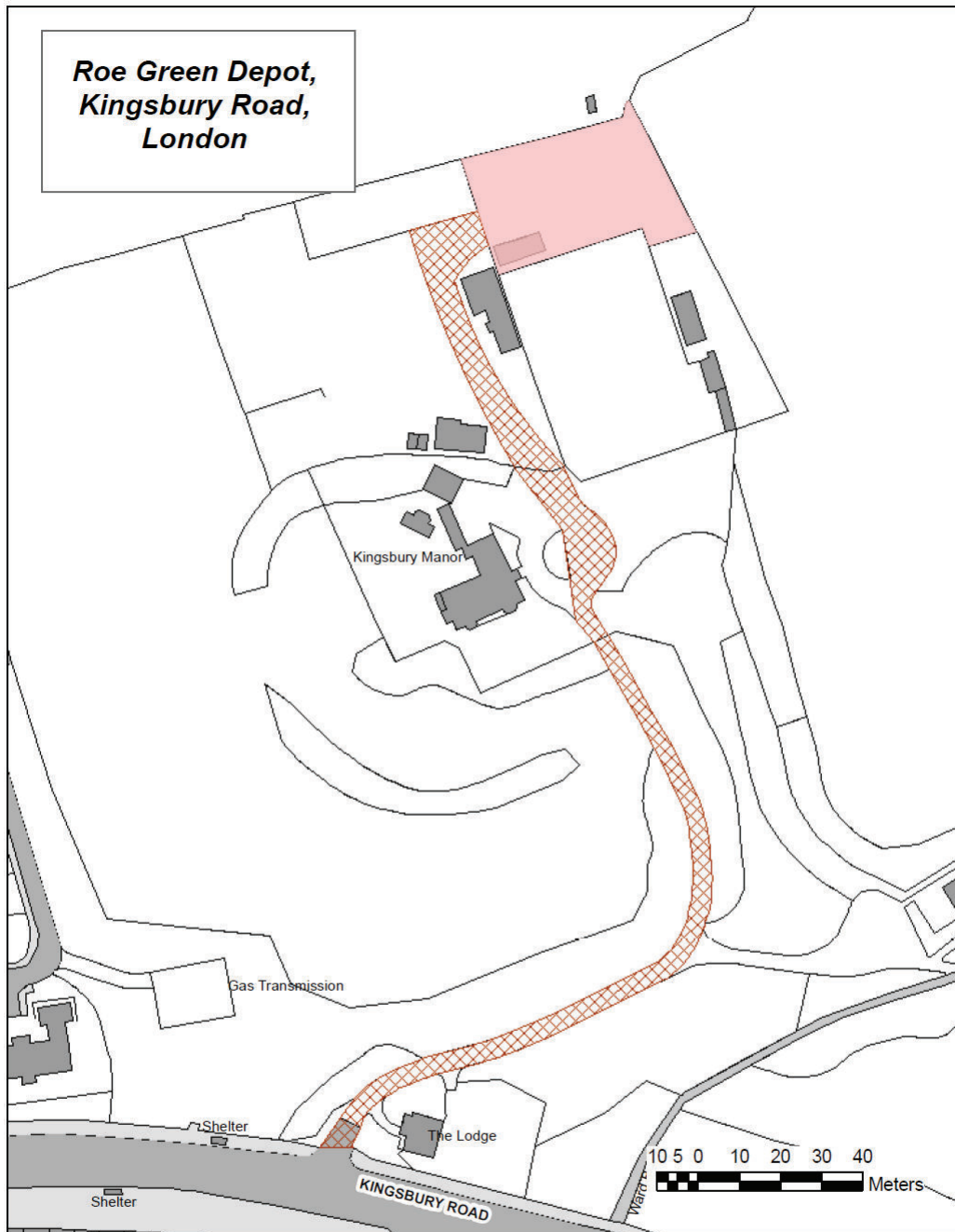
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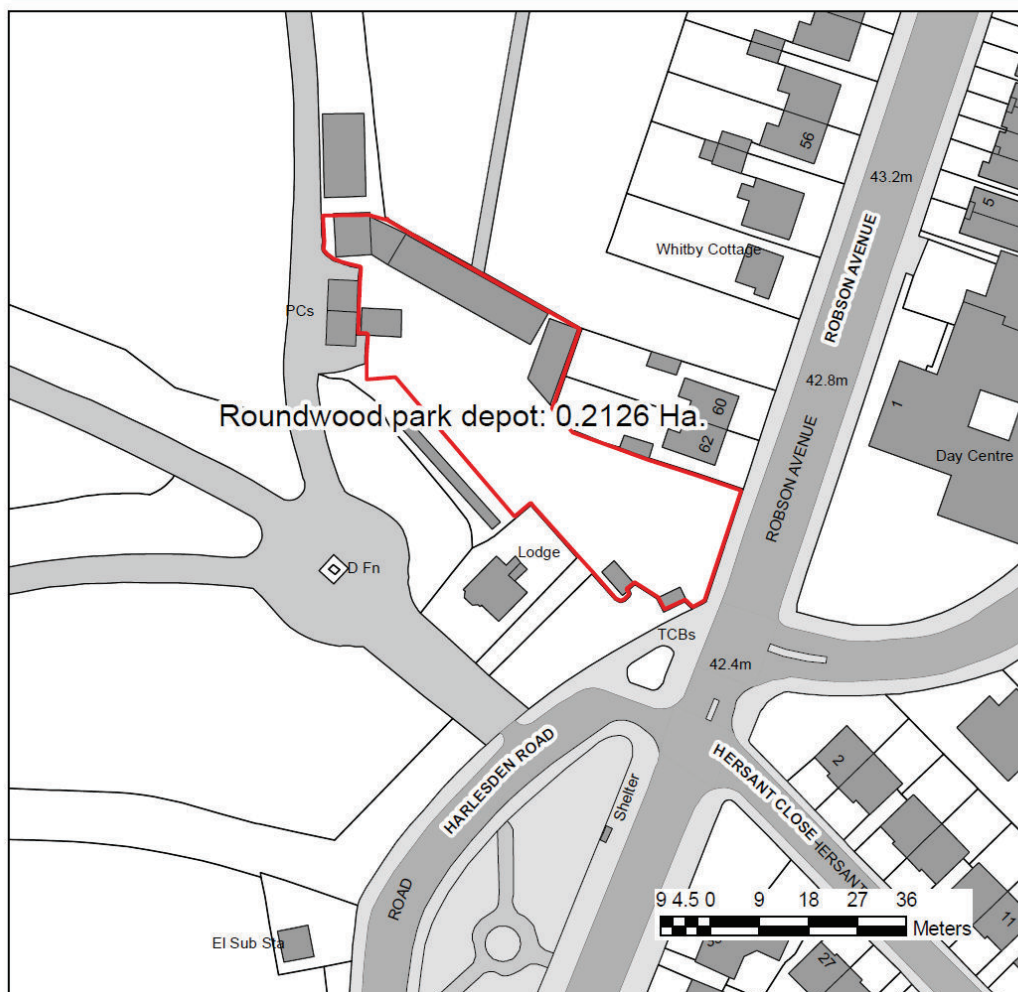
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Roundwood Park Depot, Roundwood Park, Robson Avenue, London



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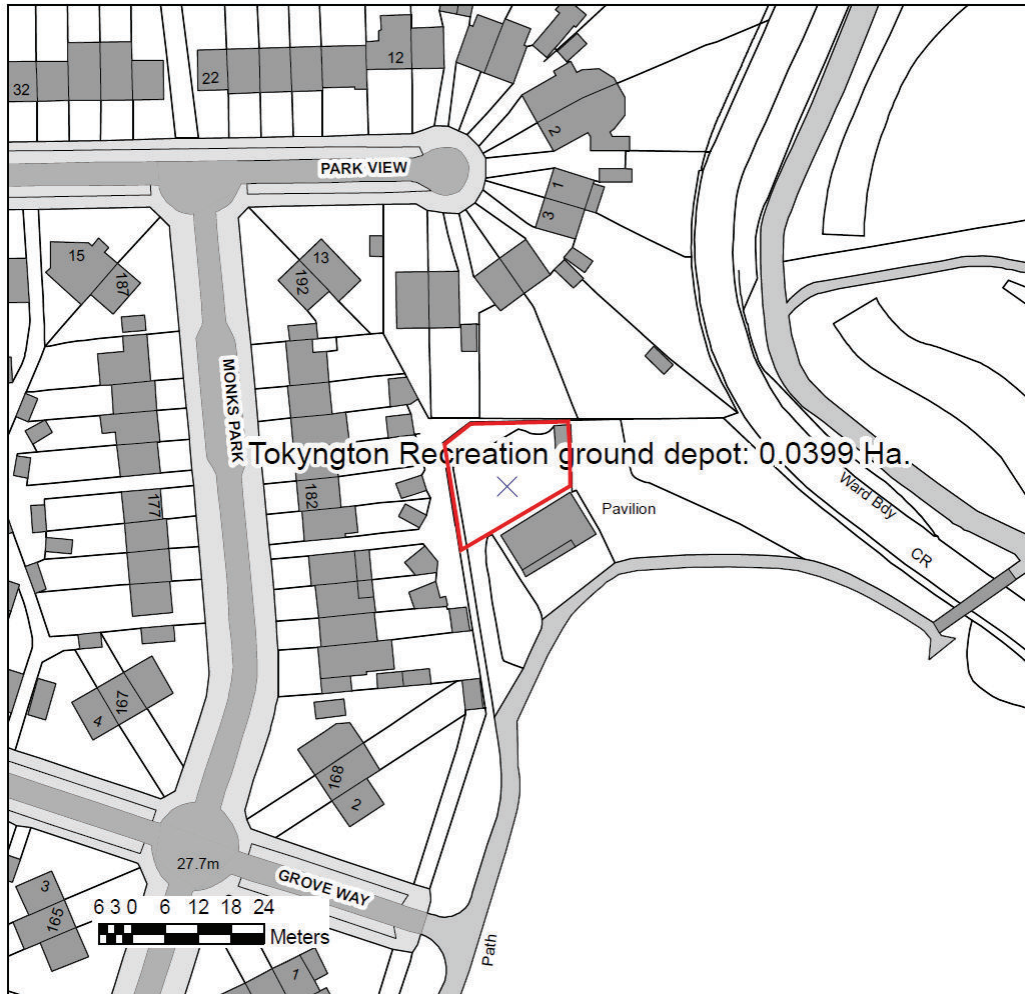
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Public Realm Contract - Parks Depots.

Tokyngton Recreation Ground Depot, Monks Park, Wembley



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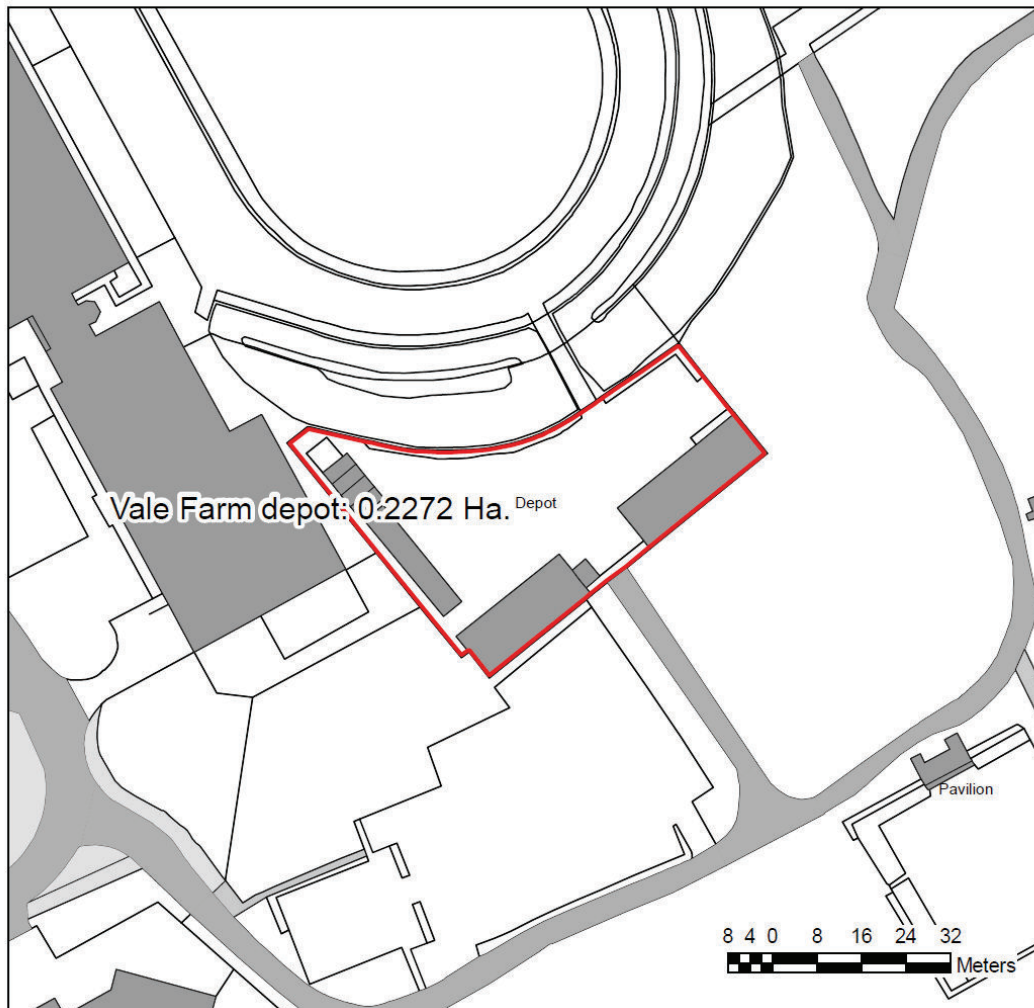
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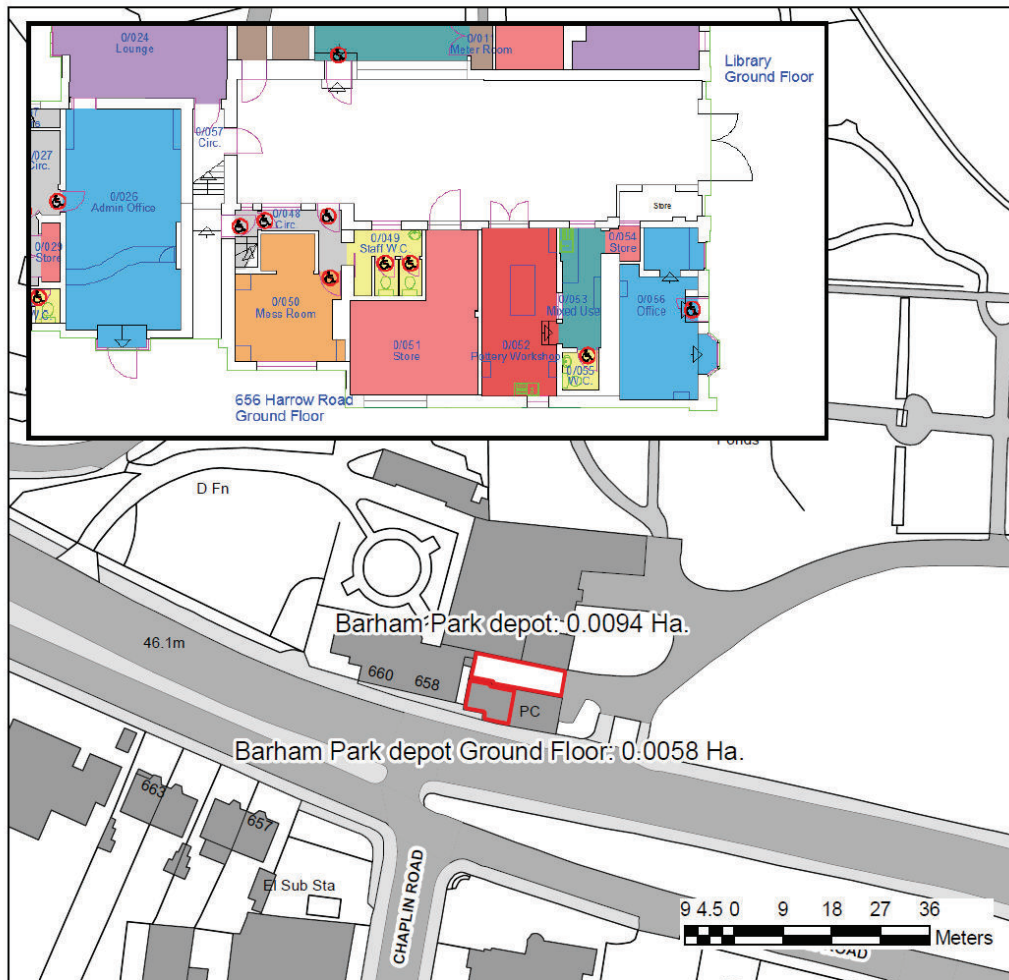
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Grounds Maintenance Yard, 656 Harrow Road, Wembley, HA0 2HB



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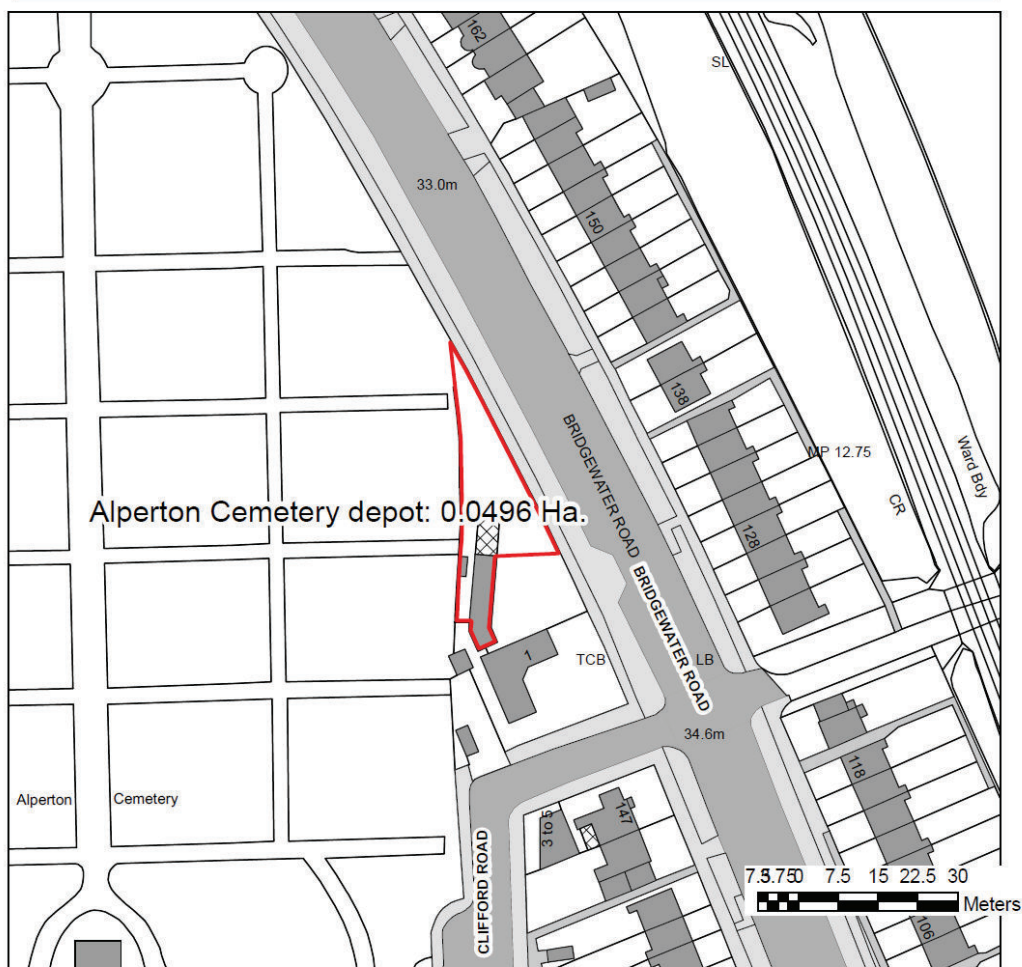
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Public Realm Contract - Parks Depots.

Alperton Cemetery Depot, Alperton Cemetery, Clifford Road, Wembley



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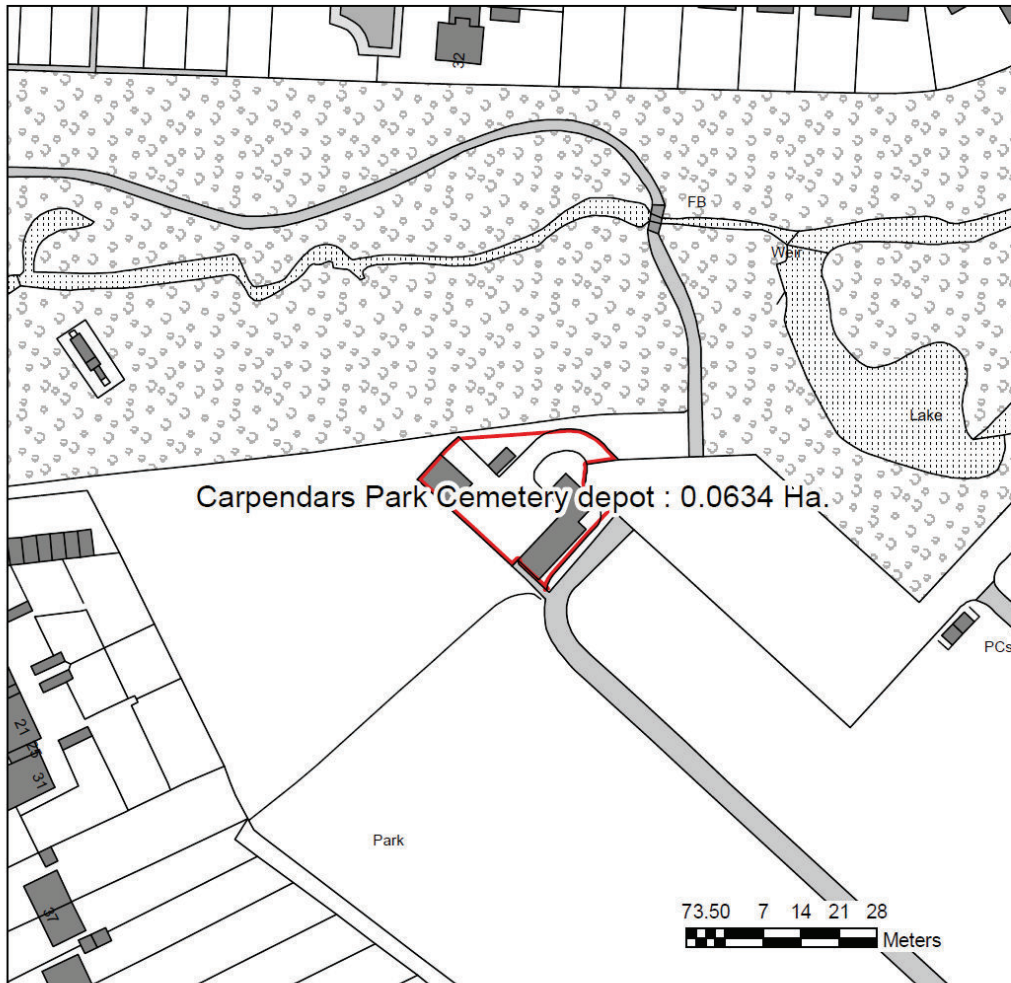
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Carpenders Park Cemetery Depot,
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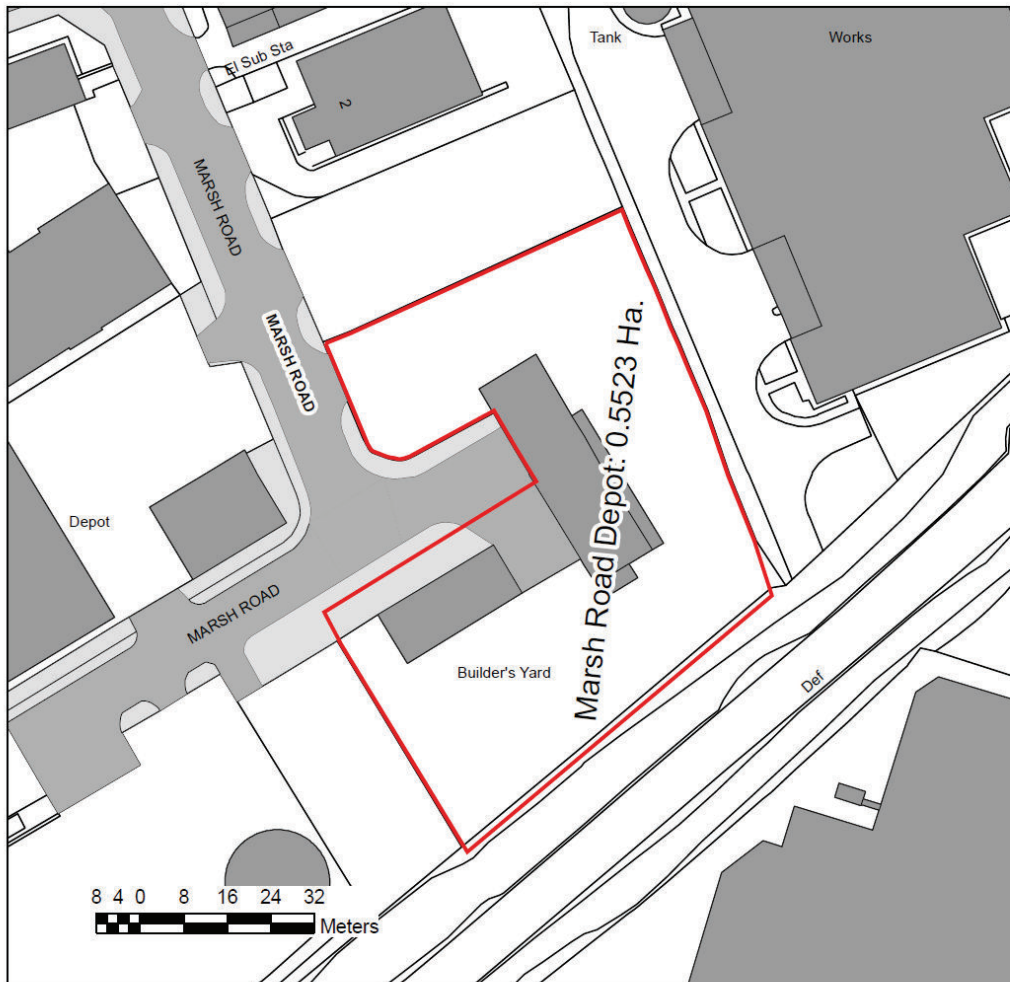
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NORTH



**Public Realm Contract - Parks Depots.
Marsh Road Depot,
7 Marsh Road,
Wembley, HA0 1ES**



Premises shown outlined red.

1:1,000

Plan to stated scale if printed at A4.

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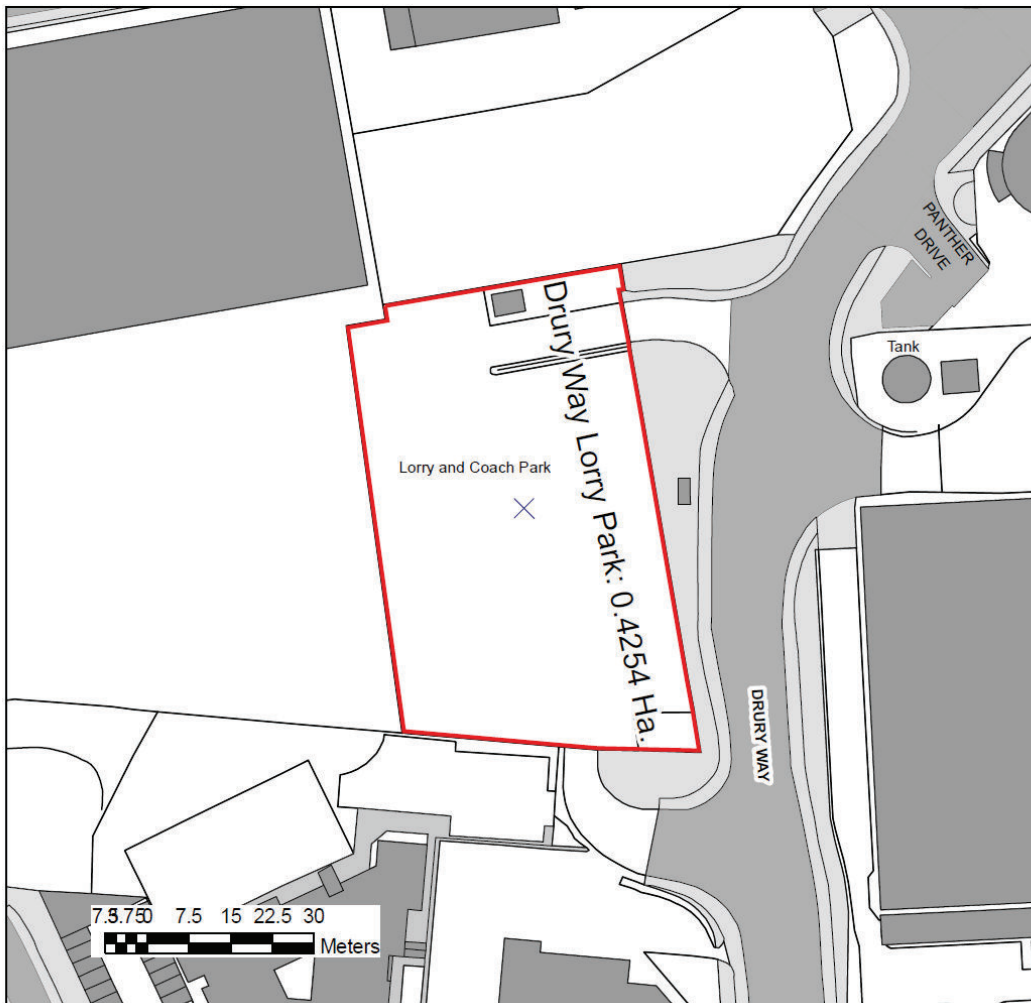
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Public Realm Contract - Parks Depots.
Marsh Road Depot,
2/7 Marsh Road,
Wembley, HA0 1ES



Brent

Premises shown outlined red.

1:1,000

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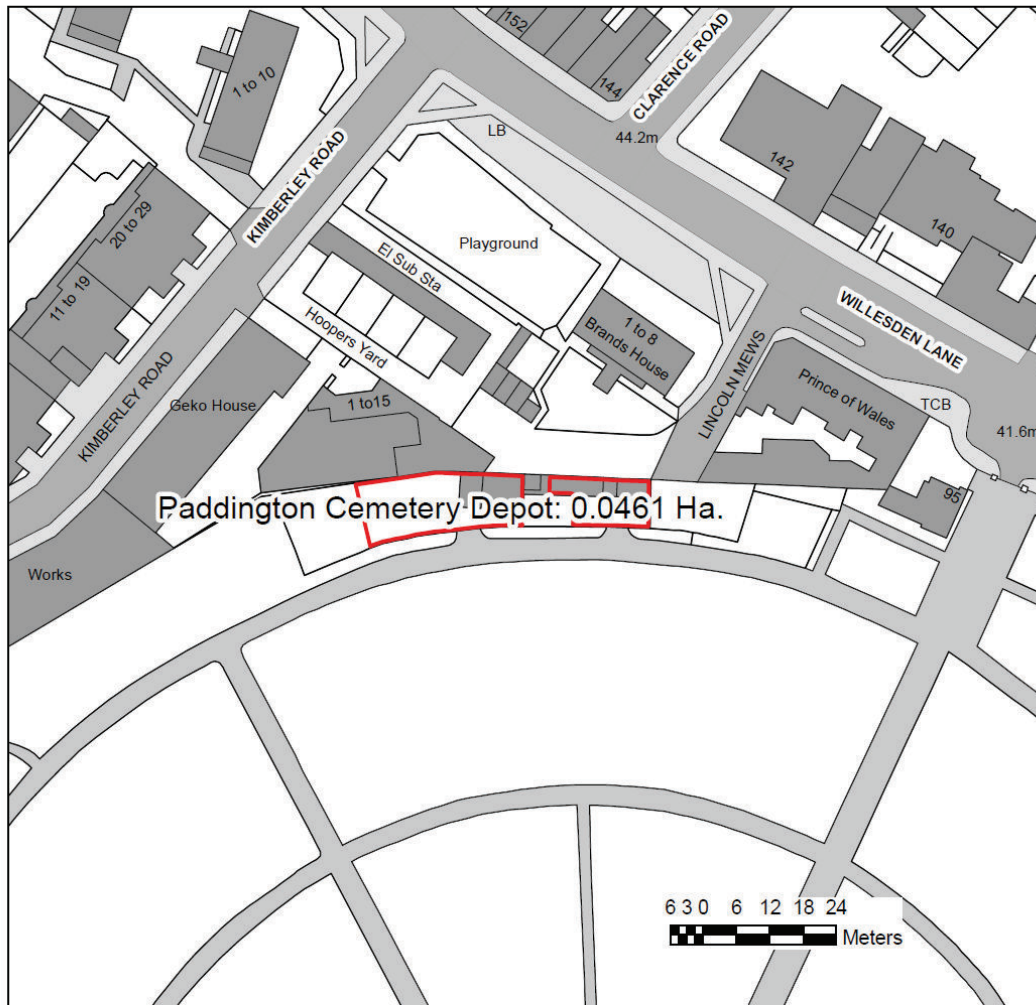
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Public Realm Contract - Parks Depots.

Paddington Cemetery, Willesden Lane, Kilburn, London



Brent

Premises shown outlined red.

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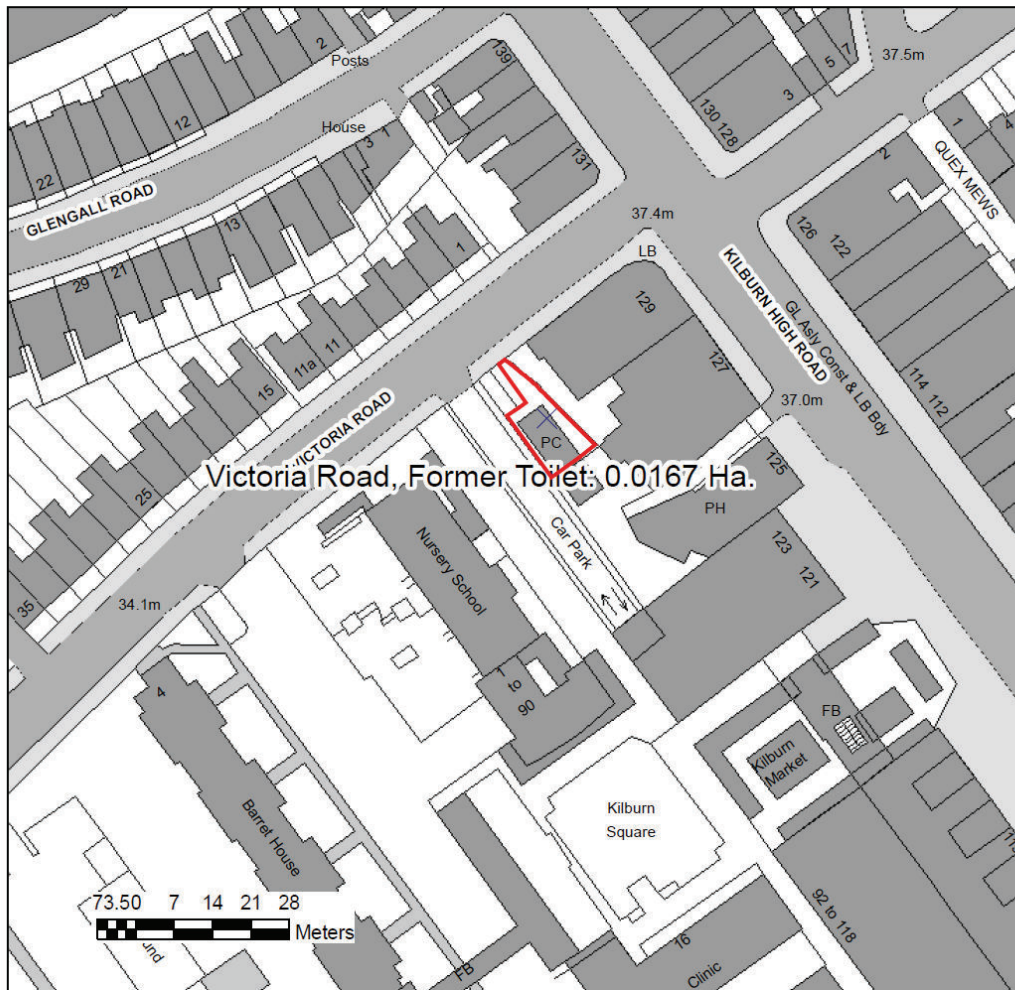
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Public Realm Contract - Parks Depots.

Former Public Convenience, Victoria Road, London



Brent

Premises shown outlined red.

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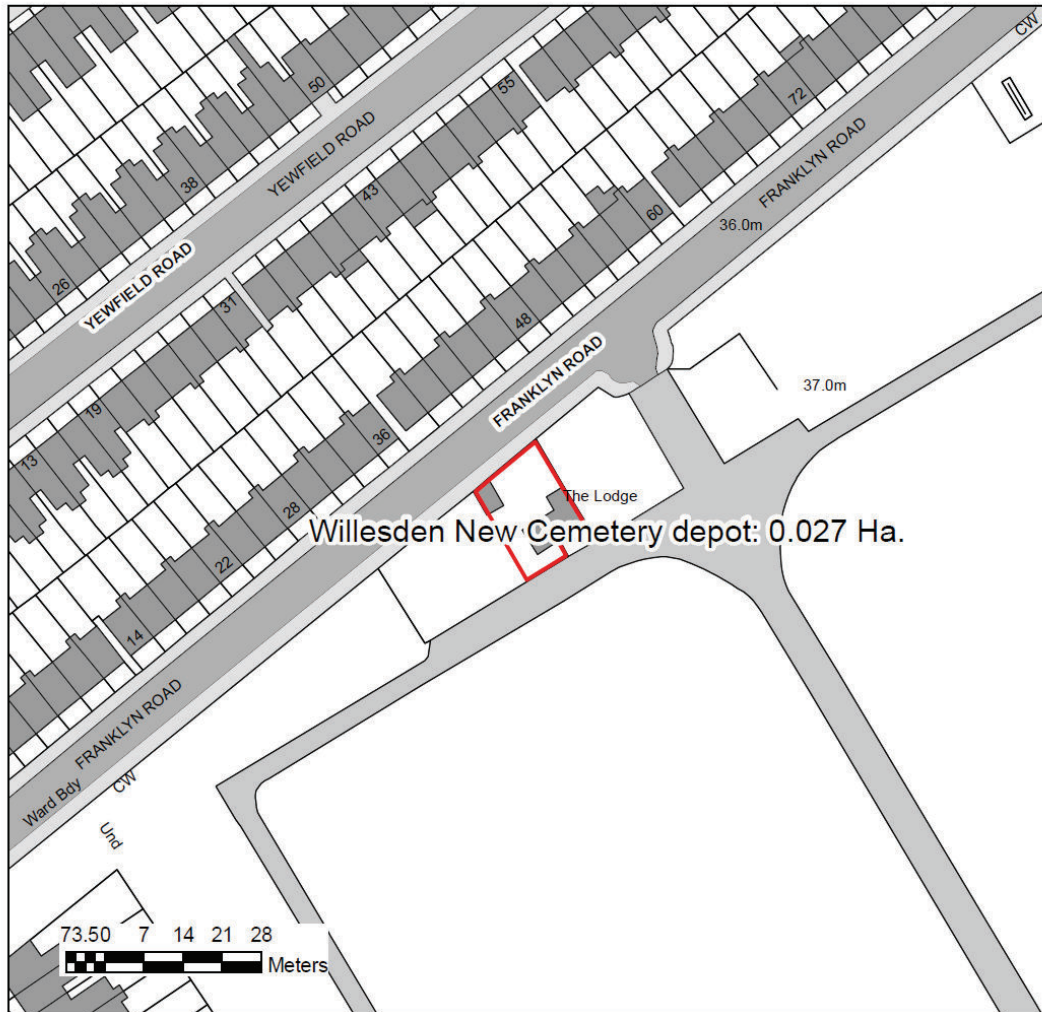
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**Public Realm Contract - Parks Depots.
Willesden New Cemetery Lodge,
Willesden New Cemetery, Franklyn
Road, London, NW10 9TE**



Premises shown outlined red leased area blue.
Brent
1:1,000

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 Brent	<p>Executive 14 October 2013</p> <p>Report from the Strategic Director of Regeneration and Growth</p>
<p>For Action</p> <p>Wards affected: Wembley Central</p>	
<p>Lease extension Brent House, 379 High Road, Wembley, HA9 6BZ</p>	

Appendix 1 is not for publication as it contains the following category of exempt information as specified in Schedule 12A of the Local Government Act 1972, namely:

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

1.0 Summary

- 1.1 To request authority to grant lease extensions at Brent House to a commercial occupier in the best commercial interests of the Council.

2.0 Recommendations

- 2.1 That authority is delegated to the Operational Director Property and Projects to agree suitable lease extensions as set out in the confidential appendix.

3.0 Detail

- 3.1 Brent has now completed all the moves of staff to the new Civic Centre. As part of the overall accommodation strategy Brent House has recently been marketed for sale and this will be the subject of a future report to this Committee at a later date.

- 3.2 Whilst the Council has vacated Brent House it is still occupied by Air France under an existing lease. Therefore Council leases part of the 5th floor, 6th Floor and 7th floors to Air France. A total of about 2,275 m2 of space on lease until the current contractual expiry date of 6 May 2014.
- 3.3 The Council needs to retain flexibility to be able to renew this lease if it is in the best commercial interests of Brent. We also wish to maximise the rental income whilst plans for the long term future for this building are developed. Additionally Air France is a long standing tenant of the Council and has been an important employer of local staff. Therefore it is also in the wider interests of the Borough to seek to accommodate Air France in their desire to remain in Brent House beyond the current lease expiry date.
- 3.4 As such this report requests that authority is delegated to the Operational Director Property and Projects to agree suitable lease extensions as are in the best commercial interests of Brent Council.

4.0 Financial Implications

- 4.1 These are set out in the confidential appendix.

5.0 Legal Implications

- 5.1 Under Section 123 of the Local Government Act 1972 the Council has the general power to dispose of properties by way of sale or lease .The essential condition is that the Council obtains the best consideration that is reasonably obtainable unless it is a lease of 7 years or less.

6.0 Diversity Implications

- 6.1 None

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 None directly

Background Papers

None

Contact Officers

James Young Head of Assets and Valuation
James.young@brent.gov.uk 020 8937 1398


ANDREW DONALD
Strategic Director, Regeneration and Growth

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is Restricted

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 <p>Brent</p>	<p>Executive 14 October 2013</p> <p>Report from the Strategic Director Regeneration and Growth</p>
<p>Wards affected: SUDBURY</p>	
<p>Leasing of Buildings, Barham Park, 656-660 Harrow Road, Sudbury, HA0 2HB</p>	

1.0 Summary

- 1.1 To agree that the Council enters into leases of property from the Barham Park Trust (BPT) as offered at the Trust meeting of 13 February 2013; and to authorise officers to grant a sub-lease of those properties as appropriate.

2.0 Recommendations

- 2.1 That the Executive agree that Brent Council enter into three leases of buildings for lease terms in accordance with details set out in Paragraphs 3.8 - 3.20 set out. Final terms to be approved by the Director of Regeneration and Growth.
- 2.2 That the Executive authorise the Director of Regeneration and Growth to approve terms for a sub-lease(s) of those properties as appropriate along the lines set out in this report.
- 2.3 That the Executive authorise officers to advertise in a local newspaper the disposal by way of the sublease(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 & Projects there are significant objections in respect of the loss of open space to refer those substantive objections back to the Executive to consider.

3.0 Detail

- 3.1 On 13th February 2013 the BPT resolved that a tenancy or tenancies be granted to Brent Council at market rent on terms to be agreed for use in

accordance with the charitable purpose of the trust for a period or periods of up to 25 years. The intention is that these spaces will then be utilised by the Council for the Children's Centre, a sub-let to the Barham Park Veterans Club and such other future use as appropriate. (These units are shown on the attached plan Numbered 1, 2 and 3)

- 3.2 Since then officers have, sought to regularise the relationship between the Trust and the Council and have also, on behalf of the Trust, successfully marketed a number of units within the complex of buildings.
- 3.3 All bar three of the units originally marketed are currently under offer to the Association for Cultural Advancement through Visual Art (ACAVA) - a charity organisation who provide facilities for artists, community groups and outreach work.
- 3.4 One other unit is to be retained by the Trust for occasional community lets and will be managed by the Council on behalf of the Trust (Numbered 4 on the attached plan). The Parks Service also occupies one other unit which was not part of the marketing campaign as it is used exclusively as a store and depot serving Barham Park. As this store and depot are used as the base for Parks Services for Barham Park, the Trust authorised a simple licence between the Trust and the Council which has regularised this situation (Numbered 5 on the attached plan).
- 3.5 In regard to the units under offer to ACAVA it is intended, subject to a successful planning application which is due to be considered by the local Planning Authority in October 2013, that these will be utilised as artists studios. Subject to the outcome of the planning decision, it is hoped these units will be occupied by Christmas 2013, following an eight week period of building improvements and capital works. These works will be project managed by the Council on behalf of the Trust.
- 3.6 This report deals with the three remaining units. Historically, the Council has directly or indirectly been in occupation of these units for many decades. Previously, it is acknowledged the relationship between the Trust and the Council has been informal and led to blurred responsibilities.
- 3.7 Based on its own legal advice, and in order to comply with Charity Commission regulations, the Trust is seeking to have more formal arrangements in place. As the Council in its capacity as a statutory authority is regarded as a "connection person" under charity law the proposed letting to the Council by the Trust needs Charity Commission consent. Subject to the decision of the Executive, the Council's Legal Services will subsequently apply for this consent. This is referred to in more detail under Legal Implications.

Children's Centre

- 3.8 Ground floor unit shown on the attached floor plan providing accommodation of 105 m2 (gross internal area - GIA) and 91 m2 (net internal area - NIA). The accommodation, together with relevant associated areas, was refurbished and converted by Brent Council in 2010 at a cost of around £246,000. This investment into the building and the use as a Children's Centre has over the recent period helped protect what is a vulnerable asset in an exposed park location.
- 3.9 The Trust had offered Brent a lease of up to 25 years at market rent. However following negotiations it is considered reasonable by officers acting on behalf of the Council that the initial rent will be £11,000 per annum, the lease term to be for a five year period and to be within the Landlord & Tenant Act 1954. This lease will also be subject to a service charge to cover the costs of maintenance of the building fabric, insurance and any other common services.
- 3.10 On this basis officers would recommend the Council accept the offer from the Trust for the space.

Barham Park Veterans Accommodation

- 3.11 Ground floor accommodation of 196 sqm (GIA) and 134 m2 (NIA) providing two large rooms for snooker, a kitchen and a club lounge area. Brent Council (The former Wembley and District UDC) enabled the Barham Park Veterans (The Vets) Club to occupy the space in 1947. Officers acting on behalf of the Council proposed that the Council accept a 5 year lease at a rent of £6,000 pa. The lease will allow Brent to sub-let the unit should it so choose. There will also be a service charge to cover the costs of maintenance of the building fabric, insurance and any other common services.
- 3.12 The "Vets" have been in occupation of this space since 1947, albeit they were re-constituted in 2000. The "Vets" is a registered charity and provides a club for the elderly. As mentioned above, until recently the distinction between the Trust and the Council has been blurred. Since 1947, when the Council first provided accommodation to the Vets in Trust property, the Vets have solely engaged with the Council and not the Trust. Therefore, it seems sensible that should the Council wish to ensure the continuation of the Vets occupation at Barham Park, that the Council take responsibility for this unit.
- 3.13 It is acknowledged the Council has had, since 2009, a policy which seeks to place voluntary organisations in council accommodation on a proper market rent and short-term lease. However, given the Vets have been in occupation free of charge since 1947, it is suggested this "custom and practice" be reflected in the initial terms proposed to the Vets. Nevertheless, it is suggested that over a four year period the Vets are moved into a position which reflects tenancies for other voluntary organisations across the Borough. It is therefore proposed that the Council grant a 4 year contracted out sub-lease of this unit to the Vets on an initial one year rent free rising on each anniversary of the lease by £2K pa.

- 3.14 Thus at the end of the 4 year period, the Vets will be paying full market rent in accordance with the Council's policy towards voluntary organisations in Council accommodation. This gradual rise will provide the necessary time required for the Vets to secure the necessary funding in order to meet these outgoings.
- 3.15 Officers recommend this proposal as a pragmatic solution to the requirement by the Trust to regularise this occupation. If approved, the Council would take a lease from the Trust on terms outlined above in paragraph 3.11 and then grant a sub-lease to the Vets also on terms as outlined above in paragraph 3.13.

Card Room

- 3.16 A virtually detached single story timber room of 116 m2 (GIA) and 94 m2 (NIA). This accommodation has previously been hired out on an adhoc basis by the Council and has also been informally used by the Vets. This unit was marketed but received no offer acceptable to the Trust.
- 3.17 The Trust Report of 13 February 2013 identified that the provision of a café was the most popular new facility provision arising out of the public consultation on the vision for the park and that officers would pursue options for a café in the park albeit at the time it was felt that this may not be possible in the short term. The Parks Service would like to see a café established in Barham Park and this would fit with current Parks Strategy service objectives of increasing participation in parks and increasing customer satisfaction. It was also a stated ambition of the Trust at their meeting of 13th February 2013 wherein it was resolved that officers pursue options for a café on the site
- 3.18 The Council are, therefore, recommended to take a short term tenancy of this space at a rent of £3,250 pa with an option to take a lease of up to 25 years. In the short term, subject to an H&S inspection to consider concerns around heating facilities and electrical wiring, this will then allow the Council to continue the current ad hoc lettings
- 3.19 The Council would then be in a position to market this unit to potential café operators. If a suitable operator can be identified a longer lease of up to 25 years will then be sought from the Trust and the tenancy may then be assigned to the selected operator. This longer term is likely to be required by operators to reflect the level of investment that they would need to make in the property. The tenant would be responsible for the maintenance of the fabric of this part of the property, and there would need to be some minor service charge costs to cover any items of common expenditure such as insurance.
- 3.20 The Council's registered valuer - acting on behalf of the Council - considers that the terms proposed above are reasonable in the circumstances. Whilst it is not ideal that Brent takes on direct leasing of the Card Room and the Barham Park Veterans, it is considered that the arrangement allows for transparency and regularisation of money from the Council to the Trust. The rental values are realistic and reflect broadly the recent terms agreed by the

Trust to lease parts of the complex to ACAVA following an open market exercise. They also reflect the values placed on the space by the Inland Revenue for the purposes of uniform business rates.

4.0 Financial Implications

- 4.1 The proposed charges to the council would total £20,250 per annum, excluding service charges.
- 4.2 It should be noted that this additional income to the Trust will reduce the Council's net subsidy to the Trust by the same amount.

5.0 Legal Implications

- 5.1 The land in question forms part of the charity's "designated property". Generally specific consent is required to dispose of any land forming part of a charity's designated property. An important exception is where the disposal falls within the scope of the statutory power granted to charities which authorises disposals where the disposal is so small that it has no effect on the purposes of the charity and there is no express prohibition in the trusts of the charity preventing disposal. Disposal in this case includes granting a lease from the Trust to the Council
- 5.2 As Brent Council is a connected person in regard to the charity (i.e. usually a trustee or an employee of a charity in this instance Brent Council as service provider of statutory functions and amenities.) the Trust will need to obtain the consent of the Charity Commission to the proposed lettings.
- 5.3 The Commission must be satisfied that the conflicts between the Council as a trustee and the Council as service provider are managed satisfactorily and the Trust is achieving the best terms for disposal.

The Trust will be publishing the proposed disposal as part of its Charities Act notice sent to the Commission.

- 5.4 Any letting of land including buildings held for recreational purposes by the Trust (inclusive of a short term letting) must be at best value (save to a charity with similar purposes and the proposed use of land or buildings must not interfere with the objects of the charity in providing a recreation ground for the public or prevent reasonable public access to the park
- 5.5 Any letting at best value for a term of 7 years or less (save to a charity with similar purposes) by the Trust must be in accordance with the recommendations of a qualified surveyor appointed to act exclusively for the Trust and the Trust will comply with all the requirements of the Charities Act 2011 and the Local Government Act 1972 in respect of the disposal or letting of public open space.

6.0 Diversity Implications

- 6.1 Under the Equality Act 2010 Section 149 the Council must, in the exercise of its functions, have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between those who have a protected characteristic and those who do not.
- 6.2 The proposals before members are commercial leasing arrangements to regularise the current position whereby the Council utilises space at Barham Park. As such these do not give rise to a need for any further detailed consideration under the Equality Act 2010.
- 6.3 In relation to the proposed sub let to the Vets this is also an arrangement whereby current use is to be regularised by way of a commercial lease. The proposal is in line with Council policy for use of Council property by voluntary organisations. In view of the long standing property arrangement it is proposed there be a phased introduction of rent. Any potential impact on the organisation (and its users) by the proposed lease arrangements is mitigated by the phased introduction of the rental charge.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 None

8.0 Background Papers

Previous reports

Contact Officers

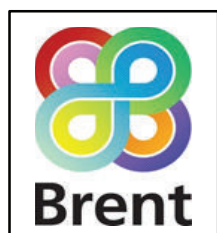
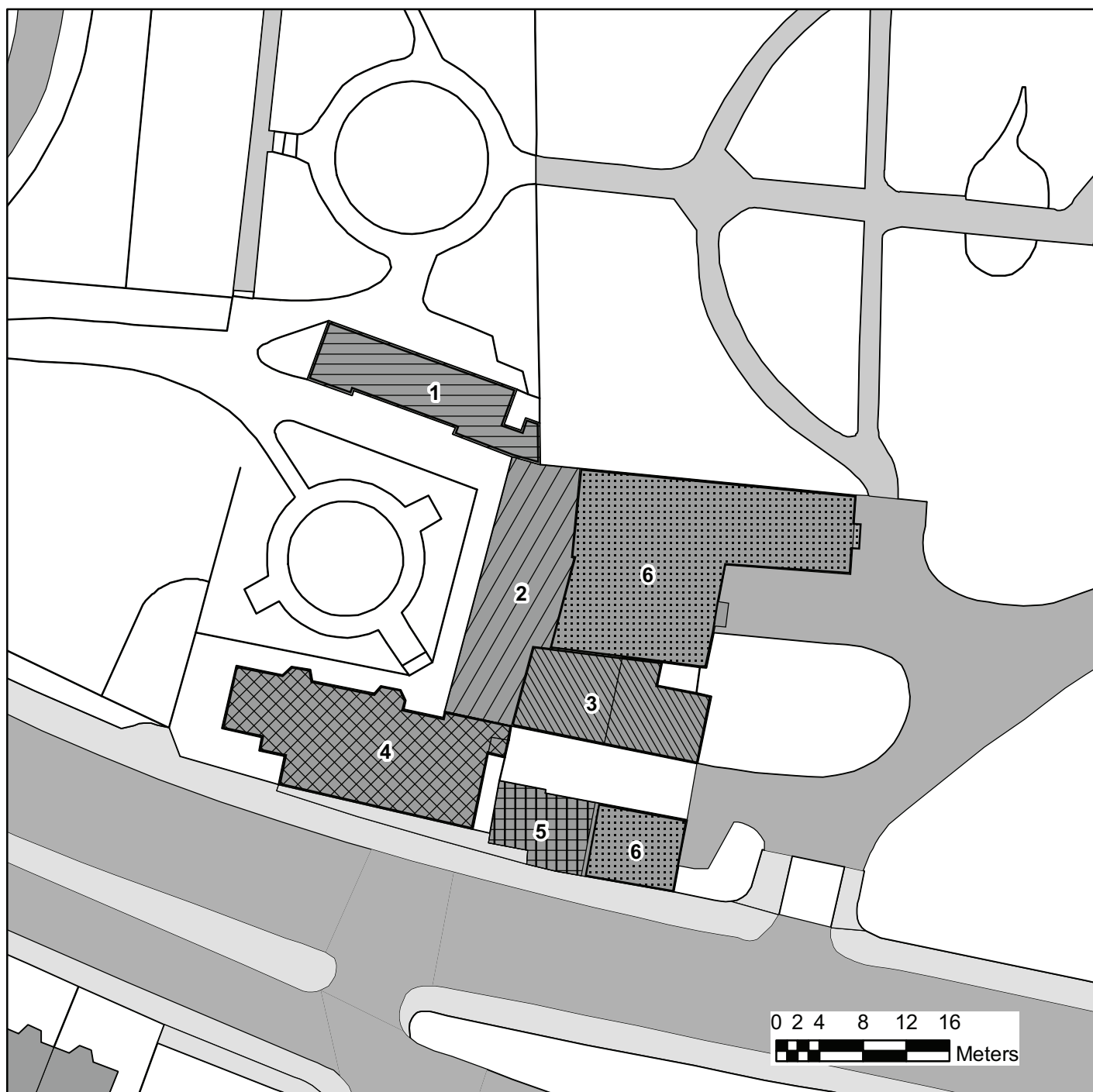
James Young MRICS Head of Assets and Valuation 0208 937 1398
james.young@brent.gov.uk







ANDREW DONALD
Strategic Director of Regeneration and Growth

EXECUTIVE COMMITTEE

14th October 2013

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



- | | |
|--|--|
|  1, Brent Lease - Card Room |  4, Brent - Community Lounge |
|  2, Brent Lease - Veterans |  5, Brent - Depot Public Realm |
|  3, Brent Lease - Children's Centre |  6, ACAVA - Ground Floor Premises |

**Boundaries shown indicative only.
Plan for information purposes only.**

NORTH



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Executive
14 October 2013

**Report from the Deputy Director of
Finance**

Wards affected:
ALL

Budget Strategy Update

1.0 Introduction

- 1.1 This report sets out the Council's funding forecast for the next three years.

2.0 Recommendations

- 2.1 To note the latest forecast for the Council's revenue budget for 2014/15 to 2016/17 at Appendix 1 and the assumptions used to derive this.

3.0 Baseline Position 2014/15 to 2016/17

- 3.1 The Budget Report to Council on 25 February 2013 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 have been rolled forward at 2013/14 levels into future years;
- An allowance for pay inflation of 1% in 2014/15 and 2% thereafter;
- No general inflation for prices in 2014/15 and future years other than that which is contractually committed ;
- Provision for cost pressures in service area budgets of £5.6m in 2014/15, £2.1m in 2015/16 and £3.7m in 2016/17. Key assumptions for central items included:

- *Debt charges (capital financing charges net of interest receipts):* These were forecast to grow from £25.1m in 2013/14 to £27.3m in 2014/15, £28.1m in 2015/16 and £27.9m in 2016/17;
- *Levies:* These were forecast to grow from £3.5m in 2013/14 to £3.6m in 2014/15, £3.8m in 2015/16 and £3.9m in 2016/17;
- *Freedom Pass/concessionary fares.* These have risen significantly over the last few years and the budget for 2013/14 is £15.3m. There are no confirmed figures for future 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 is being allowed for in 2014/15 to reflect any additional increases in transport costs. Therefore, Brent has budgeted for an additional £1.2m (2014/15), £0.8m (2015/16) and £0.8m (2016/17).
- *Redundancy and Restructuring Costs.* A budget of £2.6m has been set aside for 2013/14. These costs are anticipated to reduce over the medium term as higher redundancy and severance costs in the earlier years are replaced with the actuarial strain costs of meeting the costs of early retirements which are currently spread over three years.

3.3 Resource assumptions

- Revenue support grant of £95.3m in 2014/15, £81.9m in 2015/16 and £69.6m in 2016/17 (based on national assumptions from the Autumn Statement 2012);
- Council tax freeze grant for 2013/14 incorporated into revenue support grant from 2015/16;
- New Homes Bonus to increase to £9.5m by 2016/17;
- Other unallocated grants to reduce by £0.5m each year;
- Council tax base increase of 0.7% each year;
- Council tax collection of 96% in each year;
- Retained business rates to increase by 3% each year;
- Business rate top-up to increase by 2% each year;

3.4 The assumptions above produced a gap to be bridged for the period 2014/15 to 2016/17 as follows:

Table 1: Estimated Budget Gap at 25 February 2013

	2014/15 £m	2015/16 £m	2016/17 £m
Budget Gap:			
Annual	20.4	17.1	17.3
Cumulative	20.4	37.5	54.8

- 3.5 The budget gap above follows on from the delivery of cashable savings in recent years of £41.7m (2011/12), £12.5m (2012/13) and £7.3m (2013/14).

4.0 Updated Position

- 4.1 There are a number of key developments that will affect our projections and these are set out below. However it should be noted that in a number of these there is still uncertainty around the final arrangements so the figures are still subject to change.

Central Government Funding Announcements

- 4.2 The funding assumptions for 2015/16 onwards were based on national figures set out by the government. This has been subject to change as part of the Spending Round in June and, more significantly, through further details released by the government in a consultation document published at the end of July.
- 4.3 The Spending Round indicated that local government funding would reduce nationally by 10% in real terms in 2015/16. The further detailed analysis now clarifies that within that 10% reduction there will also be additional funding top-sliced by the government to meet other spending commitments, including the cost of implementing the new arrangements for capping social care contributions.
- 4.4 Although no specific figures for Brent have been announced it is clear that the additional funding reductions will impact upon all local authorities and need to be reflected in the Council's medium term projections, even if the precise impact remains uncertain.
- 4.5 The main impact is on the Revenue Support Grant receivable by the Council and this is highlighted in the table below, including more minor revisions to the 2014/15 allocation.

Table 2: Revenue Support Grant Reductions

Year on year reductions	2014/15		2015/16		2016/17	
	£m	%	£m	%	£m	%
Original Forecast	-20.7	-17.8	-13.4	-14.1	-12.3	-15.0
Revised Forecast	-22.7	-19.6	-26.3	-28.2	-13.4	-20.0
Change	-2.0		-12.9		-1.1	

- 4.6 The government has also recently announced proposals to top-slice £400m of New Homes Bonus funding to be provided to Local Enterprise Partnerships. Based on the latest projections this equates to a loss of funding to Brent of £3.2m from 2015/16.

- 4.7 The arrangement for the 2013/14 council tax freeze grant will now be in place for the 2014/15 and 2015/16 financial years. On the basis that the existing medium term financial outlook contains no council tax increases this funding has been incorporated into the projections for those years.

Other Funding

- 4.8 The estimates of the Council's funding have increased for:
- Retained share of business rates – reflecting anticipated income in relation to the London Designer Outlet
 - Surplus on the Collection Fund
 - Updated estimate of the council tax base

Central Items

- 4.9 The forecasts within central items have been subject to review and the following adjustments have been incorporated:
- The continued low interest rate environment has enabled a reduction of £2m in the capital financing budget
 - Other grant income has been re-profiled and a permanent increase of £288k included

Revised Gap

- 4.14 A summary of all the changes above is set out in Appendix 1. In broad terms the gap has reduced in 2014/15 but has significantly increased in 2015/16.

Table 3 – Revised Gap

	2014/15 £m	2015/16 £m	2016/17 £m
February 2013	20.4	17.1	17.3
Net Movement	-7.3	16.5	1.9
September 2013	13.1	33.6	19.2

Members are reminded that this forecast is based on no council tax increases over this period and therefore include the receipt of council tax freeze grant. .

5.0 Financial Implications

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

6.0 Legal Implications

- 6.1 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 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.
- 8.2 Under the Brent Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer and the Monitoring Officer. 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.
- 8.3 In accordance with 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.

9.0 Diversity Implications

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

10.0 Staffing Implications

- 10.1 None directly as a result of this report.

11.0 Background Information

- 11.1 Report to Full Council, 25 February 2013–2013/14 Budget and Council Tax.

12.0 Contact Officer

12.1 Mick Bowden, Deputy Director of Finance, Tel. 020 8937 1460

MICK BOWDEN
Deputy Director of Finance

	2014/15	2015/16	2016/17
	£m	£m	£m
Budget Gap at Council Feb 2013	20.4	17.1	17.3
Reductions in Revenue Support Grant	2.0	13.0	1.0
Business Rate Top-Up	-0.1	-0.4	-0.2
Additional Council Tax Freeze Grants	-1.0	-1.1	2.1
Business Rates - share of growth from baseline	-1.9	-0.7	-0.6
New Homes Bonus	0.5	2.7	-0.1
Collection Fund Surplus	-2.4	2.4	
Council Tax Base	-1.3	-0.2	-0.3
Other Grants	-1.1	0.8	
Capital Financing	-2.0		
Latest Budget Gap	13.1	33.6	19.2

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