



## Cabinet

**Monday 19 October 2015 at 7.00 pm**

Board Room 4 - Brent Civic Centre, Engineers Way,  
Wembley HA9 0FJ

### Membership:

#### Lead Member Councillors:

#### Portfolio

Butt (Chair)	Leader of the Council
Pavey (Vice-Chair)	Deputy Leader of the Council
Denselow	Lead Member for Stronger Communities
Hirani	Lead Member for Adults, Health and Well-being
Mashari	Lead Member for Employment and Skills
McLennan	Lead Member for Housing and Development
Moher	Lead Member for Children and Young People
Southwood	Lead Member for Environment

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

Item	Page
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<b>1</b>	<b>Declarations of personal and prejudicial interests</b>	
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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.

<b>2</b>	<b>Minutes of the previous meeting</b>	1 - 8
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<b>3</b>	<b>Matters arising</b>	
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## Children and Young People reports

<b>4</b>	<b>A New Delivery Model for Youth Services in Brent</b>	9 - 126
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This report details the outcomes of consultation with young people and other stakeholders on a proposed new model for youth services in Brent. Following consideration of consultation outcomes, the report recommends priorities for future investment and a preferred delivery model. It seeks Cabinet's approval to invite tenders for the management and operation of the Roundwood myplace Centre and the delivery of a wider youth services offer, as required by contract standing orders 88 and 89.

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Moher  
**Contact Officer:** Cate Duffy, Operational  
Director, Early Help and Education  
Tel: 020 8937 3510 cate.duffy@brent.gov.uk

<b>5</b>	<b>Consultation on proposed community schools oversubscription criteria and admission arrangements for the 2017/18 admission round</b>	127 - 136
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This report seeks approval of Cabinet to consult on proposed amendments to the oversubscription criteria for Brent primary community schools. The changes proposed are: Introduction of a criterion prioritising children of staff; Introduction of criterion prioritising children of families who attract the pupil premium funding.

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Moher  
**Contact Officer:** Cate Duffy, Operational  
Director, Early Help and Education  
Tel: 020 8937 3510 cate.duffy@brent.gov.uk

## Adult Social Care reports

- 6 Authority to award the Direct Payments Advice and Support Service Contract** 137 - 156

In accordance with Contract Standing Order 88, this report seeks Cabinet authority to award a 2 + 1 year Direct Payment Services Contract to allow the Council to offer a Support and Advice (general, employment and ongoing), Managed Account and Personal Assistant Service to those Users in receipt of Direct Payments and/or Personal Health Budgets. The report provides further details on the Service, the procurement process and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Hirani  
**Contact Officer:** Amy Jones, Head of Commissioning and Quality  
Tel: 020 8937 4061 amy.jones@brent.gov.uk

## Regeneration and Growth reports

- 7 Bridge Park Leisure Centre - Procurement of an Architectural Led Design Team** 157 - 174

This report follows on from the three previous reports (see Background Papers) presented to the Cabinet and Executive in respect of the former Unisys office buildings site and Bridge Park Community Leisure Centre (BPCLC) as per the site plans at appendices 1 & 2. This report seeks approval to commence the procurement process for an architect led multidisciplinary design team to bring forward the design of the proposed new community leisure centre.

**Ward Affected:**  
Stonebridge

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

## Chief Operating Officer's reports

- 8 Fundamental Review of the Council Tax Support Scheme** 175 - 258

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Mashari  
**Contact Officer:** Margaret Read, Director, Customer Services  
Tel: 020 8937 1521  
margaret.read@brent.gov.uk

## Central Reports

**9 Budget strategy and financing update** 259 -

290

This report updates the position on the core estimates that drive the council's budget position, to enable Members to assess the approach to the business planning and budgeting cycle. It reminds Members of the budget proposals for 2016/17 and 2017/18 that were previously agreed at the Council meeting of 2 March 2015.

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Pavey  
**Contact Officer:** Conrad Hall, Chief Finance Officer  
Tel: 020 8937 6528 conrad.hall@brent.gov.uk

**10 Financial Report - August 2015** 291 -

304

This report highlights the overall financial position of the Council as at August 2015. The report will cover the following topics:

- Revenue Budget monitoring summary
- 2015/16 Savings
- Council Tax & NNDR Collection Rates
- Other debt analysis and collection
- Capital Programme monitoring summary
- Financial Control

**Ward Affected:**  
All Wards

**Lead Member:** Councillor Pavey  
**Contact Officer:** Eamonn McCarroll, Operational Director, Finance  
Tel: 020 8937 2468  
eamonn.mccarroll@brent.gov.uk

**11 Reference of item considered by Scrutiny Committee (if any)**

**12 Exclusion of Press and Public**

The following item is not for publication as it relates to the following category of exempt information as specified in the Local Government Act 1972 namely:

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

APPENDIX: Authority to award a Direct Payments Advice and Support Service Contract

**13 Any other urgent business**

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

**Date of the next meeting:            Monday 16 November 2015**



Please remember to set your mobile phone to silent during the meeting.

- The meeting room is accessible by lift and seats will be provided for members of the public.

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## LONDON BOROUGH OF BRENT

### MINUTES OF THE CABINET Monday 21 September 2015 at 7.00 pm

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

Also present: Councillors Chohan and S Choudhary

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

Councillor Pavey declared a personal interest in the item relating to NNDR as the Chair of Barham Trust and also Councillors Denselow, Hirani, McLennan, Southwood as members of the Trust. Councillor Mashari declared an interest in the Welsh Harp Environmental Centre item as ward councillor.

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

RESOLVED:-

that the minutes of the previous meeting held on 24 August 2015 be approved as an accurate record of the meeting subject to noting under Clause 8 Affordable Housing Supply Programme – Right to Buy Receipts 2015–2019: “Councillor Pavey had also commented that in looking for a partner for the extension of right to buy, there would be a significance difference between working with not for profit organisations such as registered social landlords, vs working with a private sector partner.”

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

None.

#### 4. **Authority to Procure and Award Nursing and Residential Reablement Beds**

The report from the Strategic Director, Adults requested authority to procure nursing, short stay and reablement service contracts for the provision of residential and nursing care beds for 2015/16 and 2016/17 (for a 12 month period commencing November 2015) to support timely, safe discharge from hospital, and manage the risk of delayed transfer of care using the West London Alliance Accreditation, Purchasing and Contract Management List.

Councillor Hirani (Lead Member, Adults, Health and Well-being) welcomed the proposals and the opportunity for further integration. The proposals were in line with the findings of the Brent and Harrow Systems Resilience Group and efforts to reduce waiting times for patients needing specialised nursing home beds and also

increase control over purchase costs. The aim was to start in November in time for the Winter pressures.

RESOLVED:

- (i) that approval be given to an exemption pursuant to Contract Standing Order 84 (a) from the requirement to tender nursing, short stay and reablement service contracts for the provision of nursing, short stay and reablement beds for 2015/16 and 2016/17 (for a 12 month period commencing November 2015), and instead permits the procurement of contracts using a quote process under the West London Alliance Accreditation, Purchasing and Contract Management List;
- (ii) that authority be delegated to the Strategic Director, Adults in conjunction with the Chief Finance Officer and Chief Legal Officer to award any High Value Contracts procured under the West London Alliance Accreditation, Purchasing and Contract Management List.

## 5. **Deferred Payment Agreement Policy**

Councillor Hirani (Lead Member, Adults, Health and Well-being) introduced the report which set out the amendments to Brent's Deferred Payment Agreement Policy following the introduction of the Care Act 2014. Councillor Hirani explained that currently there were only five deferred payment agreements in place in Brent as of 2014/15 (which allowed a person to 'defer' or delay paying the costs of their care and support until a later more convenient date) however under the Care Act the scheme would be more widely available to people who met the eligibility criteria for the scheme from 1 April 2015. Councillor Hirani advised that the scheme would be cost neutral by way of the charging process to recover costs.

RESOLVED:

that approval be given the amendments to the Deferred Payment Agreement Policy, specifically the administration charge; interest rate and discretionary elements of the proposal.

## 6. **Approval to tender contracts for accommodation based social care support and rehabilitation services - high to medium mental health contracts**

In accordance with Contract Standing Orders 88 and 89, the report from the Strategic Director, Adults requested approval to procure two contract for Accommodation Plus provision to support people recovering from mental health problems. The current contracts were due to expire on 1 April 2016. Councillor Mashari (Lead Member, Employment and Skills) was assured that the contracts would be London Living Wage compliant.

RESOLVED:

- (i) that approval be given to the invite of tenders for two Accommodation Plus contracts to support people with mental health problems on the basis of the pre-tender considerations set out in paragraph 3.9 of the report from the Strategic Director, Adults;



- (ii) that approval be given to the evaluation of the tenders referred to in (I) above on the basis of the evaluation criteria set out in paragraph 3.9 of the report.

**7. Authority to award a Care Provider Service Contract for a new Extra Care Housing Facility in Brent**

In accordance with Contract Standing Order 88, the report from the Strategic Director, Adults sought authority to award a social care and support services contract for a new Extra Care Housing (ECH) facility in Brent. The care services would be provided to people aged 50+ with care and support needs. The report provided further details on the facility and summarised the process undertaken in tendering the contract and, following the completion of the evaluation of the tenders, recommended to whom the contract should be awarded.

Councillor Hirani (Lead Member, Adults, Health and Well-being) advised that the unit would make a significant contribution towards achieving the objectives of NAIL (New Accommodation for Independent Living) in reducing reliance on residential care and commissioning far more cost effective, flexible accommodation. The Cabinet were assured that the contract would be London Living Wage compliant.

RESOLVED:

that approval be given to the award of a contract to Metropolitan Housing Trust, for the provision of care and support services at the new ECH facility in Brent for an initial period of two years with an option to extend the contract for a further two successive one year periods.

**8. Authority to procure a Dynamic Purchasing System (DPS) For Accommodation Plus Services**

In accordance with the Council's Contract Standing Orders 88 and 89, authority was sought to invite requests to participate for a dynamic purchasing system for accommodation plus services. The system would support the Council to proactively engage with the Care and Housing market to ensure that the council can commission accommodation plus services effectively and work more closely with local providers to develop accommodation plus provision in Brent to support the delivery of the New Accommodation Independent Living (NAIL) project.

Councillor Hirani (Lead Member, Adults, Health and Well-being) reminded the Cabinet that the NAIL project was set to deliver by March 2018 529 new units of accommodation plus for people who were assessed as having social care needs that could no longer be met in their own home. Cabinet noted that the NAIL DPS would be setup with five lots of commonly purchased services which encompassed the full range of delivery models required to deliver the Programme. Councillor Hirani drew attention to the delegated authority to award contract of less than £500,000 and assured that Cabinet would be updated annually.

Councillor McLennan (Lead Member, Housing and Development) expressed commitment for joint working on the housing side of the project. Councillor Mashari (Lead Member, Employment and Skills) sought clarification on the reference in the report to the impact on contracts of any London Living Wage (LLW) increase

during the lifetime of the DPS. The Chief Finance Officer responded that the LLW rate had risen faster than inflation and that a continuation of this trend would increase pressure on the council's budget.

RESOLVED:

- (i) that approval be given to the invite of requests to participate in a Dynamic Purchasing System for Accommodation Plus Services on the basis of the pre-tender considerations set out in paragraph 3.13 of the report from the Strategic Director, Adults;
- (ii) that approval be given to the evaluation of requests to participate referred to in (i) above on the basis of the selection criteria referred to in paragraph 3.13 of the report;
- (iii) that authority be delegated to the Strategic Director, Adults following establishment of the Dynamic Purchasing System for Accommodation Plus Services, to appoint new service providers onto the said Dynamic Purchasing System where they request to participate and meet the selection criteria referred to in paragraph 3.13 of the report;
- (iv) that approval be given to the invite of tenders under the Dynamic Purchasing System for Accommodation Plus Services on the basis of the pre-tender considerations set out in paragraph 3.13 of the report;
- (v) that officers evaluate invitations to tender referred to in (iv) on the basis of the selection criteria referred to in paragraph 3.13 of the report;
- (vi) that authority be delegated to the Strategic Director, Adults to award High Value Contracts procured through the Dynamic Purchasing System for Accommodation Plus Services if they have a contract value of less than £500,000.

#### **9. Brent Development Management Policies Local Plan - Publication and Submission**

The Cabinet considered the report from the Strategic Director, Regeneration and Growth which reminded them that a previous draft of the Development Management Policies Development Plan Document was agreed by Executive 24 March 2014 and issued for consultation. Following consideration of the consultation responses and other factors such as changes in Government policy was proposed that the Plan be amended and taken through its next steps in the adoption process. The report provided a summary of the consultation responses, explained the main changes that were being proposed to the draft Plan and recommended that it be published and made available for representations for six weeks. It is also recommended that following the representation period it be submitted for examination subject to Full Council approval.

Councillor McLennan (Lead Member, Housing and Development) advised that in accordance with central government guidance the amended draft Plan was shorter and consequently had a greater focus on Brent specific issues, rather than repeating general policy contained in other documents. She also advised that the

plan had had been delayed awaiting the publication of the London Plan so as to ensure consistency and drew attention to new policies now included in the Brent Plan. Andrew Donald (Strategic Director, Regeneration and Growth) reminded the Cabinet that the Plan had been submitted to and agreed by the Planning Committee.

Councillor Pavey (Deputy Leader) expressed support for retention of a policy seeking 10% of floorspace in new commercial schemes on strategic employment sites to be affordable workspace for small and medium sized enterprises needed to provide jobs. Councillor Denselow sought assurances over the inclusion of pub protection policies that sought to protect their sites from development. Andrew Donald advised that a specific pub protection policy has been added to the DMP in response to comments, discussions were on-going and further changes could be made. Regarding affordable workspace for SMEs efforts were being made to identify a management company and to consolidate them into a larger space.

Councillor Hirani expressed support for policies to limit shisha cafés, fast food shops and to promote cycling. Councillor Pavey expressed support for policies to support public house protection as an opportunity to preserve heritage and the community. He also referred to queries raised by developers over the policy of delivering 50% affordable housing from employment land released for other uses and he questioned the viability of the policy. Andy Donald referred members to the Core Strategy, assured that the council's position would be clear in any discussions and would not be restricted.

Regarding pub protection policy, the Cabinet heard from Sujata Aurora (local resident) that the Planning Committee in considering the Plan at its meeting on 23 July 2015 were advised that The Campaign for Real Ale (CAMRA) had suggested amendments to the policy to make it more robust and had been advised that the suggestions from CAMRA would be reported to this meeting. Councillor Butt (Chair, Leader of the Council) assured that the policy would be opened for discussion and CAMRA would be involved. The consultation process would allow for views to be captured.

**RESOLVED:**

- (i) that agreement be given to the proposed responses to individual representations, as set out in the schedules attached as Appendix 1 to the report from the Strategic Director, Regeneration and Growth;
- (ii) that the draft Brent Development Management Policies Development Plan Document in Appendix 3 be agreed for publication for 6 weeks, and recommend that Full Council agree that the draft Plan be submitted to the Planning Inspectorate for Examination;
- (iii) that the Strategic Director, Regeneration and Growth be authorised to make further editorial changes to the document prior to it being issued for publication.

**10. Parking Annual report 2014/2015**

Councillor Southwood (Lead Member, Environment) introduced the Annual Parking report which explained the aims and objectives of the Council's Parking service and the key achievements of the last financial year. The report included a statistical analysis setting out information on the number of parking and traffic related Penalty Charge Notices (PCNs) issued for the period 2014/2015, the income and expenditure recorded in the Parking Account, and how the surplus on the account has been spent or allocated.

RESOLVED:

that approval be given for publication the Parking Service's Annual Report 2014/15, as set out in the Appendix to the report from the Chief Operating Officer.

#### 11. **Brent Local Implementation Plan (LIP) Submission for 2016/17 - 2018/19**

The report from the Chief Operating Officer sought approval to submit the 2016/17 Local Implementation Plan to Transport for London and following the approval of that body, to implement the schemes and initiatives within the submitted/approved LIP programme and funding. LIP set out how London boroughs would deliver better transport in their area, in the context of local and regional transport priorities and the overarching Mayor's Transport Strategy and Councillor Southwood in introducing the report emphasised the need for focus to be in the correct places and made reference to the recommendation for the Wembley Transport Corridor to be the highest priority scheme for submission under the Major Schemes programme.

Members welcomed the report in particular the casualty prevention work and school travel plans. Councillor Pavey drew attention to the busy Forty Lane junction in Wembley, even more congested since the new school had opened and the number of accidents within the three year period up to April 2012 and questioned when improvement work would start. Councillor Southwood responded that both short term and long means of improvement would be considered and assured that school safety remained a priority.

RESOLVED:

- (i) that the 2016/17 total TfL provisional LIP allocation of £3,545,000 be noted;
- (ii) that approval be given to the proposed 2016/17 programme of LIP Corridors, Neighbourhoods and Supporting Measures schemes, as set out in Appendix A of the report from the Chief Operating Officer, through application of the prioritisation matrix, as described in the report and, subject to TfL approval in autumn 2015, the Head of Transportation be instructed to deliver the programme using the allocated budget and resources available;
- (iii) that approval be given to the Wembley Transport Corridor as the highest priority scheme for submission under the Major Schemes programme, as set out in the Major Schemes Prioritisation Matrix, enclosed in Appendix B, and as described in the report. Cabinet also instructs the Head of Transportation to apply for funding, in collaboration with funding partners and neighbouring boroughs, where required, to programme and deliver the highest priority schemes listed in the Major Schemes Prioritisation Matrix, using the allocated budget and resources available;

- (iv) that the Head of Transportation be authorised to undertake any necessary statutory and non-statutory consultation and consider any objections or representations regarding the schemes set out in Appendix A of this report. If there are no objections or representations, or the Head of Transportation considers the objections or representations are groundless or insignificant, the Head of Transportation is authorised to deliver the schemes set out in Appendix A of this report. Otherwise, the Head of Transportation is authorised to refer objections or representations to the Highway Committee for further consideration;
- (v) that it be noted that the scheme allocations are provisional and that schemes may be subject to change during development and following the consultation process;
- (vi) that the Head of Transportation be authorised to vire scheme allocations where necessary (e.g. pending the outcome of detailed design and consultation) within the overall LIP budget, in consultation with the Lead Member for Environment and in accordance with financial regulations.

**12. Welsh Harp Environmental Educational Centre - Community Asset Transfer, marketing, new lease and associated licence**

Councillor McLennan (Lead Member, Housing and Regeneration) reminded the Cabinet that in December 2012 following the budget report it was decided to withdraw council funding from the Welsh Harp Environmental Educational Centre (WHEEC). Subsequently, the WHEEC has been identified as potentially suitable for Community Asset Transfer (CAT) in accordance with the provisions agreed as part of the new Strategic Property Plan 2015-19 which would provide an opportunity to secure continuity of an existing valuable service from the centre in some form. Councillor McLennan advised that following a marketing exercise, two applicants had come forward separately to continue the work of the centre, The Carey's Foundation and the charity Thames 21, and consideration was now being given to whether they could work together to provide an enhanced service.

Members welcomed the proposal and the opportunity for young people to be able to continue to use the centre which was a valuable nature resource. Councillor Mashari hoped to be able to receive more information on the viability of the partnership arrangement and the agreement reached. Councillor Pavey expressed that to the children of Chalkhill Primary who had written letters in support of the centre.

RESOLVED:

- (i) that approval be given to the proposed Community Asset Transfer of the Welsh Harp Environmental Education Centre;
- (ii) that authority be delegated to the Operational Director Property and Projects to finalise and agree the terms of a leasehold and associated licence disposal to the preferred applicant, Thames 21 in consultation with the Chief

Operating Officer, the Strategic Director of Children and Young People and the Chief Finance Officer;

- (iii) that efforts to try to get the two bidders to work together to deliver an improved service at the Welsh Harp Environmental Education Centre be endorsed.

**13. National Non Domestic Rates – Applications for Discretionary Rate Relief**

The Cabinet considered the report from the Chief Operating Officer which detailed new applications for discretionary rate relief to charities or non-profit making bodies on the grounds of hardship received since the Cabinet last considered such applications on 23 February 2015.

RESOLVED:

that the applications for discretionary rate relief detailed in Appendices 2 and 3 to the report be approved.

**14. Reference of item considered by Scrutiny Committee (if any)**

None.

**15. Any other urgent business**

None.

**16. Carolyn Downs**

The Cabinet welcomed the new Chief Executive Carolyn Downs to her first meeting of the Cabinet.

The meeting ended at 7.50 pm

M BUTT  
Chair



**Cabinet**  
19 October 2015

**Report from Strategic Director,  
Children and Young People**

For Decision

Wards affected: ALL

**A New Delivery Model for Youth Services in Brent**

**1.0 Summary**

- 1.1 This report details the outcomes of consultation with young people and other stakeholders on a proposed new model for youth services in Brent. Following consideration of consultation outcomes, the report recommends priorities for future investment and a preferred delivery model. It seeks Cabinet's approval to invite tenders for the management and operation of the Roundwood myplace Centre and the delivery of a wider youth services offer, as required by contract standing orders 88 and 89.

**2.0 Recommendations**

That Cabinet:

- 2.1 Note the outcomes of consultation on potential changes to the Council's current Youth Services provision as detailed in section four of this report and Appendix One.
- 2.2 Approve the future service priorities for Brent Council's Youth Services set out in section five of the report.
- 2.3 Approve officers inviting tenders for the management and operation of the Roundwood myplace Centre and delivery of a wider youth offer in line with the approach detailed in section six of this report and on the basis of the pre-tender considerations set out in paragraph 6.6 of the report.
- 2.4 Approve officers evaluating tenders referred to in paragraph 2.3 above on the basis of the evaluation criteria set out in paragraph 6.6 of the report.
- 2.5 Authorise officers to include a draft lease in the invitation to tender documents on terms to be agreed by the Strategic Director of Regeneration and Growth in consultation with the Chief Legal Officer and Head of Procurement.

- 2.6 Note that the Strategic Director, Children and Young People will approve the final specification for the service in consultation with the Lead Member.
- 2.7 Note that revised management arrangements for the Roundwood myplace Centre will require formal approval from the Cabinet Office and Education Funding Agency for the reasons detailed in paragraph 7.8.
- 2.8 Note that staff consultation on changes to the Youth Service will commence in November 2015 in order to deliver achieve agreed savings.
- 2.9 Note that organisations tendering will be expected to demonstrate that they will collaborate with local voluntary and community (VCS) sector youth service providers and the Young Brent Foundation to strengthen the borough's overall youth offer.

### **3.0 Background**

- 3.1 In June 2015, Cabinet agreed to consult on proposals to support the development of a new service model for the Council's current Youth Services which included:
- Establishing a new cross sector partnership body, the Young Brent Foundation, to take a strategic lead for youth provision in the borough, support bidding activity, and build the capacity of the Brent's VCS youth providers.
  - Developing the Roundwood myplace Centre as a youth hub, potentially by passing its running and management over to another organisation through a community asset transfer.
  - Investing in a small team of qualified youth workers who would work directly with other service providers across the borough to identify new and emerging needs; build the capacity of existing youth providers; and project manage new services and projects, including targeted work.
  - Investment to support the delivery of statutory duties, including resources to maintain the database of youth service provisions and to promote access to youth services, and to support prevention and reparation work within the Council's Youth Offending Service.
  - Maintaining the Brent Youth Parliament in recognition of its role in ensuring that young people's voices are heard in council decision-making.
- 3.2 The proposed changes aimed to support the development of youth services in the borough with considerably less overall investment, reflecting wider pressures on the Council's budget. On current plans, the Council's budget for Youth Services will reduce from £1.314 million in 2015/16 to £414,394 in 2016/17. This level of reduction reflects wider budget pressures facing the Council, with overall savings of £54 million required to meet reductions in central Government funding.
- 3.3 In designing the new service model, it was recognised that certain provisions which currently sit within the Council's Youth Service, including the Duke of Edinburgh Award Programme and the Right Track Programme for children temporarily excluded from school, could potentially continue without direct funding from the Council. However, the costs currently



associated with the running of the four youth centres (around £650k per annum) could not be met without new partnership arrangements.

- 3.4 Since the June Cabinet report, voluntary sector partners decided to establish the Young Brent Foundation (YBF) as an independent voluntary sector body. The founding Trustees<sup>1</sup> have now submitted an application to establish the YBF as a charity. This will allow them to bid for up to £200k per annum over three years through the John Lyon's Charity, negating the need for Council funding to cover the new organisation's core costs. As established, the YBF will now be a membership organisation for youth providers in Brent. It will focus on building the capacity of the 100 plus VCS youth providers in the borough, particularly through sharing resources, training, and coordinating bidding activity. It will also offer a small grants programme with a total value of £40,000.
- 3.5 Officers recognise the valuable role that the YBF can play in championing and driving the youth agenda in Brent and leveraging in new funding and are currently working to embed close working arrangements with the Council. This is likely to include Member and/or officer representation on YBF's board. As founding Trustees of the YBF have also indicated that they would be interested in taking on assets such as the Roundwood myplace Centre and/or bidding for contract opportunities which may arise through the redesign of the Council's youth services, officers have also helped its founding trustees to access support through the Government's Community Ownership and Management of Asset (COMA) Programme. This will enable them to access specialist asset management and pre-feasibility planning support before any opportunities are opened up to a competitive process.

#### **4.0 Consultation – approach and outcomes**

##### **Stakeholder consultation**

- 4.1 Formal consultation with staff, youth service providers, young people, service users, and other stakeholders on the potential changes to the Council's Youth Services took place in July/August 2015.
- 4.2 An independent community engagement organisation was commissioned to carry out the consultation, both to ensure some independent overview of the process and to maximise active involvement and participation of young people and other stakeholders. Key elements of the approach included three participatory commissioning sessions attended by 116 stakeholders, including 59 service providers and 57 young people, and an on-line questionnaire which attracted 119 responses, of which 64 were from young people aged 24 and under.
- 4.3 The approach to consultation included payment of a financial incentive to encourage young people to attend; this was introduced at the request of voluntary and community youth service providers who felt this approach would encourage young people in touch with their services, and /or those who hard are to reach, to attend<sup>2</sup>. Voluntary groups working with young people who were known to Brent CVS and the Council were also provided with information about the participatory sessions and the online questionnaire; all were asked to encourage young people to attend and to put forward services that could be provided by the voluntary sector in a new delivery model.

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<sup>1</sup> Founding Trustees are drawn from: CVS Brent; Bang Edutainment; Hyde Housing Association; London Youth; QPR in the Community; and Creative Performance.

<sup>2</sup> MutualGain attended Brent's Youth Services Providers' Forum on 30 June 2015.

- 4.4 Unlike more traditional methods, the participatory sessions actively involved participants in making choices about the range of services to include in a new service model and aimed to build understanding of the challenges the Council faces in reshaping its service offer. This was considered more important than quantitative approaches which could generate a higher level of responses but fail to provide information that could usefully inform the design of a new service model.
- 4.5 Details of the approach to the consultation and initial findings are reported at **Appendix One**. In terms of headline messages, both the survey and the sessions found that there is no overall consensus on priorities for future investment; instead, stakeholders had a range of preferences, often based on the benefits they gained from their own involvement in a particular service or project. There was nonetheless some consistent messages about future priorities:
- There is strong support among providers and young people for targeted services which support the most vulnerable young people, including outreach and detached services, mental health services, services for disabled young people and those wanting to express their sexuality more confidently.
  - Young people were keen to see support for vulnerable groups more integrated into mainstream provision
  - Young people support youth centre based activities, particularly if programmes can deliver other interventions, such as entrepreneurial, employability and mental health support.
  - Survey respondents identified after school and youth clubs, advice and support services, and education support and tuition as the most important priorities for young people.
- 4.6 The consultation found that existing Youth Centres are highly valued by those that use them, though each was felt to offer different strengths and weaknesses. Poplar Grove and Roundwood emerged as the more popular centres at the commissioning sessions, with Poplar Grove in particular felt to offer young people a high quality building, with good sports facilities and space for socialising. While Roundwood was recognised as a flagship facility, there was agreement among both providers and young people that better use needed to be made of its facilities, with providers feeling that delivery costs could be reduced by a non-Council / VCS provider(s) running youth activities.
- 4.7 There were mixed views about the Brent Youth Parliament (BYP). Both providers and young people at the participatory sessions recognised the importance of embedding the youth voice in democratic participation. However, there was a view among some participants that BYP was not representative of the wider population of Brent's young people (though the equality analysis for the service shows this is a misconception). It was also felt to be a high cost service by providers, with some suggesting that holding reviews and meetings on line could help to reduce costs. While young people supported BYP, some questioned the impact it had on overall decision-making.
- 4.8 The consultation identified mental health services for young people as a gap in terms of quality and access, leading to support for commissioning VCS projects which offered mental health support.
- 4.9 The need to ensure that a new service model did not replicate provision offered by schools (such as health education and work placements) emerged as a key issue for young people, who rejected several VCS projects on this basis at the commissioning sessions. There was also a strong view that, with the Council's resources stretched, other bodies, such as schools, health or business partners should fund some provisions. For example, young

people felt that schools, rather than the Youth Service, should fund the Duke of Edinburgh Award Programme and that the costs of the Eton Project should be directly funded by Eton College.

- 4.10 A number of other important commissioning principles were consistently voiced at the participatory sessions, most in line with those set out in the earlier report to Cabinet:
- Make young people's need and preferences central to any new commissioning model.
  - Make sure that commissioning is based on an understanding of what exists already, including an accurate map of VCS provision
  - Ensure that investment can demonstrate impact and positive outcomes for young people
  - Develop a stronger 'ask' from private sector partners, linked to their corporate social responsibility (CSR) commitments
  - Ensure that any youth service offer is well-publicised to increase take-up
- 4.11 In terms of delivery models, providers at the participatory sessions were generally of the view that smaller, local organisations were often better placed to deliver services more cheaply and effectively than the Council, with more focus and experience of entrepreneurial approaches. In contrast, survey respondents had mixed views: some expressed concern about the uncertainty of relying on external, rather than Council, funding, while others supported a small grants programme to fund local services.
- 4.12 There were mixed views among survey respondents on the Young Brent Foundation. Around half of respondents (49 per cent) agreed with the Council supporting this sort of partnership, while 30 per cent disagreed. Similarly, there were mixed views about whether this sort of partnership was better placed to raise more money from other services and strengthen the capacity of youth service providers than the Council. While responses may reflect an incomplete understanding of YBP's potential benefits and its very recent establishment, it shows that more work is required to demonstrate its value. The Council can play a role in supporting this, both by helping to build the profile of the YBF and linking it to existing borough partnerships that can support its work.

### **Provider consultation**

- 4.13 In view of the challenges of delivering an effective service within the reduced funding envelope, officers have also undertaken consultation with potential alternative providers, including both locally based VCS organisation and larger providers with experience of delivering Council-funded youth services and/or running myplace centres. This included discussions with providers and a soft market testing event at the Roundwood myplace Centre in September 2015, including a mix of national, regional and local youth service provider organisations. Consultation with providers focussed on options for future delivery at the Roundwood myplace Centre; the wider funding environment; and any other ideas/options for delivery of the Council's youth offer.
- 4.14 Two options were put forward by officers for consideration by providers:
- A community asset transfer, where the Roundwood myplace Centre would be passed to a successful bidder under the Council's Community Asset Transfer (CAT) policy i.e. generally for a period of up to seven years. Under this option, a provider would take on the running and management of the building, with costs potentially offset by a social value assessment. In this case, there may be a separate contract process to deliver some aspects of the Council's wider youth service offer.

- A fully commissioned service, where a successful bidder would both deliver a youth service offer under a contract and manage the centre under a lease arrangement attached to the contract. Under this model, the Council could offer a maximum contract sum for the life of the contract (e.g. up to £350,000 per annum over four years), or possibly on a sliding scale, with an expectation that additional funds would be levered in by the successful provider over time.

4.15 Of these options, the majority of providers favoured the commissioned service, with a contract and lease arrangement. This was a model familiar to most providers and they felt it helped to minimise financial exposure and delivery risks, particularly in the in the start-up phase. Although the potential contract envelope would be small, there was a feeling that this option would be the most financially viable and attract most market interest.

4.16 Most providers were concerned about the financial risks attached to the CAT model; in particular the need to deliver a service from day one i.e. possibly before there is an opportunity to raise additional funding. A separate contract for wider service delivery was also felt to raise risks. For example, if different providers were awarded the CAT and the contract, there could be different priorities, leading to a fragmented approach. Equally, there was concern that a dual approach could lead to a successful contract provider being required to pay the CAT provider to access the centre, and consequently reduce investment in direct delivery. Some providers did however recognise the flexibility the CAT model could offer, in terms of freedom to shape and deliver the service offer.

4.17 VCS providers had mixed views on the CAT option. Some VCS providers felt that the CAT approach was too 'daunting' with too many risks attached to taking on such a large asset. In contrast, some felt the CAT approach offered the best opportunity to develop a stronger partnership arrangement with the Council and local community providers, though there was a view that the lease on the building should be for a significantly longer period (possibly up to 100 years) and that the process should not be competitive<sup>3</sup>, with a focus on using the model to support local providers.

4.18 The Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE), were recognised to be an issue for providers under both options, with concerns about potential staffing and pensions liabilities. Providers indicated that, in view of the small size of the contract, they would expect the Council to share some of the costs and liabilities.

4.19 All providers felt that there was significant opportunities for an external provider to lever in additional funds (for example, through EU, National Lottery, Children in Need, the Cabinet Office, and John Lyon's Charity funding) and /or generate additional rental income. However, it was recognised that the need to raise funding could promote competition between groups as well as collaboration.

4.20 Most providers felt that the timescales for getting a new delivery model up and running by April 2016 were tight, with larger providers more confident of meeting them. However, all providers felt there would be difficulties developing consortia arrangements and meaningful relationships with/within the VCS sector to this timeline. This could potentially limit opportunities to promote work which would draw in local providers and reflect the diversity of provision in the borough.

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<sup>3</sup> Under the Council's community asset transfer (CAT) policy there is a requirement to openly advertise all CAT opportunities, both to promote value for money and transparency, and to ensure equality of access to different groups/interested parties.

4.21 In terms of alternative options, some VCS providers were keen to see approaches which would see continued Council involvement in youth service provision – for example, some participants proposed that the Council should continue to be responsible for managing the Roundwood myplace Centre, but with more focus on VCS groups delivering services from the space, possibly linked to a Council grants scheme.

## 5.0 Proposed youth offer service priorities and delivery arrangements

### Future youth service priorities

5.1 The findings from the consultation exercise resonate with the principles and aspirations for a new Youth Service model as set out in the previous report to Cabinet in June 2015. These supported a model which was predicated on:

- A focus on young people's needs and preferences;
- The development of more innovative approaches;
- Building the capacity and capability of local youth service providers;
- Drawing in additional funding via grants and sponsorship;
- Developing a joint commissioning strategy to shape future priorities;
- Promoting effective links with key partnerships to promote collaboration;
- Ensuring that a new model can help to tackle the challenges faced by as significant minority of young people, including substance misuse, gang activity and low educational attainment.

5.2 The feedback also broadly supports the service model set out in the consultation proposals i.e. a model largely focussed on some continued support for centre based youth activities and a youth work approach that provides targeted programmes and activities to support more vulnerable young people. Equally, there was a strong support for better partnership working with voluntary and community sector providers and other stakeholders, including housing and health providers.

5.3 While there was no clear consensus on a preferred youth centre, the Roundwood myplace Centre emerged as a popular option and it is recommended that this is developed as youth 'hub' as initially proposed. This reflects a number of considerations, including the overall quality of the building; the financial conditions attached to the original myplace grant<sup>4</sup>; and the possibility of leveraging in additional income to offset its running costs and potentially increasing its community use/benefits. Importantly, the centre is based in close proximity to high numbers of young people in two of the borough's most deprived wards (Stonebridge and Harlesden), with 15 per cent of the Borough's population aged 13 -19 living in these wards. The equality analysis for the service redesign also shows that the centre currently attracts a relatively high number of services users in contact with other targeted provisions, including Council social care services, the Troubled Families Programme and Youth Offending Service (see section 5.10 of the equality impact assessment at **Appendix Two**).

5.4 The net costs associated with running and delivering the Roundwood myplace Centre<sup>5</sup> mean that there will be a reduced funding envelope for delivery of a wider youth service offer. It is therefore proposed to focus resources to support more targeted delivery to vulnerable

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<sup>4</sup> The original conditions attached to the National Lottery grant used to build the centre apply until 2029 and mean that Council would be required to return the funding if a new provider does not comply with myplace grant terms and conditions.

<sup>5</sup> The net costs of running the Roundwood myplace Centre, including staff associated with the running of the building are estimated to be in the region of £150k. There will however be scope to reduce these costs through more commercial approaches, potential rate reliefs and other efficiencies.

groups, including disabled young people, lesbian, gay, bisexual and transgender young people and those at risk and/or within areas of deprivation. This will include group work activity and programmes at the Roundwood myplace Centre, as well as delivery in other community settings, including housing providers' premises, community centres and Poplar Grove.

- 5.5 The consultation recognised the importance of ensuring that young people have a voice in both democratic processes and in shaping the youth offer on an ongoing basis. However, while it is therefore recommended to retain the Brent Youth Parliament, it is proposed to review its working arrangements, both to reduce its operating costs, possibly through sponsorship, and to increase the wider population of Brent's young people in its work. The Brent Youth Parliament will be asked to lead this review, working in conjunction with the Head of Youth Support Services.
- 5.6 Certain provisions within the current youth service offer will be able to continue without revenue support from the Council. This will include the Right Track Programme for temporarily excluded schools pupils, which is fully funded by Brent schools, though management of the programme will pass to the Council's Alternative Education and Inclusion Team.
- 5.7 The Duke of Edinburgh (DoE) Award Programme will in future be funded directly by Brent secondary schools, directly licensed by the DoE London region. However, the DOE open access centre, currently run by the Council, will close unless additional funding can be secured. In 2014/15, 97 young people who were resident in Brent accessed the DoE award centre programme through the centre (with 34 attending from outside Brent). Sixty-six pupils attending the centre were drawn from Claremont High School which currently does not offer a DoE programme for their pupils. Following a report to the Brent Schools' Forum, officers are now working with schools to consider whether arrangements could be developed to secure the open access provision for all Brent schools and avoid its closure. The possibility of identifying a lead school to support continuation of the Eton Project is also being explored.
- 5.8 The level of funding available means that it will not be possible to directly fund youth provisions at the Granville Arts Youth Centre and Wembley Youth Centre from April 2016 onwards. However, pending agreement of a new service level agreement with the Brent River College<sup>6</sup>, this venue will offer preserved rights for evening /weekend sessions with young people. Officers will therefore explore opportunities to make use of these facilities within the new service model. Other provisions within the current Youth Service, such as support for LGTB young people and the outreach and detached service, will also be reduced in scale within the revised youth service offer.

### **Delivery arrangements**

- 5.9 In view of feedback from providers, it is clear that a community asset transfer model proposed in the earlier Cabinet report would present some risks to providers and to the authority. For providers, the lack of a service contract would mean that there could potentially be difficulties in developing and sustaining a wider youth offer, particularly if the CAT provider was unsuccessful in securing any wider contract to fund youth service provisions offered by the Council. For the Council, there would be risks that the approach would not attract a wide field of potential providers and /or could lead to a weak or fragmented service offer for young people. Under a CAT there would also be less opportunity for the Council to shape and monitor the service offer at the centre, increasing

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<sup>6</sup> The service level agreement is subject to agreement with the college's management board.

the possibility that myplace grants and terms conditions could not be met. This could in turn lead to significant financial risks i.e. if the original myplace grant needed to be repaid (£4.977m).

- 5.10 On balance, it is therefore recommended that the Council should invite competitive tenders for the delivery of a revised youth service offer which includes:
- The management and operation of the Roundwood myplace as a 'youth hub', offering a range of cultural, sports and employment related opportunities, under a lease arrangement within the contract;
  - A programme of youth work and outreach support, with a strong focus on working with vulnerable groups, including young people with disabilities, lesbian, gay, transgender and bisexual (LGTB) young people and those at risk due to their behaviours e.g. gang involvement, offending, low educational attainment; and
  - Delivery of integrated partnership working with national, regional and local service providers designed to enhance the borough's overall service offer for young people.
- 5.11 There are several advantages to a tendered approach. In particular, it offers an opportunity to:
- Include an expectation that any successful bidder would lever in additional funding to extend the offer and /or reduce the Council's revenue contribution over time;
  - Ensure best value within the reduced funding envelope, in terms of both service quality and cost;
  - Promote a strong focus on positive outcomes for young people and myplace grant terms and conditions, linked to contract monitoring requirements;
  - Positively encourage consortia bids, including those from Brent's local voluntary and community sector;
  - Promote innovation and good practice in service delivery;
  - Draw on a successful provider's wider partnership network to expand service delivery opportunities; and
  - Co-produce the specification for the revised service offer with young people and involve them in future contract monitoring arrangements.
- 5.12 Based on provider feedback, it also seems clear that this approach would attract more provider interest, giving the Council the best possible opportunity to secure a high quality and cost effective service for Brent's young people in challenging financial circumstances.
- 5.13 While an in-house model was considered as an alternative, it was recognised at an early stage that the amount of Council funding available could only deliver a limited service. In contrast, the proposed approach offers the best way of delivering a service with potential for growth, both through investment and more efficient delivery.
- 5.14 Hybrid models for delivery suggested through the consultation with providers have also been considered e.g. where the Council retains responsibility for running and management of the Roundwood myplace Centre but with more focus on VCS groups delivering services from the space, possibly linked to a Council grants scheme. However, in practice this sort of approach has similar weaknesses to an in-house model, in so far as it would not result in efficiencies in premise running costs due to the tie in to existing Council contracts. Council resources would also be tied up in monitoring and administering multiple grants, with resources deflected from investment in front-line services.
- 5.15 It is, however, proposed, to retain management and delivery of the Brent Youth Parliament in-house, in view of its strong relationship with the Council's consultation and decision-

making processes. Maintenance of a database of youth service provisions across the borough, both to support delivery and promote access to youth provisions in line with statutory guidance, will continue to be managed within the Council, with responsibility passed to the Council's Children and Families Information Service.

## **6.0 Proposed tender arrangements**

6.1 The proposed tender procedure would be an Open or one stage process, helping to limit the time and cost for both bidders and the authority and reducing risks to the authority. In order to attract bids which are affordable to the Council within the revised budget envelope, organisations would be asked to tender at or below a maximum contract price of £350k per annum. Organisations would also be asked how they could deliver a youth service within this budget and reduce the level of dependency on Council resources over the life of the contract.

6.2 Evaluation of the tenders would be based on a 70:30 quality to price ratio. In order to assess quality criteria, organisations will be required to provide a range of method statements indicating how they will address certain issues to include:

- approach to delivery of service outcomes for young people
- approach to partnership working and co-production with young people
- approach to the delivery of services which demonstrates and understanding of the diversity of communities and service users in Brent
- approach to the delivery of services which builds the capacity of local of youth service providers
- approach to the delivery of services to achieve a positive impact on the local economy and social and environmental well-being in Brent
- quality and performance management
- approach to financial sustainability and service development
- approach to property and asset management
- health and safety
- safeguarding
- approach to contract mobilisation

6.3 An important advantage of the proposed approach is that third parties will be better able to attract or identify additional revenue streams not open to the Council, including National Lottery Funding and other grants. Bidders will therefore be expected to spell out how they will generate additional revenues through better utilisation of buildings, use of volunteers, and business sponsorship. The proposed contract term of 4 years with the option to extend for a further 12 months in part reflects the need to allow providers sufficient time to develop a strong service offer based on multiple funding streams and effective partnership working, all of which can take time to establish.

6.4 In line with good practice and legal requirements to involve young people in service design, the service specification will be developed in consultation with young people through the Brent Youth Parliament before being approved by the Strategic Director, Children and Young People in consultation with the Lead Member. Young people, including service users, will also be directly involved in arrangements to evaluate tender proposals and to monitor the contract, helping to ensure that the service offer meets their needs and aspirations. Management responsibility and oversight of the contract will be managed within the Council's Youth Support Services.



- 6.5 To address provider concerns, particularly among local VSE providers, about tight bidding deadlines reducing opportunities for smaller organisations to bid and/or to develop meaningful consultation with larger provider, it is proposed to extend the amount of time allowed to prepare bids to over two months (rather than the usual 30 day window). Equally, there will be a reasonable amount of time allocated for contract mobilisation, giving the successful provider more opportunity to involve the wider body of VCS providers in new delivery arrangements from the outset.
- 6.6 The lease for the Roundwood myplace Centre would run for the period of the service contract. It would pass all repair and maintenance responsibility to the tenant and be at a rent of £1pa. The tenant would need to covenant to use the premises in accordance with myplace funding from the Big Lottery Fund. Any new tenant would need to demonstrate the property asset management capacity to manage the Roundwood myplace Centre or have access to these skills. The lease would be terminated in the event the service contract ended.
- 6.7 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations, including the proposed timelines for the tendering process, are set out below for Cabinet's approval.

Ref.	Requirement	Response	
(i)	The nature of the service	The management and operation of the Roundwood myplace Centre, plus delivery of a wider youth offer	
(ii)	The estimated value	Maximum £350k per annum (or £1.75m over 4 years and including the potential 12 month extension). The contract approach and funding range seeks to encourage bidders to demonstrate how they could lever in additional funds to offset the Council's contribution. It will also offer potential bidders the opportunity to propose a funding model which could offer year-on year reductions in the Council's overall financial contribution.	
(iii)	The Contract Term	Four years with an option to extend it by one further year.	
(iv)	Tender procedure	The tendered services are classed as Schedule 3 services under the Public Contract Regulations 2015. However, as the contract exceeds the EU threshold (£625,050), the opportunity has to be advertised in OJEU. To meet the timetable set by the service an Open or single stage approach is recommended.	
(v)	Procurement timetable	<b>Indicative dates are:</b>	
		16 November 2015	Adverts places /invite to tender
		23 January 2015	Deadline for tender submissions

		25 January 2015 – 19 February 2016	Panel evaluation
		22 February – 26 February 2016	Finalise evaluation and recommend contract award decision
		29- 5 March 2016	Circulate Cabinet award report for comments
		11 April 2016	Cabinet meeting
		12-22 April 2015	Call in / stand still phase
		25 April – 30 June 2016	Contract mobilisation
		1 July 2016	Contract start date
(vi)	The evaluation criteria and process	<p>There are 2 elements of an Open or single stage tender process, namely:</p> <ol style="list-style-type: none"> <li>1 A qualification questionnaire will be used to identify organisations meeting the Council's financial standing requirements, capacity and technical expertise. This will include asking questions on social benefits, including community engagement.</li> <li>2 The tenders of organisations meeting the Council's minimum standards will be evaluated using the following high level quality criteria which will have a combined weighting of 70%: <ul style="list-style-type: none"> <li>• Tenderer's proposed service delivery approach and proposed outcomes for young people</li> <li>• Tenderer's plans to ensure financial sustainability/self-sufficiency and promote income generation</li> <li>• Tenderers approach to working in partnership, including co-production with young people and with local VCS youth organisations</li> <li>• Tenderers approach to the delivery of services in order to achieve a positive impact on the local economy and social and environmental well-being in Brent</li> <li>• Tenderers approach to property management, including health and safety</li> <li>• Safeguarding proposals</li> <li>• Application of previous experience relevant to delivery of the contract</li> </ul> </li> </ol> <p>The tendered Price will be evaluated. This will have a weighting of 30%.</p>	
(vii)	Any business risk associated with	Financial, Legal and HR Services have been consulted about this contract and have identified the	

	entering the contract	associated issues and risks in sections 7, 8 and 11 below.
(viii)	The Council's best value duties	The adoption of a competitive tendering process will ensure the Council achieves best value for money from this tender. The contract price range will also encourage providers to consider how they can lever in additional resources and promote efficiencies to support their bid.
(ix)	Consideration of the Public Services (Social Value Act 2012)	See section 10 below
(x)	Any staffing implications including TUPE and pensions	See sections 7 and 11 below
(xi)	Relevant financial, legal and other considerations	See Sections 7 and 8 below

6.8 Cabinet is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

## 7.0 Financial Implications

7.1 The Council has committed to save £100k and £900k in 2015/16 and 2016/17 respectively from the Youth Service budget, which is a reduction of 71 per cent against the current budget envelope. This will require a new, lower cost delivery model to go live by April 2016.

7.2 The funding envelope for the proposed contract of up to £350,000 per annum is within the cash limit set for the service from 2016/17 (£414,000). The contract approach and funding range seeks to encourage bidders to demonstrate how they could lever in additional funds to offset the Council's contribution. It will also offer potential bidders the opportunity to propose a funding model which could offer year-on-year reductions in the Council's overall financial contribution. The extent to which the appointed providers have demonstrated progress towards self-sufficiency will form part of the contract evaluation.

7.3 Additional funding of £64,000 will be retained within the Council's Youth Support Services budget to cover the running costs of the Brent Youth Parliament (BYP), including related staffing costs. As indicated in the body of the report, further efficiencies and sponsorship funding will be sought in the operation of BYP to reduce costs further.

7.4 As described in paragraph 6.2, the invitation to tender will ask how bidders will generate additional revenues through better utilisation of buildings, use of volunteers, and business sponsorship or other grants. The length of the contract will support the focus on revenue raising and may over the longer-term help the Council to reduce overall levels of investment in what remains a challenging budget context.

7.5 The procurement process could give rise to TUPE and any new provider will be required to allow former council staff to continue to access the Local Government Pension Scheme

(LGPS) and to become an admitted body under the LGPS or else offer broadly comparable pension provision. As the Council is setting a funding envelope for the contract, placing 100 per cent risks on the provider to meet future pensions' liabilities under the scheme could reduce the financial viability of the contract and /or lead to a lower quality service offer. Officers therefore intend to seek bids on the basis that a risk share agreement will be offered where the provider seeks access as an admitted body under the LGPS in line with model agreed by the Council's General Purposes Committee.

- 7.6 As part of the contract, the Roundwood myplace Centre will be withdrawn from the current facilities management contract with Europa. This will incur a one off exit fee of £9,975 which will be funded from the wider Youth Support Services budget.
- 7.7 There will additionally be financial implications related to the overall change management process, including redundancy and severance costs for Youth Service staff. In line with Council policy, these costs will be met centrally.
- 7.8 As indicated in the earlier report to Cabinet, there are some restrictions around future use of the Roundwood Centre, which was redeveloped through a National Lottery grant of £4.997m as part of the Government's myplace Programme. Under the terms of the grant agreement, the Council is required to notify the Cabinet Office of any planned changes of use and/or ownership and could be required to repay the grant in whole or in part. Officers have now formally raised the possibility of outsourcing the centre to a third party with the Cabinet Office. They have indicated that there would be no objection to this sort of arrangement, but both the Education Funding Agency (EFA) and Cabinet Office would wish to see a lease and business plan before giving approval. They will also need confirmation that there will be continuing compliance with the existing grant agreement. Officers will therefore need to ensure that any new contractual agreements are consistent with the grant agreement and support delivery of myplace outcomes for young people.
- 7.9 The proposals means that Youth Support Services will be withdrawing from Wembley Youth Centre and Granville from 1<sup>st</sup> April 2016 and will no longer be responsible for meeting or contributing to the running costs of those buildings. In the case of the Wembley Youth Centre and the Granville Centre, the building and /or the area occupied by the service will be handed back to the Council's Property and Asset Management Service. Under the proposed service level agreement between the Council's Youth Support Services and Brent River College, the running costs of the Poplar Grove building will in future be met by the college.

## **8.0 Legal Implications**

- 8.1 Section 507b of the Education Act 1996 places a specific duty on the Council to secure '*as far as reasonably practicable*' sufficient educational and recreational activities for the improvement of young people's well-being, and sufficient facilities for such activities. Young people are defined as those aged 13-19, and those with learning difficulties to age 24. There is no requirement to directly fund or deliver services to a particular level (or at all).
- 8.2 Statutory guidance issued in support of the duty in June 2012, and the wording of the Act, makes clear that the Council must consult young people in the design of its services rather than simply on specific proposals emerging through reviews. A Court of Appeal ruling relating to North Somerset Council in 2013 underlines the need to actively engage young people, with the Council judged to have acted unlawfully in making significant reductions to its youth services, due to both a lack of adequate consultation with young people and

insufficient consideration of the protected characteristics of its service users under the Equality Act 2010.

- 8.3 The report sets out the steps that officers have taken to engage and consult with key stakeholders, including young people and youth service providers in the borough. It also shows how the findings of the consultation have helped to shape the final proposals for the service, with a focus on supporting vulnerable young people, continued support for youth centre provision and outreach work, and further promoting the voice of young people in service development and decision-making.
- 8.4 The type of services to be procured falls within Schedule 3 of the Public Contract Regulations 2015. Contracts with a total value in excess of the EU threshold (£625,050) for this type of service need to be advertised in the Official Journal of The European Union (OJEU). The proposed for the tendering process and timelines as set out in paragraph 6.6 of this report are in line with those set out in the PCR 2015. Additionally, the procurement of the contract will be subject to the overriding EU procurement principles of equality of treatment, fairness and transparency in the award of contracts.
- 8.5 As the estimated value of the contract over the term of the contract (including the 12 month extension) will be between £1.25 and £1.75 million, it is classed as a High Value Contract under the Council's Contract Standing Orders and Financial Regulations. Cabinet must therefore approve the pre-tender considerations set out in paragraph 6.4 above and the invitation of tenders.
- 8.6 Once the tendering process is undertaken, Officers will report back to the Cabinet in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contract and recommending award.
- 8.7 Ancillary to the contract arrangement there will be a lease in respect of Roundwood Centre. The form of lease will be contracted out of the Landlord and Tenant Act 1954 - that is it will not be a protected business tenancy .This is consistent with a service contract.
- 8.8 As mentioned in paragraph 7.8, the Roundwood Centre is subject to a Big Lottery Fund My Place grant agreement which is protected by a restriction on the Council title at the Land Registry and therefore the form of lease will be subject to the approval of the Education Funding Agency and the Cabinet Office.
- 8.9 Section 11 below outlines the position with regard to the proposed arrangements for Youth Service staffing and confirms the legal position with regards and to the employment rights of staff who may transfer to the new provider.

## **9.0 Diversity Implications**

- 9.1 Young people within Brent and staff working within the Council's Youth Service have a range of protected characteristics under the Equalities Act 2010.
- 9.2 A detailed equalities impact assessment of the service redesign proposals proposed in this report is attached at **Appendix Two**. This outlines the implications of the changes for services users and the wider community of young people. It also explains the steps that will be taken to mitigate any potential negative impacts of the changes proposed.
- 9.3 A staff equality analysis is being completed separately for Youth Service staff affected by these proposals (23.05 FTE). This will assess the impact of changes to the service on the workforce profile and will be published with the staff consultation proposals. This will ensure

that nobody is treated less favourably than anyone else in the process because of their equality characteristics.

## **10.0 Public Services (Social Value) Act 2012**

- 10.1 The nature of the services being procured align themselves to the requirements of the Public Services (Social Value) Act 2012 (the “2012 Act”) as they aim in part to support and improve the lives of more vulnerable young people in the community. Officers have sought to boost opportunities for potential suppliers from the local community by inviting them to the soft market testing event and involving them in the wider consultation work. As indicated in paragraph 3.5, officers have also helped the Young Brent Foundation founding trustees to access support through the Government’s Community Ownership and Management of Asset (COMA) Programme. This will enable them to access specialist asset management and pre-feasibility planning support before any opportunities are opened up to a competitive process.
- 10.2 Evaluation of bids will assess potential providers’ proposals for working with the local voluntary and community sector. Providers will be required to describe what arrangements they propose in order to deliver a positive impact on the local economy and social and environmental well-being for those in Brent to support the requirements of the 2012 Act as well as the Borough Plan. Providers will also be asked to demonstrate how they will help to build the capacity of local voluntary organisations working with young people and how they will deliver services based on a thorough understanding of the diversity of services users and communities within Brent.
- 10.3 In view of the importance of social value to this contract, social value considerations will attract a significant weighting in the evaluation criteria.

## **11.0 Staffing/Accommodation Implications**

- 11.1 The budget reductions agreed for the Youth Service by Cabinet in March 2015 mean that there is an immediate need to reduce Youth Service staffing and related delivery costs by the end of the 2015/16 financial year. It is therefore planned to commence redundancy consultation with staff in November 2015 on a revised Youth Service model focussed on the continued delivery of the Roundwood myplace Centre and a targeted youth offer for more vulnerable groups. This approach will both help to realise the required savings and also provide continuity of service delivery if there are any delays in appointing a new provider and/or mobilising a new contract. All staffing changes will be managed under the Council’s Managing Organisational Change policy and procedures.
- 11.2 Any new provider will be required to meet obligations under the Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE), and the related Brent TUPE processes, to protect the rights and benefits of Brent employees. Until a new provider sets out a new service model and confirms the relationship with roles in the Council’s service, it is not possible to state the applicability of TUPE as its application is contingent on the service which is provided remaining the same. However, as the staffing structure proposed by a new provider will be confirmed during the tender evaluation process, a position can be taken as to whether TUPE applies to any staff within the new Youth Service model and/or those on notice. Consultation based on the TUPE policy will broadly commence in parallel with the consultation under the Council’s managing organisational change policy, although it is appreciated that the Council has separate consultation obligations in respect of each process.
- 11.3 As indicated earlier, proposals within the report means that the Youth Service will be withdrawing from Wembley Youth Centre, Granville and Poplar Grove from 1<sup>st</sup> April 2016.

The service level agreement related to Poplar Grove means that it may be possible for a new provider to continue to run youth provisions from this centre. A new provider will also be encouraged to deliver services in a wider range of community premises, including housing association and VCS premises.

## **Background Papers**

“Youth Services in Brent – A New Delivery Model”, Cabinet Report, 1 June 2015

## **Contact Officers**

Cate Duffy  
Interim Operational Director, Early Help and Education  
Email: [cate.duffy@brent.gov.uk](mailto:cate.duffy@brent.gov.uk)  
Tel: 0208 937 3510

GAIL TOLLEY  
Strategic Director Children & Young People

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# Spending the Youth Services Pound in Brent

Report of the consultation on the Future of Youth Services in Brent



Mutual Gain

t: 07875 237 846 twitter: @mutual-gain e: susan@mutualgain.org

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## Executive Summary

Consultation on 'The Future of Brent's Youth Services' has been undertaken by the Youth Service in the London Borough of Brent to ensure wide stakeholder and service user involvement in reshaping a new service model. The reduction of annual Council investment in youth services from £1.3m to £400,000 from 2016/17 reflects wider challenges facing the Council due to the Government's overall budget reductions. This demands new and imaginative ways of working across the authority.

Supported by MutualGain, between 23 July and 8 August 2015, Brent Youth Services held three deliberative sessions with young people and service providers to explore the ways in which this reduced budget could best be invested. The method of deliberation was a new commissioning version of the tried and tested engagement technique, **Participatory Budgeting**.

The existing £1.3m Council spend on youth services was placed within the scope of the exercise, plus additional costed ideas which were put forward by the voluntary and community sector (VCS) youth service providers. The value of each commissioned and non-commissioned service was calculated as pennies within a pound to simplify the process so that everyone could easily participate.

Participants **deliberated** about what services they considered most important, why a service was important (or not) and then decided where they wanted to invest their "Youth Services Pound".

Key insights about the future model included a desire for:

- Strong **support for protecting vulnerable and marginalised groups** including young people with a disability, mental health provision, young people wanting to express their sexuality confidently, and female sports provision
- **Youth Centre-based work activity programmes** as a tool for other interventions such as entrepreneurship, employability and mental health support
- **Ensure effective signposting to services and avoid duplication of activity with schools activity and among wider provider base**

- Greater use of **partner and stakeholder mechanisms and responsibility to provide preventative, early intervention and support services**, drawing in housing and health in particular, and the wider VCS offer beyond the Youth Providers' Forum
- Greater **access to mental health services** through schools
- **Embedding the youth voice** in democratic participation and considering ways in which this could be strengthened at a reduced cost

Unsurprisingly views on specific services varied between providers and young people. The Ability Project, the Mosaic Project, Sport as Therapy, the Youth Parliament and the Outreach and Detached Teams were the most popular services among providers. Young people opted for the Ability Project, Poplar Grove Youth Centre, Roundwood Youth Centre, Cognitive Behaviour Therapy (CBT) for young people, the Outreach and Detached Teams, Wembley Youth Centre, QPR Health Kickers, the Eton Summer School and Brent in Summer. Details of these projects and programmes are set out in **Appendix 3** of this report.

The prioritisation suggests that where young people used, and providers were aware of, a specific youth centre they were generally positive about their experience, found services accessible. There was a general assumption that ultimately the Roundwood myplace Centre might be retained, as it is the newest building, and a MyPlace centre. While seen as a flagship facility, there was agreement that further consideration is required about how it can work more effectively.

The following **themes** emerged to inform future commissioning:

**Meaningful Youth Engagement:** Young people were keen to share their ideas, believing they knew exactly what they wanted and were able to deliver their priorities within the financial envelope available. Their enjoyment of the deliberation and debate revealed an energy which could be harnessed in developing a future delivery model. They were concerned however about whether the Council would really listen to their voices when the final decisions are made.

**Deeper dialogue with a wider selection of VCS Partners:** Although the Brent Youth Providers' Forum was invited to suggest ideas for consideration, there was general consensus that the VCS services put forward in the sessions were limited and did not reflect the sector's potential to meet the needs of local young people. Several participants were clear that wider engagement is needed to provide an accurate map of existing voluntary and community sector provision and understand the possibilities for addressing the priorities identified by young people.

**Build on the entrepreneurial skills of the VCS:** Much of the discussion revolved around whether the same, or a similar, service could be provided by another organisation. There was a belief that small-scale local arrangements between organisations could help preserve the Council budget for other services. Participants felt that it would be possible to access funds outside of the Council budget and that organisations could work together to do this.

**Reduce Duplication:** All participants were keen to reduce duplication as a way of cutting costs and maintaining good provision. Suggestions were made about options for new providers or delivery models, such as providing lessons in schools to cover health or sexual education or encouraging organisations to make better use of other community buildings to provide services. While it may not be possible to make these kinds of changes immediately, these ideas warrant further exploration.

**Make better use of existing statutory provision:** As well as addressing duplication, participants believed existing statutory providers could work together more effectively, for example the work in housing and health on food projects. This theme also emerged strongly in the discussion about mental health services, for example VCS organisations and the Clinical Commissioning Group (CCG) working closely to support young people with mild to moderate mental health problems.

**Investment to address community needs:** There was strong support from providers for investment in services to support more vulnerable parts of the community. Young people were also keen on this investment but also wanted a better way of integrating those who are vulnerable or feel marginalised into mainstream provision. Across both groups a strong message for future commissioners and investors emerged about the importance of knowing the communities they serve and understanding their needs.

**Increase impact and outcomes of all commissioned services:** Both providers and young people have high expectations about demonstrating the effective outcomes and greater impact from future investment. Participants demonstrated their own scrutiny skills which could be further developed to monitor and evaluate the effectiveness of new service models.

**Develop a stronger ask from 'big business players' about their corporate social responsibility (CSR) commitments:** As partnerships strengthen between the Council and its statutory and VCS partners it will also be crucial to explore new relationships with the private sector. Larger organisations particularly have CSR commitments which could be exploited to support local young people, as future

workers and consumers. The QPR Health Kickers project, if funded by the club, is one example of how this potential might be developed.

An online survey also provided an opportunity for public comment from young people, parents, carers and service providers. Roundwood, the Granville Youth Arts Centre and Brent Youth Parliament appear to be most popular current provision. All respondents agreed that the future focus of services should be on after school and youth clubs, advice and support and education support and tuition. The overall messages from the online survey therefore echo those from the public events – support for a range of existing provision; an awareness of the needs of vulnerable groups; the importance of addressing duplication and integrating services if possible.

Almost 50 per cent of respondents supported the idea of a new partnership arrangement such as the Young Brent Foundation. There was more uncertainty however about whether this partnership would be a stronger position than the Council to promote and strengthen youth service provision. These findings therefore reveal that there is still considerable work required to communicate the challenges facing Brent's Youth Services to the wider community.

'Spending the Youth Service Pound in Brent' has demonstrated the desire of local young people, stakeholders and VCS partners to participate in discussions about the nature of services and the hard decisions required in the current financial context. There is a keen willingness to work together on those challenging issues specifically around how budgets could be better spent which the learning set out here could inform in future approaches to engagement



## Introduction



In June the Council's Cabinet considered the challenging financial context for Youth Services in Brent and the issues and opportunities related to future delivery. Councillors instructed officers to carry out further consultation on the proposal for a new Young Brent Foundation and potential changes to current provision. As new partnership arrangements will be required to sustain delivery it was agreed that effective discussions about the future delivery arrangements would require the active involvement of young people and the local voluntary and community sector as well as other stakeholders.

Key objectives of a future model included:

- Helping to protect and extend services for young people in the longer term through better access to additional funding opportunities not available to the council
- Being well placed to work more closely with the voluntary and community sector and other local partners to build the capacity of local providers, support more joint commissioning, of services and provide a 'voice' to champion local youth services.

The scale of the challenge has been clear from the outset:

*Council spending on youth services in Brent will reduce from £1.3 million to £400,000 from April 2016. The scale of this reduction means the council cannot continue to deliver its youth services as they are.*

*Some difficult decisions need to be made – that is why we want the people who use, support and deliver youth services in Brent to help us shape and design a new*

*model for the way these services are provided so that they benefit local young people in the future.*

*(Brent Council – Youth Services Consultation Document)*

The consultation involved three public Participatory Budgeting events in July and August 2015, which explored how to commission a range of services, and revealed the challenging nature of this decision-making process. An online survey provided the opportunity for public comment with a focus on the nature of a new partnership arrangement and other possible priorities for a new service.

Delivered in partnership with MutualGain (a community engagement organisation committed to building social capital and involving communities in decision-making processes) the consultation used the principles of Participatory Budgeting to ensure citizens collaborated in decision-making about the allocation of resources. The process helps to 'de-mystify' complex financial arrangements and develop future service models.

*Done well, Participatory Budgeting empowers communities, gets more people involved in democracy and improves local public services*

*(Unpacking the Values, Principles and Standards, PB Unit, 2009)*

The core values of the process are to support representative democracy through shared responsibility. This helps to mainstream involvement through local ownership and empowerment. Deliberation, accessibility and transparency were therefore at the heart of Brent's consultation.<sup>1</sup>

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<sup>1</sup> For more information about Participatory Budgeting see: [www.pbnetwork.org.uk/](http://www.pbnetwork.org.uk/)



The Brent Youth Services Team wanted an innovative and inclusive approach to the consultation with stakeholders, service providers and young people involved in its design and delivery.

To achieve this, MutualGain organised **Pre-Engagement Information Sessions** to gain local insight and an understanding of the needs of young people and those who represent the Youth Voice in Brent. Sessions took place with: Brent Youth Parliament (27 June); stakeholders (2 July); and Brent Youth Services staff and VCS Youth work service providers (both on 3 July). Although timescales were tight it proved possible to gain a good representation of views to help inform the events and online survey.

A key aim was to ensure delivery with, by and for young people in Brent. Working with the current VCS providers, **peer recruiters** were identified and it was agreed to reward them based on the numbers of people they were able to attract to each event. They were to be provided with training and a professional mentor to help them recruit successfully. However, members of the Youth Providers Forum suggested the approach was amended and that rather than incentivising the peer recruiters, each young person participating in the events should be paid for their attendance. Keen to draw on the forum's expertise, it was therefore agreed that an incentive of £10 plus food would be offered to all young people who attended the youth events.

Youth Parliament members and VCS organisations were also given the opportunity to be involved in the delivery of the public events as **peer supporters** - facilitators, scribes, providing hospitality or writing up the notes afterwards with supervision and support from MutualGain. Participation was predominantly drawn from the **Youth Parliament whose members proved to be a strong local asset.**

### The Participatory Budgeting Events

The aim of each event was to explain the challenges and changes due to take place in youth services and encourage collective peer debate about how the future budget should be prioritised. They were delivered on three separate days to two different audiences: 59 providers of services for young people (including Council youth work staff) and 57 young people and service users (see **Appendix One** for equality monitoring). Both types of audience participated in the same way to help with comparison of the data. Separating the groups also encouraged safe and secure peer deliberation.

Following the welcome and introduction from MutualGain and an explanation of the context by Angela Chiswell, Head of Youth Support Services, two key rounds of dialogue took place.

Firstly each group discussed Council provision including the use of buildings, e.g. youth centres, and the delivery of activities e.g. the Duke of Edinburgh Award Programme, were costed using real budgets but approximated into their equivalent pennies in the pound. Participants were asked to decide how they would 'spend the Council Youth Service Pound'.

After exploring the Council services, participants moved on to consider both existing and new VCS projects / project ideas which had been put forward by Brent based organisations identified either through the Youth Provider Forum or the Council database of youth service organisations.

Services and organisations completed a template to outline the key facts and figures of their proposals to help initiate dialogue. This included the cost, a description of the project, its intended beneficiaries, reasons to buy the service and some suggestions about why not to do so (see **Appendix Two** for full details).

The Council's finance team approximated service costs by using real and existing budgets and then proportionately equated their relative value in pence. Each group had over £3 of Council services to choose from when commissioning £1 worth of services.

When moving on to discuss VCS services participants could either add those services to their previous spending decisions if they had not spent the full pound, or remove services from the first round in order to commission preferred VCS options.

Finally participants were given the opportunity to build on their dialogue by identifying gaps and areas for development, or by completely rethinking how they would commission services within the Council budget provided (£400k).

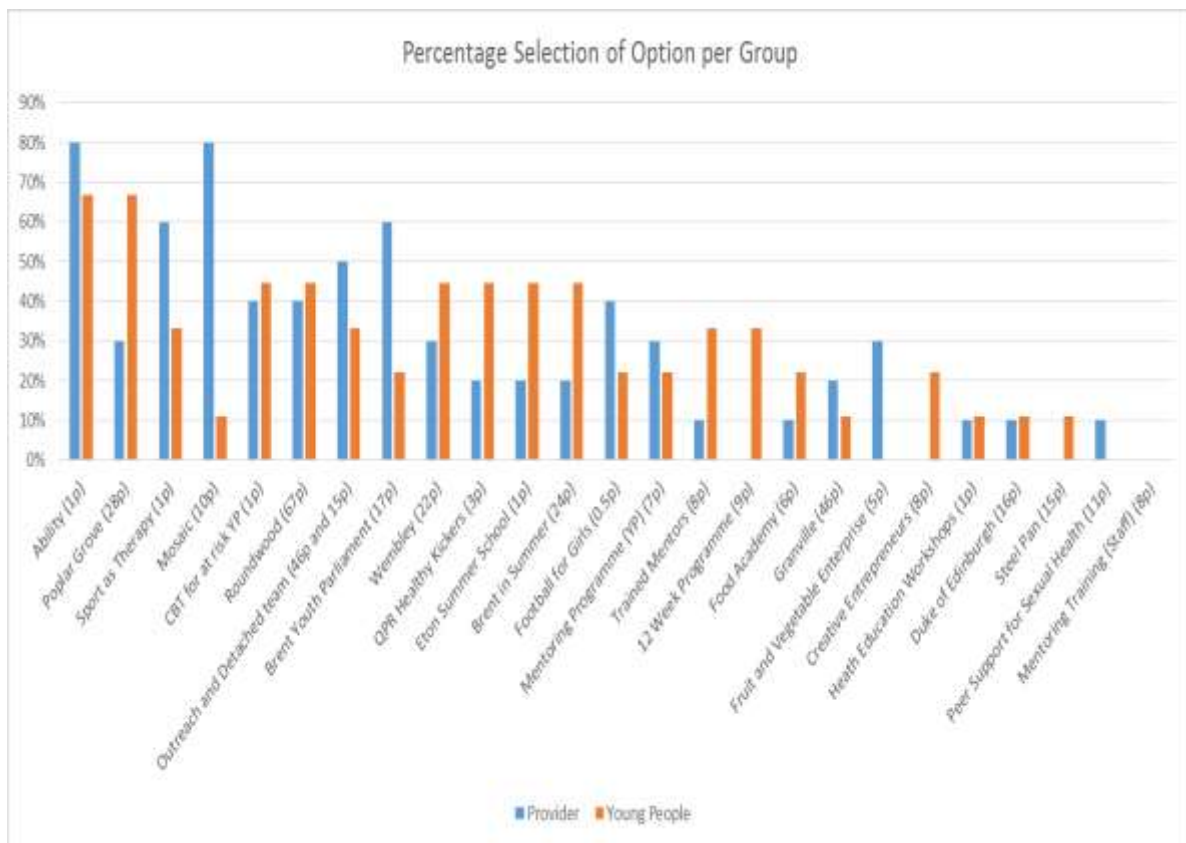
To ensure transparency their views were recorded on flipcharts and then analysed according to the discussion about each service (see below)

# Exploring service options

Appendix Two provides the detail of the how spending decisions were made and the details of the services which were presented in the two dialogue rounds:

- How **the Council Pound** is currently spent was coloured in green
- How a sample of **VCS services** could be used to shape future investment was coloured in purple

The table below provides the final commissioning decisions with a summary of key points made about each service.



The following summarises the discussion, firstly about Council services followed by VCS proposals.

## COUNCIL SERVICES

Participants' deliberations on the current Council Youth Services are set out below:

<p><b>Eton Summer School (1p)</b></p>	<p><b>Providers</b> Some participants questioned whether sending young people to Eton was socially and ethically appropriate given the exposure to privilege that would be part of the experience. If the experience was designed to raise aspirations, finding another partner institution might be more appropriate. On the other hand, if it is the preferred choice of young people to help raise their expectations, the costs should be met by Eton</p> <p><b>Young people</b> Young people supported this scheme and liked the impact it could have when they applied for jobs or university. They also believed it was cheap, even if currently not that many young people benefitted from the opportunity. They questioned the Council's involvement as they felt the scheme could be arranged directly between Eton and local schools without the need for youth workers.</p>
<p><b>Brent in Summer Programme (24p)</b></p>	<p><b>Providers</b> The programme was seen as important for working parents over the summer and the cost per head was low. It was suggested that a third-sector provider might be able to run the programme in future at a cheaper price.</p> <p><b>Young people</b> It was important to have activities for those who were unable to go away with their families during the summer. Much of the discussion was overwhelmingly supportive of the project's continuation despite what was felt to be high running costs.</p>
<p><b>Roundwood (67p)</b></p>	<p><b>Providers</b> The cost was questioned as unsustainably expensive. Shared experiences were not always very positive leading to the suggestion that, if funding is continued, better use of the centre should ensure that parts of the building are not left vacant for periods of time. It was suggested that property and delivery costs could be split, and the latter reviewed by allowing other providers to run services from the building.</p>

	<p><b>Young people</b> Roundwood was seen to have real potential if its provision was improved. Criticism of the current services was mainly targeted at the lack of sporting facilities. Some young people felt it was too expensive and not well used.</p>
<p><b>Brent Youth Parliament (17p)</b></p>	<p><b>Providers</b> The duty to consult and engage with young people is met through the Youth Parliament in Brent. As the current cost was perceived to be too high, questions were raised about whether these could be reduced by making better use of technology, for example holding meetings and reviews online. Overall the project was viewed positively but there were some concerns that the membership of the Youth Parliament is not publicised and celebrated enough which leads to a perception that it attracts young people who are not representative of the Brent population as a whole.</p> <p><b>Young people</b> The young people present robustly defended the Youth Parliament (although this is may be unsurprising as some of its members were facilitating at the event). Some concerns were raised about its broader impact on Council decision-making and suggestions made about further work to strengthen the Parliament's voice in local democracy.</p>
<p><b>Duke of Edinburgh's Award Programme (16p)</b></p>	<p><b>Providers</b> While the DofE scheme is cheap to run per head, funding could be sought from sources other than the Council. There was a strong feeling that it would be better to run the scheme from schools, who should also contribute to help those outside the formal education system.</p> <p><b>Young people</b> Participants liked the extra help this provided for job applications and UCAS, but felt it could be delivered more cheaply and easily through their own schools, offering better value for money.</p>
<p><b>Granville Plus Youth Art Centre (46p)</b></p>	<p><b>Provider Events</b> While expensive, this centre was cheaper to run per head than others and was engaging more people than Roundwood. It also offers better opportunities to build entrepreneurial skills than many other services, such as the Food Academy (see above).</p>

	<p><b>Young people</b> Granville provides a good service for those who use it and is better value for money than Roundwood. Participants described it as offering a “community feeling” which other centres lacked. Space at the site was however limited thus restricting what could be offered / achieved.</p>
<p><b>Mosaic Youth Group (10p)</b></p>	<p><b>Providers</b> This Lesbian, Gay, Bisexual and Transgender (LGTB) project was seen as important to protect with ring-fenced resources. As one of only two specialist centres for LGBT young people in London, participants would like to see more interaction between this service and other youth services in Brent.</p> <p><b>Young people</b> While acknowledging Mosaic’s role in addressing prejudice and supporting a potentially vulnerable group, some young people felt that this service should be integrated into existing youth clubs. They believed that this would be generally accepted. Others however, felt that there should be specific support to help young people ‘come out’ which might not be available or suitably delivered in mainstream provision.</p>
<p><b>Poplar Grove Youth Centre (28p)</b></p>	<p><b>Providers</b> The quality of the building is good and costs are lower than Granville. There was some discussion about costs being passed onto the Pupil Referral Unit, who were now perceived to be responsible for the service. Youth Service representatives had to clarify the detail of the arrangement with the PRU on the day.</p> <p><b>Young people</b> Participants who lived nearby argued robustly that they found Poplar Grove to be local and accessible. They appreciated the sports facilities and space for socialising.</p>
<p><b>Ability Project for young people with disabilities (1p)</b></p>	<p><b>Providers</b> This idea of this service was popular with participants although many of them had not heard of it before. Viewed as doing a good job and its costs are low. Given the nature of its users, the service should be up-scaled and better connections made with other council-led schemes.</p>

	<p><b>Young people</b> Although there was some confusion about this and other sports provision for young people with disabilities there was overall support to maintain it.</p>
<p><b>Wembley Youth Centre (22p)</b></p>	<p><b>Providers</b> This centre was viewed as well supported by transport and closeness to other facilities such as the Civic Centre, unlike some of the other projects discussed. If it closed down there were fears young people would not travel to an alternative centre. The price per head was perceived to be relatively cheap. There were some questions about whether its services duplicated those within schools and the small number of young women using it.</p> <p><b>Young people</b> This centre was popular with participants for its accessibility and welcoming atmosphere. They believed it is more diverse than other centres. Some felt the facilities could be improved and attract more participants, whilst others were unconcerned about the condition of the building.</p>

## VCS SERVICES FOR YOUNG PEOPLE

Participants' deliberations on a range of existing or proposed projects put forward by the voluntary and community sector are set out below.

<p><b>Cognitive Behaviour Therapy (CBT) for young people at risk of offending (1p)</b></p>	<p><b>Providers</b> There was support for an increase in mental health services provision at a relatively low cost but with a potentially positive return on investment. Although sometimes viewed as limited within the holistic experience of young people, the benefits of CBT were acknowledged. If commissioned, there was a concern that this could duplicate other services. There would also need to be a strong focus on outcomes and there is a clear need to reduce the stigma that some service users feel.</p> <p><b>Young people</b> Current mental health provision was heavily criticised in terms of quality and access so an improved CBT offer in and/or outside schools was felt to be required. Effective</p>
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	<p>mental health support for young people would be a good investment and therefore this specific offer was considered value for money.</p>
<p><b>12 Week Programme with accreditations, work experience, one-to-one mentoring followed by drop-in sessions and support to develop employability and workplace skills (9p)</b></p>	<p><b>Providers</b>  This was not considered good value for money despite participants reporting positive outcomes. As Connexions provide a similar service this could be removed and supplemented with support from local businesses.</p> <p><b>Young people</b>  This scheme was fairly popular and participants believed the skills it developed would be helpful. It was considered too expensive, however, when compared to work experience programmes provided by schools.</p>
<p><b>Creative Entrepreneurs to support young people to showcase their art talents, progress to market and sell their products (8p)</b></p>	<p><b>Providers</b>  The focus on life skills was seen as the most beneficial aspect of this project but it was felt these could be taught in another setting, such as at school. The project is expensive and therefore would not be justified alongside potential cuts to services more important to protect, such as support for those recovering from mental health problems.</p> <p><b>Youth people</b>  Young people liked the creativity of this programme. While they recognised the skills could be picked up independently, they thought this was a useful service worthy of investment. The geographical inclusion criteria of this specific idea (St Raphael's estate only) was considered to be too limited and, if the project was designed to help tackle crime, this would need to be widened to provide greater access.</p>
<p><b>Food Academy providing accredited learning in cookery skills, nutrition and healthy eating to develop employability and provide work experience (6p)</b></p>	<p><b>Providers</b>  This type of learning would be best achieved in school - participants did not understand why these outcomes were not part of general education. There were also some concerns that it duplicated projects offered by housing providers who work with those described as taking part in the scheme (i.e. young people leaving care). At the same time there was consensus about the importance of improving the nutrition of young people, with the volume of fast food available felt to be an increasing problem.</p>



	<p><b>Youth people</b> This project was seen as duplicating skills available from other sources, such as cookery lessons at school or informal teaching from parents or peers. Young people recognised the value of this service for those who had left school without these skills and were now struggling, but questioned whether another method of delivery might be better.</p>
<p><b>Football for Girls (0.5p)</b></p>	<p><b>Providers</b> Generally seen as a good idea, participants shared anecdotal evidence that the girls enjoyed playing football without interruption from their male peers. Although football sessions for girls are provided in some schools, boys were able to watch and often make intimidating comments.</p> <p><b>Young people</b> The importance of increasing female participation in football was recognised and supported but the project did not offer enough to be cost effective, as girls would “continue playing with or without this”.</p>
<p><b>Fruit and Vegetable Enterprise with accredited learning in gardening, food growing and employability (5p)</b></p>	<p><b>Providers</b> Providers felt this project would struggle to attract local young people. The employability skills developed by the Food Academy project (above) were viewed as more useful. It was felt that healthy eating information should be part of wider health education delivered in school, through health services or the workshops described below.</p> <p><b>Young people</b> Young people who reviewed this in detail felt that it the information could be better accessed elsewhere e.g. by watching videos on YouTube. They also felt that there were better ways of helping to tackle crime or provide education/information not already available at schools or other youth services.</p>
<p><b>Health Education Workshops (1p)</b></p>	<p><b>Providers</b> These workshops were seen as inexpensive, important and desirable, but a lower priority in relation to other funding demands such as youth centres. Participants wondered whether young people could be involved in delivering the workshops, both to reduce costs and provide opportunities for personal development. It was suggested that the NHS or schools should fund these workshops, at least in part.</p>

	<p><b>Young people</b> This was viewed as supplementing services already provided by schools and the NHS and therefore provided no useful additional benefit.</p>
<p><b>Mentoring Programme for young people (7p)</b></p>	<p><b>Providers</b> Viewed as expensive and duplicating services offered by Connexions, some participants felt that young people achieved the same benefits by taking part in the Duke of Edinburgh's Award Scheme.</p> <p><b>Young people</b> Young people were sceptical about this programme, as they believed it would be difficult to recruit the right people, with the right qualities.</p>
<p><b>Mentoring Training for staff working with young people (8p)</b></p>	<p><b>Providers</b> No feedback was provided about this scheme.</p> <p><b>Young people</b> There were positive anecdotes from young people in contact with youth workers who had benefited from this kind of service. Youth workers were seen as vital to the future success of youth services and it was felt that they should be supported wherever possible.</p>
<p><b>Peer Support for Young People and Sexual Health (11p)</b></p>	<p><b>Providers</b> While desirable, this was too expensive especially as it is already provided in schools.</p> <p><b>Youth people</b> As with the Health Education Workshops (above), this was an unnecessary duplication of services in the NHS and schools. Young people said they were more likely to visit an NHS clinic than seek peer support. In addition much of the information disseminated was probably easily accessible online or is "common sense".</p>
<p><b>QPR Healthy Kickers project for young adults with mild mental health issues (3p)</b></p>	<p><b>Providers</b> All participants were keen to commission a mental health scheme, but questioned why the Council should be paying given that the football club should be providing the project as part of its corporate social responsibility. Some concerns were raised about this being only for girls.</p> <p><b>Young people</b> Whilst mental health projects are important this scheme was too specific. Many young people would be put off attending because of concerns about stigma if they</p>

	were suffering from a mental health problem.
<b>Sport for the disabled (1p)</b>	<p><b>Providers</b> With the sessions viewed unique and successful, feedback was overwhelmingly positive and, as a result, this should be commissioned.</p> <p><b>Young people</b> Providing “good” and “helpful” activity in a group setting this was popular. One participant captured the sentiment by describing the scheme as “an escape” beneficial to those involved.</p>
<b>Steel Pan in the Community (15p)</b>	<p><b>Providers</b> This was disproportionately expensive compared to many of the other services discussed. While the scheme brought people together, the cost could only be justified if a corporate partner could fund a sizeable proportion of the overall amount.</p> <p><b>Young people</b> There were mixed feelings, with some believing the project taught good skills while others branded it “childish” and “useless”. There was unanimous agreement that the cost was too high.</p>
<b>Trained Mentors (8p)</b>	<p><b>Providers</b> While there was support for training young people to become peer mentors, the cost was viewed as expensive. One suggestion was for business partners to be recruited as mentors to keep the costs lower. They should also be encouraged to invest as part of their corporate social responsibility</p> <p><b>Young people</b> Participants described this as a waste of money. They were cynical about whether young people in Brent would want a mentor from their peer group or volunteer their time to be a mentor.</p>

Although participants liked some of the Council youth services on offer, when it came to commissioning within a defined budget they tended to decide on alternative options. This was either by having a number of smaller projects (and therefore using resources to buy a larger number of services) or choosing a lower cost centre with additional satellite projects (i.e. one central point with localised targeted smaller offers).

Inevitably the information available was limited which meant that participants wanted more detail about specific outcomes, target audiences and finance to make their decisions. Some people were unaware of existing services and therefore some false assumptions were made about what was already commissioned. For instance, inaccurate claims were made that the members of the Youth Parliament were white, middle class and affluent and, therefore, unrepresentative of Brent's ethnically diverse and often disadvantaged youth population as a whole. There were comments about the poor provision of preventative mental health services by the Youth Offending Service, who do not actually provide or commission any mental health services since this is the responsibility of health services.

Unsurprisingly views on specific services varied between providers and young people as the commentary demonstrates. The Ability Project, the Mosaic Project, Sport as Therapy, the Youth Parliament and the Outreach and Detached Teams, were the most popular services among providers. Young people opted for the Ability Project, Poplar Grove Youth Centre, Roundwood Youth Centre, Cognitive Behaviour Therapy (CBT) for young people, the Outreach and Detached Teams, Wembley Youth Centre, QPR Health Kickers, the Eton Summer School and Brent in Summer. Details of these projects and programmes are set out in

The prioritisation suggests that where young people used, and providers were aware of, a specific youth centre they were generally positive about their experience, found services accessible. There was a general assumption that ultimately the Roundwood myplace Centre might be retained, as it is the newest building, and a MyPlace centre. While seen as a flagship facility, there was agreement that further consideration is required about how it can work more effectively.

Overall, young people were more supportive of the centre and activity based programmes currently offered by the Council than the range of potential services put forward by the VCS groups. They were more assertive about identifying where partner and stakeholder organisations could, or should, provide some of the proposed VCS services through better integration, coordination and shared funding. This was particularly the case with health-based provision which was felt to be the responsibility of health services. Similarly, there were strong views that youth services should not overlap with schools provision (and that schools should have responsibility for certain projects, such as the Duke of Edinburgh Award Programme and Eton Project).

Overall, young people valued the Eton Programme more than providers. Both agreed that it should be funded by alternative means, with one suggestion that Eton should resource its own commitments to support bright and talented young people.

Protecting services for young people with disabilities should be an essential part of future commissioning and appeared to provide good value for money. Overall there was strong support for protecting vulnerable and marginalised groups. As well as services for those young people with disabilities, this included mental health provision, support for young people wanting to express their sexuality confidently and female sports provision.

The decision by young people not to purchase the Mosaic Project was based on the argument that LGBT needs should be integrated into generic provision rather than a lack of support. As the monitoring data indicates no LGBT young people were identified as attending the event, those using the Mosaic service may therefore not support this view. Further work should be undertaken with this group to determine how best to support future provision.

There is recognition of the mental health support needs of young people and a belief that there is a growing unmet need. Although the health-related youth work on offer on the day was not supported, there was a strong view that this should be part of generic provision, particularly in schools, but that the quality of the service needs to be strengthened.

There was mixed support for commissioning the Brent Youth Parliament. The debate was often informed by misconceptions about the makeup of its members and an apparent lack of understanding about the level of support required to help young people feel confident and comfortable about participation. Some young people felt democratic participation should be embedded across the Council. Some providers thought that councillors could be more active champions of the Parliament.

There was support for activities, such as the football programmes, as part of wider interventions. This is an area where the VCS felt well placed to provide services, often discussing how this could be used as the hook for developing the entrepreneurial skills of young people.

The key insights about the future service model gained from the events include:

- Strong **support for protecting vulnerable and marginalised groups** including young people with a disability, mental health provision, young people wanting to express their sexuality confidently, and female sports provision
- **Youth Centre-based work activity programmes** as a tool for other interventions such as entrepreneurship, employability and mental health support

- **Ensure effective signposting to services and avoid duplication of activity with schools activity and among wider provider base**
- Greater use of **partner and stakeholder mechanisms and responsibility to provide preventative, early intervention and support services**, drawing in housing and health in particular, and the wider VCS offer beyond the Youth Providers' Forum
- Greater **access to mental health services** through schools
- **Embedding the youth voice** in democratic participation and considering ways in which this could be strengthened at a reduced cost

## Themes to inform future commissioning

Of the 19 table discussions at all events three overspent and two underspent; this is a reflection of the kind of challenge councillors will face. Participants deliberated at length about whether to commission more low cost, or fewer high cost services. Reflecting the diverse opinions of commissioning bodies and elected members, they grappled with quantity over quality and targeted versus universal provision. The exercises therefore demonstrated the value of the participatory budgeting process and identified some emerging themes:

**Meaningful Youth Engagement:** Young people were keen to share their ideas believing they knew exactly what they wanted and were able to deliver it within the financial envelope available. Their enjoyment of the deliberation and debate revealed an energy which could be harnessed in developing a future delivery model. They were concerned however about whether the Council would really listen to their voices when the final decisions are made.

**Deeper dialogue with a wider selection of VCS Partners:** Although the Brent Youth Providers' Forum was invited to suggest ideas for consideration, there was general consensus that the VCS services put forward in the sessions were limited and did not reflect the sector's potential to meet the needs of local young people. Several participants were clear that wider engagement is needed to provide an accurate map of existing voluntary and community sector provision and understand the possibilities for addressing the priorities identified by young people.

**Build on the entrepreneurial skills of the VCS:** Much of the discussion revolved around whether the same, or a similar, service could be provided by another organisation. There was a belief that small-scale local arrangements between

organisations could help preserve the Council budget for other services. Participants felt that it would be possible to access funds outside of the Council budget and that organisations could work together to do this.

**Reduce Duplication:** All participants were keen to reduce duplication as a way of cutting costs and maintaining good provision. Suggestions were made about options for new providers or delivery models, such as providing lessons in schools to cover health or sexual education or encouraging organisations to make better use of other community buildings to provide services. While it may not be possible to make these kinds of changes immediately, these ideas warrant further exploration.

**Make better use of existing statutory provision:** As well as addressing duplication, participants believed existing statutory providers could work together more effectively together, for example the work in housing and health on food projects. This theme also emerged strongly in the discussion about mental health services, for example VCS organisations and the CCG working closely to support young people with mild to moderate mental health problems.

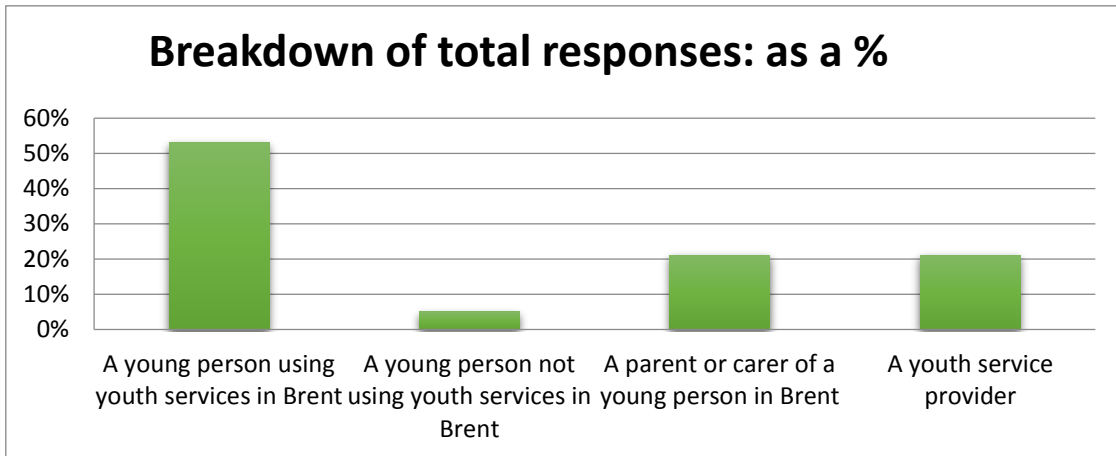
**Investment to address community needs:** There was strong support from providers for investment in services to support more vulnerable parts of the community. Young people were also keen on this investment but wanted a better way of integrating those who are vulnerable or feel marginalised into mainstream provision. Across both groups a strong message for future commissioners and investors emerged about the importance of knowing the communities they serve and understanding their needs.

**Increase impact and outcomes of all commissioned services:** Both providers and young people have high expectations about demonstrating the effective outcomes and greater impact from future investment. Participants demonstrated their own scrutiny skills which could be further developed to monitor and evaluate the effectiveness of new service models.

**Develop a stronger ask from 'big business players' about their corporate social responsibility (CSR) commitments:** As partnerships strengthen between the Council, its statutory and VCS partners it will also be crucial to explore new relationships with the private sector. Larger organisations particularly have CSR commitments which could be exploited to support local young people, as future workers and consumers. The QPR Health Kickers Project, if funded by the club, is one example of how this potential might be developed.

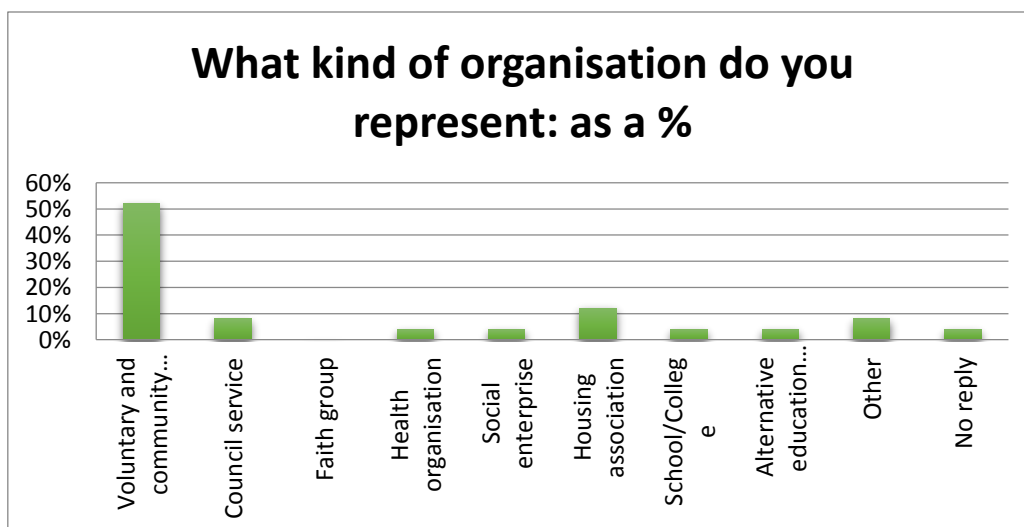
## Results from the online survey

An online survey was also available for those unable to attend the events or wished to give their views in another way. 119 responses were received from young people (users and non-users of youth services), parents and carers and service providers.



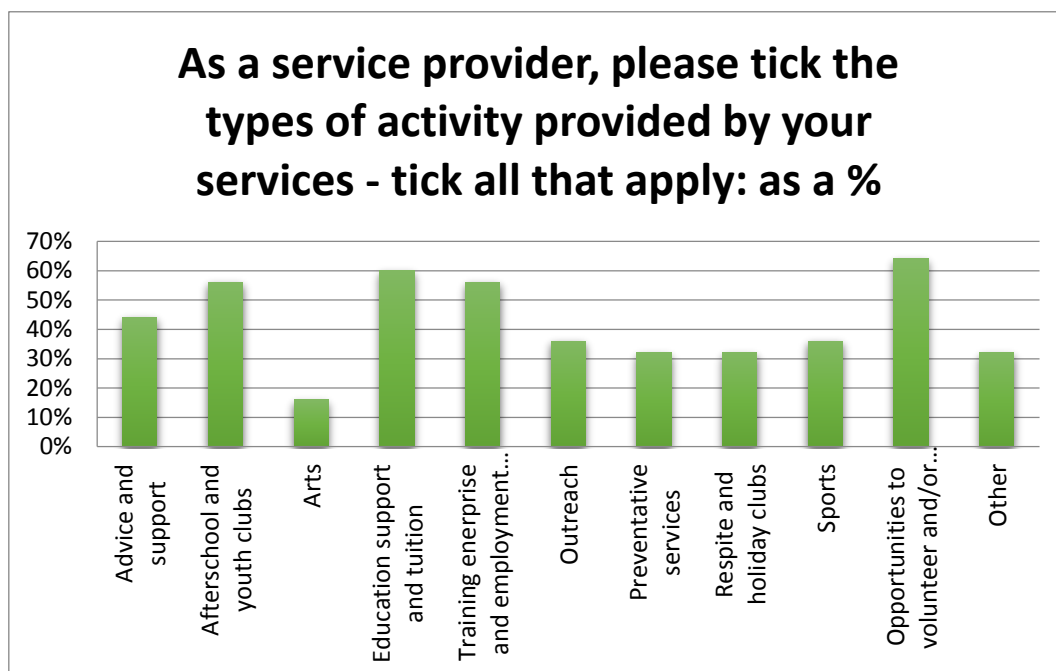
A young person using youth services in Brent	63	53%
A young person not using youth services in Brent	6	5%
A parent or carer of a young person in Brent	25	21%
A youth service provider	25	21%

The majority of provider responses were from the voluntary and community sector with others from a range of local organisations apart from faith groups.





Respondents came from a range of types of local activity, particularly after-school and youth clubs, education and volunteering.



'Other' covered services providing advocacy, apprenticeships, cooking skills, participation abroad, financial and enterprise education (outside schools), outdoor education such as sailing and the Duke of Edinburgh's Award.

Of the services used by young people the Roundwood youth centre, the Granville youth arts centre and Brent Youth Parliament were the most frequently used by respondents:

Services used by young people	Total (more than once a week – less than monthly)
Brent Eton summer school	11.11%
Brent in summer programme	6.35%
Brent youth parliament	22.22%
Duke of Edinburgh's award programme	19.05%
Granville youth arts centre	28.57%
Roundwood youth centre	49.21%
Mosaic youth centre for GLB	11.11%
Ability project for YP with disabilities	0.00%
Outreach and detached project/youth bus	1.59%
Poplar Grove youth centre	15.87%
Wembley youth centre	4.76%
Other services provided by local organisations	6.35%

Young people also used a number of other services including the ACF and OK Clubs, the young adults group at St Joseph’s Roman Catholic Church, street games, sport and volunteering at Poplar Grove, Chalk Hill and the Pavilion Stonebridge.

Only six young people said that they did not use youth service and two of these were unaware of the offer. There was support for services to develop employability skills. One respondent did not have time to visit the services as *“I find it hard enough to balance school, work and a social life.”*

When asked about the kinds of focus a new partnership should make to meet the needs of young people, the most popular first options chosen respectively by young people and providers were the same:

- After school and youth clubs – 24 and 25 per cent
- Advice and support – 21 and 24 per cent
- Education support and tuition – 15 and 13 per cent

Other types of services mentioned included accreditation that supports a young person’s ability to progress in life, education and employment, advocacy and mentoring, LGBT youth *“as we have nowhere to go”* and existing provision such as the Youth Parliament, Eton Summer School and the Duke of Edinburgh’s Award Scheme.

Although one respondent was captured the mood of those who disagreed, stating *“there shouldn’t be a new partnership – it should all be council funded as outside funding is unreliable”*, 49 per cent strongly agreed or agreed that the Council should support a new partnership arrangement called the Young Brent Foundation:

The council is considering supporting a new partnership provisionally called the Young Brent Foundation (YBF) which is being developed by voluntary and community sector partners who fund and work with young people in Brent. To what extent do you agree with the council supporting this kind of partnership	Number	%
Strongly agree	18	15%
Agree	41	34%
Neither agree nor disagree	23	19%
Disagree	8	7%
Strongly disagree	27	23%
No reply	2	2%

There was an even distribution of views about whether a new partnership would be in a stronger position than the Council to develop new ways of promoting and strengthening youth service providers.

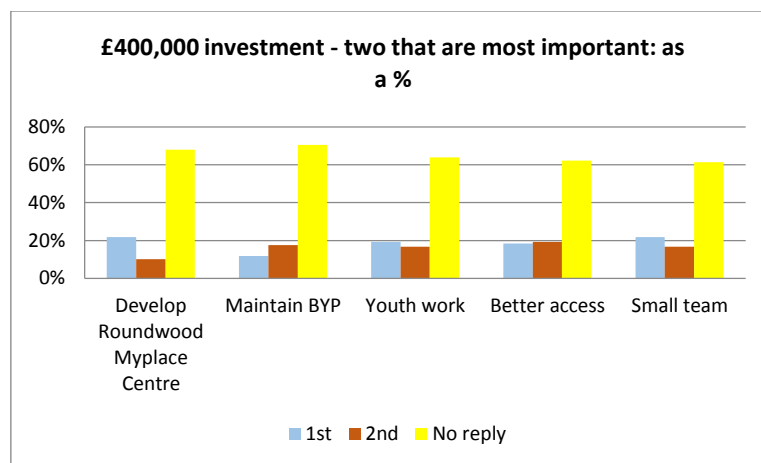
To what extent do you agree or disagree that a new partnership like the Young Brent Foundation (YBF) will be in a stronger position than the council to develop new ways of promoting and strengthening youth service providers in Brent	Number	%
Strongly agree	14	12%

Agree	32	27%
Neither agree nor disagree	24	20%
Disagree	26	22%
Strongly disagree	21	18%
No reply	2	2%

47 per cent disagreed or strongly disagreed that the Young Brent Foundation would be able to deliver youth services with less money from the Council and raise more money from other services.

To what extent do you agree or disagree that a new partnership like the Young Brent Foundation (YBF) will be able to deliver youth services with less money from the council and raise more money from other services	Number	%
Strongly agree	6	5%
Agree	25	21%
Neither agree nor disagree	31	26%
Disagree	28	24%
Strongly disagree	27	23%
No reply	2	2%

When asked to choose from a list of options how £400,000 should be spent the following were the most popular:



29 per cent of young people supported the investment in a small team of qualified youth workers and 24 per cent the development of the Roundwood Myplace Centre while 22 per cent wanted both.

Nevertheless the lack of one clear popular option was also apparent in the range comments which showed a diversity of preferences:

*£400,000 is not enough money to run services in the whole of Brent compared to £1.3 million. Roundwood is a state of the art youth centre and it would be a travesty to close it down or spend less money. If anything, a lot more money should be invested in Roundwood to have it open every day after school until late in the evening.*

*I'm not sure any of these options are very creative. From experience I know that external agencies can fundraise more effectively than local authorities. I do worry that a huge bank of knowledge is lost in such a transfer process.*

*LGBT youth club as this is the only place where I can be myself as my parents don't know and my school is too religious.*

*Make sure to keep Brent Eton Summer School. If it is costing too much then increase the price for the trip. It was an amazing week and I learnt things that I don't think I could have learnt anywhere else. Brent stands out as a borough, what other boroughs hold this kind of trip?*

*Support for Black businesses to grow and provide employment opportunities to young Black men and women, who are statistically the most vulnerable group, with the highest rate of unemployment.*

When asked for suggestions about other ways of investing the money in youth services respondents wanted to keep things as they are and/or a request for more services including:

- Employment opportunities and employability skills
- Cooperative council model (along the lines of Lambeth)
- Maximising the potential for media use
- Opening up the £400k for small organisations to bid for funding
- Ensuring any future model was not dependent on Council funding
- Using the money to open a Youth Information, Advice and Counselling Service - an integrated health and wellbeing model supported by the Department of Health
- Using the money to encourage greater integration of services

When asked if organisations could help in any way to support future provision a range of suggestions were made about sharing resources and expertise. One parent urged the Council *“to remember that our children are the future of Brent...[and] create a better legacy than what has previously been done and instead of our children looking for a way out of the area, give them a reason to stay and build it up.”* Providers were keen to see robust monitoring and evaluation (including payment by results), longer-term planning, a centralised offer for vulnerable young people, more consultation with young people and better advertising of existing services to prevent duplication or a need for further funding.

The messages from the online survey therefore echo those from the public events:

- support for a range of existing provision,
- an awareness of the needs of vulnerable groups,
- the importance of addressing duplication and integrating services if possible.

There is support for new partnership arrangements, but there remains scepticism about how this will work and its potential benefits. While the Participatory Budgeting events demonstrated an appetite – and an ability – to tackle hard decisions, the survey results indicate the ongoing challenges of communicating and negotiating these with the wider resident population. Nevertheless engagement in the survey demonstrated community support for the Council’s consultation and the importance of continuing to do it as a way of understanding need and finding new solutions, as one respondent urged:

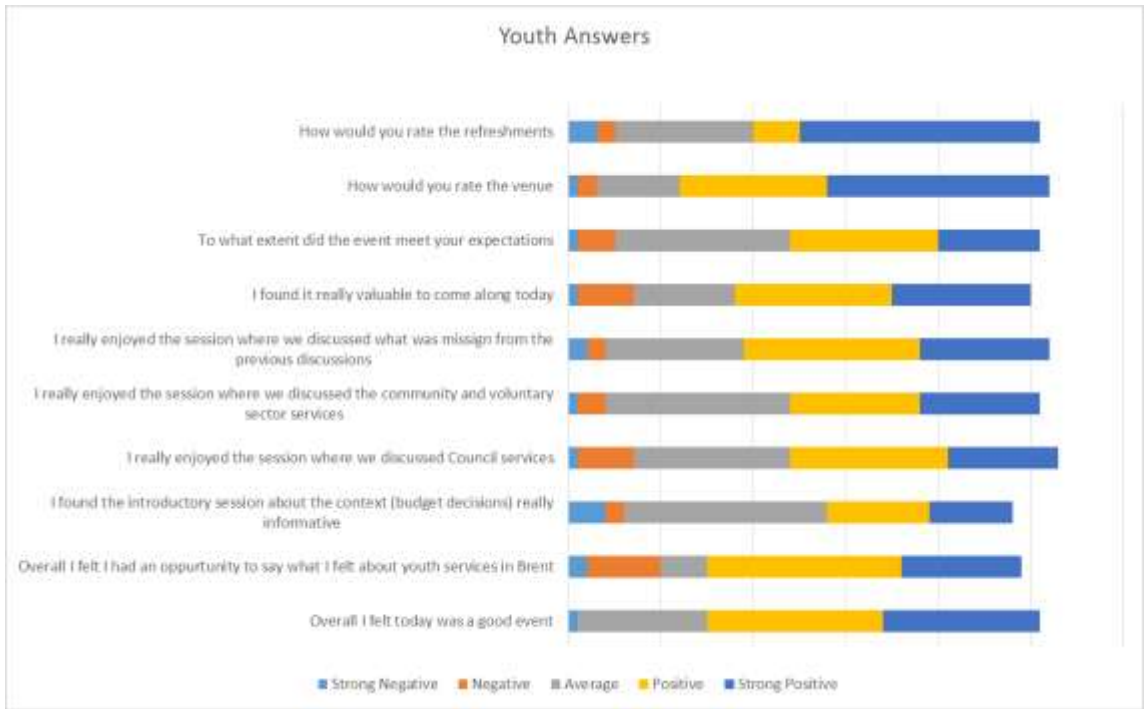
*“Speak to young people and you will get a realistic view of what's happening on the ground”.*

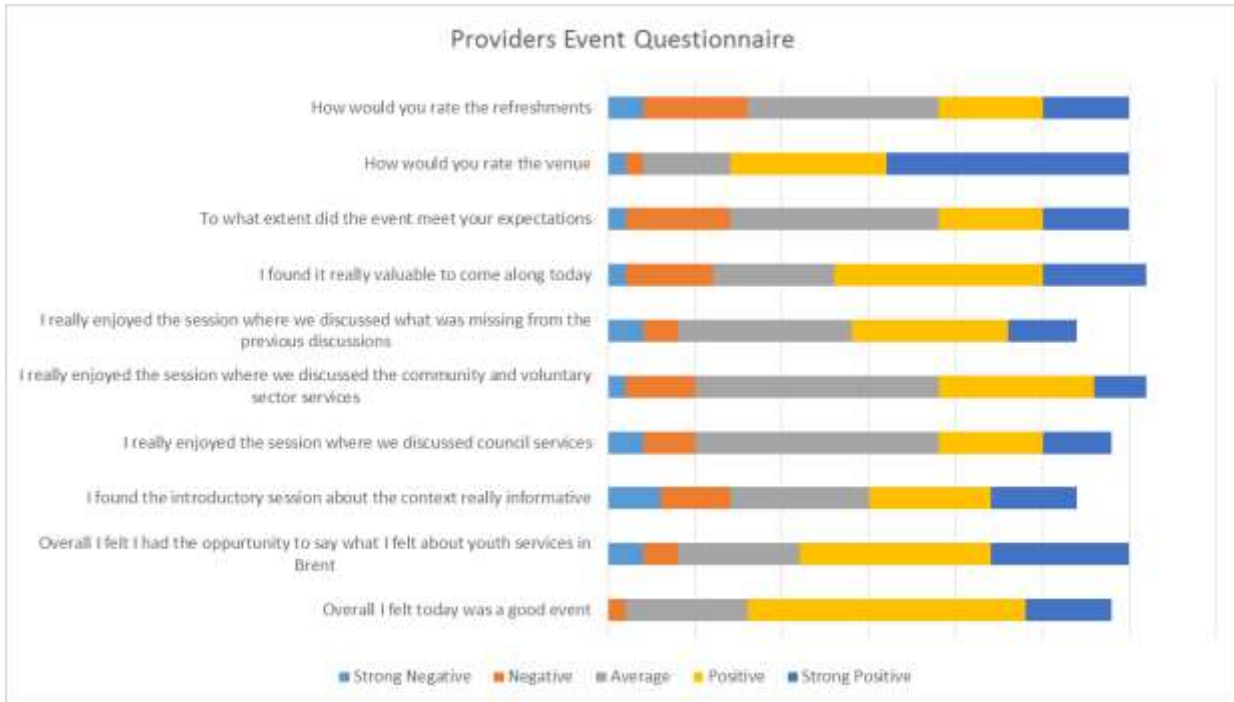
# Evaluating the approach

The purpose of Participatory Budgeting is to encourage local people to deliberate over the difficult decisions about local service provision. In doing so they are encouraged to tap into their creativity and new ideas. A strong message from the event is that more thinking needs to be done collectively with providers and young people when services are commissioned in the future.

A co-designed, co-produced, and co-delivered service model will ensure that the best ideas are given the time and energy for development. It will, however, require investment in the longer-term participation of young people and the smaller and less well-known VCS organisations who want to engage, but may not currently be aware of how they can do that.

The following data is from questionnaires completed by participants at the end of the events:





In addition to the commissioning conclusions, there were suggestions for improving the process. Overall, participants enjoyed the events and valued their innovative nature. There was support for more of this type of engagement and the following feedback could help the ongoing development of the technique locally.

**More detail:** Many participants would have liked more detail in the pack they received, preferably in advance of the events. This would allow better-informed deliberation.

**Data capture:** Capturing all the discussions is vital to the success of the process. For future events, a formal template could be used to capture the overall decisions and then allow participants to add bullet points about what they found important in making it.

**Recruitment and engagement:** The recruitment process did not achieve as much engagement as expected from users of VCS services, despite direct communication beforehand with key VCS provider forums. In future exercises that the Council or partners pursue with young people, it may therefore be preferable to recruit through other channels, such as in schools, on the street and through other statutory provision. A fourth event was planned but unfortunately no one attended. We are unsure of the reasons.

## Conclusion

The consultation exercise about 'Spending the Youth Service Pound in Brent' has demonstrated the desire of local young people, stakeholders and VCS partners to participate in discussions about the nature of services and the hard decisions required in the current financial context.

They have highlighted service priorities, important messages and areas for further development:

- There is strong support among providers and young people for targeted services which support the most vulnerable young people, including outreach and detached services, mental health services, services for disabled young people and those wanting to express their sexuality more confidently.
- Young people were keen to see support for vulnerable groups more integrated into mainstream provision
- Young people support youth centre based activities, particularly if programmes can deliver other interventions, such as entrepreneurial, employability and mental health support.
- Individual youth centres are especially valued by those who use them
- New services for young people need to be informed by meaningful youth engagement and address identified needs
- Appropriate partner and stakeholder organisations should fund specialist provisions – for example, mental health services and public health programmes targeted at young people should be funded by health agencies rather than the Council.
- There is a commitment to embed the youth voice in democratic participation and consider ways this could be strengthened at a reduced cost.
- Both providers and young people support commissioning models which focused strongly on positive outcomes for young people, lever in future investment and reduce duplication.
- Both providers and young people felt the Council should lever in more resources from private sector partners, helping them to meet their own corporate social responsibility commitments.
- Providers felt that smaller, local organisations were often better placed to deliver services more cheaply and effectively than the Council, with more focus on entrepreneurial approaches.

These accord with the Council's existing commitments and therefore indicate the potential to move forward with stronger partnerships. At the same time, particularly from messages emerging from the online survey, there is still considerable work to do to communicate the challenges with the wider community. This consultation demonstrates the opportunities to learn from this exercise in order to continue to meet Brent's challenges collectively in any future commissioning decisions.



## Appendix One: Equality Monitoring

The following is a headline summary of the make-up of the participants in the public events:

### Providers

• Female: 14; Male: 10; Transsexual: 1; Prefer not to say: 1
• <b>Under 34: 10; 35-44: 7; 45-54: 5; 55-64: 3</b>
• Three people declared a disability
• No religion or belief: 6; Christian: 10; Jewish: 1; Buddhist: 1; Other: 1; Prefer not to say: 2
• Two participants were married or in a civil partnership
• Asian/Asian British: 2; Black/ Black British: 12; Mixed/Dual Heritage: 1; White/White British: 6
• Heterosexual: 16; Other: 2; Prefer not to say: 2

### Young people

• Female: 24; Male: 32
• <b>0-11 years: 1; 12-15: 16; 16-25: 39</b>
• No one declared a disability
• No religion or belief: 8; Christian: 26; Jewish: 1; Hindu: 2; Muslim: 8; Rastafarian: 2; Jain: 2; Other: 1
• Two participants were married or in a civil partnership
• Asian/Asian British: 10; Black/Black British: 28; Mixed/Dual Heritage: 7; White/White British: 7; Other ethnic group: 9
• Heterosexual: 50; Bisexual: 3; Other: 1; Prefer not to say: 2

The following is a headline summary of the make-up of respondents to the online survey, based on information provided:

• Female: 35; Male: 56; Prefer not to say: 3
• 0-11years: 8; 12-15: 20; 16-24: 36; 25-34: 7; 35-44: 11; 45-54: 9; 65+: 1; Prefer not to say: 2; No reply: 25
• Two respondents declared a disability
• No religion or belief: 15; Agnostic: 7; Christian: 30; Hindu: 30; Jewish: 1; Muslim: 9; Prefer not to say: 15; no reply 12
• Asian/Asian British: 27; Black/Black British: 27; Mixed/Dual Heritage: 5; White/White British: 25; Other ethnic group: 2
• Heterosexual: 67; Bisexual 4; Gay man 4; Gay woman /lesbian 3; Prefer not to say 14

## Appendix Two: Spending decisions and service details

### Final Spending Decisions – Provider Event Tables

Table	1	2	3	4	5	6 <sup>2</sup>	7	8	9	10	Chosen
<b>Overall Spend</b>	£1	99p	£1.05	?	£1	£1.37	77p	£104.05	£155.50	£1.46	
<b>CBT for at risk YP (1p)</b>	x	✓	✓	x	✓	✓	x	x	x	x	4/10
<b>12 Week Programme (9p)</b>	x	x	x	x	x	x	x	x	x	x	0/10
<b>Creative Entrepreneurs (8p)</b>	x	x	x	x	x	x	x	x	x	x	0/10
<b>Food Academy (6p)</b>	x	x	x	x	x	x	x	x	✓	x	1/10
<b>Football for Girls (0.5p)</b>	x	x	✓	x	✓	x	x	✓	✓	x	4/10
<b>Fruit and Vegetable Enterprise (5p)</b>	x	✓	x	x	✓	x	x	✓	x	x	3/10
<b>Heath Education Workshops (1p)</b>	x	x	x	x	✓	x	x	x	x	x	1/10
<b>Mentoring Programme (YP) (7p)</b>	x	✓	✓	x	✓	x	x	x	x	x	3/10
<b>Mentoring Training (Staff) (8p)</b>	x	x	x	x	x	x	x	x	x	x	0/10
<b>Peer Support for Sexual Health (11p)</b>	x	x	x	✓	x	x	x	x	x	x	1/10
<b>QPR Healthy Kickers (3p)</b>	x	✓	x	x	x	x	x	✓	x	x	2/10
<b>Sport as Therapy (1p)</b>	x	✓	✓	x	✓	✓	x	X3	✓	x	6/10
<b>Steel Pan (15p)</b>	x	x	x	x	x	x	x	x	x	x	0/10
<b>Trained Mentors (8p)</b>	x	x	x	x	x	x	x	x	✓	x	1/10
<b>Eton Summer School (1p)</b>	x	X3	x	x	x	x	x	x	✓	x	2/10
<b>Brent in Summer (24p)</b>	x	x	x	✓	x	x	x	✓	x	x	2/10
<b>Outreach and Detached team (46p and 15p)</b>	x	x	NB <sup>3</sup>	x	NB <sup>3</sup>	✓	x	x	✓	✓	5/10
<b>Brent Youth Parliament (17p)</b>	✓	✓	x	x	x	✓	✓	x	✓	✓	6/10
<b>Duke of Edinburgh (16p)</b>	x	x	✓	x	x	x	x	x	x	x	1/10
<b>Granville (46p)</b>	x	x	x	x	x	✓	x	✓	x	x	2/10
<b>Mosaic (10p)</b>	✓	✓	✓	✓	✓	✓	✓	x	✓	x	8/10
<b>Poplar Grove</b>	x	x	x	x	✓	x	✓	x	✓	x	3/10

(28p)											
<b>Ability (1p)</b>	X6	✓	X2	x	✓	✓	x	X3	✓	✓	<b>8/10</b>
<b>Wembley (22p)</b>	x	x	✓	x	x	x	✓	✓	x	x	<b>3/10</b>
<b>Roundwood (67p)</b>	✓	✓	x	x	x	x	x	x	PR <sup>2</sup>	✓	<b>4/10</b>

1. Rest of money to be spent by BYP in PB exercises.
2. PR = Just property costs kept
3. NB = No bus funded

### Final Spending Decisions - Youth Event Tables

Table	1	2	3	4	5	6	7	8	9	Chosen
<b>Overall Spend</b>	74p	97.5p	£1.20	57p	£1.41	£1.71	£1.56	£1.26	99p	
<b>CBT for at risk YP (1p)</b>	x	✓	✓	x	x	x	✓	x	✓	4/9
<b>12 Week Programme (9p)</b>	x	✓	x	x	x	x	✓	x	✓	3/9
<b>Creative Entrepreneurs (8p)</b>	x	x	x	✓	x	x	x	✓	x	2/9
<b>Food Academy (6p)</b>	x	x	x	✓	✓	x	x	x	x	2/9
<b>Football for Girls (0.5p)</b>	x	✓	x	x	x	x	x	✓	x	2/9
<b>Fruit and Vegetable Enterprise (5p)</b>	x	x	x	x	x	x	x	x	x	0/9
<b>Heath Education Workshops (1p)</b>	x	x	x	x	x	x	x	x	✓	1/9
<b>Mentoring Programme (YP) (7p)</b>	x	x	x	x	x	✓	x	✓	x	2/9
<b>Mentoring Training (Staff) (8p)</b>	x	x	x	x	x	x	x	x	x	0/9
<b>Peer Support for Sexual Health (11p)</b>	x	x	x	x	x	x	x	x	x	0/9
<b>QPR Healthy Kickers (3p)</b>	x	x	x	✓	✓	x	x	✓	✓	4/9
<b>Sport as Therapy (1p)</b>	x	x	x	✓	✓	x	✓	x	x	3/9
<b>Steel Pan (15p)</b>	x	x	x	x	x	x	x	x	x	1/9
<b>Trained Mentors (8p)</b>	x	✓	x	x	x	✓	✓	x	x	3/9
<b>Eton Summer School (1p)</b>	x	✓	✓	✓	✓	x	x	x	x	4/9
<b>Brent in Summer (24p)</b>	✓	x	x	x	✓	x	✓	✓	x	4/9
<b>Outreach and</b>	x	x	x	x	✓	✓	x	✓	x	3/9

<b>Detached team</b> (46p and 15p)										
<b>Brent Youth Parliament</b> (17p)	x	✓	x	x	x	x	x	x	✓	2/9
<b>Duke of Edinburgh</b> (16p)	x	x	x	x	✓	x	x	x	x	1/9
<b>Granville</b> (46p)	x	x	x	x	x	x	✓	x	x	1/9
<b>Mosaic</b> (10p)	x	✓	x	x	x	x	x	x	x	1/9
<b>Poplar Grove</b> (28p)	✓	✓	✓	✓	✓	✓	x	x	x	6/9
<b>Ability</b> (1p)	x	✓	✓	✓	✓	x	x	✓	✓	6/9
<b>Wembley</b> (22p)	✓	✓	✓	x	x	x	x	✓	x	4/9
<b>Roundwood</b> (67p)	x	x	✓	x	x	✓	✓	x	✓	4/9

**APPENDIX THREE: SUMMARY OF PROGRAMMES AND PROJECTS INCLUDED  
IN THE PARTICIPATORY COMMISSIONING**



## CBT for young people at risk of offending

### How much is it?

1p

#### What is it?

##### **CBT FOR YOUNG PEOPLE AT RISK OF OFFENDING.**

A group based therapeutic programme for groups of ten (14 years plus) young people at risk of or heavily involved in offending.

Followed by 1:1 sessions, young people are supported by Cognitive Behaviour Therapy methods to talk about, process and understand their emotions leading to behaviour change.

#### Who is it for? And/or where is it offered?

- Groups of ten (14 years +) young people at risk of, and actively offending, and all other young people.

#### Why should I buy this?

- Group work is a cost effective intervention that allows for a natural peer to peer support network to emerge.
- The programme is open to all and requires little resource to deliver.
- Innovative and uses CBT principles to increase emotional intelligence and self awareness required to improve and change behaviour.
- Delivered by a passionate, compassionate dedicated and skilled staff – and uses services users in the delivery of the programme.
- Our organisation has a proven track record and demand outstrips supply.

#### Why might I not buy this?

- Organisation not well known in Brent.
- Programme content may not be understood – and may require more details of the process and what's involved.
- May look for more practical 1:1 methods or mentoring based approaches.
- Some may not be convinced by the CBT approach.



## 12 Week Programme

### How much is it?

9p

#### What is it?

##### 12 WEEK PROGRAMME.

A 12 week format programme with accreditations, work experience, one to one mentoring, followed by drop in sessions and support for the rest of the year.

It uses the best of business to train the young people to become work ready and achieve their life goals, providing them with financial skills, confidence and the experience they need to make a positive transition back into education, access training or gain meaningful employment.

#### Why should I buy this?

- To help prevent worklessness in Brent.
- Currently successfully run in Hammersmith and Fulham – with participants from West London.
- Core group of 16 in Year 1 of the project – 42 qualifications gained, 6 now in employment, 2 back in education and 2 currently undertaking further training.

#### Why might I not buy this?

- Not completed.

#### Who is it for? And/or where is it offered?

- Young people who are often not involved in education, training or employment.
- 16-20 young people per cohort, aged 18-25 years.



## Creative Entrepreneurs

### How much is it?

8p

#### What is it?

##### CREATIVE ENTREPRENEURS.

A project to support young people in gathering new skills, showcasing their talent in Art and progressing to market and sell their art.

This project will become a platform for the participants to create a portfolio or to be additional work experience in driving their interest as a means to support the transition from theory or a hobby to commercial work.

#### Why might I not buy this?

- The project will be specific to the area of South Kilburn given that there is a high concentration of young people spending much of their free time on the streets.
- The project is dependent on the skills and talents of individuals coming forward to participate in the project, leaving a large element of ambiguity in the outcome of this project.
- Some participants may not be interested in Art from Algeria.

#### Why should I buy this?

- The Café where this will be held is managed by volunteers and the project here will be youth led.
- Young people will contribute their skills and knowledge in art to build, paint and decorate ceramics, canvases, pottery, material, walls, and objects.
- They will discover how to combine traditional art with technology; and use inspiration from the varied Art history of Algeria left through the footprints of the Roman, Ottoman and French empires throughout the country's rich history.
- They will work with local businesses and those specialising in creative Arts across London to source products and build business skills in purchasing products at negotiated prices, recycled goods in order to be efficient and sustainable with materials used to create art pieces and bring ideas to life.

#### Who is it for? And/or where is it offered?

- 20 young people.
- 'The Concord Café' located in START, South Kilburn, Brent.

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## Food Academy

### How much is it?

6p

#### What is it?

##### FOOD ACADEMY.

- Accredited learning in cookery skills, nutrition and health eating.
- Course to include budgeting and employability skills including CV writing and interview skills leading to a confirmed interview at a local employer in the catering and food retail industries.
- Work experience in our new soup kitchen will also be available to course "graduates".

#### Why should I buy this?

- A quarter of BHP residents evicted from their properties are young people under 25 years.
- Practical home management skills, leading young people to live independently.
- Understanding of healthy eating and improved diet for young people.
- Qualification and work experience to include on CV, including transferrable skills in literacy and numeracy.
- Access to employment.

#### Who is it for? And/or where is it offered?

- For 60 young people, particularly those leaving care.
- St. Raphael's Estate, Stonebridge.

#### Why might I not buy this?

- I don't believe there is a reliance on takeaways which causes significant health inequalities and increasing levels of obesity.
- I don't believe this is needed to help reduce the risk of financial exclusion, rent arrears and eviction for young people leaving care when they enter into independent accommodation.
- I don't believe this will help with employment opportunities.



## Football sessions for girls

How much is it?

**0.5p**

### What is it?

**FOOTBALL SESSIONS FOR GIRLS.**

### Who is it for? And/or where is it offered?

- 40 young females in school years 8-11.
- Any secondary school in Brent.

### Why should I buy this?

- There is a need to increase the number of girls participating in sport.
- It has successfully run in Kingsbury High School.
- The project has been highly successful in both engagement and, importantly, retaining girls in regular sport.

### Why might I not buy this?

- It is only for girls.
- Schools should provide football for girls if it is wanted.



## Fruit & Vegetable Enterprise

### How much is it?

5p

#### What is it?

##### FRUIT & VEGETABLE ENTERPRISE.

Accredited learning in gardening, food growing and employability skills.

- Weekly gardening club learning about food growing.
- Young people will learn to prepare raised beds, plant seedlings and harvest fresh produce at the end of the season as part of an accredited course.
- The harvest will then be sold at our shop-front on St. Raphael's Estate to low-income families, with young people supporting the full business operation including customer service, sales and accounts.

#### Who is it for? And/or where is it offered?

- 30 young people on St. Raphael's Estate, which has some of the highest rates of crime and ethnic tensions.
- The estate is in the Stonebridge area of Brent.

#### Why should I buy this?

- Skills development in food growing and business enterprise skills.
- Understanding the provenance of food and eating fresh produce as part of a balanced diet.
- Work experience in running a small, local business.
- Helps address continued anti-social behaviour on St. Raphael's Estate.
- It helps engage young people from different cultural backgrounds in a common activity, which doesn't reinforce stereotypes and conflict.
- Helps people who are at risk of unemployment amongst those who are not suited to traditional learning and employment opportunities and/or opportunities for progression.

#### Why might I not buy this?

- Not completed.



## Health Education Workshops

How much is it?

**1p**

### What is it?

#### **HEALTH EDUCATION WORKSHOPS.**

A variety of topics offered:

Healthy Eating, Cookery (dependent on venue); Smoking prevention; Diet & Nutrition; Eat like a Pro; Train like a Pro; Health and Well-being.

### Why should I buy this?

- To increase health awareness amongst young people – using practical examples.
- Currently successfully run with college / Kicks groups.
- Flexible and can be adapted to groups needs and setting.

### Who is it for? And/or where is it offered?

- Can be adapted for groups aged 11-25 and can be offered in a variety of settings.

### Why might I not buy this?

- Not completed.



## Setting up a mentoring programme in Brent for young people

### How much is it?

7p

#### What is it?

##### **SETTING UP A MENTORING PROGRAMME IN BRENT FOR YOUNG PEOPLE.**

We will set up a mentoring programme for 30 young people, to support existing youth provision and projects offering 1:1 mentoring to engage their clients.

- Empower, support and inspire improving personal development.
- Support young people to identify their strengths and areas of development.
- Create action plans, achieve goals and develop road map for next steps for personal professional development.
- Support service provisions to achieve their targets and having capacity to focus on their area of expertise with engaged clients.

#### Why should I buy this?

- Mentoring is a vital tool especially when services are reducing.

#### Why might I not buy this?

- Some believe Mentoring and Counselling are the exact same thing.
- Mentoring not deemed a priority when resources are low.
- NCFE accreditation is not widely known.
- Mentoring is dismissed and undervalued as a luxury item.

#### Who is it for? And/or where is it offered?

- 30 Young People that have emotional or social barriers; that are at risk or vulnerable living in Brent.



## Mentoring Training and mentoring programme for Staff Teams working with young people in Brent

How much is it?

8p

### What is it?

#### **MENTORING TRAINING AND MENTORING PROGRAMME FOR STAFF TEAMS WORKING WITH YOUNG PEOPLE IN BRENT.**

Existing staff members are trained to develop key skills achieve Level 1 Mentoring Qualification and be effective mentors within their organization, i.e. Schools, colleges, youth provisions, probation, careers advice/job centres.

- Qualified mentors in Brent, who can implement mentoring tools and peer mentor colleagues.
- Increased level of professionalism, skills and knowledge to engage with their client group.
- A pool of qualified mentors in Brent raising awareness of importance and values of mentoring.

### Why should I buy this?

- Young people benefit from additional support.
- Staff feel valued, motivated and energized in their roles increased CPD (continual professional development).
- Decrease in levels of Staff stress, absence caused by sickness, improved staff attendance/punctuality.
- Increased numbers of effective Peer mentoring taking place, in work, at home and within the community.
- A more productive, motivated, happier, focused and inspired staff team.

### Why might I not buy this?

- Not completed.

### Who is it for? And/or where is it offered?

- Staff working with young people.



## Peer Support for Young People and Sexual Health

### How much is it?

**11p**

#### What is it?

##### **PEER SUPPORT FOR YOUNG PEOPLE AND SEXUAL HEALTH.**

- Peer Education Programme: young people helping young people to have healthier sex lives.
- 50 young people in Brent will be recruited and mobilised to educate others on HIV/AIDS and STIs awareness programmes.
- After training, they will be supported to be peer educators who will assist by providing information, referrals, emotional support and skills to their peers to reduce the risk of HIV/AIDS, Chlamydia etc.

#### Who is it for? And/or where is it offered?

- Young people aged 18-25 years.
- Across whole of Brent (local faith groups, colleges and target local youth clubs, social spots for young people etc).

#### Why should I buy this?

- To reduce stigma and discrimination associated with HIV and STIs among young people.
- Increase the uptake of contraception (condom) in the community.
- Empower young people to take on safer sex negotiation by making responsible, informed decisions about a central part of their lives; their sexual health.
- To reduce the number of young people with sexually transmitted diseases in Brent, particularly HIV/AIDS and Chlamydia.
- To show young people the relationship between alcohol, drugs and STIs.

#### Why might I not buy this?

- In many communities, discussing sexual health subjects is a taboo preventing many people from sharing knowledge about the risks and harmful aspect of the subject matter.
- Due to related stigma, some of the youth will not want to participate.
- Some of them may not want to be involved due to shyness.
- Some of them will use religion as a barrier to preventing them from participating in this programme.

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## QPR Healthy Kickers project for young adults with mild mental health issues

### How much is it?

3p

#### What is it?

**QPR HEALTHY KICKERS PROJECT FOR YOUNG ADULTS WITH MILD MENTAL HEALTH ISSUES.**

20 weeks of gymnasium work, 30 weeks of football delivery, 30 weeks of in-reach (Park Royal Mental Health Services), 2 national tournaments and a monthly league at Brunel.

#### Who is it for? And/or where is it offered?

- Young adults with mild mental health issues.
- Girls only.
- This could be replicated in Brent and could be delivered at a sports venue. In reach at Park Royal (in Brent).

#### Why should I buy this?

- It is currently on offer in the borough of Kensington & Chelsea, and Brent MIND say there is a need in Brent.
- There is a need to increase the number of girls participating in sport.
- Close links to Brent services as in reach delivered at Park Royal.
- Here are a couple of links to films about the project: <https://www.youtube.com/watch?v=UBAaFJeOhkl> and this one done by one of the participants: [https://www.youtube.com/watch?v=QuN1jq\\_t6mU](https://www.youtube.com/watch?v=QuN1jq_t6mU).

#### Why might I not buy this?

- Not completed.





## Sport for the disabled

### How much is it?

**1p**

#### What is it?

##### **SPORT FOR THE DISABLED.**

Sport for the disabled: Pan Disability Sessions and Tiger Cubs (Downs Syndrome).

The sessions run for 1.5 hours over 30 weeks.

#### Who is it for? And/or where is it offered?

- Ages 11-25.
- Serves 15-20 people in the pan disability sessions and 10 in Tiger Cubs.
- Held at Vale Farm sports centre.

#### Why should I buy this?

- This addresses equality issues and builds on the success of the Para Olympics in London.
- Inclusive football sessions adapted to participants needs.
- They play in the Middlesex Pan Disability League (2 teams).
- 45 unique participants have been through the project.

#### Why might I not buy this?

- Not completed.



## Steel Pan in the Community Project

### How much is it?

**15p**

#### What is it?

##### **STEEL PAN IN THE COMMUNITY PROJECT.**

To learn to play the Steel Pan and befriend the community through community performances at:

- Residential care homes and day centres for Older People.
- Residential care homes and day centres for people with disabilities.

We also travel and support other voluntary organisations, and we work in partnership with Voluntary and Statutory sector agencies for the benefit of the wider community.

#### Who is it for? And/or where is it offered?

- Up to 60 children/young people per two-hour session (after school & weekends).
- Venue: St Michael & All Angel's Hillside NW10 8LB (can also do off site workshops & sessions).
- Up to 180 children per day during summer holiday break.

#### Why should I buy this?

- This has run successfully for over 15 Years.
- The difference here would be increased capacity, daily, weekends and for the holiday programmes.
- 3There is no other agency (school or other) in Brent or surrounding boroughs that can offer this service or the capacity. For this reason, we are now the Main Music Hub for schools offering steel pan.
- Proven track record (20years) and very good reputation nationally and beyond.
- The benefits of the service provision has long and short term impact and benefits to participants and the wider community including developing new and existing skills, employment, employability, raised aspiration and confidence building as well as excellent musicianship of the highest standard.
- We share the high standards with the rest of the community in the form of a community concert.

#### Why might I not buy this?

- This is not a come when you feel like it play scheme.
- There needs to for commitment by parents as well as their children to the programme.
- You must have a willingness to learn and desire to improve.



## Trained Mentors

### How much is it?

8p

#### What is it?

##### **TRAINED MENTORS.**

A project to create a pool of qualified people focused mentors in Brent, the project will raise awareness, importance and benefits of mentoring within the community.

- We will deliver Mentoring Training to 30 young people at Design works in Harlesden.
- Young people will gain a Level 1 Mentoring Award and be qualified mentors and receiving mentoring.
- Learners will acquire key skills and knowledge and become effective mentors volunteering and working in Brent community.
- ASE's approach is unique and holistic as we will embed mentoring within the training programmes to empower, build self-worth and confidence, with action plans to achieve goals and achieve personal development.

#### Why should I buy this?

- 30 Young people empowered, motivated and inspired with a fully accredited Level 1 Qualification in a safe and nurturing, non judgement environment.
- Qualified mentors available to volunteer as peer mentors within Brent community.
- Reduce numbers for social exclusion and anti-social activities.
- Support existing service provisions to meet targets and reduce mental health issues in young people
- Increase numbers of young people achieving Level 1 qualifications and progressing to Level 2.

#### Why might I not buy this?

- Not completed.

#### Who is it for? And/or where is it offered?

- 30 young people in Brent.



## Brent Eton Summer School

### How much is it?

**1p**

(Staff costs to co-ordinate and attend the programme are included in the overall management costs of the service, with all other costs being paid by schools)

#### What is it?

##### **BRENT ETON SUMMER SCHOOL.**

The programme comprises a week's residential at Eton College and includes academic subjects and taster sessions (including psychology, Eastern European studies, philosophy, classics, Italian); leadership skills, teamwork, debating, Journalism, computing, music production, design and art, plus outdoor activities such as rambling and orienteering.

The week concludes with a closing ceremony and an open evening for teachers and staff.

#### Why should I buy this?

- 43 Total Users (2014/15).
- Raises aspirations, increases motivation to succeed, vision and self belief.
- Young people are encouraged to participate in activities when they return to Brent.
- Schools meet the majority of costs other than youth service staff time.
- 50/50 split of male female participants, and representatives from the majority of schools in the borough. The ethnicity of participants is fairly representative of the population.

#### Who is it for? And/or where is it offered?

- Secondary schools in Brent nominate candidates to attend. The project is co-ordinated by the Youth Support Service in partnership with Eton College, a leading boys' independent boarding school in Berkshire. Two members of Youth Service staff attend for the week.

#### Why might I not buy this?

- Small number of people benefit.
- The programme could be supported by other organisations eg schools.



## Brent in Summer Programme

### How much is it?

**24p**

#### What is it?

##### **BRENT IN SUMMER PROGRAMME.**

Holiday programmes run in three youth centres. Activities include a wide range of options including sports, events management, fashion design, IT, arts, dance, street dance, football, film editing, live radio, music production, music, maths, web design, cooking, driving theory, vocational courses such as business admin.

#### Who is it for? And/or where is it offered?

- Most users are aged 13-19 but the programme is open to young people between the ages of 11- 25.
- Co-ordinated by Brent Youth Support Services, working in partnership with a range of partners including the Challenge Network (National Citizenship Service) during the summer, with Challenge delivery at Roundwood and Granville.

#### Why should I buy this?

- 641 Total Users (2014/15), with 388 of the users from Black ethnicities, which is reflective of the wards where the provisions are located.
- Ensures a range of diversionary activities are provided for young people.
- Venues located in areas of high needs and crime hotspots
- Guaranteed places available for vulnerable and at risk young people.
- Courses equip young people with new skills and / or develop existing skills.

#### Why might I not buy this?

- Other organisations could provide activities for young people.
- Young people from the full range of other ethnicities are under-represented.



Outreach and  
Detached Team

How much is it?  
**Outreach team £0.46**  
**Youth Bus £0.15**

### What is it?

#### **OUTREACH AND DETACHED TEAM.**

Outreach work out in crime hotspots and areas with guns, gangs and knives issues with young people at high risk of gang involvement/affiliation and crime.

Young people can take part in a range of personal development workshops to divert them away from crime, gang affiliation and ASB in their area as well as providing learning and skills development (e.g. journalism and first aid), plus access to other services eg careers advice. The mobile youth bus allows engagement with 'hard to reach' young people in a broad range of activities e.g. DJ mixing/production skills, IT skills, arts & crafts and personal development.

### Who is it for? And/or where is it offered?

The mobile youth provision (with detached and outreach methods) engages positively with groups of young people, particularly those who do not usually access mainstream youth services.

The team works mostly with young people aged 13-19, although there are young people outside of that age group who use the service.

Provided by Brent Youth Support Services in partnership with others eg Connexions, Youth Offending Service who meet with young people on the bus.

### Why should I buy this?

- 331 Total Users (2014/15) of which 166 are from Black ethnicities which is in line with the ward profiles for areas the bus targets.
- Diverts young people away from potential involvement in crime/anti social behaviour / gang affiliation.
- Summer the bus goes where socially excluded young people congregate and cause neighbourhood unrest.
- Winter - provides a warm, safe environment.
- The bus works in some of the most deprived wards in the borough, including Stonebridge, Harlesden and South Kilburn.

### Why might I not buy this?

- The bus may be seen as expensive to run and maintain.
- Limited capacity to engage very large numbers, in comparison to youth centres.
- Works in targeted areas.

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### How much is it?

**67p comprising £0.39 property related costs,  
£0.27 delivery costs**

(including 1p for Ability Project)

#### What is it?

##### **ROUNDWOOD YOUTH CENTRE.**

The Centre is a hub for youth provisions and a venue for a range of projects and partner provision including:

- The Right track project for excluded pupils.
- Outreach and Detached team base.
- Connexions.
- The National Citizen Service and Revo Seccus, who provide enterprise programmes.

The Centre provides positive activities, including life skills, Taekwondo, dance, numeracy and literacy workshops, Football, Drama, Dance, Martial Arts, Cooking, Youth Forum, Cheer Leading, Badminton and Table Tennis and a range of advice and support services for young people.

#### Who is it for? And/or where is it offered?

The Centre is most used by young people aged 13-19 years, although there are young people outside of that age group who use the Centre.

The services are provided by the Council's Youth Support Service staff, volunteers and partner organisations including some who are based in the building.

#### Why should I buy this?

- 681 Total Users (2014/15) 36% of young people attending are female, 64% male.
- Provides opportunities for diversion away from potential involvement in crime/anti social behaviour / gang affiliation, contributing to building community cohesion and preventing radicalisation.
- Roundwood is the only youth centre in the area, which is an area of high needs and deprivation.
- The Centre is a flagship myplace Centre with a broader youth offer including youth work, careers information advice and guidance, an alternative education programme and an enterprise programme.
- The centre attracts a high number of young people from one ethnicity (53% of users are from a Black ethnicity), reflective of the population profile in wards in the surrounding area.

#### Why might I not buy this?

- The costs of running the building are high.
- Young people from the full range of other ethnicities are under-represented.



## Brent Youth Parliament

### How much is it?

**17p**

#### What is it?

##### **BRENT YOUTH PARLIAMENT.**

- BYP is a project that represents the views of young people in Brent locally and nationally.
- BYP takes referrals from schools, social services, YOS and other youth service projects to ensure it represents a wide range of views.
- BYP enables young people to have a say and act on issues that affect them.

#### Who is it for? And/or where is it offered?

The service is for any young people between 10-19 years old living, working or studying in the borough.

#### Why should I buy this?

- 76 Total Users (2014/15).
- Young people have the opportunity to gain skills such as recruitment and selection of Brent staff, public speaking, the democratic process, awarding contracts, contributing to the planning design and delivery of services eg myplace.
- BYP are a diverse group of young people who come from all walks of life.
- BYP does not have building costs therefore costs substantially less than some other provisions.
- 38% of participants aged 13-19 are of Asian ethnicity, 30% of Black ethnicity, 8% of White ethnicity and 24% of ethnicity classed as unknown. This is largely in line with the demographics of young people in Brent.

#### Why might I not buy this?

- Although not true, BYP is seen by some as not reflective of the young people in the borough.
- BYP is not a targeted provision, although inclusive of a wide range of young people.
- BYP meets with the same group of young people throughout the year so does not involve as many young people as a youth centre or similar provision.

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## Duke of Edinburgh's Award Scheme

### How much is it?

**16p**

#### What is it?

##### **DUKE OF EDINBURGH'S AWARD SCHEME.**

Young people take part one evening a week for at least 6 months at Bronze, 9 months at Silver and 12 months at Gold plus training exercises and overnight expeditions for Bronze, Silver and Gold Awards.

Sessions help participants with the award eg the skills section, attending the forum or helping to run sessions, for volunteering, or helping them find opportunities to complete sections such as the physical recreation section and at Gold level only, the residential section.

#### Why should I buy this?

- 555 new starts (2014/15) with approx 800 young people working towards an award at any one time.
- Awards are highly valued by employers, colleges and universities.
- Contributes over 5000 volunteering hours to the local economy.
- Offers new experiences for young people who may not have access to the range of opportunities offered eg challenges, teambuilding skills, volunteering, orienteering.
- Contributes to increasing self confidence, developing new skills, improved fitness and health. CV building.

#### Who is it for? And/or where is it offered?

180 young people participate in the Open Access Award programme which is delivered by the Youth Support Service in Youth Centres (Roundwood and Poplar Grove) for young people who are not able to access a schools based Award programme.

Brent Youth Support Service is the Licence Holder for Brent a satellite they may have left school or attend a school that does not have a programme and satellite projects are run in schools with advisory support provided.

#### Why might I not buy this?

- Other organisations other than the Council could run parts of the service eg schools.
- Participants are predominantly of an Asian and White ethnic background whereas young people from a Black ethnic background are under-represented.



## Granville Plus Youth Arts Centre

### How much is it?

**46p**

#### What is it?

##### GRANVILLE PLUS YOUTH ARTS CENTRE

- A centre which provides a programme of creative learning activities shaped and developed by young people to meet their needs.
- Offers 5 day, year round provision with additional weekend trips and events.
- Caters for young people who are new to arts programmes / activities, as well as providing specialist support, mentoring and resources for young people who are more experienced and are trying to establish a career in the highly competitive creative industries.

#### Who is it for? And/or where is it offered?

- The Youth Centre is most used by young people aged 13-19, although there are young people outside of that age group who use the Centre.
- Delivered by Brent Youth Support Services in partnership with established local, regional and national arts organisations and youth providers.

#### Why should I buy this?

- Provided by qualified youth workers.
- 791 Total Users (2014/15), the largest number for all Youth Clubs.
- Located in an area of high deprivation and high needs.
- Enables young people to explore a variety of personal and social issues through creative exploration and expression.
- The centre works with numerous youth and arts organisations, whereby over half of the weekly provision is delivered "in kind" at no cost.
- The centre attracts a cohort of young people from all ethnicities from across Brent, the largest user group are from black ethnicities.
- All projects and activities are led by professional artists working within the creative industries, and are supported by qualified youth workers.

#### Why might I not buy this?

- Arts focused, some may feel that the provision is "exclusive", and doesn't cater for all young people.
- It is not a "proper" / generic youth centre, and other providers could / and do deliver similar projects.
- It is located south of the borough and is not easily accessible to young people in other areas of Brent.

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Mosaic Youth Centre

How much is it?

10p

### What is it?

#### **MOSAIC YOUTH CENTRE FOR GAY, LESBIAN, BISEXUAL AND TRANSGENDERED YOUNG PEOPLE.**

The Mosaic LGBT Youth project is a unique targeted provision for young people who are lesbian, gay, bisexual and transgender (LGBT) or questioning their sexuality and/or gender identity.

The Centre provides a weekly peer support youth club, a counselling service, a website, Facebook and telephone helpline style support, LGBT library, mentoring and school based workshops, residential to offer intensive support to young persons who need it most. Mosaic operates according to values of supporting, empowering and educating LGBT young persons age 13-19 to reduce the risks they face.

### Why should I buy this?

- 120 Total Users at the Youth Club (2014/15) and 287 Total Users (2014/15) attended group sessions delivered in schools and other venues.
- Important to young people who use the services as there is no other specialist service for the young people who access the youth club.
- Supports LGBT young people to be aware of risks and issues such as safety online.
- The project featured in the top ten Local Authority provisions in the Stonewall Awards 2011 and was shortlisted for Planet London Ultimate Youth Group of the Year Award in 2014.
- The club is 1 of only 2 LGBT Youth Clubs in London.

### Who is it for? And/or where is it offered?

Mosaic is a targeted programme for young people who are gay, lesbian, bisexual and transgender.

Delivered by Brent Youth Support Services in collaboration with a wide range of voluntary sector partners.

### Why might I not buy this?

- The number of young people accessing the specialist youth club is small.
- The clubs users are not representative of the Brent population with Asian young people being under-represented and White young people over-represented.

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Poplar Grove  
Youth Centre

## How much is it?

**28p**

(comprising £0.14 Property costs, £0.14 delivery costs)

### What is it?

#### **POPLAR GROVE YOUTH CENTRE.**

Poplar Grove provides a range of structured youth activities including numeracy and literacy, dance, martial arts (Tae Kwon-Do), arts and sport.

Young people have the opportunity to take part in running their own activities such as dancing, singing, community events eg Fathers Day, Health Awareness and performance shows.

They are supported to have a voice in issues that affect them and also to support their peers through mentoring and build relationships within the community they live in.

### Who is it for? And/or where is it offered?

The Youth Centre is most used by young people aged 13-19, although there are young people outside of that age group who use the Centre.

The Services are provided by Youth Support Service staff and volunteers, working in partnership with a broad range of voluntary sector partners and other organisations.

### Why should I buy this?

- 675 Total Users (2014/15).
- Located in an area of high needs / deprivation where there is a growing and diverse population of young people.
- Provides opportunities for diversion away from potential involvement in crime/anti social behaviour/ gang affiliation, contributing to building community cohesion, preventing radicalisation and supporting young people who are perceived as 'hard to reach'.
- Supports young people to improve skills, use leisure time positively, build healthy lifestyles and address any issues they are facing eg anger issues.
- The users of the club are predominately from a Black background which is reflective of the population in the surrounding wards.

### Why might I not buy this?

- Building running costs are significant.
- There are other community or Housing Association Buildings in the area.
- Young people from the full range of other ethnicities are under-represented.



## Ability Project

### How much is it?

**1p**

(staff time included in the overall Roundwood staffing cost)

#### What is it?

##### **ABILITY PROJECT.**

For young people with disabilities. Young people design the termly programme which includes sports, games, dance workshops, singing, arts and crafts, cookery.

#### Who is it for? And/or where is it offered?

- Young people with disabilities aged 11-25 years who have additional needs.
- Held at Roundwood Youth Centre.

#### Why should I buy this?

- Important provision for the young people who access it and their parents.
- Low cost as delivered by existing experienced staff at Roundwood Youth Centre.
- Progression opportunities into employment through in house work experience and volunteering.
- Parents value this service highly.
- Works in partnership with Brent Mencap's Young Ambassadors programme and Woodfield School.

#### Why might I not buy this?

- Young people with disabilities aged 11-25 years who have additional needs.
- Held at Roundwood Youth Centre.



Wembley  
Youth Centre

## How much is it?

22p

### What is it?

#### WEMBLEY YOUTH CENTRE.

- Provides youth work sessions offering a range of physical activities that promote healthy lifestyles & well-being for young people.
- Activities include Amateur Boxing, Female Kick Boxing, Weight Training and Fitness workshop, Tae-Kwon-Do, Football Training, Basketball and a music production workshop.
- The Centre provides opportunities for online homework, literacy and numeracy support and CV writing.
- Young people are involved in evaluating their learning and designing the programme.

### Who is it for? And/or where is it offered?

The Youth Centre is most used by young people aged 13-19, although there are young people outside of that age group who use the Centre.

### Why should I buy this?

- 451 Total Users (2014/15).
- The Centre acts as a supportive learning hub that provides a diversionary pathway from potential involvement in crime, anti social behaviour, radicalisation and gang affiliation.
- The users of the club are from an ethnicity fairly representative of the local area – 33% Black, 29% Asian, 10% White.
- Young people act as peer educators.
- 89% of young people attending are male, 11% female.

### Why might I not buy this?

- The building is old and is not a purpose built youth centre.
- Females are under-represented.

# Youth Services Redesign

**Department**

Children and Young People

**Person Responsible**

Angela Chiswell

**Created**

1 September 2015

**Last Review**

22 January 2015

**Status**

Screened

**Next Review**

1 September 2016

## Screening Data

### 1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

This EA focuses on the equality implications of redesigning the Council's Youth Services to meet reductions in the operating budget planned from 2016/17 onwards. Against a background of substantial cuts in central government funding, annual investment in the Council's Youth Services will reduce from £1.3m in 2015/6 to approximately £400,000 in 2016/17 (See Cabinet report for more details).

The current Youth Services offer includes a range of provisions for young people, with 4,336 young people accessing its services in 2014/15. It currently provides:

- Cultural, sports and other diversionary and support activities at four youth centres;
- Outreach and detached youth working in areas where young people are most at risk from gangs and serious youth violence;
- Support packages for young people who have offended;
- Diversionary holiday programmes;
- Management of the Duke of Edinburgh Award Scheme, Eton Project and Youth Parliament; and,
- Other specialist support, including the Right Track Programme to support pupils temporarily excluded from school and projects to support lesbian, gay, bisexual and transgendered young people and young people with learning difficulties.

To meet the financial challenges, the Council has agreed to invite tenders to deliver a new service within a reduced funding envelope of up to £350k focused on the following elements:

- Development of the Roundwood myplace Centre as a youth hub, offering a range of cultural, sports and other support activities;
- Youth work support and outreach support, with a strong focus on vulnerable groups, including young people with disabilities, LGBTB young people, and those at risk due to their behaviours or issues such as gang involvement, substance misuse, offending or child sexual exploitation.
- Delivery of integrated partnership working with national, regional and local providers to enhance the overall service offer and promote joined-up working at local level.

There will be continued investment in the Council's Youth Parliament, helping to support young people to have a voice, with a focus on co-production in the planning, delivery and review of services. However, we will aim to reduce its net running costs and to increase involvement of the wider population of Brent young people in its work.

Key objectives of the new approach are to deliver the best possible offer for young people with the funding available and to promote long term sustainability of services. Any new provider will be expected to demonstrate their ability to lever in additional resources which the council, as a public body, cannot access. The new provider will also have the flexibility to develop and diversify the offer at the Roundwood Centre and potentially increase its community use/benefits. The contract will specify outcomes that will need to be achieved for young people, ensuring that the Council continues to meet myplace grant terms and conditions attached to the Roundwood Centre and will not have repay the capital grant to central government (£4.977m).

Within the new service model, some elements of the service offer will remain largely unchanged. The Duke of Edinburgh award scheme will continue to be offered by most Brent secondary schools through direct licences with the DoE scheme. However, there will no longer be open access provision for those young people who cannot, or do not want to, access the DoE award scheme through their school. There will be no changes to the Right Track project for temporarily excluded pupils, though responsibility for its management will pass to the Council's Inclusion and Alternative Education Service. Brent Youth Parliament will continue

With reduced investment, there will be some reductions in the range and location of existing provisions which may impact on existing service users. For example, the Council will no longer directly fund:

- youth centre provision at three of its current youth centres (Granville, Poplar Grove, and Wembley), though opportunities for voluntary and community groups and or a new commissioned provider to use these provisions/ alternative premises will be explored, particularly as there will be preserved rights to deliver youth service provisions at the Poplar Grove site under an agreement with Brent River College;
- the detached outreach bus, with youth workers more likely to be based at the Roundwood Centre or in other community premises, such as housing association community centres;
- a stand alone project (MOSAIC) to support young people who are lesbian, gay, bisexual or transgender. Some specialist support will be commissioned in the new service contract but there will be reduced levels of investment, meaning that the overall level of support will reduce.

The smaller funding envelope means that there will also be reductions in overall levels of youth work support within the Council.

## 2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

The following groups are affected by these proposals:

(a) **Staff** - all staff in Brent Council's Youth Service will be affected by these proposals (23.05 FTE). Depending on the delivery arrangements proposed by a new provider, a small number of staff may be assimilated into any substantially similar roles. However, the reduced level of funding means that there will also be a significant number of job losses. A staff equality analysis is being completed separately to assess the impact of the new service model on the workforce profile, to ensure that no one is treated less favourably than anyone else because of their equality characteristics, and to identify any differential impacts/ lessons learned from the process.

(b) **Service users** - changes in the range, timing, and location of youth services may impact on current service users.

(c) **Internal stakeholders** – the Youth Service works with a range of other Council services including: Libraries, Early Years and Family Support; Community Safety; Youth Offending; Alternative education and Inclusion; and other social care services.

(d) **External stakeholders** - the Youth Service works with a range of external partners, including: community and voluntary organisations, health providers, housing associations, schools and community safety partners

Any new provider will be expected to promote a strong focus on partnership working, with opportunities for internal and external stakeholders to influence service development.

(e) **Brent young people and Brent parents/carers**- all young people in Brent could choose to access youth service provision. Changes in the range of support and activities offered will potentially impact on them; some young people who do not make use of the existing services may be encouraged to take up new opportunities. Parents and carers may be affected by changes in the service offer, either through withdrawal of services and /or provision of new opportunities.

### 3.1 Could the proposal impact on people in different ways because of their equality characteristics?

- Yes

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

- Age
- Disability
- Gender identity and expression
- Race
- Sex
- Sexual orientation

### 3.2 Could the proposal have a disproportionate impact on some equality groups?

- Yes

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

- Age
- Disability
- Gender identity and expression
- Race
- Sex
- Sexual orientation

### 3.3 Would the proposal change or remove services used by vulnerable groups of people?

- Yes

Brent's Youth Service is targeted at young people in areas of deprivation and a number of projects support young people who may need extra support to thrive and/or may be vulnerable to gang association, serious youth violence, educational under-achievement, child sexual exploitation, mental health issues, radicalisation and homelessness. Detailed profiles show that a high number of Brent young people come from groups who can experience disadvantage and /or discrimination and/or be more likely to victims of bullying and/or mental health issues, including Black and minority ethnic groups and disabled and/or LGBT young people.

### 3.4 Does the proposal relate to an area with known inequalities?

- Yes



deprivation affecting children index (IDACI) shows that 50.6 per cent of the borough's lower super output areas (LSOAs) fall within the 20 per cent most deprived in England. Around 28 per cent of young people aged under 16 years in Brent live in poverty<sup>1</sup>. While the majority of children in Brent do well, a significant minority experience problems which are strongly correlated with poverty, including poor health, youth violence, gang violence and low educational attainment.

### 3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

- Yes

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

- Age
- Disability
- Gender identity and expression
- Race
- Sex
- Sexual orientation

### 3.6 Does the proposal relate to one of Brent's equality objectives?

- Yes

The proposals links to the Council's equality policy objective 4: "to ensure that local public services are responsive to different needs and treat users with dignity and respect". A key objective of the new approach is to provide the best quality services which are appropriate to the diverse and changing needs of Brent residents and service users. It also relates to equality policy equality objective 2: "involve our communities effectively", with the new model continuing to provide opportunities for young people and other stakeholders to influence service delivery and ensure it responds to young people's needs and preferences.

### Recommend this EA for Full Analysis?

- Yes

### Comments

The focus of the new service model for Youth Services has been shaped by consultation with service users, potential service users, providers of youth services and other stakeholders, including parents and other partners, such as community safety partners, housing associations and health providers. Engagement methods included three participatory budget sessions for young people and service providers and an online survey. In addition, a stakeholder group, involving youth service staff representatives, voluntary and community groups working with young people, statutory partners and regional youth agencies, has met monthly during the service development phase to provide feedback on the approach being developed.

### Impact Assessment Data

#### 5. What effects could your policy have on different equality groups and on cohesion and good relations?

A summary of the relevant data drawn on in the analysis below is provided at [Appendix A](#). Some broad contextual information about service take up is set out below to shape understanding of the scale and take up of Youth Services among Brent's young people.

Overall, 4,334 young people accessed Council funded Youth Services in Brent in 2014/15, including 866 who lived outside the borough.

**2,506 of Brent young people aged 13 -19 accessed Youth Services in 2014/15. This constitutes 9.7 per cent of the borough's 13-19 population (25,882). The overall number of 13-19 years attending Brent provisions was 3,390.**

In 2014, Youth Services were also accessed by 229 young people aged 11-12 year old (around 3 per cent of the 11/12 year old age cohort in Brent) and 457 young people aged 20-24 (around 2 per cent of the 20-24 age cohort in Brent).

In terms of attendance at different provisions, the number of young people attending each provision in 2014/15 is set out below:

	Aged 11-12	Aged 13-19	Aged 20-24	Others	Total
Brent Eton Summer School	0 (0%)	43 (100%)	0 (0%)	0 (0%)	43
Brent In Summer	39 (6%)	538 (83%)	34 (5%)	39 (6%)	650
Brent Youth Parliament	11 (14%)	59 (78%)	2 (3%)	4 (5%)	76

<sup>1</sup> Public Health England, Child Health Profile for Brent, 2014.

<b>Duke of Edinburgh's Award</b>	0 (0%)	552 (99%)	2 (1%)	1 (0%)	555
<b>Granville Youth Arts Centre</b>	33 (4%)	611 (77%)	126 (16%)	21 (3%)	791
<b>Mosaic LGBT Project</b>	0 (0%)	111 (93%)	9 (7%)	0 (0%)	120
<b>Mosaic Schools Workshops</b>	0 (0%)	287 (100%)	0 (0%)	0 (0%)	287
<b>Outreach &amp; Detached</b>	14 (4%)	277 (84%)	27 (8%)	13 (4%)	331
<b>Poplar Grove Centre</b>	58 (9%)	333 (50%)	182 (27%)	90 (14%)	663
<b>Right Track Project</b>	10 (8%)	112 (92%)	0 (0%)	0 (0%)	122
<b>Roundwood Youth Club</b>	58 (9%)	549 (80%)	39 (6%)	32 (5%)	678
<b>Wembley Youth Club</b>	21 (5%)	360 (80%)	51 (11%)	19 (4%)	451
<b>Youth Service Total</b>	<b>229 (5%)</b>	<b>3,435 (79%)</b>	<b>457 (11%)</b>	<b>213 (5%)</b>	<b>4,334</b>

## 5.1 Age

### • Negative

Based on service participation in 2014/15:

- 95 per cent of all service users are aged between 11- 24 years of age. The majority of service users are 13-19 years of age (79 per cent).
- Detailed age breakdowns in **Appendix A** indicate that there are some variations in age profiles across the different provisions. For example, 66 per cent of young people who attend the Brent Youth Parliament are 13-17 years of age, while 70 per cent of those attending the LGTB Mosaic Project were older (18-24 years of age).
- Some of the youth centres attract different age ranges. For example, the Granville Youth Arts Centre, which mainly offers arts and creative activities, tends to attract those aged 17-24 (77 per cent of service users), while users at the Poplar Grove, Roundwood and Wembley youth clubs are more evenly distributed across the 13-19 age range.

### Implications/other issues:

- Any reductions or withdrawal of currently funded services will mostly affect young people aged 13-19 as they are the main beneficiaries of youth services.
- The planned withdrawal of Council funded provisions at three centres will impact upon all young people who use these centres and value the activities provided. It will therefore be important for any new provider / the Council to explore longer-term opportunities for VCSE partners to make use of these buildings for youth activities where practical or to gain use of other community venues to deliver youth activities across a wider geographical area. For example, through consultation a number of housing associations have offered opportunities to use and share spaces with a new service / provider.
- Current provisions attract different age groups and the service specification will reiterate the need to achieve positive outcomes for young people and offer a balanced programme which meets the need of different age groups.
- The focus on designing services with young people and leveraging in new resources may lead to new youth provisions which attract new users and increases the overall proportion of Brent's vulnerable young people engaging in out of school activities. For example, the Roundwood myplace Centre, which will be further developed as a youth hub in, is well-located in terms of the borough's 13-19 year age group with 15 per cent of the borough's 13-19 population living within the Harlesden and Stonebridge wards.

## 5.2 Disability

### • Negative

Based on service participation in Brent Youth Services in 2014/2015:

- 161 youth service users reported a disability (3.7 per cent of all youth service users). This is similar to the proportion of disabled young people in Brent's wider population: 3.9 per cent of Brent young people aged 10-24 reported a disability that limited their day-to-day activities in the 2011 Census.
- More detailed breakdowns show that most of the Youth Service users who reported a disability had moderate learning difficulties (103), emotional or behavioural difficulties (23), speech and language disorders (11), autism (10), or other learning difficulties (10).
- Disabled young people participate in the majority of provisions offered by the Youth Service, with activities offered on an integrated basis. The service also offers weekly art therapy sessions for young people at a special needs school and a weekly youth club for young people with SEND/ learning difficulties offering a range of sports and creative activities.

### Implications/other issues:

- Any reductions or withdrawal of currently funded services will affect some young people with disabilities since disabled young people participated in all provisions in 2014/15 (with the exception of the Eton Summer Schools Project).
- The Council remains committed to ensuring youth provisions for disabled young people. Within the new service specification there will be a requirement to continue to offer some specialist provision and promote inclusive approaches which support disabled young people. Staff will also need to be appropriately trained to support young people with additional needs /disabilities.
- The Council will ensure that any new provider of youth services can signpost and /or refer disabled young people to other sources of help and support, including statutory provision where appropriate (e.g. CAMHS, SEND, Brent

Centre for Young People).

- In the longer-term a new service may work out of a range of community premises. It will therefore be important to ensure that they are accessible to young disabled people and that all health and safety considerations are fully assessed.

### 5.3 Gender identity and expression

- **Negative**

In 2014-15 three young people accessing the Youth Service Mosaic LGBT Youth Club identified their gender as transgender. Transgender young people did not access any other provision within the Youth Service. The Mosaic LGBT Youth Project is a targeted provision for young people who are lesbian, gay, bisexual and transgender (LGBT) or questioning their sexuality and/or gender identity. The project currently provides a weekly peer support youth club, a counselling service, a website, Facebook and telephone helpline style support, LGBT library, mentoring and school based workshops, residential to offer intensive support to young persons who need it most. Mosaic operates according to values of supporting, empowering and educating LGBT young persons age 13-19 to reduce the risks they face.

#### Implications/other issues:

- Reductions on or withdrawal of the Mosaic LGTB Project could adversely affect those young people who identify as transgender. The project provides specialist and wider research indicates that many young people within this group can be more susceptible to self-harming, bullying, depression and other mental health problems than the general population of young people.
- The new service specification will set out a requirement to continue to both offer some specialist LGTB provision and promote inclusive approaches. However, the level of funding / staffing afforded to LGTB work will reduce in the new model due to the smaller funding envelope. This reflects planned reductions in Council funding for youth services overall but also the national withdrawal of public health funding that has been used to offset project costs in 2015/16.
- More positively, there may be scope for a new provider to further develop this project as a regional or London-wide service offer. Detailed analysis shows that a significant number of young people who access the main Mosaic LGTB Youth Project live outside Brent: for example in 2014/15; 78 per cent of young people who attended the project lived outside Brent. While the project currently receives a small amount of funding from LB Ealing, there could be scope to draw in funding from other boroughs and funders, including national LGTB charities. Potential opportunities will be explored with any new service provider.

### 5.4 Marriage and civil partnership

- **Neutral**

### 5.5 Pregnancy and maternity

- **Neutral**

The Youth Service does not offer any specialist ante or post-natal provision for young people who are / will be young mums and dads and does not routinely collect information about the pregnancy / maternity status of its service users. However, available data shows that four young people who used the service in 2014/15 were teenage parents, with two people aged 14 and two people aged 17.

#### Implications/other issues:

- While the new service specification will not include a requirement for specialist support for young teenage parents, the Council's Children Centres offer a wider range of support for young mums and parents. This includes a Family Nurse Partnership which offers ongoing 1:1 support for young mums with a dedicated midwife and health visitor from the ante-natal period through to the child's third birthday. It will be important for any new provider to ensure that young people who are pregnant, or young parents in contact with Youth Services, receive appropriate information, guidance and signposting to specialist services that can offer advice and support.

### 5.6 Race

- **Negative**

Brent is one of the most ethnically diverse local authorities in the UK. This is reflected in the overall population of young people: 92 per cent of Brent school children are from a Black and minority ethnic (BAME) groups, the second highest proportion in the UK. Among those young people aged 13-19, 36 per cent come from an Asian background; 32 per cent come from Black backgrounds and 22 per cent from White backgrounds.

Based on 2014/15 participation in Brent's Youth Services:

- 41 per cent of users were from Black backgrounds, 20 per cent were from an Asian background and 15 per cent were from other White Backgrounds.
- There are variations in the ethnic make up of service users across Youth Service provisions. For example, young people from Black backgrounds are over-represented in the following provisions: Brent in Sumer (70 per cent); Outreach and Detached (61 per cent); Poplar Grove Youth Centre (62 per cent) and Roundwood Youth Centre (56 per cent). In contrast Asian young people are the main user group for the Duke of Edinburgh Award Scheme (46 per cent) and Brent Youth Parliament (39 per cent). White users are the main participant group in the Mosaic LGTB Youth Project (52 per cent).
- Detailed analysis in **Appendix A** shows that variations in the profile of Youth Centres will reflect the ethnic make-up of the immediate catchment area, as well as levels of deprivation and /or possible lack of access to wider or alternative opportunities, and/or the content of the programme offer.

- The changing profile of the borough means that the Youth Service routinely responds and adapts to meet the needs of different ethnic groups. For example there is currently a focus on working with young men from the Afghani and Somalian communities who are new to the borough and need additional support to integrate successfully.

#### **Implications/issues**

- Any reductions or withdrawal of currently funded services will affect some young people from a range of ethnic backgrounds since participation rates show a wide range of ethnicities /backgrounds across all provisions.
- Reductions in particular types of projects /services will have a disproportionate impact on certain groups. For example, overall withdrawal or closure of youth centre provisions, outreach and detached services, and the Brent in Summer programme will impact most on young people from Black backgrounds, some of whom will have reduced opportunities to socialise in a secure and safe environment and/or no longer benefit from the social and personal development opportunities afforded by these provisions. It will be important for any new provider to explore how additional resources/ grants can be secured to enhance equality of opportunity for young Black people.
- Overall variations in patterns of take up show the importance of any new provider understanding the cultural diversity of the community they will serve. They will need to offer a range of opportunities which resonate with and appeal to young people from different backgrounds and to ensure that their workforce can engage with young people from different ethnicities. The Council will support this by providing information on the ethnic breakdown of young people and the levels of needs among different / new communities on a regular basis.

### **5.7 Religion or belief**

- **Neutral**

The Youth Service does not routinely collect information about the religion or beliefs of its service users. However, 2001 Census data shows that that main religion faith groups among Brent young people aged 10-17 were: Christian (37 per cent); Muslim (31 per cent) and Hindu (6 per cent). The Youth Service has provided some programmes for particular faith groups e.g. kick boxing session for Muslim girls at the Wembley Youth Centre, which have helped to build the confidence and personal development of participants.

#### **Implications/issues**

There is not likely to be any positive or negative implications for service users as a result of their religion or beliefs. However, any new provider of youth services will need to be sensitive to the different requirements of young people's religious beliefs – for example, in relation to eating, dress codes and physical activity. They will also need to be mindful of practices related to particular belief systems which are not consistent with good health and well-being, positive community relations, or UK law. For example, in 2012/13, 236 cases of female genital mutilation (FGM)<sup>2</sup> and 30 incidences of forced marriage were recorded in the borough. There have also been isolated incidents related to the radicalisation of Brent's young people. The new service provider will consequently need to be able to challenge practices which do not lead to positive outcomes for young people (in a way which does not damage community relations) and to have appropriate policies and procedures in relation to safeguarding.

### **5.8 Sex**

- **Negative**

Based on 2014/15 participation in Brent's Youth Services:

- Over half of service users were male (54 per cent), 45 per cent were female and 1 per cent were identified as Transgender or information withheld/unknown.
- There are variations in the sex profile of service users across Youth Service provisions. For example, at Wembley Youth Centre 89 per cent of young people attending are male, in part reflecting the emphasis on sporting activity, including football, cricket, boxing and weight training programmes. In contrast, 63 per cent of participants at the Granville Youth Arts Centre were female. Other provisions with higher proportions of male service users included: the Outreach and Detached Service (68 per cent); Roundwood Youth Centre (64 per cent); and Right Track Programme (69 per cent).
- The Youth Service currently offers some provisions which are specifically targeted to one sex. For example, there is a girls' empowerment group at the Roundwood Youth Centre. This offers drama, arts and drumming and provides an opportunity for girls to develop their self-confidence and socialise with other young women in a safe environment. Other more female oriented activities (e.g. cheer-leading and drama) have also been introduced.

#### **Implications / Issues**

- Any reductions or withdrawal of currently funded services will affect young people of both sexes since both sexes participated in all provisions in 2014/15. For example, based on participation levels in 2014/15, the Poplar Grove, Wembley and Granville Centres were attended by a total of 684 males and 613 females.
- Reductions in the level of outreach and detached work will have greatest impact on young males, some of whom are more likely to engage in street congregation, ASB and more serious youth crime. Girls do, however, play a number of ancillary roles in gangs: as foot soldiers, setting up rival gangs; as carriers, holding and hiding weapons and drugs; as mother figures; and most commonly as girlfriends or to perform sexual acts. They are often passed around gang members and rape is not uncommon. Consequently, a new provider will need to ensure the often complex issues related

<sup>2</sup> FGM is mostly carried out on at some time between infancy and aged 15 and involves complete or partial removal of external female genitalia for non-medical reasons.

to sex and how this should shape provisions.

- With reduced levels of investment, it will be critically important to encourage equal access for both sexes. Any new provider will have opportunities to rebalance the overall offer and ensure that it meets the needs of young people of both sexes. This will be particularly important in relation to youth centre-based provisions where the range of activities offered can impact heavily on the gender profile of service users.

## 5.9 Sexual orientation

### • Negative

Sexual Orientation data is not routinely collected and recorded across the Youth Service. However, a sample of 226 service users who took part in a survey in 2014, were asked the question "What is your sexual orientation?". Of these, 155 young people (75 per cent) identified their sexuality as being heterosexual, ten (4.8 per cent) as being bisexual, six as being a gay man (2.9 per cent), and three as being a gay/lesbian woman (1.4 per cent). Fifty-two young people preferred not to say or did not respond (23 per cent). As indicated earlier, the Mosaic LGBT Youth Project is a targeted provision for young people who are lesbian, gay, bisexual and transgender (LGBT) or questioning their sexuality and/or gender identity. Levels of participation in other youth provisions by LGTB young people are unknown.

### Implications / Issues

- Reductions or withdrawal of the Mosaic LGTB Project could adversely affect LGTB young people. Many young people within this group can find the process of coming out to their family and friends and/or concealing their sexual identity extremely stressful; support and contact with other LGTB young people can help to mitigate this.
- The new service specification will set out a requirement to continue to both offer some specialist LGTB provision and promote inclusive approaches. However, the level of funding / staffing afforded to LGTB work will initially reduce in the new model. This reflects planned reductions in Council funding for youth services overall but also the withdrawal of public health funding that has been used to offset project costs.
- As indicated earlier, there may be scope to further develop this project as a regional or London-wide service offer. Detailed analysis shows that a significant number of young people who access the Mosaic LGTB Youth Project live outside Brent: for example in 2014/15; 78 per cent of young people who attended the main project lived outside Brent. Potential opportunities to extend provision will be explored with any new service provider.
- While targeted, specialist provision can support LGTB young people, a new service provider will need to demonstrate an inclusive approach to participation of LGTB young people in all provisions, potentially helping to create more understanding and acceptance of LGTB young people in the wider community.

## 5.10 Other

### • Negative

Other data collected by the service shows that a total of 88 young people in contact with the Youth Service were known to Social Care in 2014/15. 174 young people within Brent's troubled families cohort and 78 young people working with the Youth Offending Service (YOS) also participated in youth programmes. Most of these young people participated through centre based provisions at Poplar Grove and the Roundwood Centre, the Brent in Summer programme and the Outreach and Detached Service. Attendance at the four centres will in part relate to their targeted locations, with all located in areas of highest deprivation and crime hot spots. Very few young people in either the social care, YOS or Troubled Families cohort use other programmes within the Youth Service offer.

### Implications / Issues

- Reductions in outreach and detached services and the Brent in Summer programme will impact on the small cohort of young people in contact with Brent's social care services /troubled families programme who access youth provisions.
- Continuation of services at the Roundwood Centre will support many vulnerable young people who access the service.
- In developing a revised service offer, it will be important for any provider to ensure that more vulnerable young people are supported via new programmes and services, including outreach work in the wider community. This requirement will be included in the new service specification for the service.

## 6. Please provide a brief summary of any research or engagement initiatives that have been carried out to support this equality analysis. What did you find out? Were the participants in any engagement initiatives representative of the people who will be affected by your proposal? How did your findings and wider evidence base inform the proposal?

The focus of the new service model for Youth Services has been shaped by consultation with service users, potential service users, providers of youth services and other stakeholders, including parents, carers and other partners, such as community safety partners, housing associations and health providers. Engagement methods included three participatory budget sessions for young people and service providers and an online survey, with work managed by an independent consultant. In addition, a stakeholder group, involving youth service staff representatives, voluntary and community groups working with young people, statutory partners and regional youth agencies, has met monthly during the service development phase to provide feedback on the new service model.

Detailed work has also been undertaken to identify the current profile of youth service users (see [Appendix A](#)) and to map the range of current service providers working with young people in the borough. While information about

other providers is still being collected, the mapping to date shows that there is a diverse range of over 100 organisations working with young people, including housing associations, uniformed organisations and community and voluntary organisations. The range of services include: substance misuse support; skills, employment, enterprise and training support; creative and sporting activities; and mental health support.

There was good engagement from ethnically and culturally diverse young people and providers in the consultation. Key findings and messages from the sessions and wider questionnaire are:

- There is strong support among providers and young people for targeted services which support the most vulnerable young people, including outreach and detached services, mental health services, services for disabled young people and those wanting to express their sexuality more confidently.
- Young people were keen to see support for vulnerable groups more integrated into mainstream provision
- Young people support youth centre based activities, particularly if programmes can deliver other interventions such as entrepreneurial, employability and mental health support.
- Individual youth centres are especially valued by those who use them
- New services for young people need to be informed by meaningful youth engagement and address identified needs
- Appropriate partner and stakeholder organisations should fund specialist provisions – for example, mental health services and public health programmes targeted at young people should be funded by health agencies rather than the Council.
- There is a commitment to embed the youth voice in democratic participation and consider ways this could be strengthened at a reduced cost.
- Both providers and young people support commissioning models which focused strongly on positive outcomes for young people, lever in future investment and reduce duplication.
- Both providers and young people felt the Council should lever in more resources from private sector partners, helping them to meet their own corporate social responsibility commitments.
- Providers felt that smaller, local organisations were often better placed to deliver services more cheaply and effectively than the Council, with more focus on entrepreneurial approaches.

Consultation with potential providers of youth services included a soft market testing event held at the Roundwood Centre on 9 September 2015. The consensus view from providers was that a commissioned service with an identified youth hub would be the best way to lever in additional resources and create a strong focus on outcomes for young people.

The specification to be developed for the new service will reflect many of the views and aspirations of providers and young people. It will put a strong focus on maximising outcomes for young people, including those who are most vulnerable and/or at risk. It will maintain a central hub for youth activities and provide opportunities to promote partnership working with the local VCSE sector providers, including shared resources. Continuation of the Brent Youth Parliament model will provide a clear voice for young people, though in line with consultation findings, further work will be undertaken to reduce its overall costs and promote meaningful engagement of the wider population of Brent young people in its work.

In terms of the wider evidence base and research findings, it is clear that youth work can bring particular benefits to more vulnerable and at risk young people through empowerment, social and personal development and building confidence and resilience. Equally, in poorer communities youth clubs and open access provision can be of particular importance to young people; this is likely to be the cases in Brent where centres are based in areas of deprivation. While reduced funding will in the short-term reduce overall levels of provision, the approach seeks to focus provision on those young people with the greatest level of need within Brent's diverse community.

**6. Could any of the impacts you have identified be unlawful under the Equality Act 2010? Prohibited acts include direct and indirect discrimination, harassment, victimisation and failure to make a reasonable adjustment.**

- No

Although withdrawal or closures of some youth service provisions could potentially disadvantage some current service users, this impact would not be unlawful.

**8. What actions will you take to enhance the potential positive impacts that you have identified?**

To build on positive impacts we will:

- Ensure that a new commissioned service continues to deliver a service offer which attracts and supports the more vulnerable young people in Brent. To support this, we will require any new provider to maintain and improve diversity monitoring arrangements in order to increase the levels of declaration. This will in turn provide an improved evidence-base to inform future equalities analysis in planning service development.
- Explore how any future delivery arrangements for programmes can further maximise the diversity of participants, in terms of race, disability, sexual orientation and age. This could include changes to both programme content and the location of courses.
- Ensure that the voice of young people and feedback from stakeholders continues to inform provision, helping to ensure that the new service offer meets identified local needs and responds swiftly to changing trends and issues.

**9. What actions will you take to remove or reduce the potential negative impacts that you have identified?**

In areas where the Council will withdraw funding from youth centres, we explore how provision could be continued in other ways e.g. by a new provider arranging sessions/activities for young people in a housing partner's premises. We will also ensure better signposting to the range of other youth services in the borough, helping to raise the profile of what is on offer and increase take-up.

In the development of a new service offer we will pay particular attention to the needs of more vulnerable young Black residents and LGTB young people who may be adversely impacted by the closure of youth centres/projects. We will positively support the provider to apply for additional funding to support the needs of these groups.

**10. Please explain how any remaining negative impacts can be justified?**

The decision to reduce funding for youth services reflects wider pressures on the Council's overall budget due to funding cuts from central government. Against this backdrop, there has been a focus within the Council on maintaining statutory provisions which support those young people at highest risk, including looked after children services, alternative education services and SEND provisions. While the Council understands the benefits that discretionary youth services can bring, it can no longer be the main provider of these sort of services. Instead, partnership approaches will be necessary to sustain and develop provisions.

Bringing in a new provider to develop services will, however, provide new opportunities to grow youth services over time, with more scope to access funding not available to the Council. Working more closely with VCSE and other partners will also help to maximize the use of existing facilities and youth provisions across the borough. The new provider will also have the flexibility to develop and diversify the offer at the Roundwood Centre and potentially increase its community use/benefits.

**13. I confirm that this equality analysis represents a fair and reasonable view of the implications of this proposal on equality and that appropriate actions have been identified to address the findings:**

**Cate Duffy, Interim Operational Director, Early Help and Education**

**11 September 2015**

## APPENDIX A – SUMMARY OF YOUTH SERVICE DATA 2014/15

### Overall context data

In 2014, young people aged 13-19 (25,882) make up 7.9% of Brent's total population (311,215)<sup>3</sup>. This has decreased from 8.3% in 2011<sup>4</sup>.

All users of Youth Service provisions are young people. The primary target group is young people aged 13-19 and aged up to 24 for young people with LDD.

In 2014-2015 the number of individual young people accessing the Youth Service was as follows<sup>5</sup>:

	Aged 11-12	Aged 13-19	Aged 20-24	Others	Total
<b>Youth Service Contacts</b>	229	3,435	457	213	4,334
<b>Brent Population</b>	7,043	25,882	24,198	N/A	N/A
<b>% of Population Reached</b>	3%	13%	2%	N/A	N/A

The following tables show the equivalent 'reach' figures in the other 6 boroughs that use the same database:

	Aged 11-12	Aged 13-19	Aged 20-24	Others	Total
<b>Youth Service Contacts</b>	33	1,452	46	42	1,573
<b>Barnet Population</b>	8,585	29,125	23,913	N/A	N/A
<b>% of Population Reached</b>	0%	5%	0%	N/A	N/A
<b>Youth Service Contacts</b>	48	4,969	530	83	5,630
<b>Ealing Population</b>	7,660	26,281	24,552	N/A	N/A
<b>% of Population Reached</b>	1%	19%	2%	N/A	N/A
<b>Youth Service Contacts</b>	525	2,644	209	115	3,493
<b>Hammersmith &amp; Fulham Population</b>	3,116	10,808	17,279	N/A	N/A
<b>% of Population Reached</b>	17%	24%	1%	N/A	N/A
<b>Youth Service Contacts</b>	84	481	104	38	707
<b>Harrow Population</b>	5,667	21,258	16,066	N/A	N/A
<b>% of Population Reached</b>	1%	2%	1%	N/A	N/A
<b>Youth Service Contacts</b>	624	2,592	215	262	3,693
<b>Hillingdon Population</b>	6,780	25,882	21,934	N/A	N/A
<b>% of Population Reached</b>	9%	10%	1%	N/A	N/A
<b>Youth Service Contacts</b>	200	1,354	106	142	1,802
<b>Hounslow Population</b>	5,464	20,415	18,612	N/A	N/A
<b>% of Population Reached</b>	4%	7%	1%	N/A	N/A

The data above has been extracted from the IYSS West London and Barnet database. The data does not include any analysis of relative Service size, budgets, staffing levels or the type of provision offered by each borough i.e. universal or targeted. Therefore a direct comparison cannot be drawn from the above as it isn't a 'like for like' comparison and the data is for information only. Although a direct comparison cannot be made Brent has a cohort size which is similar to Ealing and Hillingdon and Brent's 'reach' figures sit somewhere between the two.

When broken down by individual Youth Service projects the figures are as follows:

	Aged 11-12	Aged 13-19	Aged 20-24	Others	Total
<b>Brent Eton Summer School</b>	0 (0%)	43 (100%)	0 (0%)	0 (0%)	43
<b>Brent In Summer</b>	39 (6%)	538 (83%)	34 (5%)	39 (6%)	650
<b>Brent Youth Parliament</b>	11 (14%)	59 (78%)	2 (3%)	4 (5%)	76
<b>Duke of Edinburgh's Award</b>	0 (0%)	552 (99%)	2 (1%)	1 (0%)	555
<b>Granville Youth Arts Centre</b>	33 (4%)	611 (77%)	126 (16%)	21 (3%)	791
<b>Mosaic LGBT Project</b>	0 (0%)	111 (93%)	9 (7%)	0 (0%)	120
<b>Mosaic Schools Workshops</b>	0 (0%)	287 (100%)	0 (0%)	0 (0%)	287
<b>Outreach &amp; Detached</b>	14 (4%)	277 (84%)	27 (8%)	13 (4%)	331
<b>Poplar Grove Centre</b>	58 (9%)	333 (50%)	182 (27%)	90 (14%)	663
<b>Right Track Project</b>	10 (8%)	112 (92%)	0 (0%)	0 (0%)	122

<sup>3</sup> Population based on ONS 2011 census

<sup>4</sup> Population based on ONS 2013 Mid-Year Estimates

<sup>5</sup> Integrated Youth Support System database

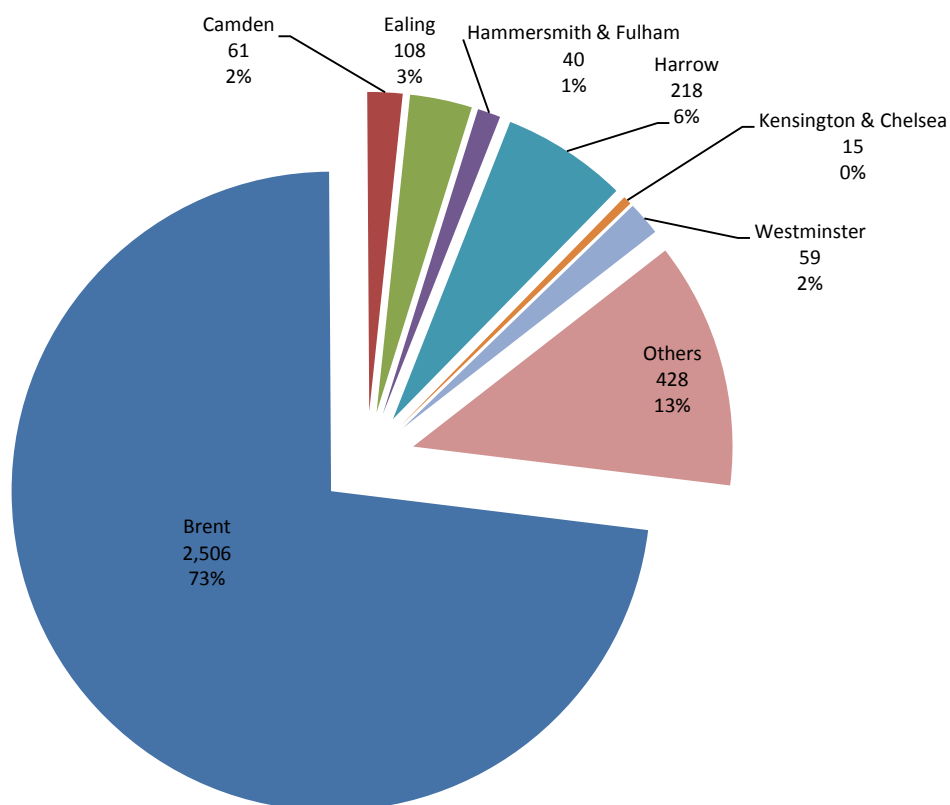


<b>Roundwood Youth Club</b>	58 (9%)	549 (80%)	39 (6%)	32 (5%)	678
<b>Wembley Youth Club</b>	21 (5%)	360 (80%)	51 (11%)	19 (4%)	451
<b>Youth Service Total</b>	229 (5%)	3,435 (79%)	457 (11%)	213 (5%)	4,334

Notes:

- All ages in this document are based on the young persons' age on as it was on 31/03/2015. Generally this will make the age profile throughout slightly higher than calculating the age based on the day a young person attended a session. Calculating a young persons' age based on the day they attended a session can have the effect of distorting the true number of young people counted in the data as an individual can be counted more than once if they attend more than one session and have a birthday during that time. Therefore it was decided that choosing a point in time to calculate ages was more preferable to maintain clarity in the data.
- The Roundwood figure does not include provision such as Connexions interventions, Revo Seccus, NCS with The Challenge and YOS reparation contacts operating from the centre.
- The sum of the columns in the table above do not add up to the figures in the 'Youth Service Total' row. This is because there are instances where a young person will have attended more than one programme.

The majority of users aged 13-19 accessing the Youth Service reside in Brent (2,506). However, there are a number of young people who live outside the borough (929):



The following table outlines the number of 13-19 year olds attending each project and summarises how many were Brent residents and how many live outside of the borough:

	2014-15 Aged 13-19		
	Brent Contacts	Out of Borough Contacts	Total
<b>Brent Eton Summer School</b>	37 (86%)	6 (14%)	43
<b>Brent In Summer</b>	395 (73%)	143 (27%)	538
<b>Brent Youth Parliament</b>	51 (86%)	8 (14%)	59
<b>Duke of Edinburgh's Award</b>	441 (80%)	111 (20%)	552
<b>Granville Youth Arts Centre</b>	346 (57%)	265 (43%)	611
<b>Mosaic LGBT Project</b>	26 (23%)	85 (77%)	111
<b>Mosaic Schools Workshops</b>	265 (92%)	22 (8%)	287
<b>Outreach &amp; Detached</b>	208 (75%)	69 (25%)	277
<b>Poplar Grove Centre</b>	239 (72%)	94 (28%)	333
<b>Right Track Project</b>	92 (82%)	20 (18%)	112
<b>Roundwood Youth Club</b>	451 (82%)	98 (18%)	549
<b>Wembley Youth Club</b>	297 (83%)	63 (17%)	360
<b>Youth Service Total</b>	2,506	929 (27%)	3,435

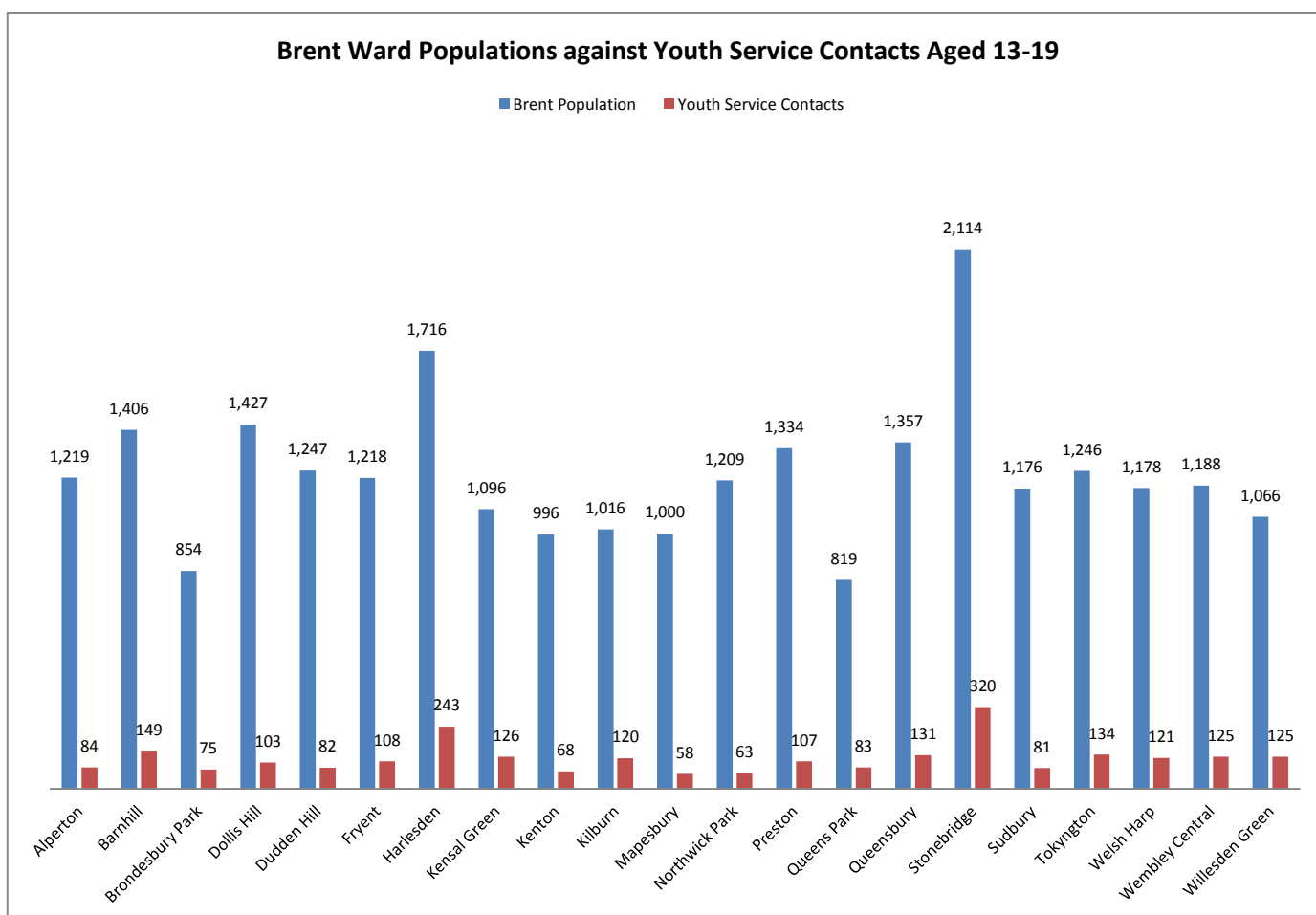
The total number of **attendances** at Youth Service provisions across all age ranges in 2014-15 was 27,284. The following table shows the total attendances for each project in 2014-15:

	11-12	13-19	20-24	Others	Total
<b>Brent Eton Summer School</b>	0	841	0	0	841
<b>Brent In Summer</b>	229	2,156	141	215	2,741
<b>Brent Youth Parliament</b>	50	342	13	13	418
<b>Duke of Edinburgh's Award</b>	0	1,115	2	2	1,119
<b>Granville Youth Arts Centre</b>	244	3,751	920	121	5,036
<b>Mosaic LGBT Youth Club</b>	0	742	60	0	802
<b>Mosaic Schools Workshops</b>	0	579	0	0	579
<b>Outreach &amp; Detached</b>	19	484	29	14	546
<b>Poplar Grove Youth Centre</b>	450	1,576	306	180	2,512
<b>Right Track Project</b>	73	752	0	0	825
<b>Roundwood Youth Club</b>	581	5,790	414	217	7,002
<b>Wembley Youth Club</b>	167	3,422	402	114	4,105
<b>Total</b>	1,813	21,550	2,287	876	26,526

**Note:**

- Each time a young person attends a programme constitutes 1 attendance.

The following chart illustrates the population for each ward plotted alongside the number of users from each ward who have attended a Youth Service project:



As per the comments above a number of users reside outside of Brent and therefore the sum (2,506) of the figures in the chart above does not represent the total number of users accessing the Service.

**Stonebridge and Harlesden**

Almost 15% of the 13-19 population live in two of Brent's 21 wards, Harlesden and Stonebridge, and constitute over 10% of the ward's population<sup>6</sup>. These two wards have the greatest deprivation affecting children in the borough with all but one Lower Super

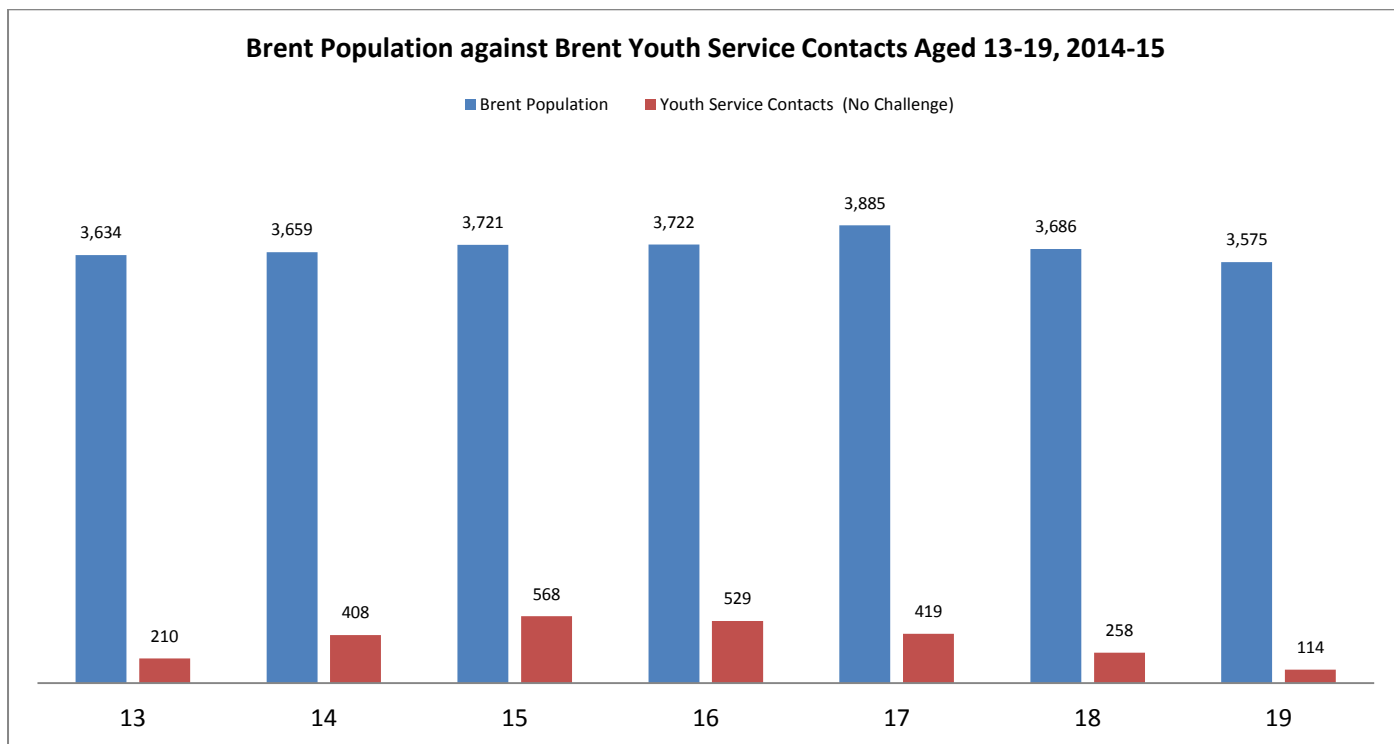
<sup>6</sup> ONS 2011 Census

Output Area (LSOA) in the 10% most deprived LSOAs in the country<sup>14</sup>. In these two wards there is a large Black population with 40% of Harlesden and 47% of Stonebridge residents from Black backgrounds, compared to 19% in Brent, 3% in England and Wales, and 13% in London. The Roundwood Youth Centre is based in the heart of Harlesden, 1589 young people aged 11-24 accessed the Youth Service Provisions from this centre, and a further 970 young people accessed other provisions operating from the centre to include Connexions (965), Revo (data not available) and YOS reparations programme (5).

## Age

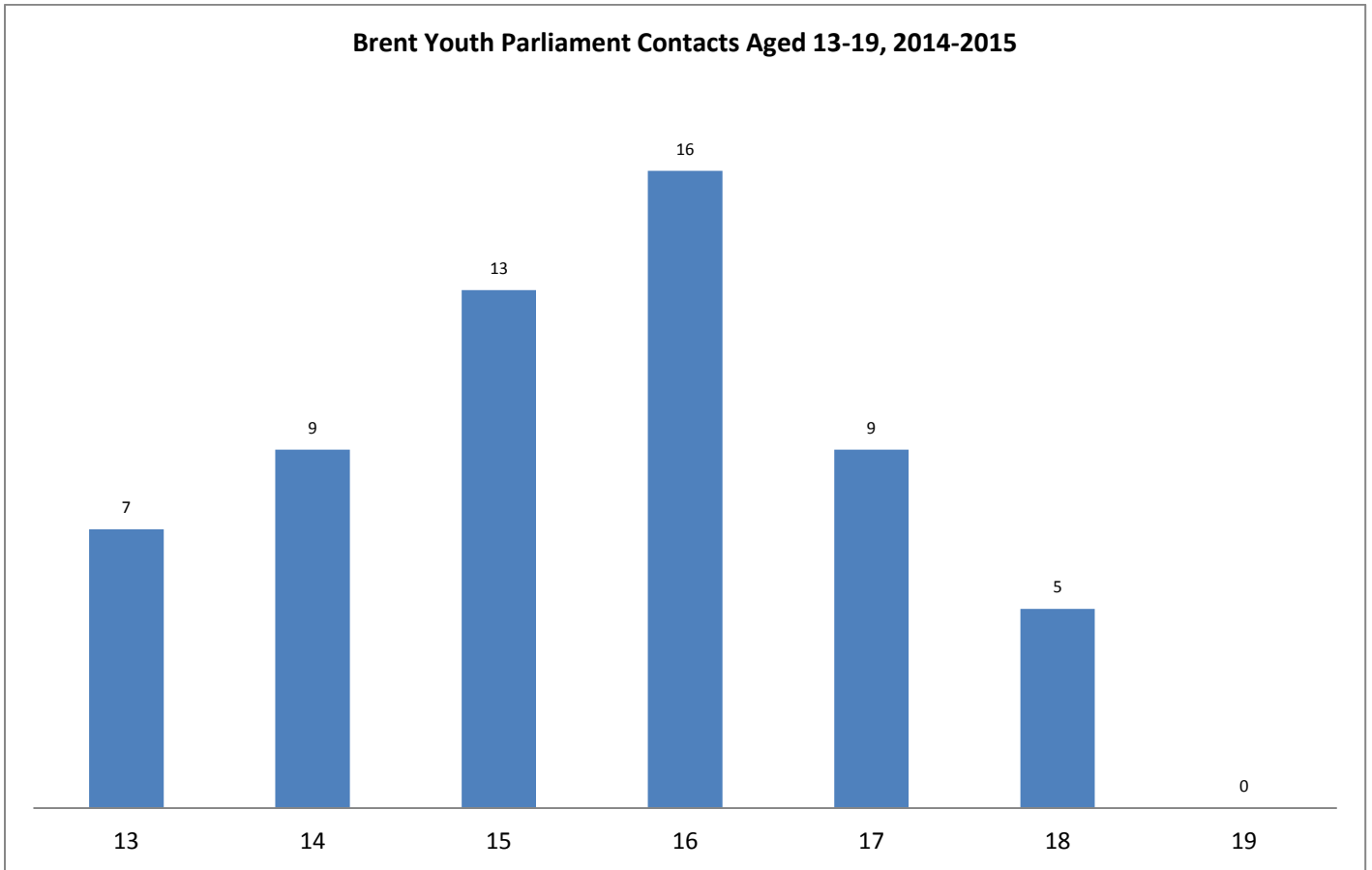
Data from the Integrated Youth Support Services database indicates that 79% of Service users are young people aged 13-19, with 5% aged 11-12 and 11% aged 20 to 24. The remainder either fall outside of these age groups or their age is unknown. 15 and 16 year olds represent the largest user groups in the Youth Service.

The chart below plots the ages of young people who live in Brent and have attended a Youth Service provision against the Brent population for each age, e.g. 568 young people aged 15 attended a Youth Service provision against a 3,721 population of 15 year olds who live in Brent<sup>7</sup>.

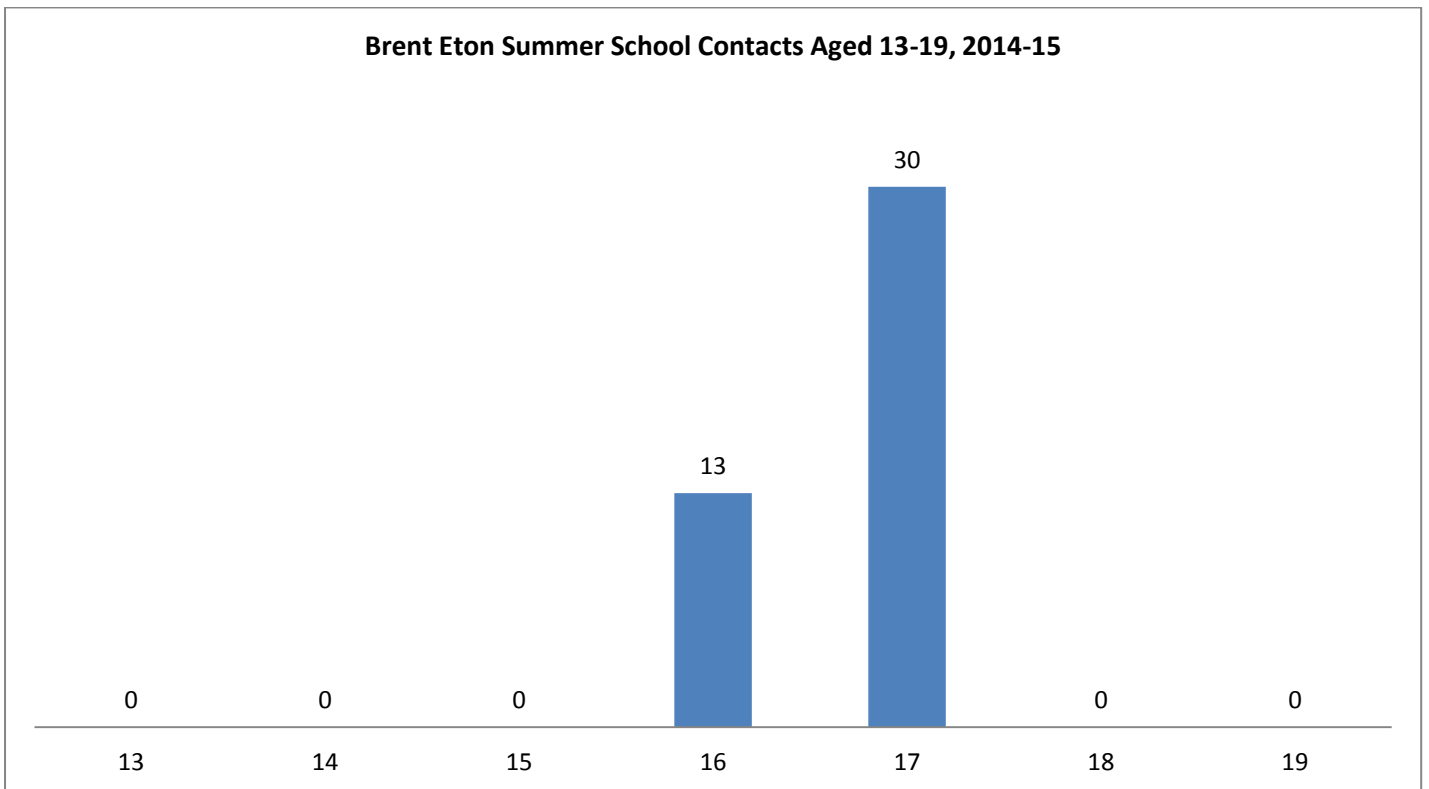


<sup>7</sup> Population based on ONS 2011 census

The following charts show the number of young people who have attended each project for each individual age group between the ages of 13 and 19:

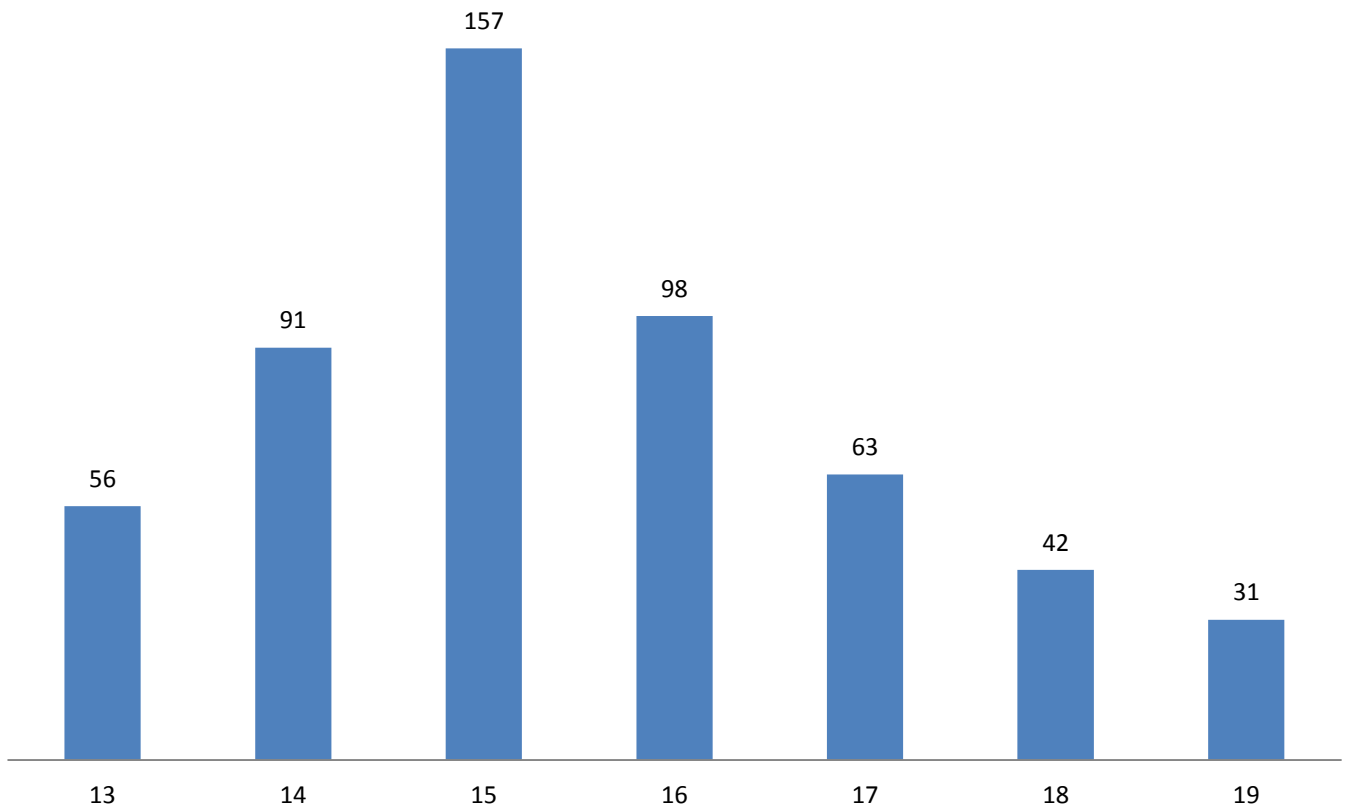


The members of the **Brent Youth Parliament** were primarily aged 15 and 16.



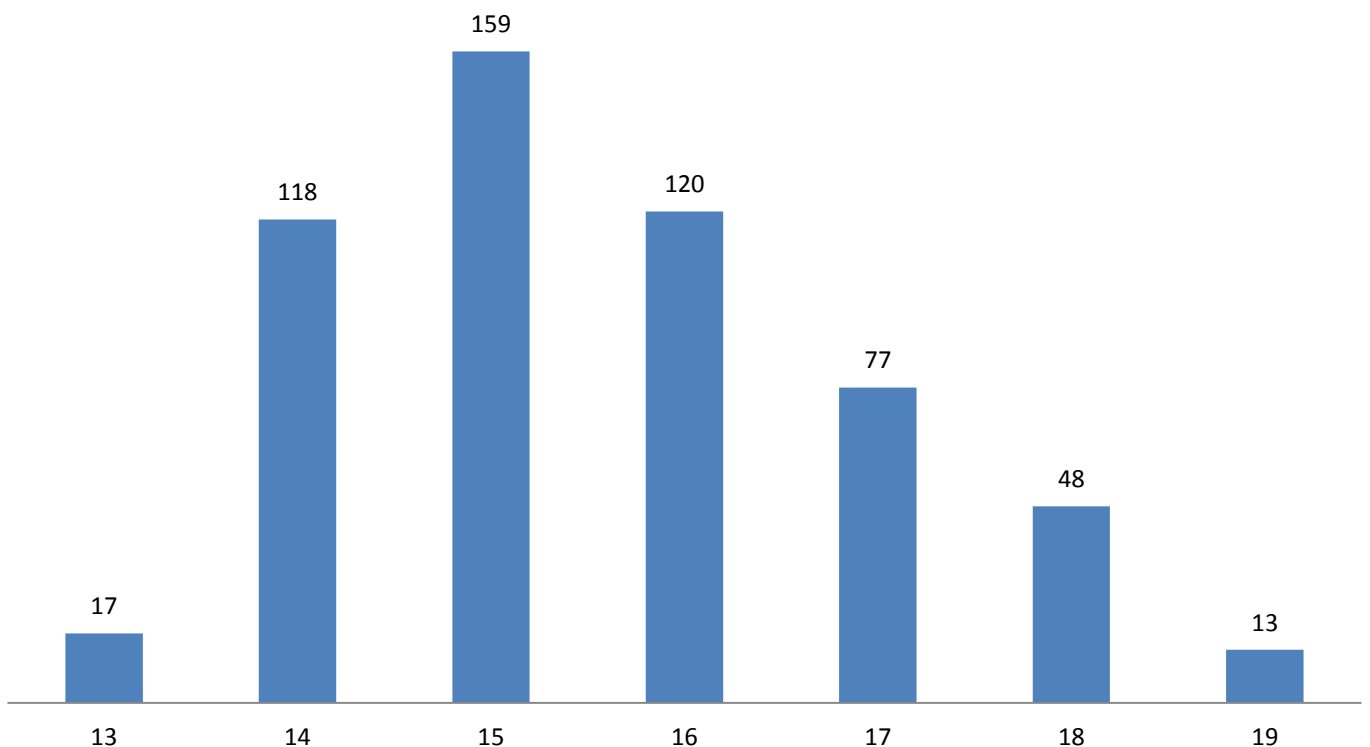
The only service users of the **Brent Eton Summer School** were all year 11 students. The data above is an example where the age profile is slightly distorted due to ages being calculated from the point in time 31/03/2015. The project took place in June 2014, so the ages were calculated almost a full calendar year later.

### Brent In Summer 2014 (including Half-Term projects) Aged 13-19, 2014-15



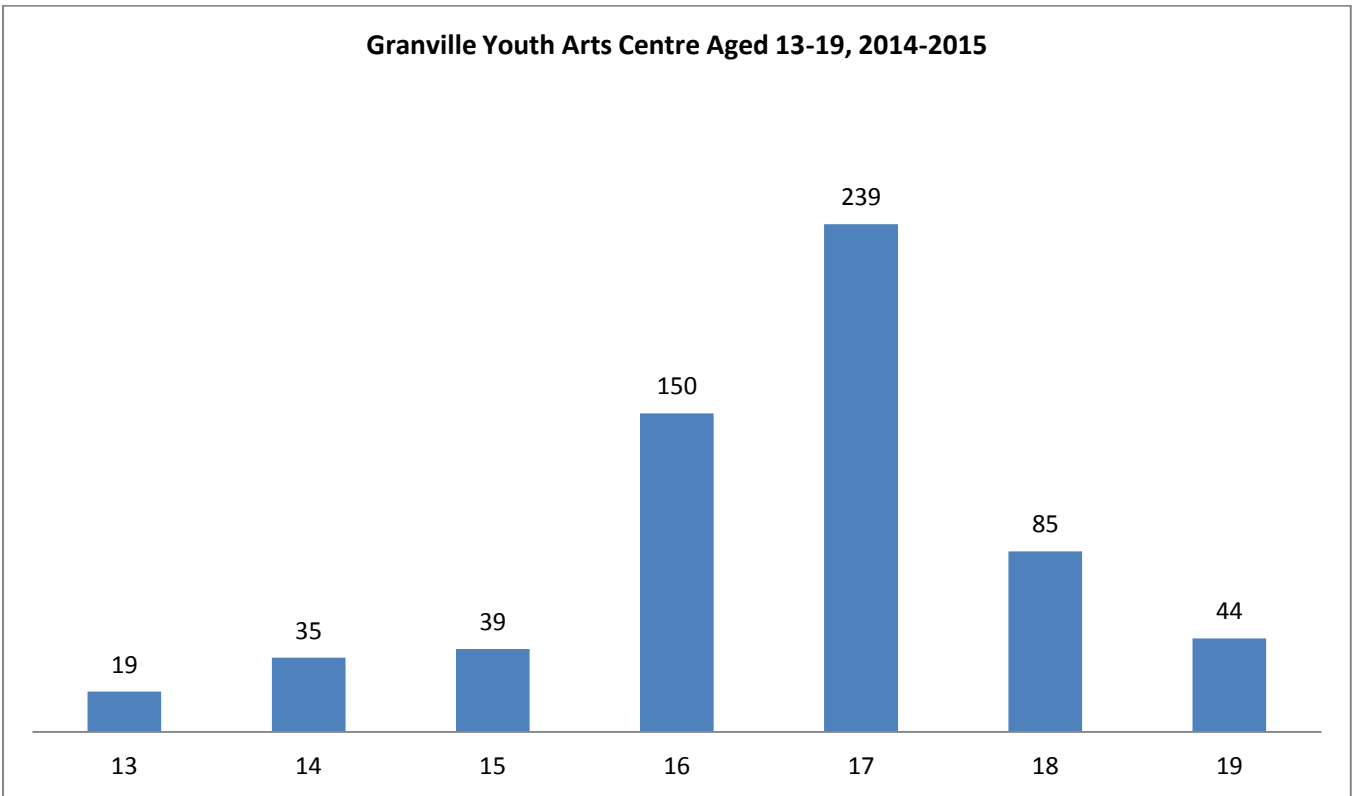
**Brent In Summer** and its associated half-term projects is a universal project and is open to all age groups within the Services' age range. The highest user group were 15 year olds followed by 16 year olds.

### Duke of Edinburgh's Award Aged 13-19, 2014-2015



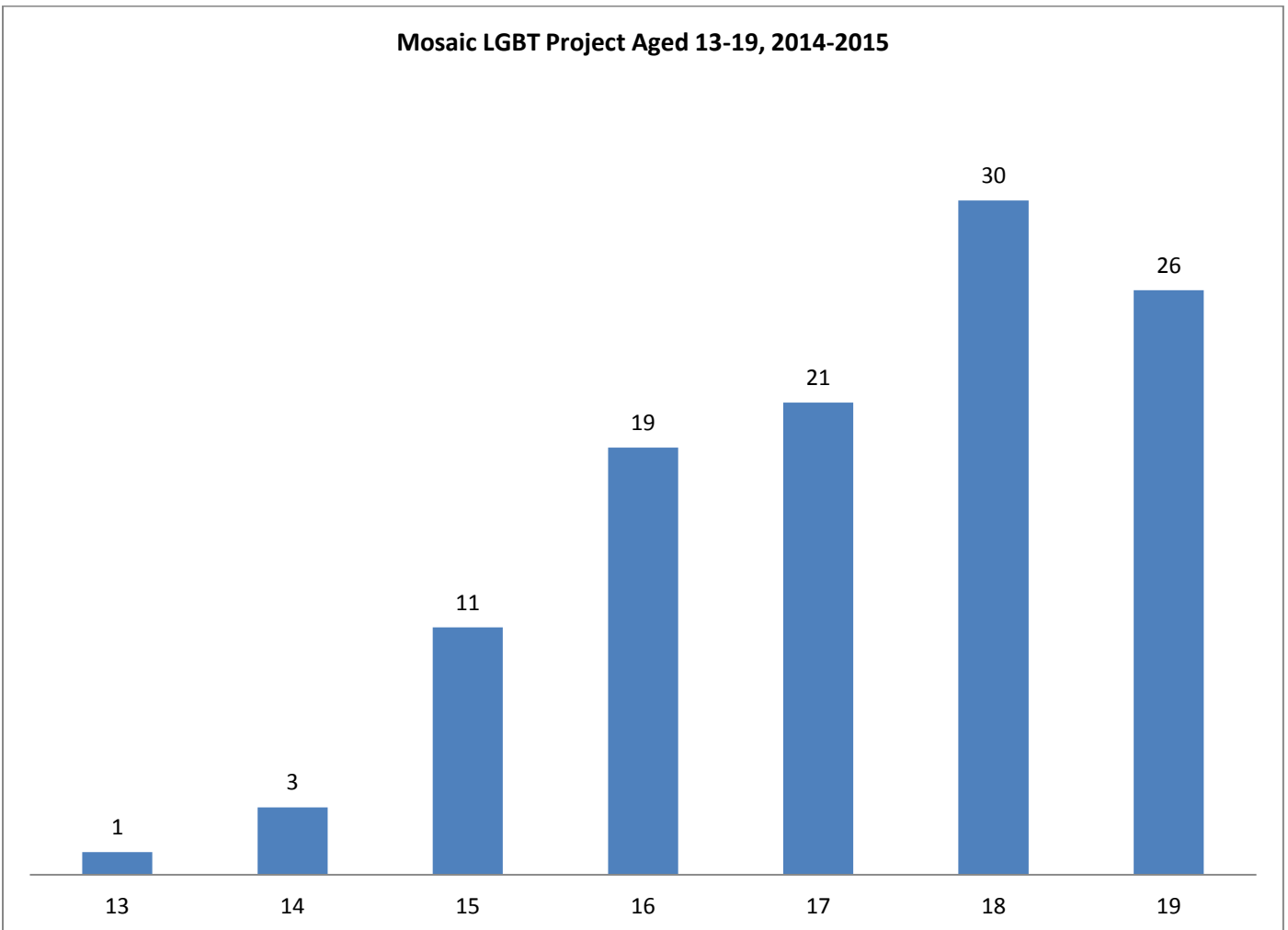
The two highest user groups for the **Duke of Edinburgh's Award** were aged 15 and 16. 78% of the contacts were made via the partnership work done with Brent schools.

**Granville Youth Arts Centre Aged 13-19, 2014-2015**

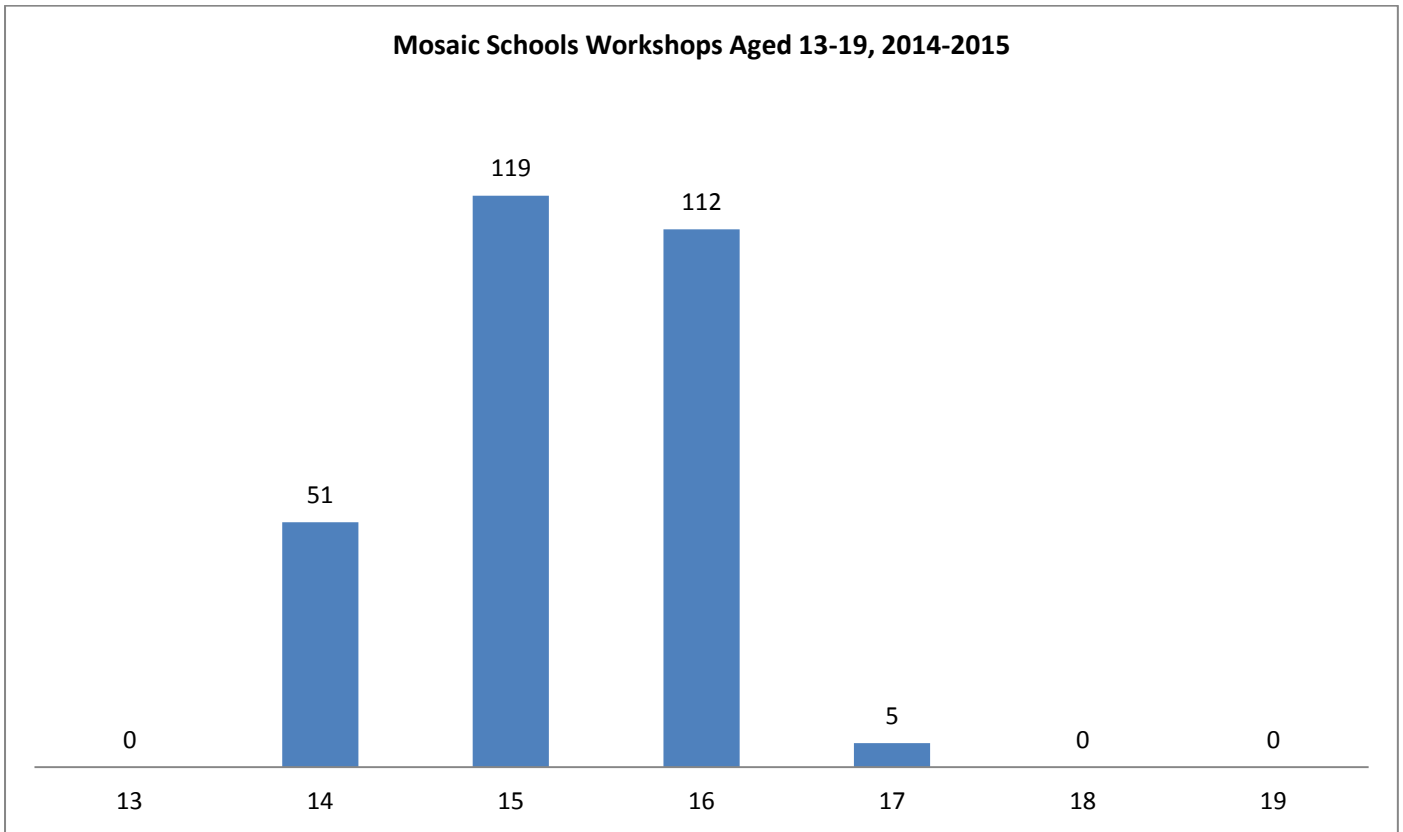


The highest user group who attended **Granville Youth Arts Centre** was aged 17 followed by 16 year olds.

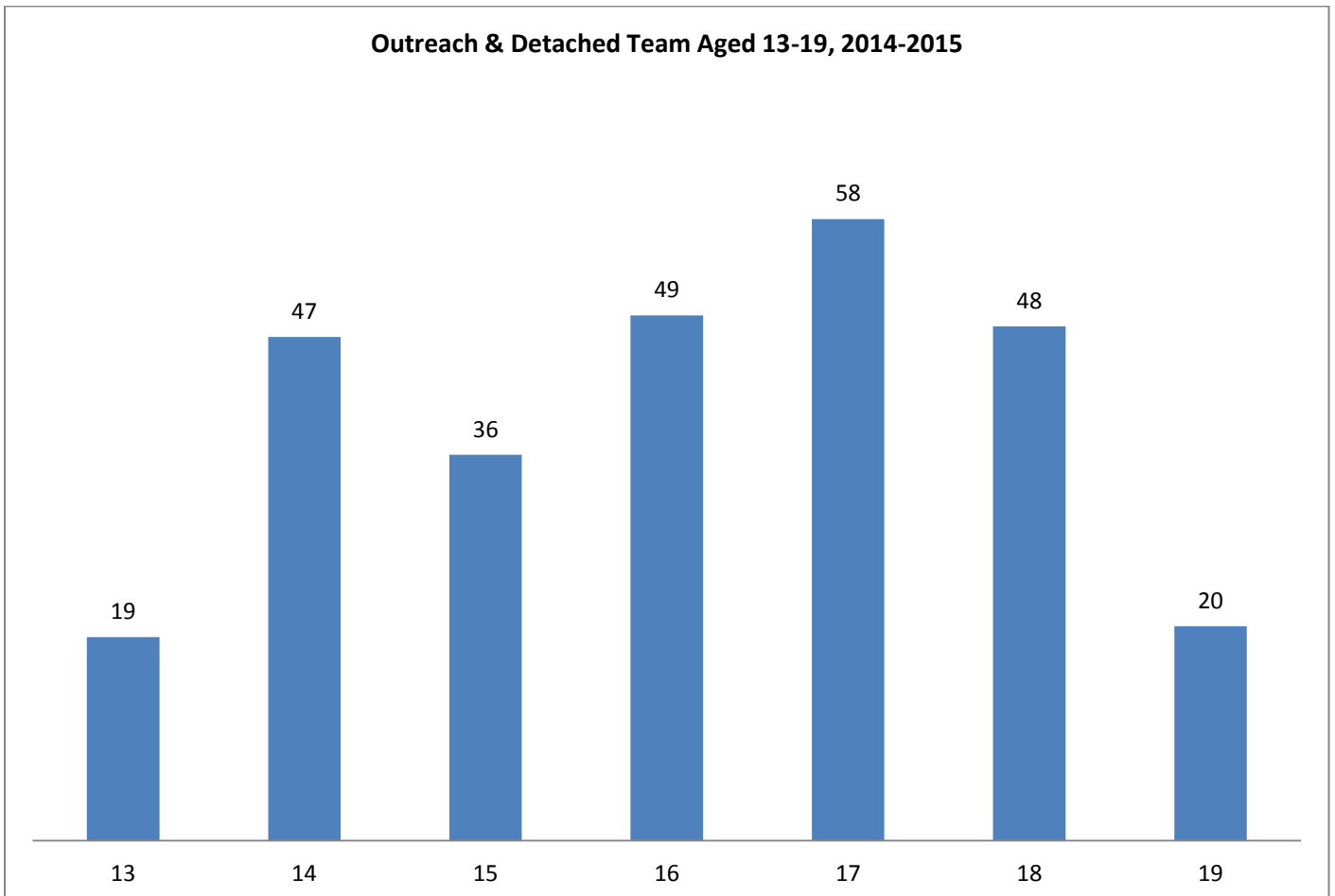
**Mosaic LGBT Project Aged 13-19, 2014-2015**



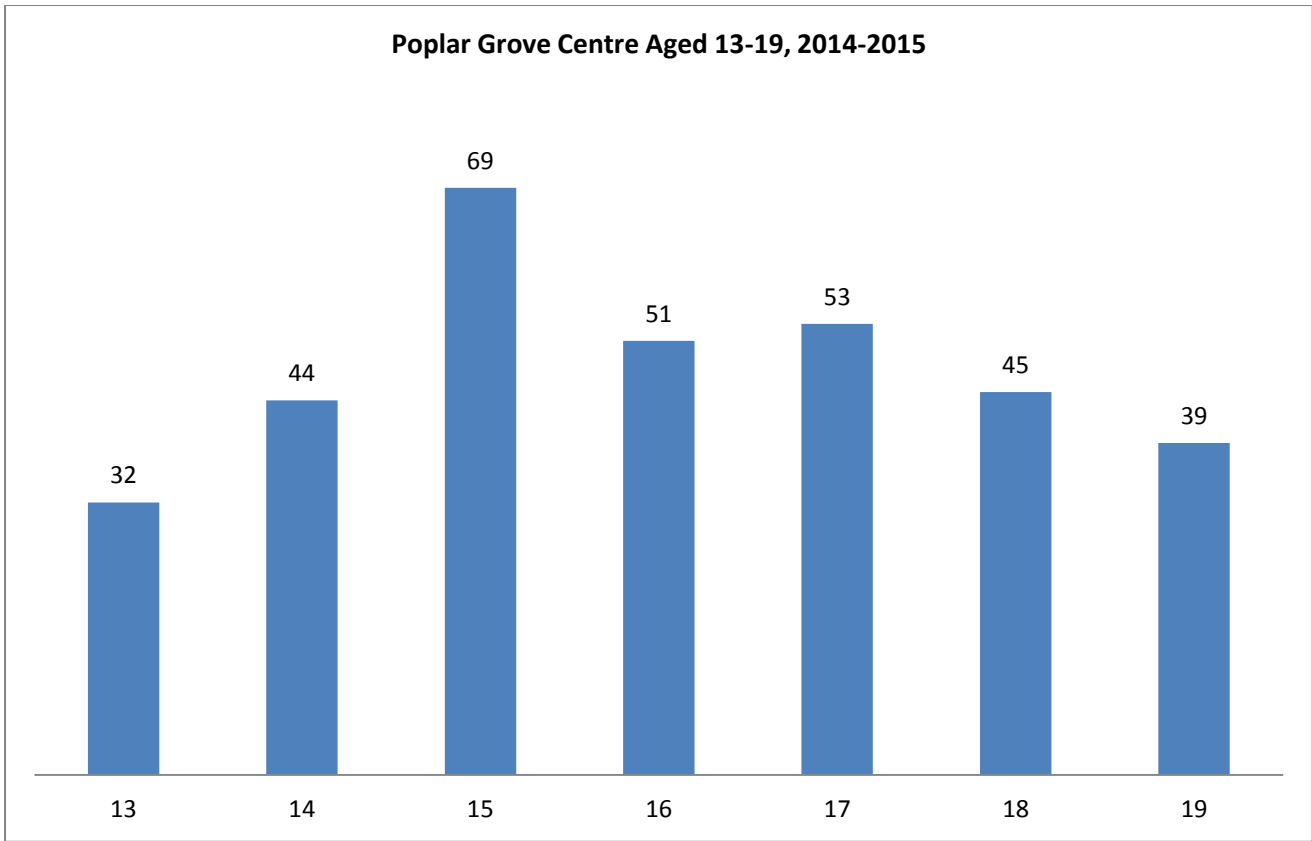
The highest user group at the **Mosaic LGBT Youth Club** were aged 18 and 19. The themes discussed at the project are often not appropriate for younger age groups so the project focusses on the higher age range. In addition to this the project attracts the majority of its users from outside of Brent (77% of attendees live out of the borough).



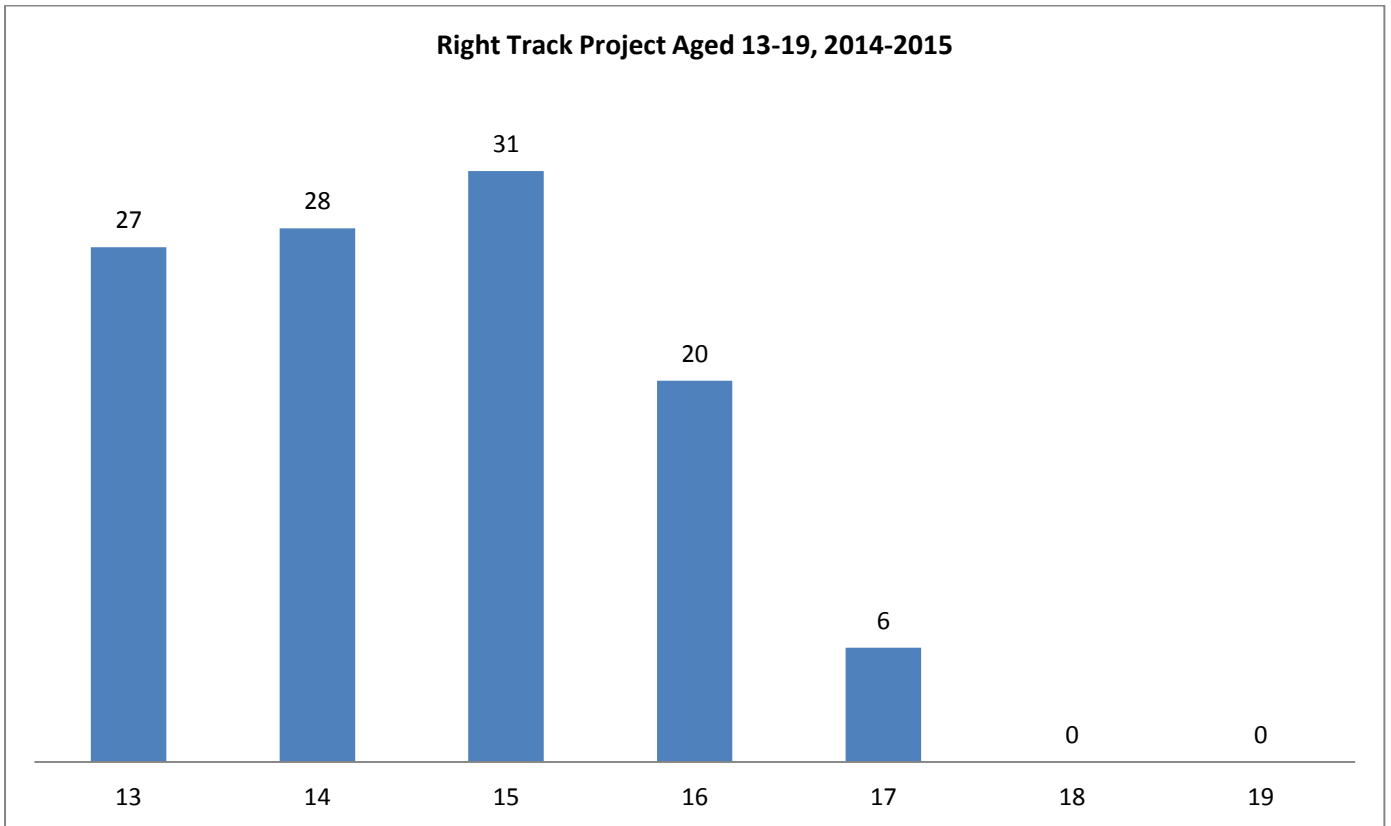
The **Mosaic School Workshops** are delivered in school term time to individual year groups, so as expected the primary ages were 14, 15 and 16 year olds.



The **Outreach and Detached Team** worked fairly evenly across all age ranges between 14 and 18.



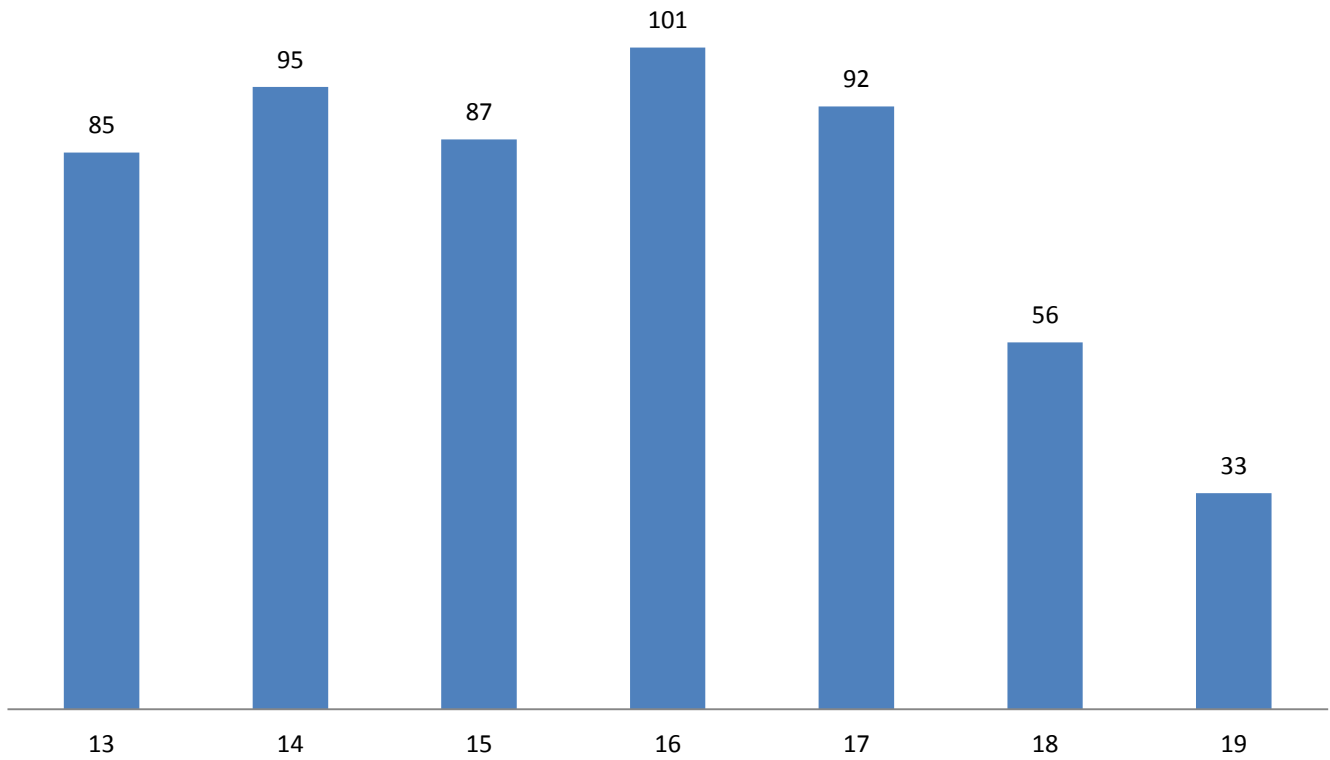
15 year olds formed the largest number of young people attending the **Poplar Grove Youth Centre** but the attendance was quite evenly spread across all age groups.



Due to the nature of the project (taking referrals from schools), as expected the largest user group of the **Right Track Project** is 13-16 year olds.

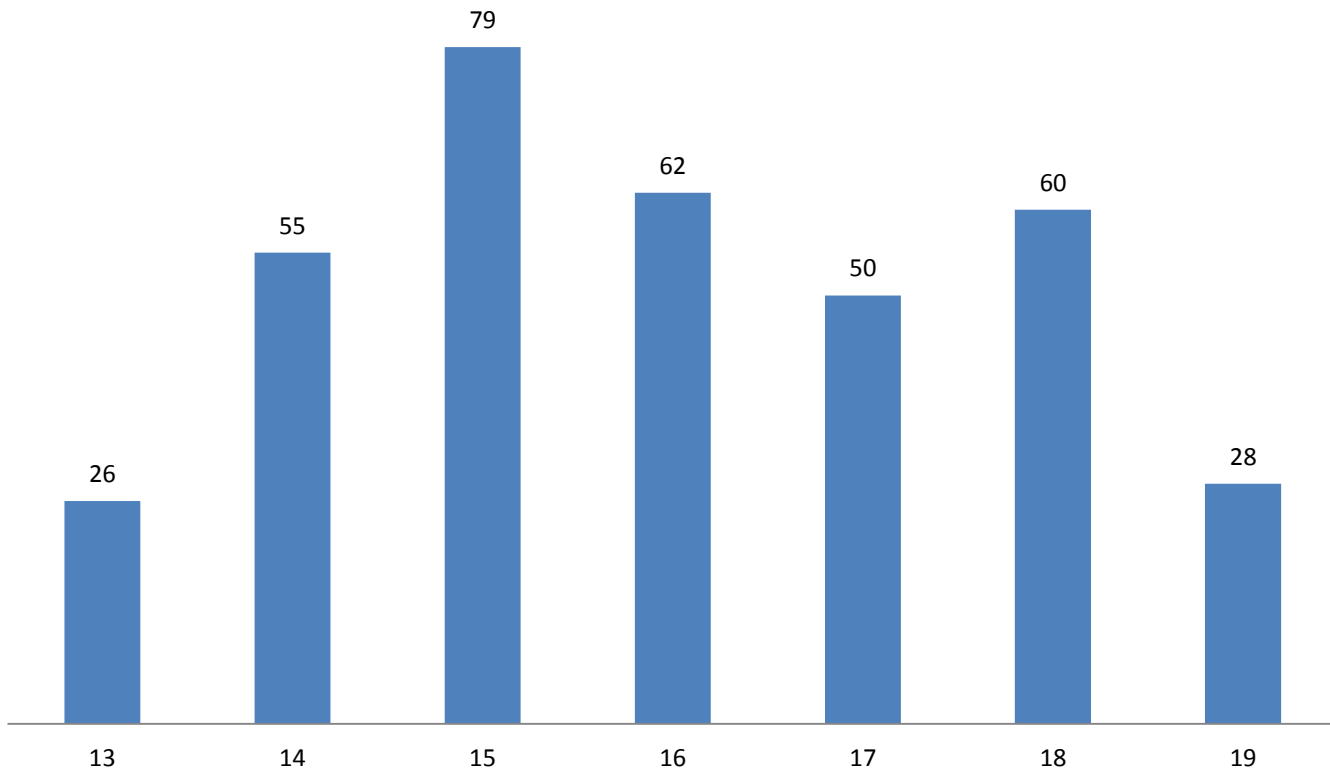


### Roundwood Centre Aged 13-19, 2014-2015



The age range attending **Roundwood Youth Centre** is fairly evenly balanced with a core age range of 13 to 17 year olds.

### Wembley Youth Club Aged 13-19, 2014-2015



**Wembley Youth Club** appears to primarily attract young people who are 14 to 18 with a peak in 15 year olds.

## Disability

The following table taken from the 2011 Census shows the numbers of young people in Brent aged between 10 and 24 who have a disability that limits their everyday activities:

	Age 10 to 14	Age 15 to 19	Age 20 to 24	Total
<b>Day-to-day activities limited</b>	695	749	937	2381

The following table shows a breakdown by Youth Service project of young people who have been identified as having a disability (2014-15):

	13-19	20-24	Others	Total
<b>Brent Eton Summer School</b>	0 (0%)	0 (0%)	0 (0%)	0
<b>Brent In Summer</b>	24 (89%)	3 (11%)	0 (0%)	27
<b>Brent Youth Parliament</b>	1 (100%)	0 (0%)	0 (0%)	1
<b>Duke of Edinburgh's Award</b>	17 (100%)	0 (0%)	0 (0%)	17
<b>Granville Youth Arts Centre</b>	7 (58%)	5 (42%)	0 (0%)	12
<b>Mosaic LGBT Youth Club</b>	3 (100%)	0 (0%)	0 (0%)	3
<b>Mosaic Schools Workshops</b>	25 (100%)	0 (0%)	0 (0%)	25
<b>Outreach &amp; Detached</b>	20 (100%)	0 (0%)	0 (0%)	20
<b>Poplar Grove Youth Centre</b>	14 (54%)	8 (31%)	4 (15%)	26
<b>Right Track Project</b>	10 (100%)	0 (0%)	0 (0%)	10
<b>Roundwood Youth Club</b>	33 (94%)	2 (6%)	0 (0%)	35
<b>Wembley Youth Club</b>	11 (85%)	2 (15%)	0 (0%)	13
<b>Total</b>	137 (85%)	20 (12%)	4 (3%)	161

The 161 young people attending with a disability can be categorised as follows (in line with Brent's diversity monitoring guidelines) as follows:

	Learning or Developmental Disabilities										Long Term Illness								Mental Health Condition					Physical Impairment	Total	
	Learning Diff - Mild	Learning Diff - Moderate	Learning Diff - Severe	Learning Diff - Specific	Learning Difficulty or Disability	Asperger's	Autism	Dyslexia	Attention Deficit Hyperactive Disorder (ADHD)	Attention Deficit Syndrome	Asthma - Mild	Blind	Blood Disease/Disorder	Cerebral Palsy	Facial Disfigurement	Health may affect work choice	Neuro-Muscular Disorders	Speech and Language Disorder	Epilepsy - Mild	Sickle Cell	Anxiety	Emotional/Behavioural Difficulties	Mental Health Issue			Mental Illness
BIS	0	18	1	0	2	0	0	0	1	0	0	1	0	0	0	0	3	0	0	1	5	0	1	0	0	27
Brent Youth Parliament	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	1
Duke of Edinburgh's Award	0	15	0	0	1	0	1	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	17
Granville	1	4	2	1	0	1	1	0	0	0	1	0	0	0	0	0	1	0	0	1	3	0	1	0	0	12
Mosaic LGBT Youth Club	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3	1	0	0	0	3
Mosaic Schools	0	20	0	1	1	0	1	0	0	0	0	0	0	0	0	0	2	0	0	0	0	0	0	0	0	25
Outreach	0	10	0	1	2	0	3	1	1	1	0	0	0	0	0	0	0	0	0	0	3	0	0	0	1	20
Poplar Grove	1	13	0	0	0	0	3	2	1	0	0	1	0	1	2	0	2	1	1	0	5	0	0	1	0	26
Right Track	0	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10
Roundwood	1	25	2	0	4	0	2	0	1	0	0	0	1	0	0	1	4	0	0	0	3	0	0	0	0	35
Wembley	0	9	0	1	3	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	0	0	0	13
<b>Total</b>	<b>3</b>	<b>103</b>	<b>4</b>	<b>5</b>	<b>10</b>	<b>1</b>	<b>10</b>	<b>3</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>23</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>161</b>

**Note:** A young person may be identified as having more than one disability.

The actual number of young people with a disability accessing the Service is thought to be higher than the table above indicates however the Service has not actively collated or recorded the information on the Integrated Youth Support System (IYSS).

It should be noted that the source the data in the tables above cannot necessarily be attributed to the Youth Service. For example the records of each young person can be updated by the school data received, Connexions and Prospects Personal Advisors and across multiple boroughs.

## Gender identity and expression

In the year 2014-15 three young people accessing the Youth Service Mosaic LGBT Youth Club identified their gender as Transgender. Transgender young people did not access any other provision within the Service.

Self-harm and depression is more common in Lesbian, Gay, Bisexual and Transgender (LGBT) youth<sup>8</sup>; 56% of LGBT young people deliberately harm themselves<sup>9</sup>. Depression is likely to be suffered by 5% of all children and young people<sup>10</sup>, but LGBT rates are much higher: 29% of LGBT boys and 49% of LGBT girls are likely to suffer from depression<sup>11</sup>.

Stonewall estimates that the LGBT population is 5% to 7% of the total United Kingdom population.

## Marriage and civil partnership

The service does not actively collate or record this information. However, in 2012 between January and May, the forced marriage unit advised 594 cases related to forced marriage. Cases from London accounted for 20.9% of all cases; 14% of all calls involved victims under the age of 15<sup>12</sup>. The countries of origin varied, with the highest percentage of cases from Pakistani (46%) and Bangladeshi (9.2%) backgrounds, and a smaller number from the UK (8.7%), India (7.2%) and Afghanistan (2.7%)<sup>12</sup>. In 2012/13 30 cases of forced marriage were identified in Brent by social services; the Asian Women's Resource Centre and Brent MET Police<sup>13</sup>.

## Pregnancy and maternity

Brent has low levels of teenage pregnancy, and rates of Chlamydia similar to the London average. Brent does have a number of young women at risk of Female Genital Mutilation (FGM).

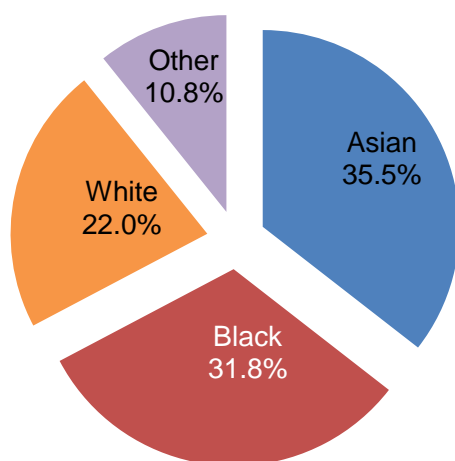
### **Teenage Pregnancy**

In 2012, the conception rate for under 16s, 2.8 per 1,000 population was similar to the rate for London, 4.4 per 1000 population and significantly lower than the rate for England, 5.6 per 1000 population<sup>15</sup>. This rate has decreased from 6.6 per 1,000 population in 2010<sup>15</sup>. The rate for under 18s was 19.6 per 1,000 population, significantly lower than both London (25.9 per 1,000) and England (27.7 per 1,000)<sup>15</sup>. The under 18s conception rate leading to abortion was 52.9%, similar to both London (62.2%) and England (49.1%)<sup>15</sup>.

Teenage pregnancy data is not routinely collected and recorded by the Youth Service. However, where this data has been available **4 young people were recorded as being a teenage parent**. Two of the young people were **aged 14 and two aged 17**. Their ethnicities are varied (White British, Other Black Background, Other Mixed Background and Black Other).

## Race

Brent's young population (aged 13-19) is ethnically diverse, with 36% of young people coming from Asian backgrounds, 32% coming from black backgrounds, and 22% from white backgrounds. There are over 113 languages spoken by the young people of Brent.



<sup>8</sup> Between the ages of 11 and 19

<sup>9</sup> Stonewall report: The School Report: The experiences of gay young people in Britain's schools in 2012

<sup>10</sup> National Institute of Clinical Excellence (NICE)

<sup>11</sup> Stonewall Health Briefing

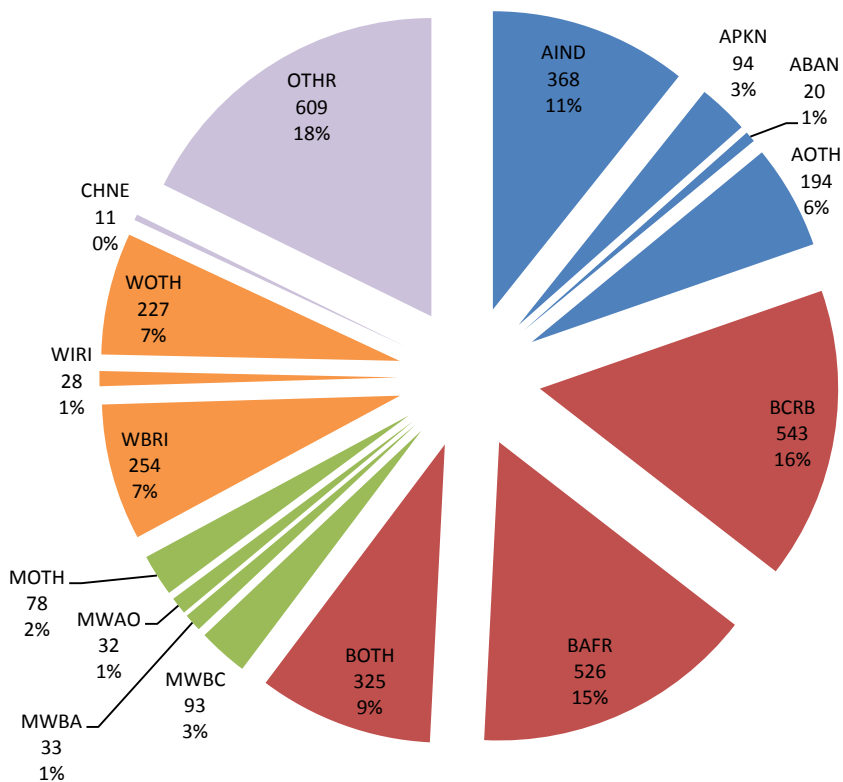
<sup>12</sup> World Health Organisation (WHO)

<sup>13</sup> Tackling violence against women and girls in Brent, an overview of the scrutiny task group report March 2014

Data from the Integrated Youth Support Services database indicates that there will be a disproportionate impact on young people from Black ethnicities (Black Caribbean, Black African and Black other’).

41% of users of youth service provisions overall are from Black ethnicities, 20% are Asian, 18% ‘Other’ which includes Chinese heritage groups and not known’ or to be verified, 15% white and 7% dual heritage. The chart below shows ethnic groups accessing Youth Service provision a further chart provides the breakdown of ethnicity by project.

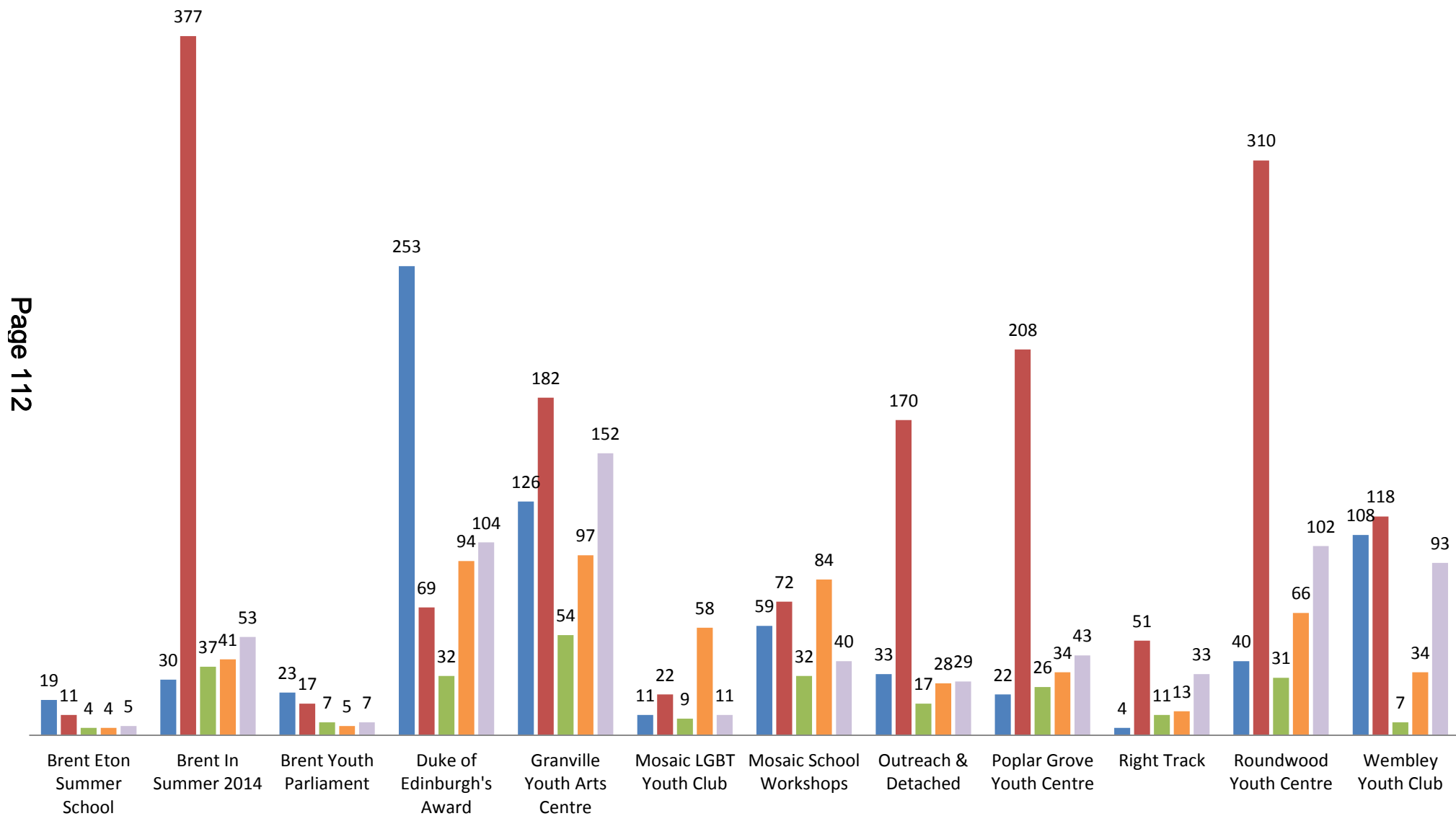
**Youth Service Ethnicity Chart, Aged 13-19 (2014-15)**



The following chart gives an overall summary of the different ethnicities attending each project.

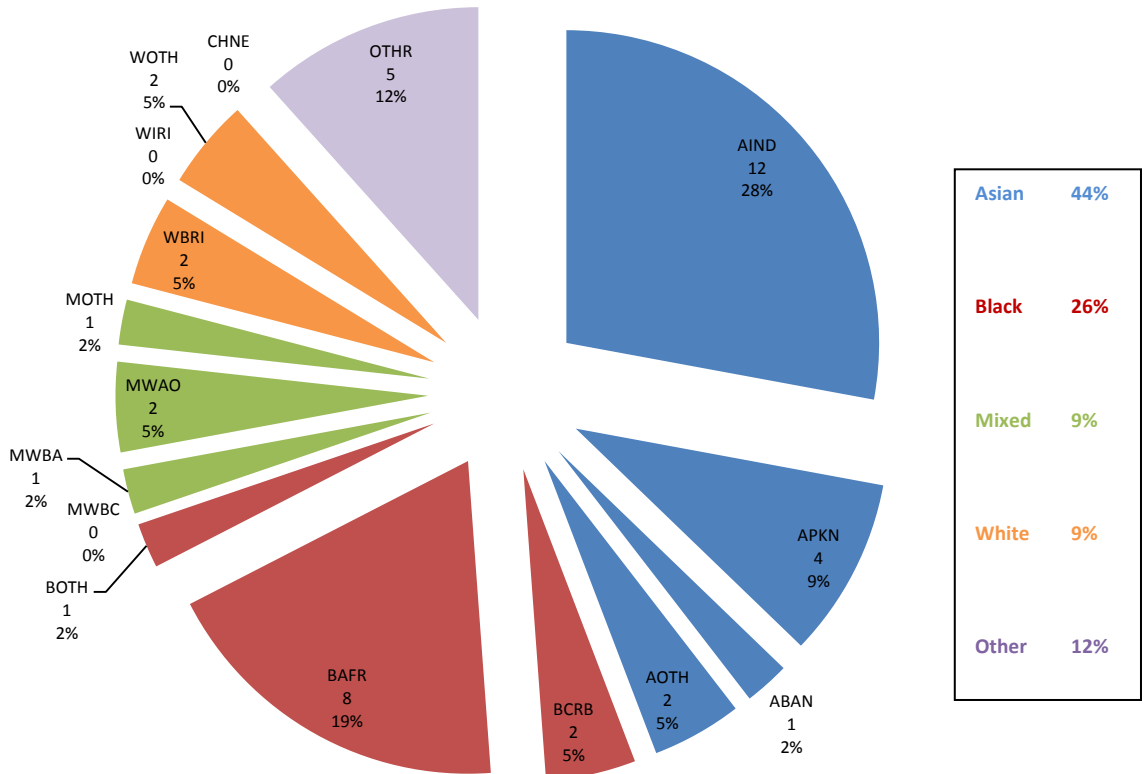
### Youth Service Ethnicity Breakdown of Projects Aged 13-19, 2014-15

■ Asian ■ Black ■ Mixed ■ White ■ Other

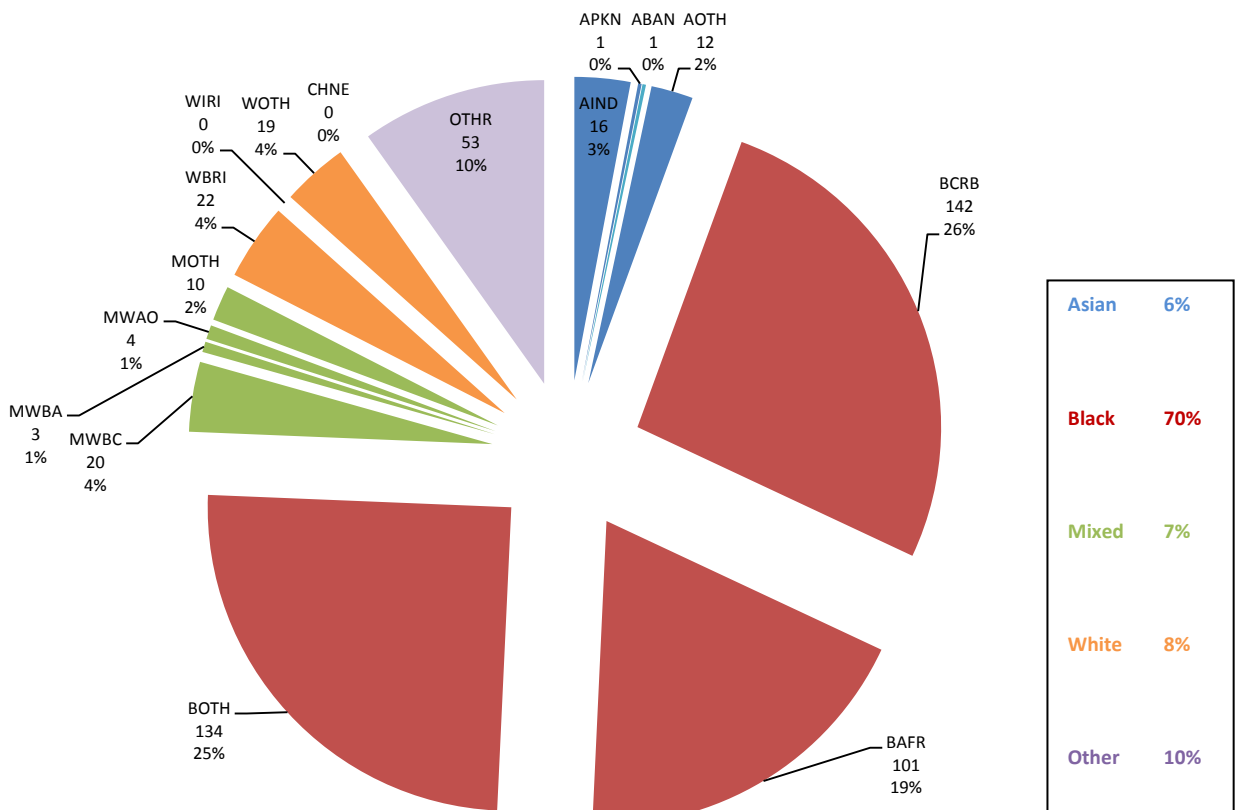


A breakdown each projects ethnicity breakdown follows.

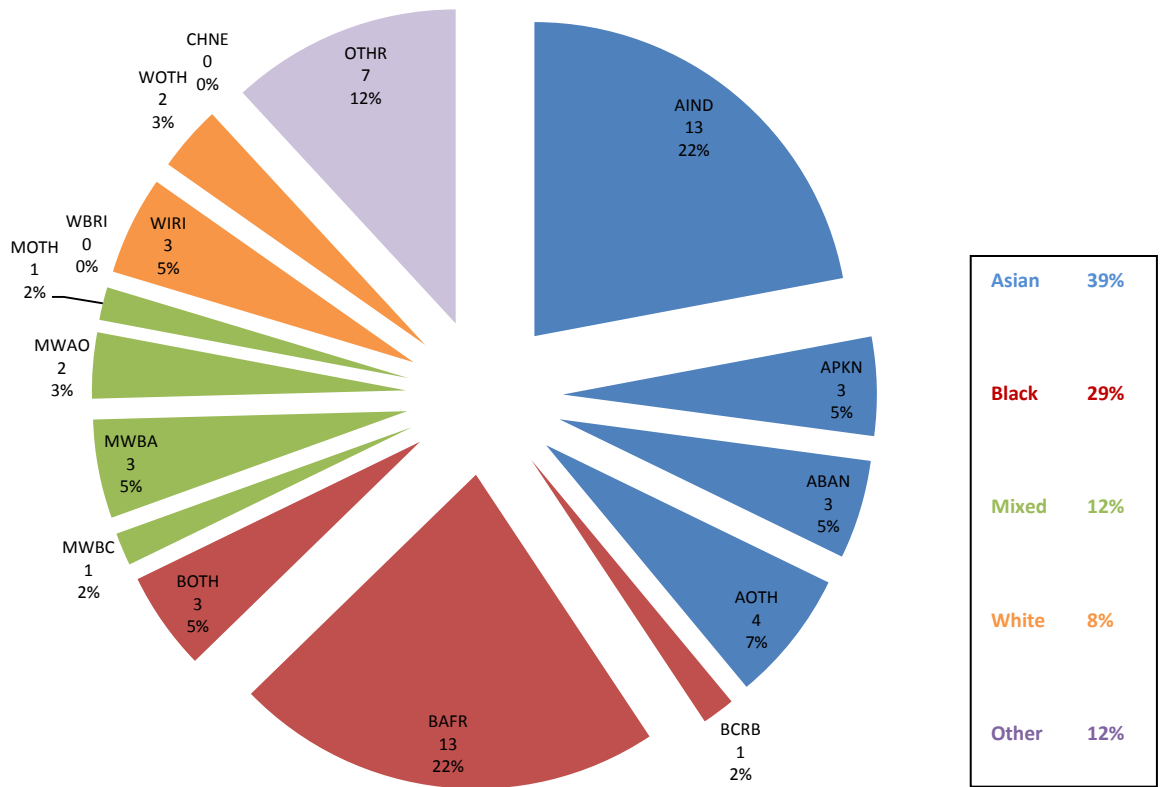
### Brent Eton Summer School Ethnicity Breakdown Aged 13-19, 2014-15



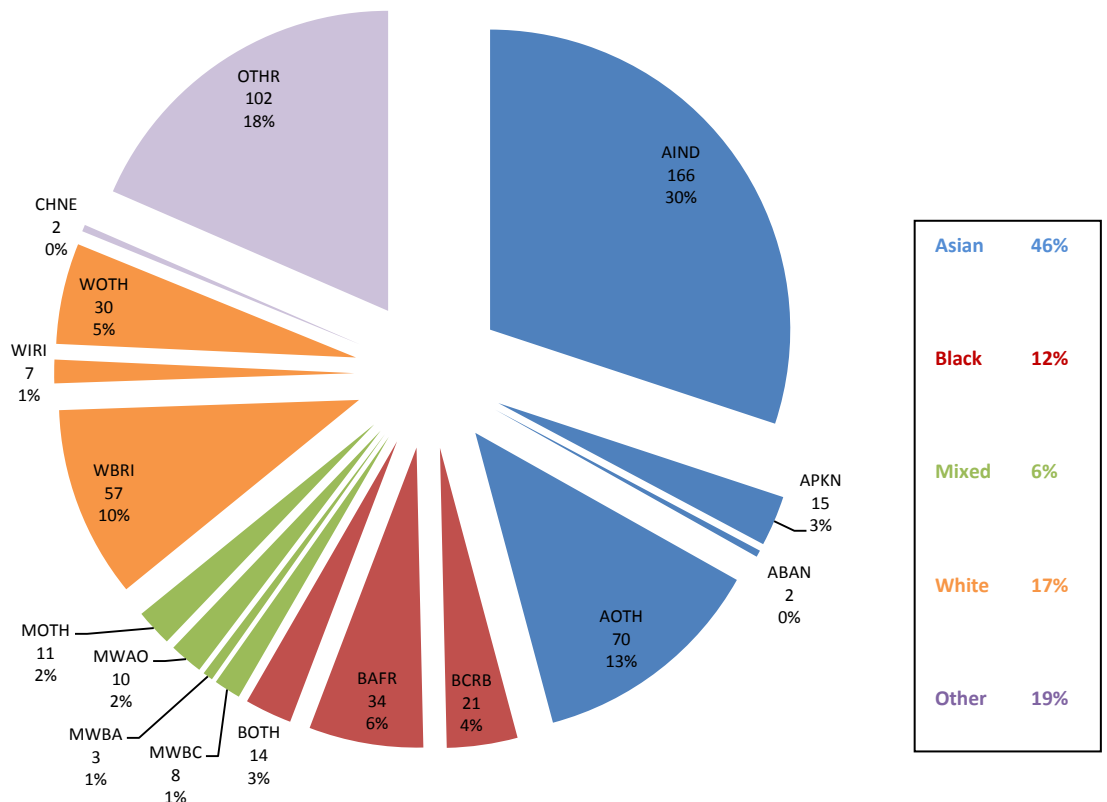
### Brent In Summer 2014 Ethnicity Breakdown Aged 13-19, 2014-15



### Brent Youth Parliament Ethnicity Breakdown Aged 13-19, 2014-15

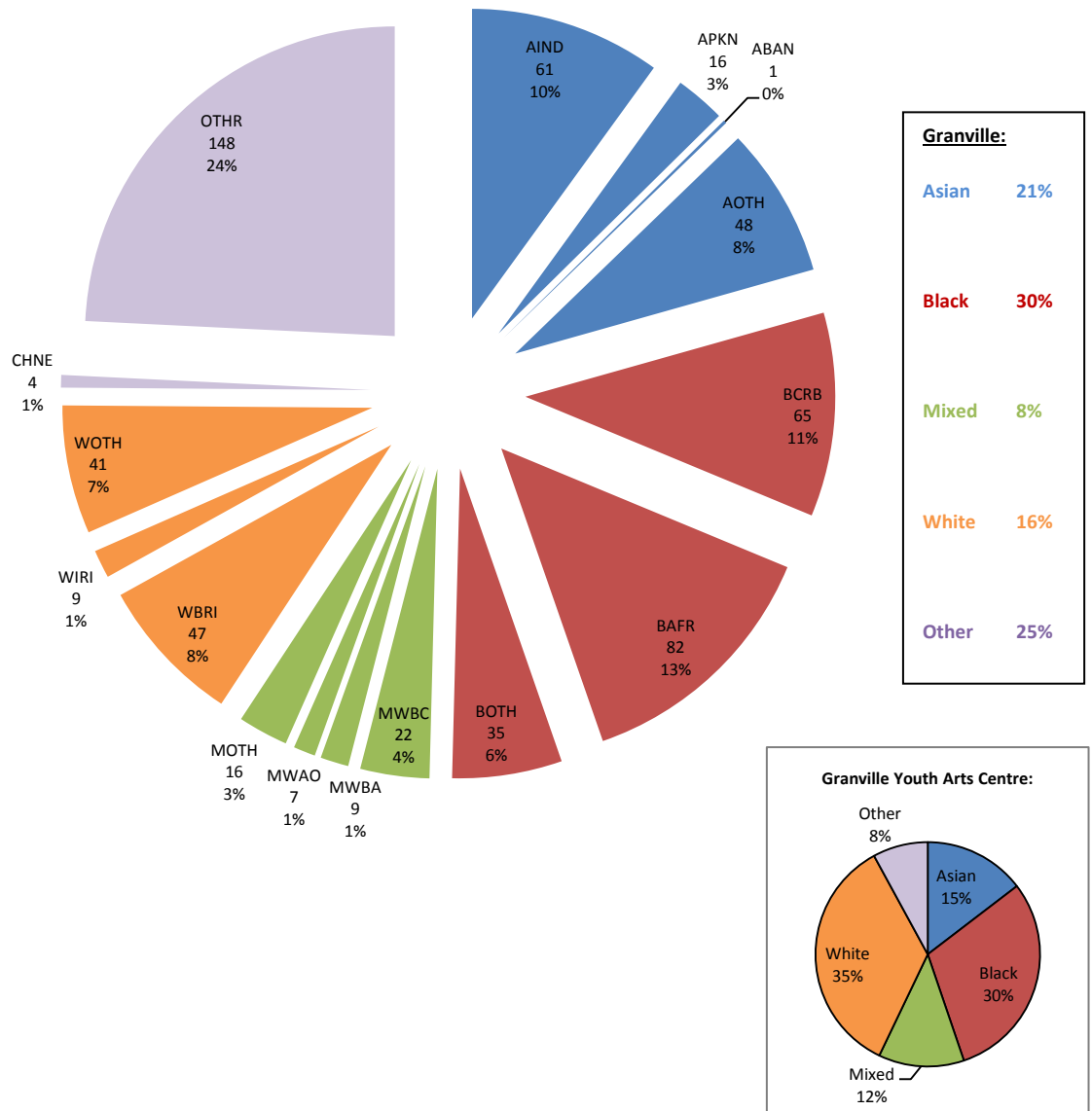


### Duke of Edinburgh's Award Ethnicity Breakdown Aged 13-19, 2014-15





## Granville Youth Arts Centre Ethnicity Breakdown Aged 13-19, 2014-15



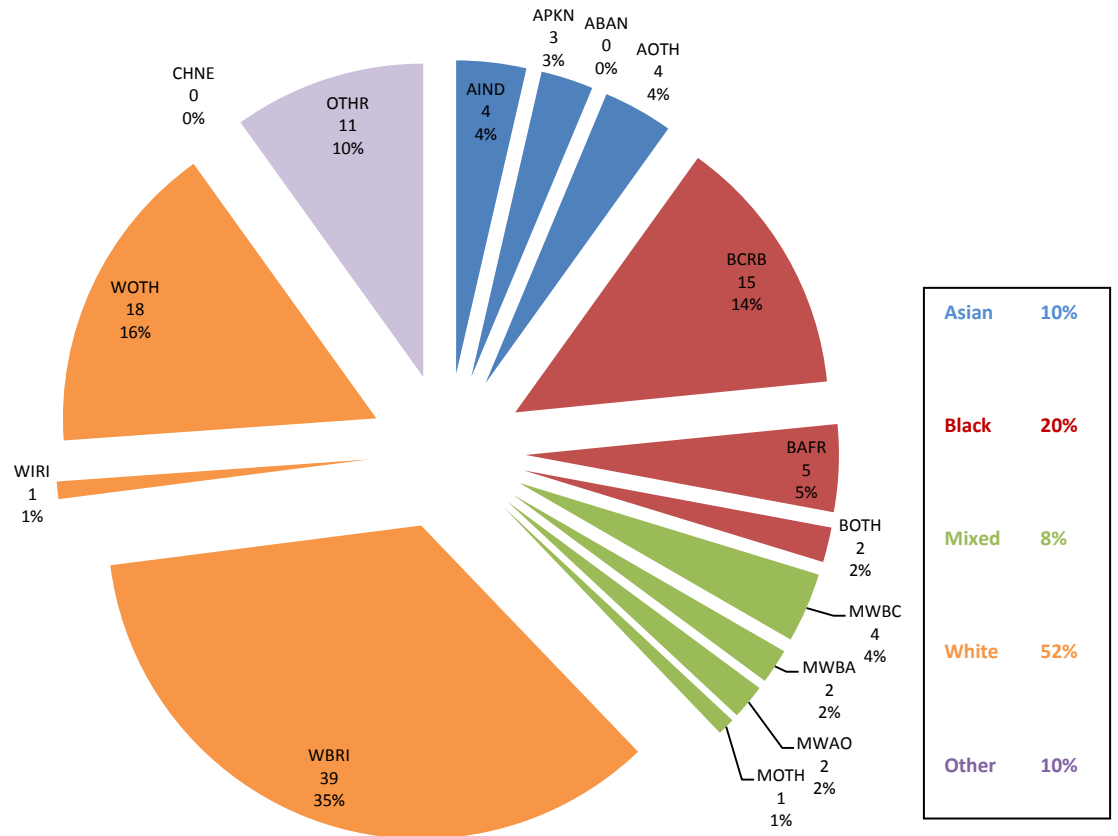
The smaller chart above shows the combined ethnic breakdown for young people aged 15-19 for the two immediate wards that the centre is located in, Kilburn and neighbouring Queens Park.

Comparing the two charts shows that the centre is largely representative of the population of the immediate area.

Lower attendance of young people from a White background can probably be attributed to the large White population in Queens Park which is typically more affluent and young people in this ward could be less likely to visit the estate and attend the centre due to alternative options.

It should be noted that the centre sits on the boundaries of Brent, Camden and Westminster. Kensington & Chelsea and Hammersmith & Fulham also lie not far to the south west of the centre. An analysis of the ethnic breakdowns of these boroughs has not been included in this report. 43 per cent of all contacts made by the Granville Centre were from a borough other than Brent.

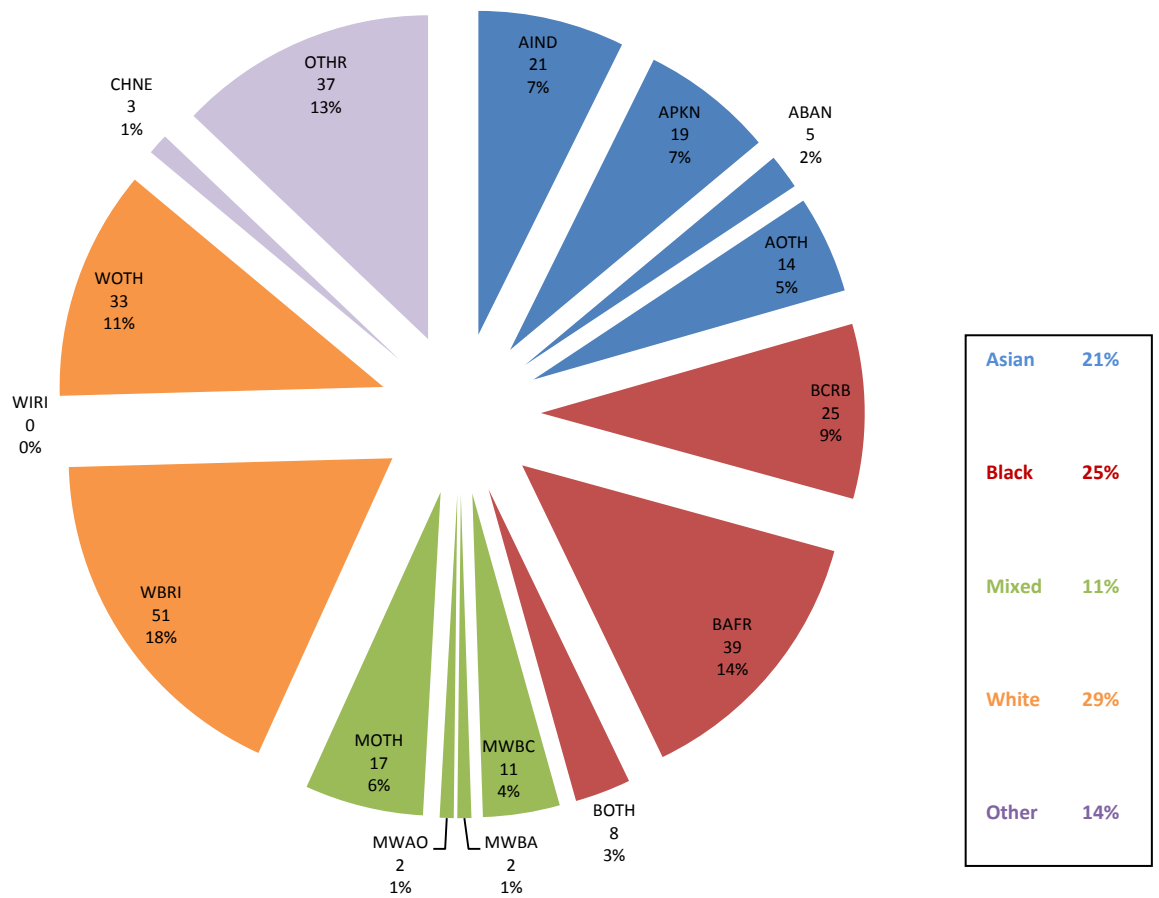
### Mosaic LGBT Youth Club Ethnicity Breakdown Aged 13-19, 2014-15



White young people make up over 50% of the attendees to the Mosaic LGBT Youth Club. Based on Brent's population this would suggest that other ethnic groups are under-represented with perhaps the exception of Black young people. Asian young people appear to be the most under-represented group here.

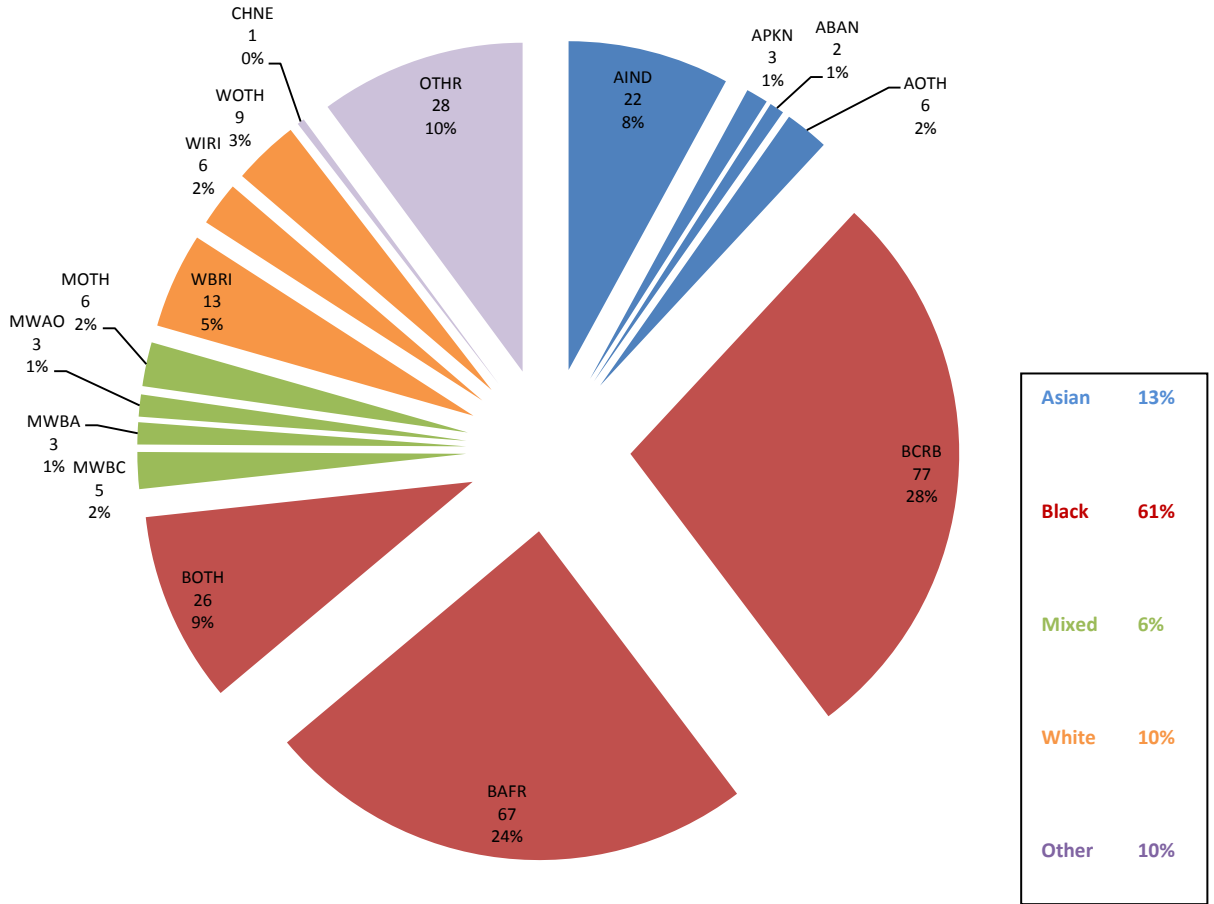
However, the majority of Youth Club attendees were not actually Brent residents (77% live in a Borough other than Brent) so it is unsurprising that the project's ethnic makeup does not match that of Brent's. Broader cultural, religious and social issues may also explain why particular ethnicities do not attend the club.

### Mosaic School Workshops Ethnicity Breakdown Aged 13-19, 2014-15

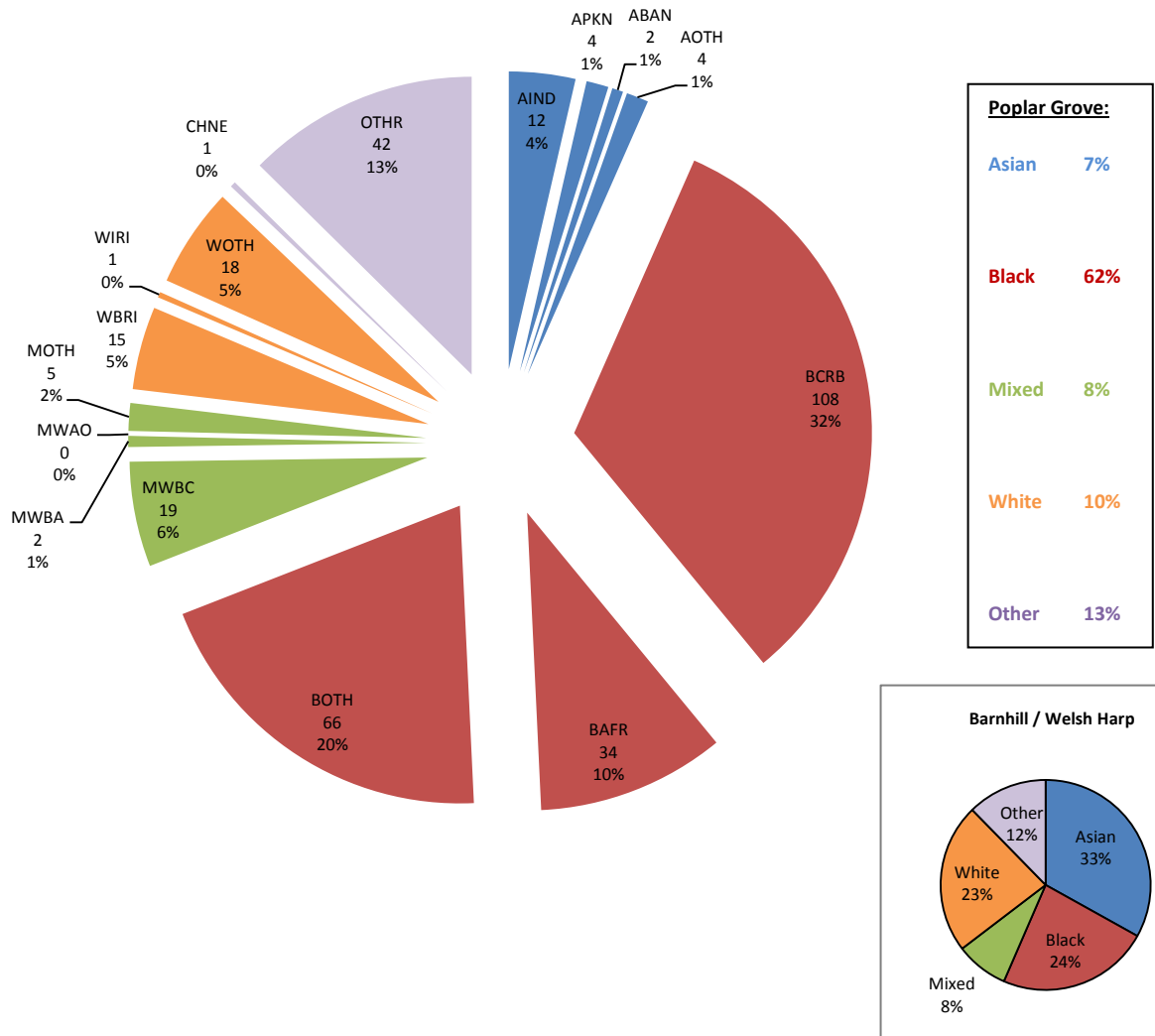


As these workshops are delivered to pupils in school during term time, as expected the ethnic distribution is largely in line with the borough profile.

### Outreach & Detached Ethnicity Breakdown Aged 13-19, 2014-15



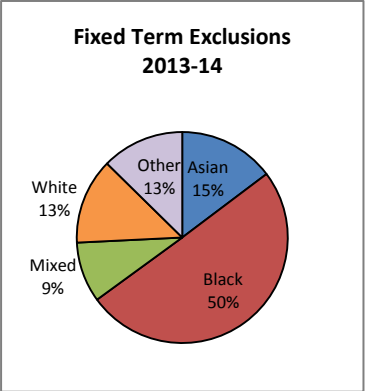
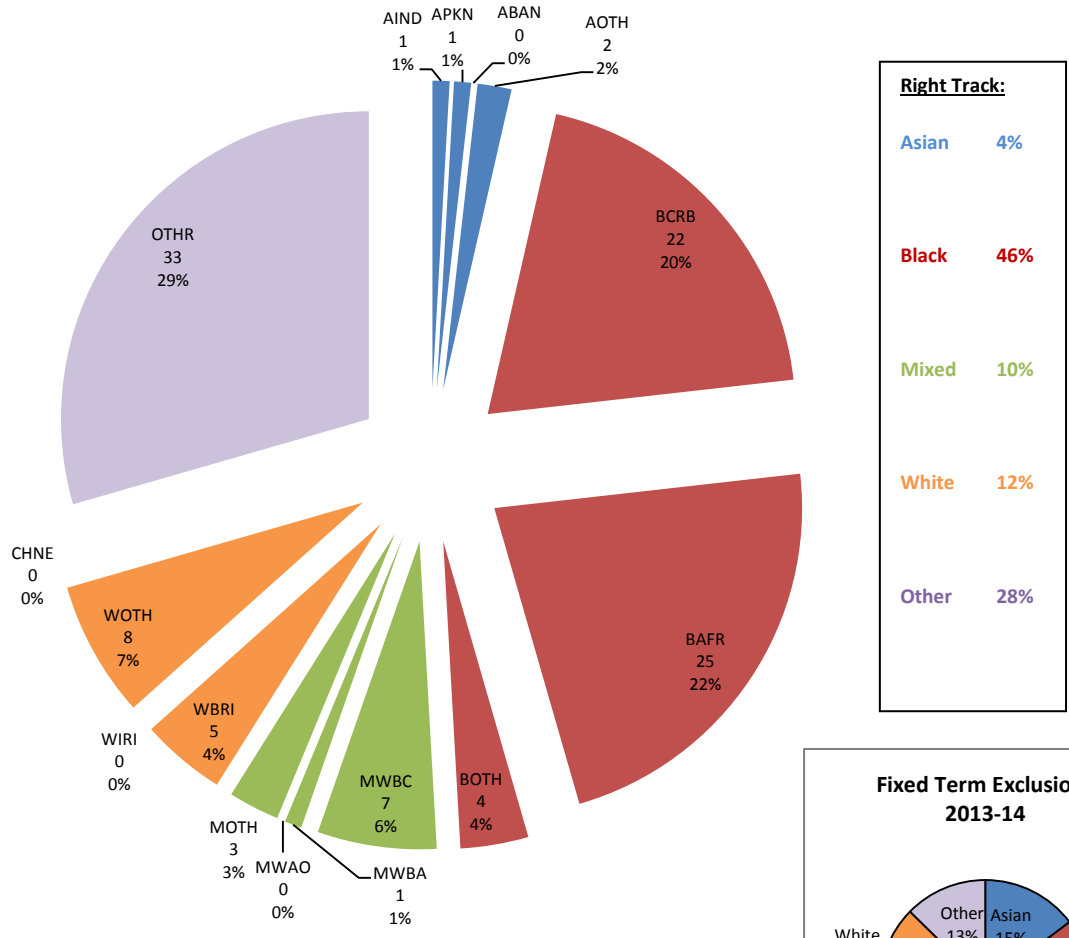
## Poplar Grove Youth Centre Ethnicity Breakdown Aged 13-19, 2014-15



Geographically the centre sits on the border between Barnhill and Welsh Harp. Specifically it is on the eastern edge of the Chalkhill estate. **The ethnic breakdown of young people aged 15-19 in the two immediate wards is illustrated in the smaller chart above.** The centre attracts a high proportion of Black young people; compared to the wider population of the area, Asian and White young people are under-represented.

Some activities could resonate more with particular ethnic groups within the community e.g. Caribbean cookery, urban dance and Black History events. It is also likely that the centre mainly attracts take-up from the Chalk Hill Estate. The population of the estate is not available for analysis as part of this report but traditionally the estate has had a large Black community. However, the largest numbers of attendees aged 13-19 at the club live in Barnhill (12%), followed by Stonebridge (7%) and then Fryent, Preston, Tokyngton and Preston (6% each).

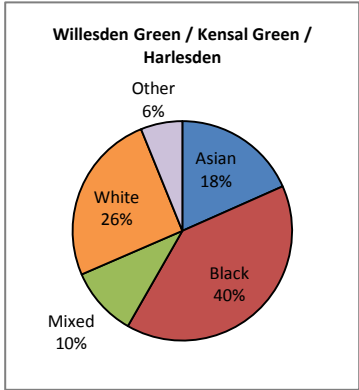
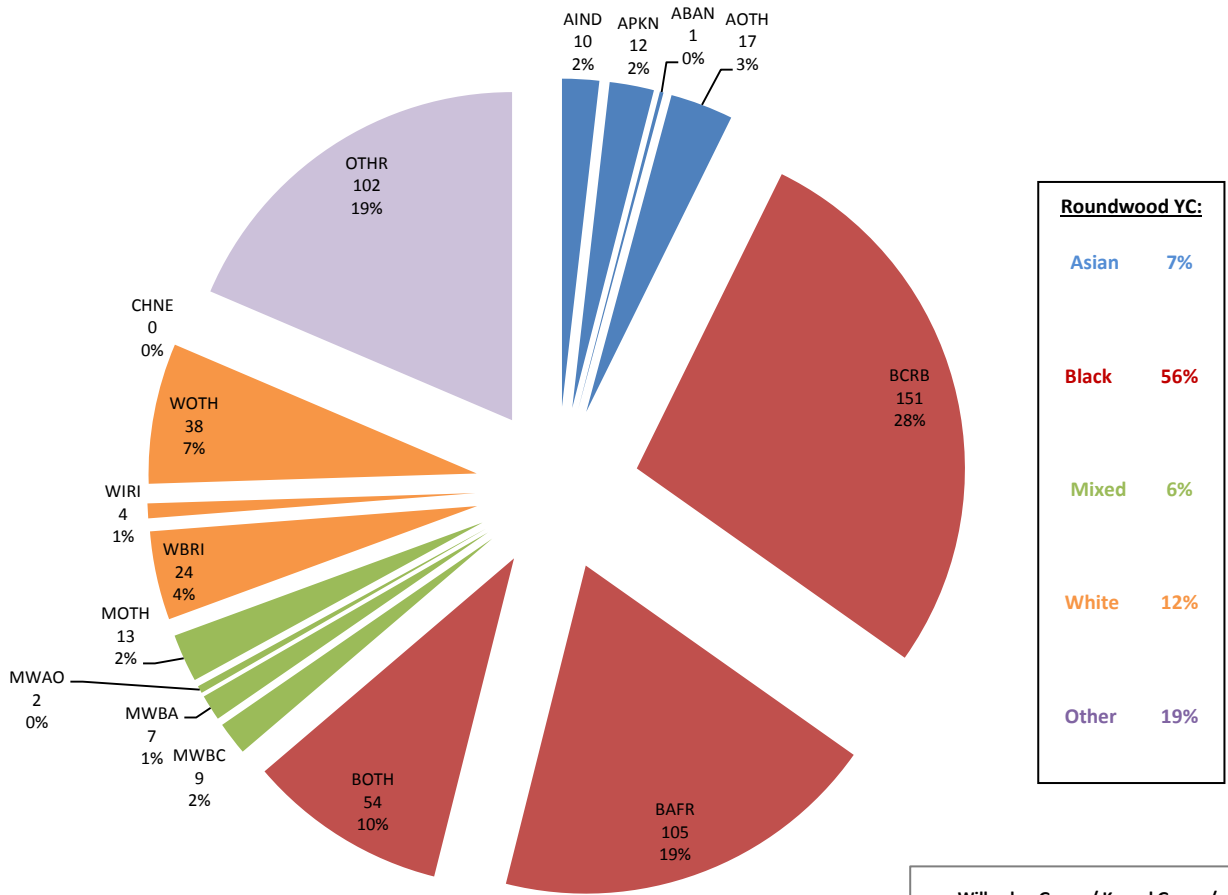
### Right Track Ethnicity Breakdown Aged 13-19, 2014-15



The latest complete fixed exclusion data available at the time of writing this report pertains to 2013-14.

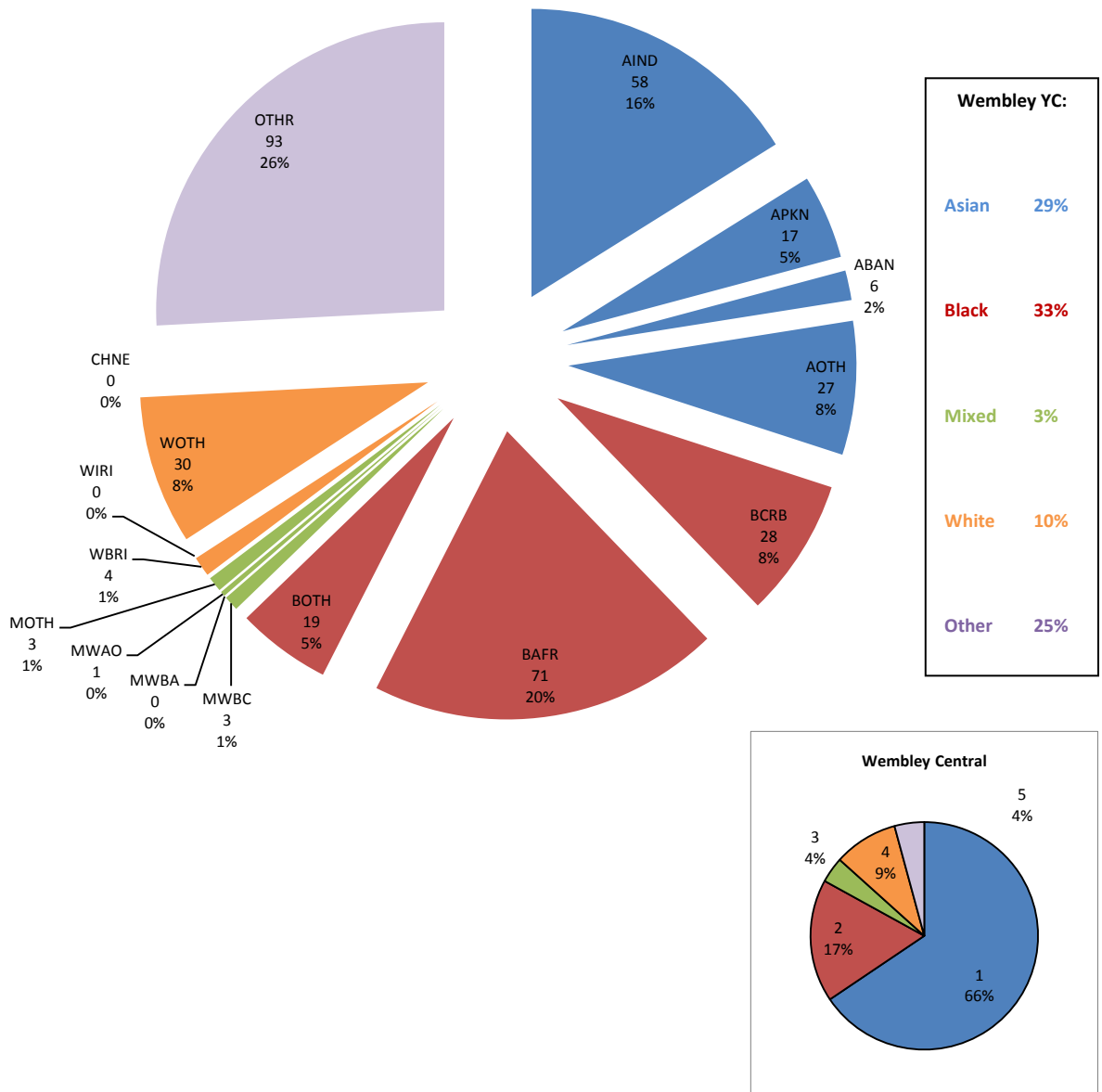
As would be expected, it is clear that referrals to the Right Track project are almost directly in line with the ethnicity profile of those young who have received a fixed-term exclusion.

### Roundwood Youth Centre Ethnicity Breakdown Aged 13-19, 2014-15



Roundwood Youth Club is sited on the borders of Willesden Green, Kensal Green and Harlesden. The attendance at the club reflects this with 19% of young people attending living in Harlesden, 10% in Kensal Green and 8% living in Willesden Green. 14% of attendees lived in the Stonebridge ward which adjoins Harlesden to the west. Together, these four wards represent 51% of all attendees in 2014-15. **The smaller chart above shows the ethnicity breakdown of young people aged 15-19 for the 3 wards in the immediate vicinity of the club (Willesden Green, Kensal Green and Harlesden).** The two profiles show a close correlation.

## Wembley Youth Club Ethnicity Breakdown Aged 13-19, 2014-15



Geographically Wembley Youth Club sits in the middle of Wembley Central ward. It is situated at the bottom of London Road which is approximately 600metres from Wembley High Road. The club attracts young people from Asian and Black backgrounds in almost equal measure. The representation of young people from a White back is much less marked.

**The smaller chart above represents the ethnic breakdown of young people aged 15-19 in the Wembley Central ward.** However, 11% of young people who attended lived in the ward. Young people from 4 wards to the south and the east of the club make up the next largest contingent of young people: young people from Tokyngton ward represented 12% of attendees, Stonebridge 10%, Alperton 8% and Harlesden 8%. It is likely that the young people visiting the club from Stonebridge and Harlesden increase the proportion of Black attendees.



## Religion or belief

The following data derived from the 2011 Census shows that the Christians, Muslims and Hindus are the 3 largest faith groups in Brent amongst people aged between 10 and 17:

	Age 10 to 15	Age 16 to 17	Total
<b>Christian</b>	8,159	2,899	11,058
<b>Buddhist</b>	211	82	293
<b>Hindu</b>	3,193	1,189	4,382
<b>Jewish</b>	138	40	178
<b>Muslim</b>	6,869	2,226	9,095
<b>Sikh</b>	98	52	150
<b>Other religion</b>	158	62	220
<b>No religion</b>	1,395	577	1,972
<b>Religion not stated</b>	1,442	480	1,922
<b>Total</b>	21,663	7,607	29,270

Religion or belief data is not routinely collected and recorded by the Youth Service.

## Sex

Data from the Integrated Youth Support Services database indicates that 54% of service users are male, 45% female. 1% of Service users are either recorded as transgender, withheld or unknown.

However there are specific youth work provisions where the impact will be on one sex, e.g. there is a Girl's Empowerment Group that runs every Tuesday at Roundwood and offers drama, arts and drumming as well as the opportunity to gain confidence and socialise with a diverse group of girls from all across Brent. This project offers young girls/women access to a programme they can call their own, whilst undertaking activities in a safe and supportive place.

Additionally, there is a Girl's Kickboxing group at Wembley.

The primary 13-19 target group corresponds with the wider picture of the Service. The project breakdown for this age group is as follows:

	Ages 13-19				Total
	M	F	T	O	
<b>Brent Eton Summer School</b>	22	21	0	0	43
<b>Brent In Summer 2014 (incl. YHP)</b>	284	253	0	1	538
<b>Brent Youth Parliament</b>	25	34	0	0	59
<b>Duke of Edinburgh's Award</b>	226	304	0	22	552
<b>Granville Youth Arts Centre</b>	222	384	0	5	611
<b>Mosaic LGBT Project</b>	53	53	3	2	111
<b>Mosaic Schools Workshops</b>	141	146	0	0	287
<b>Outreach &amp; Detached</b>	187	89	0	1	277
<b>Poplar Grove Centre</b>	145	186	0	2	333
<b>Right Track</b>	77	35	0	0	112
<b>Roundwood Youth Club</b>	351	197	0	1	549
<b>Wembley Youth Club</b>	317	43	0	0	360
<b>Total</b>	1,839	1,565	3	28	3,435
	54%	45%	0%	1%	

Services operating from the 4 centres would have different impacts according to gender:

- At Granville Youth Centre 63% of users are female, 36% male (other 1%). The programme of activities on offer at Granville do not appear to be gender specific
- The Outreach project works with 68% males and 32% Females
- At Roundwood 36% of young people attending are female, 64% male.
- At Wembley 88% of young people attending are male, 12% female. Wembley offers mainly a sporting programme including Taekwondo, boxing cricket and weight training. There was however Female Kick-Boxing sessions.

## Sexual orientation

Sexual orientation data is not routinely collected and recorded across the whole Youth Service. However, where this data has been available the following young people have access a Youth Service provision:

Based on a sample of Service users who took part in a survey in 2014, where a response was received for the question “**What is your sexual orientation?**” 155 identified their sexuality as being heterosexual, 10 as being bisexual, 6 as being a gay man, 3 as being a gay/lesbian woman and 33 preferred not to say. Out of a total of 226 taking part in the survey 19 skipped this question without giving a response.

17. What is your sexual orientation?		
Bisexual	10	4.8%
Gay man	6	2.9%
Gay woman/Lesbian	3	1.4%
Heterosexual / straight	155	74.9%
Prefer not to say	33	15.9%
Total Responded to this question:	207	100.0%
Total who skipped this question:	19	
Total:	226	

## Other Background Data

### Children Not in Education, Employment or Training (NEET)

The Government recognises that increasing the participation of young people in learning and employment not only makes a lasting difference to individual lives, but is also central to the Government's ambitions to improve social mobility and stimulate economic growth. In 2014 -2015 the proportion of 16-18 year olds not in education, employment or training in Brent (2.6%) was significantly lower than both London and England.

### Deprivation

Brent has areas of great deprivation as well as areas of affluence. The income deprivation affecting children index (IDACI) classifies 50.6% of Brent's LSOAs in the 20% most deprived LSOAs in England, and 89.1% in the 40% most deprived LSOAs in England<sup>14</sup>. The four Council run youth centres, located in the areas of highest deprivation and crime hot-spots, including the flagship Roundwood MyPlace centre.

### Known to Social Care / Children in Care

In 2013 Brent had 345 children under 18 that had been looked after continuously for at least 12 months<sup>15</sup>. The percentage of these children aged 15 and 16 that achieved five GCSEs at grades A\*-C including Maths and English was 22.2%. This is higher than both the London rate of 20.8% and the England rate of 15.3%<sup>15</sup>.

The Youth Service had contact with 88 young people known to Social Care in 2014-15:

	11-12		13-19			20-24			Total
	Male	Total	Male	Female	Total	Male	Female	Total	
Brent In Summer 2014	0	0	5	7	12	0	2	2	14
Brent Youth Parliament	0	0	0	1	1	0	0	0	1
Duke of Edinburgh's Award	0	0	1	2	3	0	0	0	3
Granville Youth Arts Centre	0	0	1	1	2	1	1	2	4
Mosaic LGBT Project	0	0	0	1	1	0	1	1	2
Mosaic Schools Workshops	0	0	0	4	4	0	0	0	4
Outreach & Detached	0	0	7	7	14	0	0	0	14
Poplar Grove Centre	0	0	2	20	22	0	3	3	25
Right Track Project	1	1	8	5	13	0	0	0	14
Roundwood Centre	0	0	6	8	14	0	0	0	14
Wembley Youth Club	0	0	7	0	7	1	0	1	8
<b>Total</b>	<b>1</b>	<b>1</b>	<b>30</b>	<b>49</b>	<b>79</b>	<b>2</b>	<b>6</b>	<b>8</b>	<b>88</b>

### Troubled Families Programme

The troubled families programme was launched by the Prime Minister in 2011. Troubled families are those that have problems and cause problems to the community around them, putting high costs on the public sector<sup>16</sup>. Local services work together, dealing

<sup>14</sup> Indices of Multiple Deprivation: Income Deprivation Affecting Children Index (IDACI), 2010

<sup>15</sup> Public Health England: Children and young people's health benchmarking tool

<sup>16</sup> [www.gov.uk](http://www.gov.uk) – Helping troubled families turn their lives around

with each family's problems as a whole and using a variety of methods to support families. In Brent 698 families have been identified suitable for the troubled families programme<sup>17</sup>. There are 886 young people aged between 13 and 19 in these families<sup>17</sup>. The families with these young people come from all across the borough in varying numbers.

Analysis shows that 174 young people within Troubled Families accessed provisions in 2014/15:

	11-12			13-19				20-24			Total
	M	F	Total	M	F	O	Total	M	F	Total	
Brent Eton Summer School	0	0	0	1	0	0	1	0	0	0	1
Brent In Summer 2014	2	0	2	19	10	1	30	0	1	1	33
Brent Youth Parliament	0	1	1	0	2	0	2	0	0	0	3
Duke of Edinburgh's Award	0	0	0	3	2	0	5	0	0	0	5
Granville Youth Arts Centre	1	1	2	6	6	0	12	0	0	0	14
Mosaic LGBT Project	0	0	0	2	0	0	2	0	0	0	2
Mosaic Schools Workshops	0	0	0	2	3	0	5	0	0	0	5
Outreach & Detached	1	0	1	23	11	1	35	0	0	0	36
Poplar Grove Centre	2	1	3	11	7	0	18	2	0	2	23
Right Track	1	1	2	13	8	0	21	0	0	0	23
Roundwood Centre	0	1	1	30	14	1	45	0	0	0	46
Wembley Youth Club	0	0	0	14	3	0	17	0	0	0	17
<b>Total</b>	<b>7</b>	<b>5</b>	<b>12</b>	<b>103</b>	<b>54</b>	<b>2</b>	<b>159</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>174</b>

### Youth Violence<sup>18</sup>

Between March 2013 and June 2014 serious youth violence incidences in the whole of London were fairly constant at around 500 incidences a month, fluctuating between a low of 427 in September and a high of 561 in March 2014. In Brent there were 356 ambulance callouts for violent injuries of young people aged between 13 and 19 from 2012/13 to 2013/14, 191 in 2012/13 and 165 in 2013/14. In 2013/14 there were four gun injuries and 15 knife injuries. All but one of these victims were male. There were 64 minor assaults and 78 injuries classed as 'other serious injury'. Of these injuries, 65.5% of victims were male. The ambulance service was also called to four sexual assaults, all on women. Most incidences took place between 4pm and 5pm and in the evening, between 8pm and midnight.

### Youth Offending

#### First-time entrants to the Youth Justice system

In 2013/14 there were 164<sup>19</sup> first-time entrants to the youth justice system in Brent<sup>20</sup>. The rate of first-time youth offenders has steadily decreased in Brent from 1,512 per 100,000 population in 2008 to 537 per 100,000 population in 2013, with a spike in 2011, the year of the London riots<sup>21</sup>. Brent's rate of first-time youth offenders, 537 per 100,000 population is similar to London's rate of 458 per 100,000 population, but higher than 441 per 100,000 population, the rate for England<sup>21</sup>.

Analysis shows that 78 young people within Youth Offending Service accessed provisions in 2014/15:

	11-12		13-19				Total
	Male	Total	Male	Female	Others	Total	
Brent In Summer 2014	0	0	11	2	1	14	14
Duke of Edinburgh's Award	0	0	1	0	0	1	1
Granville Youth Arts Centre	0	0	3	0	0	3	3
Mosaic Schools Workshops	0	0	1	1	0	2	2
Outreach & Detached	0	0	11	4	1	16	16
Poplar Grove Centre	0	0	2	3	0	5	5
Right Track	1	1	13	8	0	21	22
Roundwood Centre	0	0	20	5	0	25	25
Wembley Youth Club	0	0	8	1	0	9	9
<b>Total</b>	<b>1</b>	<b>1</b>	<b>59</b>	<b>17</b>	<b>1</b>	<b>77</b>	<b>78</b>

<sup>17</sup> Brent troubled families programme

<sup>18</sup> Safestat

<sup>19</sup> Figures include crimes committed by 11 and 12 year olds (3%).

<sup>20</sup> Data collected by Brent youth offending team

<sup>21</sup> [www.justice.gov.uk](http://www.justice.gov.uk)

## Young people that reoffend

Brent's youth re-offending rate climbed steadily from 31.7% in 2005 to 45.5% in 2010<sup>22</sup>; it subsequently declined reaching 38% in 2013/14<sup>23</sup>. Although the rate increased, the number of young people re-offending remained fairly consistent at around 225<sup>22</sup>.

## Gangs

Brent has 16 gangs known to the police, including a newer female gang. In July 2014 130 young people aged between 15 and 19 were gang members<sup>24</sup>. Brent's gangs are located across the borough, but tend to be based in housing estates. The ethnicity of members in most gangs is mixed although there are some ethnic specific gangs such as QH Somalian<sup>24</sup>.

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<sup>22</sup> [www.gov.uk](http://www.gov.uk) – proven reoffending statistics – Sep 2012

<sup>23</sup> Calculated in line with the youth justice board (YJB) requirements using the Q4 cohort (Jan-Mar) and extended across the year

<sup>24</sup> Gang matrix extract July 2014

<sup>36</sup> Manchester Multi Agency Gangs Service (MMAGS) - Citizenship and Inclusion Overview and Scrutiny Committee report 2010



**Cabinet**  
19 October 2015

**Report from the Strategic Director  
Children and Young People**

For Action

Wards Affected:  
ALL/

**Consultation on proposed community schools  
oversubscription criteria and admission arrangements for  
the 2017/18 admission round**

## 1.0 Summary

- 1.1. This report seeks approval of Cabinet to consult on proposed amendments to the oversubscription criteria for Brent primary community schools. The changes proposed are:
  - 1.1.1. Introduction of a criterion prioritising children of staff.
  - 1.1.2. Introduction of criterion prioritising children of families who attract the pupil premium funding.
- 1.2. The consultation is intended to open discussion and generate fair and transparent dialogue regarding the proposed changes.
- 1.3. Outcomes from consultation and any proposals to amend the oversubscription criteria will be brought back to Cabinet in February 2016 for consideration and decision.
- 1.4. The proposed changes would affect Community Schools Oversubscription Criteria and take effect for admissions from September 2017 and onward

## 2.0 Recommendations

- 2.1. Cabinet to agree to statutory consultation period between 1 December 2015 and 12 January 2016 as required by the Admissions Code (December 2014).

## 3.0 Background

- 3.1. Currently there are 64 primary schools in Brent made up of Community, Voluntary Aided (VA), Free and Foundation Schools and Academies. For VA, Foundation and Free schools and Academies the governing body are the Admission Authority and

determine their own admission arrangements. The council is the Admission Authority for the 36 primary community schools in Brent. There are no community secondary schools in Brent. The recommendations in this report relate solely to Brent primary community schools a list of which is attached as appendix 1.

- 3.2. Admission arrangements for each school are determined by the Admission Authority for that school. All Admission Authorities must have admission arrangements that clearly set out how children will be admitted, including the criteria that will be used to rank applications in priority order if there are more applications than places at the school.
- 3.3. Admission Authorities are responsible for admissions and must act in accordance with the Code, the School Admissions Appeals Code, other laws relating to admissions and relevant human rights and equalities legislation.
- 3.4. As the Admissions Authority for Brent Community Schools, the council is required to consult widely on any proposed changes to the admission arrangements and oversubscription criteria for 2017/18.
- 3.5. This consultation run for a minimum of six weeks and be completed by 31 January 2016.

#### 4.0 **Requirement to consult**

- 4.1. As the Admissions Authority for Brent Community Schools the council is required to consult widely on any proposed changes to the admission arrangements and oversubscription criteria for 2017/18. This consultation must be for a minimum of six weeks and be completed by 31 January 2016. As part of the consultation officers will ensure that the proposed changes are published on the internet, in the local press, circulated to schools, places of worship, nurseries and children's centres. Consultation meetings will be held locally for parents to attend. This consultation period allows parents, other schools, religious authorities and the local community to raise any concerns about proposed admission arrangements.

#### 5.0 **Proposed changes to be included in the consultation**

##### 5.1. **Introduction of 'Children of Staff' criterion**

- 5.1.1. The DfE revised the Admissions Code in 2012 to allow oversubscription criterion prioritising children of staff. Previous to this children of staff criterion were not allowed.
- 5.1.2. With the current teacher shortage a number of schools have enquired about the introduction of children of staff criterion. Schools have suggested that introduction of this rule will assist in attracting and retaining valued staff.
- 5.1.3. It is proposed to consult on the addition of a new criterion (highlighted in bold) to prioritise children of staff members.
  1. A 'looked after child' or a child who was previously looked after but immediately after being looked after became subject to an adoption, child arrangements, or special guardianship order.
  2. Children attending an infant school on the same site as a junior school.

3. Special circumstances to do with significant medical needs and/or social needs.
4. **Children whose parent is a member of staff who has been employed at the school for two or more years at the time of application or has been recruited to fill a vacancy for which there is a demonstrable skill shortage.**
5. Brothers or sisters of a child who attends the school, or an infant or junior school on the same or adjoining site, living in the catchment area of the school and who will continue to do so on the date of admission.
6. Children living within the school's catchment area.
7. Brothers or sisters of a child who attends the school, or an infant or junior school on the same or adjoining site, and who will continue to do so on the date of admission.
8. All other applicants.

5.1.4. The numbers of children expected to be admitted under this rule are low. Enfield Council, who prioritise children of staff, allocated 7 out of 1840 (0.4%) places under this rule across all community primary schools in 2015

5.1.5. None of Brent's neighbouring authorities prioritise applicants for community schools using children of staff criteria. Of Brent's admitting authority schools two secondary schools, 11 primary and junior schools and three all through schools currently prioritise applicants on this basis.

## 5.2. **Introduction of criterion prioritising children who attract pupil premium funding.**

5.2.1. The government is keen that admission authorities seek to tackle the particular educational disadvantages faced by children eligible for the Pupil Premium. The Admissions Code was changed in 2012 to allow authorities the option to include oversubscription criteria that prioritise children eligible for the Pupil Premium.

5.2.2. Children from low-income families who are eligible for free school meals (or have been at any time in the past 6 years) qualify for the pupil premium. To qualify for free school meals families must be in receipt of one of the following benefits:

- 5.2.2.1. Income Support
- 5.2.2.2. Income-based Jobseekers Allowance
- 5.2.2.3. Income-related Employment and Support Allowance
- 5.2.2.4. Support under Part VI of the Immigration and Asylum Act 1999
- 5.2.2.5. The guaranteed element of State Pension Credit
- 5.2.2.6. Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- 5.2.2.7. Working Tax Credit run-on-paid for four weeks after you stop qualifying for Working Tax Credit
- 5.2.2.8. Universal Credit

5.2.3. The consultation would consider two points as follows;

- 5.2.3.1. The merits of introducing criteria prioritising applicants qualifying for the pupil premium at the time of application and
- 5.2.3.2. The order in which this criterion would be best placed amongst the existing oversubscription criteria.

- 5.2.4. Since the government allowed the introduction of criteria based on qualification for the pupil premium in 2012 the authority considers it appropriate to gauge the attitude of Brent residents and schools to their introduction.

## 6.0 **Financial Implications**

- 6.1. There are no specific financial implications for this report.

## 7.0 **Diversity Implications**

- 7.1. An equalities analysis has been carried out and is attached to this report at Appendix 2. A full Equalities analysis will be undertaken in accordance with the consultation process.

## 8.0 **Legal Implications**

### 8.1. **Equality Act 2010**

The public sector equality duty under section 149 of the Equality Act requires the Local Authority when exercising its functions to have due regard to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a protected characteristic and those who do not share that protected characteristic. The protected characteristics covered under the Act are Age, disability, gender reassignment, marriage and civil partnership (only in respect of eliminating unlawful discrimination) pregnancy and maternity, race (this includes ethnic or national origins, colour or nationality), religion or belief (this includes lack of belief) sex, and sexual orientation. Due regard means giving relevant and proportionate consideration to the duty, in that whenever significant decisions are being made or policies developed consideration must be given to the impact/effect that implementing a particular policy or decision will have in relation to equality before making that decision. An equality analysis has been carried out and is attached to this report at Appendix 2. A full Equalities analysis will be undertaken in accordance with the consultation process.

### 8.2. **School Standards and Framework Act 1998**

The Local Authority has a statutory duty to comply with the requirements of The School Admissions Code issued under Section 84 of The School Standards and Framework Act 1998 when discharging its functions. The suggested changes to the Brent Admission Authority's oversubscription criteria are in accordance with the requirements of the School Admissions Code dated December 2014.

## 9.0 **Staffing/Accommodation Implications**

- 9.1. There are no staffing or accommodation implications from this report.

## **Background Papers**

- i) List of community primary schools
- ii) Equalities Analysis



**Contact Officer(s)**

**Cate Duffy, Operational Director Early Help and Education**

Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 OFJ.

Tel: 020 8937 3027

Email: sara.williams@brent.gov.uk

**Gail Tolley, Strategic Director Children and Young People**

Brent Civic Centre, Engineers Way, Wembley Middlesex HA9 OFJ.

Tel: 020 8937 6422

Email: gail.tolley@brent.gov.uk

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## Brent Community Primary Schools, 2015/16

School	DfE Code	Age Range	Address
Anson Primary	3042000	3-11	Anson Road, London NW2 4AB
Barham Primary	3042049	3-11	Danethorpe Road, Wembley HA0 4RQ
Braintcroft Primary	3042075	3-11	Warren Road, London NW2 7LL
Brentfield Primary	3042003	3-11	41-43 Meadow Garth NW10 0SL
Byron Court Primary	3042006	4-11	Spencer Road, Wembley HA0 3SF
Carlton Vale Infant	3042007	3-7	Malvern Road, Kilburn NW6 5PU
Chalkhill Primary	3042068	3-11	Barnhill Road, Wembley HA9 9YP
Donnington Primary	3042056	3-11	Uffington Road, Willesden NW10 3TL
Elsley Primary	3042055	3-11	Tokington Avenue, Wembley HA9 6HT
Fryent Primary	3042074	3-11	Church Lane, Kingsbury NW9 8JD
Furness Primary	3042067	3-11	Furness Road, London NW10 5YT
Gladstone Park Primary	3042072	3-11	Sherrick Green Road, London NW10 1LB
Harlesden Primary	3042017	3-11	Acton Lane, London NW10 8UT
Kingsbury Green Primary	3042024	3-11	Old Kenton Lane, Kingsbury NW9 9ND
Leopold Primary	3042028	3-11	Hawkeshead Road, London NW10 9UR
Lyon Park Infant	3042031	3-7	Vincent Road, Wembley HA0 4HH
Lyon Park Junior	3042030	7-11	Vincent Road, Wembley HA0 4HH
Malorees Infant	3042033	3-7	Christchurch Avenue, London NW6 7PB
Mitchell Brook Primary	3042066	3-11	Bridge Road, London NW10 9BX
Mora Primary	3042073	3-11	Mora Road, London NW2 6TD
Mount Stewart Infant	3042019	4-7	Carlisle Gardens, Kenton HA3 0JX
Mount Stewart Junior	3042018	7-11	Mount Stewart Ave, Kenton HA3 0JX
Newfield Primary	3042064	3-11	Longstone Avenue, London NW10 3UD
Northview Primary	3042034	3-11	Northview Crescent, London NW10 1RD
Oliver Goldsmith Primary	3042071	3-11	Coniston Gardens, Kingsbury NW9 0BD
Park Lane Primary	3042038	3-11	Park Lane, Wembley HA9 7RY
Preston Manor	3045410	3-11	Carlton Avenue East, Wembley HA9 8NA
Preston Park Primary	3042039	3-11	College Road, Wembley HA9 8RJ
Roe Green Infant	3042042	3-7	Princes Avenue, Kingsbury NW9 9JL
Roe Green Junior	3042041	7-11	Princes Avenue, Kingsbury NW9 9JL
Salisbury Primary	3042070	3-11	Salisbury Road, London NW6 6RG
The Stonebridge Primary	3042057	3-11	Shakespeare Ave, London NW10 8NG
Uxendon Manor Primary	3042020	3-11	Vista Way, Kenton HA3 0UX
Wembley Primary	3043605	3-11	East Lane, Wembley HA9 7NW
Wykeham Primary	3042053	3-11	Aboyne Road, London NW10 0EX



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# School Admission Arrangements 2017/2018

**Department**

Children and Young People

**Person Responsible**

Carmen Coffey

**Created**

15th September, 2015

**Last Review**

15th September, 2015

**Status**

Complete

**Next Review**

15th September, 2016

## Screening Data

1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

We are considering the introduction of a number of oversubscription criteria into the admission arrangements for Brent community primary schools.

It is expected that introducing children of staff oversubscription criteria will help schools to attract and retain valued staff.

The government is keen that admission authorities seek to tackle the particular educational disadvantages faced by children eligible for the Pupil Premium. If we introduce criteria giving priority to applicants who qualify for the Pupil Premium they will have increased priority for a school place at their preferred schools.

2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

All applicants to community primary schools may be effected by the proposed changes.

3.1 Could the proposal impact on people in different ways because of their equality characteristics?

- No

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

3.2 Could the proposal have a disproportionate impact on some equality groups?

- No

If you answered 'Yes', please indicate which equality characteristic(s) are disproportionately impacted

3.3 Would the proposal change or remove services used by vulnerable groups of people?

- No

3.4 Does the proposal relate to an area with known inequalities?

- No

3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

- No

If you answered 'Yes', please indicate which equality characteristic(s) are impacted

3.6 Does the proposal relate to one of Brent's equality objectives?

- No

### **Recommend this EA for Full Analysis?**

No

### **Rate this EA**

N/A

## **Organisation Sign-off Data**

11. What did this equality analysis conclude?

- The proposal was accepted without changes

12. Please write a brief summary of your equality analysis which should be included in the 'diversity implications' section of any reports.

The analysis has not identified any areas of inequality with the proposed consultation.

13. I confirm that this equality analysis represents a fair and reasonable view of the implications of this proposal on equality and that appropriate actions have been identified to address the findings.

Enter your name

Daivd Court

Enter your designation

Admissions Manager

Enter your department

Pupil and Parent Services

Enter today's date


24-09-2015

### **Next Review Date**

2016-09-15

## **Outstanding Actions**

No outstanding actions

 <p><b>Brent</b></p>	<p style="text-align: center;"><b>Cabinet</b> 19 October 2015</p> <p style="text-align: center;"><b>Report from the Strategic Director Adults</b></p>
Wards Affected: ALL	
<p><b>Authority to award a Direct Payments Advice and Support Service Contract</b></p>	

**Appendix 1 is “Not for Publication”**

## **1.0 Summary**

- 1.1 In accordance with Contract Standing Order 88, this report seeks Cabinet authority to award a 2 + 1 year Direct Payment Services Contract to allow the Council to offer a Support and Advice (general, employment and ongoing), Managed Account and Personal Assistant Service to those Users in receipt of Direct Payments and/or Personal Health Budgets.
- 1.2 The report provides further details on the Service, the procurement process and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

## **2.0 Recommendations**

- 2.1 That Members award a contract to The Penderels Trust Limited for the provision of Direct Payments Services for an initial period of two (2) years with an option to extend the contract for a further one (1) year.

## **3.0 Background**

- 3.1 On 1 June 2015, the Cabinet gave approval for officers to procure a Direct Payment (DP) Service contract to allow the Council to offer an advice, support, managed account, personal assistant service and other value added services (that compliment the take up of personal budgets) for people in receipt of a personal budget (direct payments and personal health budgets).
- 3.2 As Brent is a member of the West London Alliance, the Cabinet gave

approval to the procurement with the knowledge that the PA element of the contract would be accessed by participating authorities namely the London Boroughs of Barnet, Ealing and Hounslow.

- 3.3. The legislative context for direct payments is set out in the Care Act 2014, Mental Health Act 1983, and the Care and Support (Direct Payments) Regulations 2014.
- 3.4 The Care Act 2014 provides a power to enable DPs to be made to meet some or all of a person's eligible care and support needs, or a nominated person acting on their behalf, if agreed by the person with care needs, or the person with care and support needs lacks capacity to manage their DP themselves. DPs are also available to carers. The Care Act 2014 requires the Local Authority to be satisfied that the person is able to manage the DP themselves, or with help or support, will be able to manage the DP.
- 3.5 The Government's vision for social care and the social care sector document 'Think Local, Act Personal' reinforces personal budgets as mainstream and expresses an expectation that DPs should become the principle method of delivery. To meet this expectation, local authorities will need to ensure that suitable arrangements are in place to support the take-up of DPs by the majority of people assessed as needing care and support.

#### **4.0 The services to be contracted**

- 4.1 The proposed provider will be required to deliver the following services:
  - 4.1.1 Advice and Support: this service is aimed at individuals that are relatively independent and require a one-off or short term support with setting up and managing their DP/PHB.
  - 4.1.2 DP employment and advice: this service is aimed at individuals that are relatively independent but require support with recruitment, selection and retention of a personal assistant and to set up and manage their DP.
  - 4.1.3 Ongoing advice and support with management of a DP: the services listed above in 4.1.1 and 4.1.2 are intended to foster greater independence and minimal individual support. However, it is accepted that there will be circumstances where some individuals will require short term ongoing support and this is the aim of this service.
  - 4.1.4 Managed Account: this service is aimed at individuals that have difficulty in managing their own finances and therefore cannot fulfil their responsibility as a DP user without assistance. This service will also be available to vulnerable users where there may be safeguarding issues. The new provider will



receive and manage the DPs/PHBs on behalf of the individuals and ensure that they meet their payment responsibilities to their care agency or PA, HMRC and other suppliers.

4.1.5 A Personal Assistant (PA) Service: this service is aimed for individuals who wish to employ their own PA but may not know of someone they wish to employ as their PA, do not know where to look for a PA, have language or literacy issues making it difficult for them to manage the PA process and/or find it difficult to find a PA with sufficient skills, experience and training to match their specific skills. The two elements of this service are:

- a. PA Notice Board – listing PAs available for work after undergoing the process of recruitment, a Disclosure and Barring check and training
- b. PA Matching – where required, assist individuals to find a suitable PA that meets all their criteria of employment either from the Provider’s Notice Board or through agencies such as Job Centre Plus.

4.1.6 The following rates will be paid for each service:

- a. A fixed hourly rate will be payable for the services listed above in 4.1.1 to 4.1.3.
- b. An annual fee will be paid for each individual using the managed account service.
- c. A fee for each PA listed on the Notice Board (including successful recruitment, positive DBS check and training)
- d. A fee for each successful match between an individual and a PA.

4.2 Whilst the participating WLA Authorities shall set up their own payment mechanisms for the PA element, the contract will be managed by Brent’s Adult Social Care and Children Services departments. The Provider will be required to submit monthly and quarterly monitoring reports for each service provided.

## **5.0 The tender process**

5.1 In accordance with the June 2015 Cabinet Approval to Procure report, a Restricted or two stage process was initiated in July 2015 when the procurement was advertised, with a Contract Notice being placed in the Official Journal of the European Union (“OJEU) seeking expressions of interest.

5.2 The advert closed on the 3<sup>rd</sup> August 2015 with 53 organisations expressing an interest. Each was sent a Pre Qualification Questionnaire (PQQ). Of the 53 that expressed an interest, 7 submitted a response.

5.3 In accordance with the evaluation process described in Section 5.4 below, each PQQ was assessed by representatives from Brent Council

and the participating WLA authorities.

### **Pre Qualification Stage - Evaluation process**

5.4 The PQQ assessment followed a 3 stage process as follows:

#### **Stage 1 - Submission on time:**

All bidders submitting a PQQ passed this stage and moved to the stage 2 assessment.

#### **Stage 2 - Mandatory and Discretionary evaluation:**

This assessment related to a check on the bidders committing any criminal offences such as bribery, corruption, not paying tax or social security contributions and any professional misconduct. All bidders passed and moved onto stage 3 of the evaluation.

#### **Stage 3 - Final evaluation:**

14 questions were then evaluated by applying a pass/fail approach. A further 3 questions, which had a collective quality score of 100%, were also evaluated using a 0 (limited) to 4 (superior) scoring method.

Bidders were informed that they would not be invited to tender if they received 4 fails for any of the 14 pass/fail questions, a 0 for any of the 3 scored questions, a 1 for any 2 of the scored questions and/or scored less than 50% of the total 100% quality score.

As shown in the following table, 5 of the 7 bidders passed the final PQQ evaluation (the names of the bidders are contained within Appendix 1) and were invited to tender.

<b>BIDDER REF</b>	<b>PANEL SCORE (less than 50% = fail)</b>	<b>Number of Pass/Fail marks (if 4+ fail)</b>	<b>Number of 0 scores (if 4+ = fail)</b>	<b>Number of 1 scores (if 2+ = fail)</b>	<b>OUTCOME</b>
1	76.3%	0	0	0	PASS
2	71.9%	0	0	0	PASS
3	70.6%	0	0	0	PASS
4	64.7%	0	0	0	PASS
5	58.4%	0	0	0	PASS
6	45.6%	0	0	0	FAIL
7	43.1%	0	0	0	FAIL

5.5 On the 4<sup>th</sup> September 2015, of the 5 bidders invited to tender, 4 bidders submitted a tender response. Applying the methodology set out in the tender documents (described in Section 5.6) the responses were scored against a 60% cost and 40% quality criteria weighting.

## **Invitation to Tender (ITT) Stage - Evaluation process**

5.6 The ITT assessment also followed a 3 stage process as follows:

### **Stage 1 - Submission on time:**

All bidders submitting an ITT passed this stage and moved to the stage 2 assessment.

### **Stage 2 - Method Statement Questions and Price Evaluation:**

**Quality:** Bidders were evaluated against 17 method statement answers which had a total weighting of 40%. The Method Statements looked at different elements of the quality criteria approved by Members as detailed in Appendix 3. Representatives from Brent Council and the WLA participating authorities scored each response applying the same 0 to 4 approach used for the PQQ. At this stage bidders were informed they would not be considered if they scored 0 for any quality answer, scored 1 for 5 quality answers and/or scored less than 20% of the overall quality score. All bidders passed the quality stage.

**Cost:** Price consisted of 60% of the evaluation weightings. The evaluation process ranked the lowest price for each DP element with the maximum available mark and other bidders scores were calculated proportionately.

### **Stage 3 – Ranking and Awarded of the Contract:**

At this stage the bidders cost and quality scores were combined and ranked with the highest scoring, Penderels Trust, recommended for appointment.

5.7 Appendix 2 contains the scoring details for the ITT evaluation.

5.8 The outcome of the tender scoring is that The Penderels Trust Limited of Seven Stars Estate, Wheler Road, Coventry CV3 4LB received the highest overall combined cost and quality score and is therefore recommended for contract award.

## **6.0 Financial Implications**

6.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £250,000 or works contracts exceeding £500,000 shall be referred to the Cabinet for approval of the award of the contract.

6.2 The estimated value of this contract is £1,662,818 over 3 years. The actual cost per year is dependent upon the number of hours of support provided to service users. The overall value of the contract equates to an estimated annual cost of £554,273.

- 6.3 The contract fee includes the payment of the LLW.
- 6.4 The cost of this contract will be met within the Adult Social Care budget for the next three years and. The cost of the PA services utilised by Boroughs of Barnet, Ealing and Hounslow will be met by the individual Boroughs and are also contained within the contract cost.

## **7.0 Legal Implications**

- 7.1 As detailed in paragraph 3.0 above, the proposed contract will assist the Council to comply with the requirements of the Care Act 2014, Mental Health Act 1983 and the Care and Support (Direct Payments) Regulations 2014 with the provision of a comprehensive DP service.
- 7.2 The estimated value of this contract over its the lifetime is higher than the EU threshold for Services and the award of the contracts therefore is governed by the Public Procurement Regulations 2006 (the “EU Regulations”). The award is subject to the Council’s own Standing Orders in respect of High Value contracts and Financial Regulations and as such Cabinet approval is required to award the contract to the Penderels Trust Limited.
- 7.3 As advised in the Cabinet Report requesting authority to tender this contract dated 1 June 2015, the Council must comply with the EU Regulations relating to the observation of a mandatory minimum 10 calendar day standstill period before the contract can be awarded. Therefore once the Cabinet has determined whether to award the contract to The Penderels Trust Limited, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the EU Regulations. As soon as possible after the standstill period ends, the successful tenderer will be issued with a letter of acceptance and the contract can commence.

## **8.0 Diversity Implications**

- 8.1 The proposed contract will require the provider to deliver services which are culturally sensitive by:
- ensuring that all staff are aware of the multi-cultural population of Brent by providing cultural awareness training for all staff and matching specific language requirements where possible, and;
  - training all staff in areas that will raise awareness of issues faced by vulnerable people from different ethnic groups.
- 8.2 The provider will be monitored to ensure they are complying with these requirements through checking of their records, regular review of

services provided to individual service users where feedback will be sought from service users, quarterly monitoring meetings and provision of quarterly performance information to the Council.

- 8.3 In view of the fact that this procurement represents a change to the existing services provided, it is necessary for the Cabinet, as decision-making body, to consider the equalities implications which are contained within the Equalities Impact Assessment in Appendix 4. In summary the services will enable people of all backgrounds and disability to exercise choice and control and independence to manage their own care and support through direct payment/personal health budget by purchasing this care and support either through an agency or by employing their own personal assistant. The additional new services procured, recruitment and matching of personal assistants, will have a positive impact on our all service users in receipt of personal budgets as they will have a wider choice for service users to recruit and employ their own personal assistant.

## **9.0 Staffing/Accommodation Implications**

- 10.1 This service is to be provided by an external provider and there are no implications for Council staff arising from the award of the contract.

## **10.0 Public Services (Social Value) Act 2012**

- 11.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (the "Act") to consider how the services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation.
- 11.2 The services being procured have as their primary aim improving the social and economic well being of some of the most vulnerable groups in Brent. They are specialist services with only a limited number of organisations who can meet the Council's requirements. Nevertheless, Officers endeavoured to ensure the requirements of the Act were implemented as part of the procurement process, including requiring bidders to submit pricing including the London Living Wage.

## **11.0 Background Papers**

- Cabinet Report - 1 June 2015

## **Contact Officers**

Jas Kothiria

ASC Senior Category Manager  
Email: [jas.kothiria@brent.gov.uk](mailto:jas.kothiria@brent.gov.uk)  
Tel: 0208937 1170

Amy Jones  
Head of Commissioning and Quality  
Email: [amy.jones@brent.gov.uk](mailto:amy.jones@brent.gov.uk)  
Tel: 02089374061

**PHIL PORTER**  
**Strategic Director of Adult Social Care**

## APPENDIX 2 -TENDER EVALUATION GRID

### PART 2A – QUALITY QUESTIONS AND PANEL SCORES

METHOD STATEMENT (QUALITY) QUESTION		WEIGHT	BIDDER REF & SCORE			
			4	1	3	5
Q1	Implementation and Resourcing the Contract: There is an estimated four weeks between contract approval and contract start date. Please describe how you will ensure smooth transition of the Service. Please ensure within your response you address the following: a. Implementation Plan with key milestones and dates b. your approach to service continuity for existing service users c. your intentions to work in partnership to achieve good communication and involvement with the outgoing Provider, the Council, other resources in the Borough, Service Users d. Contract Management	5%	2.8%	3.0%	3.5%	1.8%
Q2	Please describe how you would manage the current Service Users' anxieties about the change. How would you keep Service Users informed and involved throughout the implementation of the contract?	5%	3.3%	2.8%	3.3%	3.3%
Q3	Workforce Please describe how you will consult with transferring staff (TUPE), recruit, train and supervise staff and volunteers to ensure the smooth running of the service. Please ensure within your response you address the following: a. TUPE b. Recruitment of staff c. Staff Structure for Service d. Structure of Organisation (including volunteers) e. Job Descriptions & Person Specifications for all staff f. the resources you will use to deliver the service g. details of proposed management structure	5%	3.0%	3.5%	3.3%	2.5%
Q4	Service Delivery: Please describe how your organisation will deliver the required services taking into account the demographics and diverse nature of the population of Brent, Barnet, Ealing, and Hounslow. Bidders response to include the following: • Undertaking an assessment of support need and jointly agreeing services to be provided that will meet individual Service User outcomes and exercising service user choice and control? • How Service Users are supported to exercise choice and control over their recruitment of their care and support agency	5%	3.0%	2.0%	4.0%	2.8%

<b>Q5</b>	<p>Please describe how your organisation will provide the services listed below. Please provide examples of the recent services delivered under contract for the Services listed below. Your response should demonstrate how the services provided have been relevant to the Service Users Groups.</p> <p>a. Initial advice and support b. Advice and Support for Service Users re-accessing the Service</p>	5%	3.0%	2.8%	3.8%	2.5%
<b>Q6</b>	<p>PA Services</p> <p>a. Recruitment How will your organisation actively establish a diverse PA pool to meet / match the differing cultural needs of Service Users?</p> <p>b. PA Training Access to training (and funding for training) for PA's is a major issue for PB Service Users - how will your organisation support Service Users to (a) access reputable training providers, and (b) access funding sources for training i.e. Skills for Care funding stream etc.</p> <p>c. Employment Advice and Support How will your organisation support the Service Users with information and advice on the rights and responsibilities of employing a PA.</p> <p>d. Service User and PA Matching Service How will your organisation support Services Users to find suitable PAs that have the right skills, abilities and availability to provide their care and support needs.</p> <p>e. Time to set up a PA Service How quickly will your organisation be able to move from receiving a request to service commencement for each Service User.</p> <p>f. Sustainability of PA arrangements How will your organisation support Service Users and PAs to maintain a positive relationship and manage disruptions such as leave, sickness, maternity etc.</p> <p>g. Enablement and Reducing Dependency How will your organisation support a PA to increase the independence of Service Users and reduce dependency of paid social care services over time.</p>	30%	21.0%	19.5%	25.5%	16.5%
<b>Q7</b>	<p>Managed Account Service: Please describe how your organisation will jointly and creatively manage Service Users' Personal Budgets making the best use of available budgets to meet Service Users' outcomes.</p>	5%	3.0%	2.8%	3.8%	2.5%
<b>Q8</b>	<p>The Councils will require some Service Users to make a financial contribution to their care and support provision. How and what methods will your organisation adopt to monitor and ensure that these Service Users pay their financial contribution and that there are sufficient funds available in their account to pay for their care and support</p>	5%	3.3%	3.3%	3.5%	2.5%



<b>Q9</b>	Training: Please describe how you will implement the training programme, and promote training to encourage both Service Users to participate. Please provide an example where you have been successful in this area.	5%	2.5%	2.5%	3.0%	2.0%
<b>Q10</b>	Forums: Please describe how your organisation will organise, promote and encourage Service Users PAs play an active part in the forums. How will you ensure that the forums are actively attended. Please provide an example of where you have achieved success in this area.	5%	4.3%	2.8%	3.5%	2.8%
<b>Q11</b>	Policies: Taking into consideration the demographics of the population of the West London boroughs, please describe how you will apply your equalities and human rights policies and procedures when providing services to a range of service users.	10%	6.5%	6.0%	6.5%	5.0%
<b>Q12</b>	Promotion of Services: Please provide your service promotion plan, how you will measure the impact and how the take up of PBs will be increased.	2%	1.6%	1.1%	1.3%	1.0%
<b>Q13</b>	Operative Base: Please confirm the expected main office base from where the service will be administered and any other locations your staff will be based.	2%	1.5%	1.0%	1.5%	1.0%
<b>Q14</b>	Quality Assurance: Please describe what methods will be adopted to engage with Service Users and PAs to ensure that they play a key part of the ongoing review and improvement of the Service. Please explain how Service Users will be consulted and involved in shaping the delivery and development of the Service.	3%	2.1%	2.0%	2.1%	2.0%
<b>Q15</b>	Monitoring and performance: Please provide at least 3 examples of the type of monitoring reports you have produced to evidence the successful outcomes for Service Users, ie. choice, control and independence of the service.	3%	1.8%	1.8%	2.0%	1.7%
<b>Q16</b>	Safeguarding: How does your organisation manage safeguarding incidents and what are your formal procedures in reporting potential safeguarding concerns? - What pro-active measures can you demonstrate to evidence how you implement the safeguarding process in your day to day operation? - how the Pan London Safe Guarding policy is adhered to, including escalation procedures and notification if required.	3%	2.0%	2.0%	2.0%	1.8%
<b>Q17</b>	Added Value: Please describe the added value your organisation will bring to the Councils' commitment to promoting choice, control and independence for Service Users through Personal Budgets.	2%	1.0%	1.2%	1.0%	1.1%

**TOTAL** 100.0% 65.5% 59.8% 73.3% 52.5%

**TOTAL WEIGHTED (OUT OF 40%)** 40.0% 26.2% 23.9% 29.3% 21.0%

**PART 2B – QUALITY AND COST SCORE**

<b>BIDDER REF</b>	<b>QUALITY SCORE (40%)</b>	<b>COST SCORE (60%)</b>	<b>TOTAL</b>	<b>RANK</b>
3	29.3%	43.0%	72.3%	1
1	23.9%	47.0%	70.9%	2
5	21.0%	45.0%	66.0%	3
4	26.2%	22.0%	48.2%	4

### APPENDIX 3

The table below indicates how each Method Statement links with the Evaluation Criteria and details the weighting attributable to each Method Statement.

Criteria	Weighting	Method Statement Question	Method Statement Weighting
How experience in delivering similar services will be applied to the proposed contract.	25%	Q1	5%
		Q2	5%
		Q5	5%
		Q8	5%
		Q10	5%
How the Service will be operated to lead to improved personal independence.	32%	Q6	30%
		Q17	2%
How the services will be delivered to increase DP uptake	7%	Q9	5%
		Q12	2%
How the service provider will use its staffing (skills, qualifications and experience and structure) in order to meet the needs of those in receipt of DPS.	7%	Q3	5%
		Q13	2%
How the Service will be operated to achieve delivery of outcomes.	16%	Q4	5%
		Q7	5%
		Q14	3%
		Q15	3%
How policies and procedures regarding equality and human rights will be applied to the range of service users.	13%	Q11	10%
		Q16	3%



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

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# Direct Payment Service Support Contract

**Department**

Adults Social Care

**Person Responsible**

Jasmina Gomes

**Created**

27th August, 2015

**Last Review**

27th August, 2015

**Status**

Complete

**Next Review**

27th August, 2016

## Screening Data

1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

The contract is for the provision of advice, support, managed account and personal assistant (PA) service to service users in receipt of direct payments (DP) and/or personal health budgets (referred to as personal budgets)

The objective is to provide time limited support so that service users are then eventually able to manage their personal budgets independently and/or for the provider to manage the direct payments for those service users who are unable to do so for reasons such as lack of capacity.

Outcomes: People in receipt of the service are better informed and able to manage their care and support through the allocation of personal budgets and provision of this advice and support. The service will also increase the PA market so that service users have a wider choice of PAs to provide their care and support.

Reason why the service is needed:

Direct payments remain the preferred mechanism for delivering personalisation in Brent and nationally. Direct Payments provide independence, choice and control to enable people to purchase their own care and support to meet their eligible needs. The legislative context is set out in the Care Act 2014, Mental Health Act 1983 and the Care Support (Direct Payments) Regulations 2014. The Care Act requires the local authority to be satisfied that the person is able to manage the DPs themselves, or with help or support will be able to manage their DP. Therefore, Adult Social Care has made DPs as the default delivery method of payment. To support the roll out, take up and management of DPs, the Council is seeking to ensure, via a 3rd party, that service users have access to good quality advice and support to build their confidence to manage their DP.

2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

Service Users who are in receipt of personal budgets as they will have access to a PA services where they have a wide choice of PAs to recruit from to provide their care and support needs.

The existing provider is affected as the tender is open for other providers to bid for.

3.1 Could the proposal impact on people in different ways because of their equality characteristics?

- Yes

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

- Age
- Disability

The Service will have a positive impact on age as, currently, there are:

- 1600 adult social care users aged 18 to 64 years of which 700 people are in receipt of direct payments
- 3600 adult social care users aged 65 and over of which 1700 are in receipt of direct payments.

The service will also have a positive impact on disability, as currently there are:

- 48% of 665 adult social care users with a physical disability in receipt of DPs
- 8% of 249 adult social care users with mental health are in receipt of DPs
- 58% of 675 adult social care users with a learning disability are in receipt of DPs
- 21% of 14 adult social care users with substance misuse and other issues are in receipt of DPs.

As stated above in response to question 1, with DPs becoming the default delivery payment method, it is expected that the number of people in receipt of direct payments will increase over the coming years and access to this service will support service users to manage their direct payments.

### 3.2 Could the proposal have a disproportionate impact on some equality groups?

- No

If you answered 'Yes', please indicate which equality characteristic(s) are disproportionately impacted

### 3.3 Would the proposal change or remove services used by vulnerable groups of people?

- No

The new element of the PA service is a positive addition that will enable vulnerable groups of people to have a wider choice of PAs to recruit from than there is currently available.

### 3.4 Does the proposal relate to an area with known inequalities?

- No

The Services is available to all vulnerable client groups who are assessed as needing care and support.

### 3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

- Yes

If you answered 'Yes', please indicate which equality characteristic(s) are impacted

- Age
- Disability

As stated above in response to question 3.1, the service is important for people who wish to buy their own assessed care and support through direct payments and require advice and support to manage their DP, to recruit a carer through a care agency, to recruit a PA and to fulfill their responsibilities as an employer (eg. how to complete HMRC forms, how to supervise PAs, how to access training for their PA, information about pensions and auto enrolment).

The managed account service will enable those service users who are unable or do not wish to manage their DPs, thereby relieving them of their legal responsibilities of providing evidence of how their DP is used, legal responsibilities as a employer, etc.

### 3.6 Does the proposal relate to one of Brent's equality objectives?

- Yes

The proposal relates to two of the Council's objectives:

Objective 4 - Responsive Services - to ensure that local public services are responsive to different needs and treat users with dignity and respect

Objective 5 - Workforce - to develop and sustain a skilled and committed workforce able to meet the needs of all local people.

The service will continue to be responsive to people's needs and treat people equally and with respect ensuring their expected outcomes are met.

## Recommend this EA for Full Analysis?



No

## Rate this EA

N/A

## Organisation Sign-off Data

11. What did this equality analysis conclude?

- The proposal was accepted without changes

12. Please write a brief summary of your equality analysis which should be included in the 'diversity implications' section of any reports.

The service to be commissioned is to support the most vulnerable people to more choice and control over their decisions regarding their care and support

13. I confirm that this equality analysis represents a fair and reasonable view of the implications of this proposal on equality and that appropriate actions have been identified to address the findings.

Enter your name

AMY JONES

Enter your designation

HOS

Enter your department

ASC

Enter today's date

02-09-2015


## Next Review Date

2016-08-27

## Outstanding Actions

No outstanding actions

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 <b>Brent</b>	<p style="text-align: center;"><b>Cabinet</b> 19 October 2015</p> <p style="text-align: center;"><b>Report from the Strategic Director of Regeneration and Growth</b></p>
<p>Wards affected: Stonebridge</p>	
<p><b>Bridge Park Leisure Centre – Procurement of an Architectural Led Design Team</b></p>	

## 1. Summary

- 1.1 This report follows on from the three previous reports (see Background Papers) presented to the Cabinet and Executive in respect of the former Unisys office buildings site and Bridge Park Community Leisure Centre (BPCLC) as per the site plans at appendices 1 & 2.
- 1.2 This report seeks approval to commence the procurement process for an architect led multidisciplinary design team to bring forward the design of the proposed new community leisure centre.

## 2. Recommendations

It is recommended that the Cabinet:

- 2.1 Agree the approach for the procurement of an architect led multidisciplinary design team and an employers agent / cost consultant to bring forward detailed proposals for the proposed new Bridge Park Community Leisure Centre as set out in paragraphs 3.9-3.17 of this report.
- 2.2 Approve inviting tenders for an architect led multidisciplinary design team for the proposed new Bridge Park Community Leisure Centre on the basis of the pre-tender considerations set out in paragraph 3.16 of this report.
- 2.3 Approve the evaluation criteria for this tender exercise as set out in paragraph 3.16 of this report.

## 3 Detail

- 3.1 Bridge Park Community Leisure Centre (BPCLC – see Appendix 1) is a former bus depot that was converted in the 1980's into a Community Leisure Centre with dry side sports, function hall, conferencing and meetings rooms along with business units for rent. The original scheme was funded by the old GLC. The facility has been directly operated and managed by the Council for at least the last 13 years.
- 3.2 The Bridge Park site has four main elements: a sports hall and associated health and fitness facilities, a large community hall with catering and conference rooms, a number of business units and Technology House - a separate office block that is leased out by the Council from which a children's nursery and church group operate.
- 3.3 Both BPCLC and Technology House have a backlog of repairs and need significant future investment to bring them up to modern standards.
- 3.4 Members have previously agreed a proposal to build a new leisure centre on the site, financed by the land sale of part of the Council site (see appendix 1 & 2) to the owners of the adjoining former Unisys office building site. At the Executive on 17<sup>th</sup> February 2014, the preferred option (option 3) was approved for the new Leisure Centre.
- 3.5 The ex-Unisys site (adjacent to BPCLC) is owned by Harborough Invest Inc (Harborough). The site has sat empty and derelict for around 17 years.
- 3.6 At Cabinet on Monday 27<sup>th</sup> July 2015 it was resolved that:
- (i) authority be delegated to the Strategic Director of Regeneration and Growth in consultation with the Chief Finance Officer and Chief Operating Officer to finalise negotiations and enter into Heads of Terms with General Mediterranean Holding SA as Guarantor and Harborough Invest Inc as Property Owner in substantially the form set out in Appendix 3 of the report from the Strategic Director, Regeneration and Growth;
  - (ii) authority be delegated to the Strategic Director of Regeneration and Growth in consultation with the Chief Finance Officer and Chief Operating Officer to enter into negotiations, finalise and enter into a land sale agreement with General Mediterranean Holding SA and Harborough Invest Inc
- 3.7 The Heads of Terms have been signed.
- 3.8 Officers now need to appoint the services of a full design team and associated professional services in order to work up a detailed design for the proposed new leisure centre, prepare a planning application and develop detailed cost estimates.

## Procurement Approach

- 3.9 The Executive paper of 17th February 2014 outlined that the preferred option was to procure a professional team via single appointments, providing flexibility for the Council to select and manage its own professional team. The professional team was anticipated to comprise of an architect, project manager, structural engineer, civil engineer and mechanical and electrical engineer.
- 3.10 It was anticipated that the cost of appointing the architect and each member of the professional team would be below the OJEU limit. It was also noted that the proposed spend on consultants would be “at risk” until the Heads of Terms were agreed with Harborough / GMH and subject to negotiation around the detail of the land contract agreement.
- 3.11 A procurement process for the architect was subsequently run and although submissions were made, it was decided not to make an appointment at that stage as the negotiations with Harborough / GMH were not progressing at the anticipated pace. At this time the anticipated design team costs were below the OJEU limit.
- 3.12 Since that time officers have carried out soft market testing and consulted with other authorities that have experience in managing and delivering similar sports and leisure developments. In the light of this consultation, officers are now seeking to procure a single multidisciplinary architecture-led design team that will include mechanical engineering, structural services and other design-led disciplines required to deliver the new leisure centre. A separate cost consultant and Employers Agent will be employed to provide independent cost and management expertise.
- 3.13 The recommendation to make a single appointment of one architecturally led multidisciplinary design team is being made in order to allow the council to transfer design risk to one Lead Designer who will co-ordinate and manage a team of professional design consultants working in other specialist disciplines. This will have the benefits of ensuring that the design team have experience of working together and will give one single point of responsibility through which the council can manage the contract. In this way the council can reduce the internal management resource required and the risk inherent in directly managing a large number of individual, interrelated contracts.
- 3.14 The pre-tender estimate for the architect led multidisciplinary design team is £240,000 and will therefore require that the services are procured through a tender process, with the placing of a contract notice in the Official Journal of the European Union (“OJEU”). It is anticipated that an appointment will be made to take the design through to RIBA stage 3 (detailed design, including a planning application), with the potential to extend the appointment to stage 4 (technical design) at a later date.
- 3.15 It is proposed to procure the services of a Cost Consultant and Employers Agent separately to the architect led multidisciplinary design team in order to

ensure that there is no potential conflict of interest and that the council has independent financial control of the project costs and contract management. The Council will be looking to procure through framework arrangements for these appointments.

- 3.16 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations for the procurement of the architect led multi disciplinary team have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response
(i)	The nature of the service/ works.	To procure an architecturally led multidisciplinary design team to develop the design for Bridge Park Community Leisure Centre.
(ii)	The estimated value.	The value of this contract will be determined through the competitive tender process but the pre-tender estimate is £240,000 for the architect led multidisciplinary design team.
(iii)	The contract term.	The contract period will be approximately 5 years (to include retention option)
(iv)	The tender procedure	OJEU compliant restricted procedure procurement route, in which parts of the procedure may be conducted by electronic means.
v)	The procurement timetable.	<p>The procurement would be undertaken during autumn 2015/winter 2015/6. Indicative milestones/timescales for the architect led multidisciplinary design team are:</p> <ul style="list-style-type: none"> <li>• Contract Notice placed 2.11.2015</li> <li>• Expressions of interest/Pre Qualification Questionnaire (PQQ) period – end 2.12.15</li> <li>• Evaluation of PQQ responses in accordance with the Council’s approved criteria - end 16.12.15</li> <li>• Invitation to tender period 18.12.15 to 29.01.16</li> </ul>

Ref.	Requirement	Response
		<ul style="list-style-type: none"> <li>• Panel evaluation, interviews and panel decision – 08.02.16 to 19.02.16</li> <li>• Approval to award contract 26.02.16</li> <li>• Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers end 10/03/16</li> <li>• Contract Start Date 21/03/16</li> </ul>
(vi)	The evaluation criteria and process.	<p>Shortlists are to be drawn up in accordance with the Council's Contract Procurement and Management Guidelines namely the PQQ and thereby meeting the Council's financial standing requirements, technical capacity and technical expertise.</p> <p>Officers will evaluate the tenders from the shortlisted bidders on the basis of “most economically advantageous tender criteria” (MEAT) on the basis of percentage quality and percentage price, with a weighting of 40% applied to price and 60% applied to quality criteria.</p> <p>The quality criteria will consider how submissions perform in respect of:</p> <ul style="list-style-type: none"> <li>• Design Approach and Vision (25% weighting)</li> <li>• Expertise and Resource allocation (25% weighting)</li> <li>• Consultation and Stakeholder Management (10% weighting)</li> </ul>
(vii)	Any business risks associated with entering the contract.	The Council will ensure the form of appointment and collateral warranty with the preferred architect led multidisciplinary design team is drafted to minimise all business risks.

Ref.	Requirement	Response
(viii)	The Council's Best Value duties.	The procurement process will seek to ensure best value is achieved.
(ix)	Consideration of Public Services (Social Value) Act 2012.	See Section 8 below.
(x)	Any staffing implications, including TUPE and pensions.	No staffing implications relating to TUPE or pensions.
(xi)	The relevant financial, legal and other considerations.	See Sections 4 and 5 below. This proposed procurement process would be in line with the Council Standing Orders and the Public Contract Regulations 2015.

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

#### **4 Financial Implications**

4.1 The Heads of Terms include provision for Professional Fees capped at 9.5% of build costs to be reimbursed to the Council by GMH as they are incurred. The current estimated value of fees as laid down in the pre-tender considerations set out in paragraph 3.16 of this report are within the forecast capped level. Should this provision fall short when further professional service costs become known, then the differential in cost would need to be financed from an alternative source which could have additional budgetary implications and would be subject to Cabinet approval.

4.2 Heads of Terms have been signed. Until the conditional Land Sale Agreement is agreed and a process is in place to recover costs, spend on consultants will remain at risk.



## **5. Legal Implications**

- 5.1 As indicated in paragraphs 3.9 – 3.13, the appointment of an architect led multi-disciplinary team is a departure from the approach previously reported to the Executive on 17 February 2014 and it was therefore considered appropriate to seek Cabinet authority to a revised procurement approach.
- 5.2 The estimated value of the contract for an architect led multi-disciplinary team is £240,000 and therefore is over the threshold for services contracts under the Public Regulations 2015 (the “EU Regulations”). As such, the contract must be procured in accordance with the EU Regulations, to include advertising in OJEU.
- 5.3 Under the Council’s Contract Standing Orders, the proposed contract for an architect led multi-disciplinary team is classed as a Medium Value Contract. Officers have delegated authority to procure Medium Value contract and would not ordinarily seek Cabinet approval for authority to procure such a contract. However, in view of the need to seek Cabinet authority to the revised procurement approach and given the estimated value of the contract at £240k is only a little below the High Value Contract threshold, Officers considered it appropriate also to seek approval to the pre-tender considerations and evaluation criteria set out in the table at paragraph 3.16.
- 5.4 As this procurement is subject to the full application of the EU Regulations, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the EU Regulations before the contract can be awarded. The requirements include notifying all tenderers in writing of the Council’s decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council’s award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.
- 5.5 As detailed at paragraph 3.15 of the report, the intention is for the Council to procure the services of a Cost Consultant/Employer’s Agent. Officers intend to procure the contract from a framework.

## **6. Diversity Implications**

- 6.1 An equality analysis has been carried out in respect of the proposed procurement of professional services, both the multidisciplinary design team and Cost Consultant/Employers Agent. A copy of the assessment is at Appendix 3. The appointments themselves should not impact the 9 equality characteristics however the work they produce will have impacts. As part of the selection process Officers intend to ask applicants of their approach to equality, including details of past experiences/interventions together with their early high level thoughts in respect of the proposed new Bridge Park leisure centre.

## **7. Staffing/Accommodation Implications (if appropriate)**

7.1 There are no implications for council staff arising from the proposed contract.

## **8.0 Public Services (Social Value) Act 2012**

8.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 to consider how the services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the council might act with a view to securing that improvement; and whether the council should undertake consultation. This duty applies to the procurement of the proposed contract.

8.2 The services being procured aim to improve the economic, social and environmental well-being of residents within the Stonebridge Area through the preparation of a planning application for a new Leisure Centre, which will provide a new modern fit for purpose facility. The services of the multidisciplinary team are highly specialised and as a result there are a limited number of organisations that can provide the services. The Council will however include as part of the procurement process an assessment of the social, economic and environmental benefits organisations are able to bring to the development as well as a requirement for organisations to consult with the local community and to include the result of such consultation in the development. As part of the design process, at least two design workshops will be undertaken with the local community.

## **9. Background Papers**

9.1 17<sup>th</sup> February 2014 Executive - Proposed Redevelopment of Bridge Park Community Leisure Centre

9.2 17<sup>th</sup> June 2013 Executive - Bridge Park-Redevelopment Proposals

9.3 27<sup>th</sup> July 2015 Cabinet - Bridge Park – to enter into Heads of Terms

## **10. Appendix**

1. Bridge Park Current Ownership
2. Bridge Park Ownership After Land Sale and CPO
3. Equality Impact Assessment

## Contact Officers

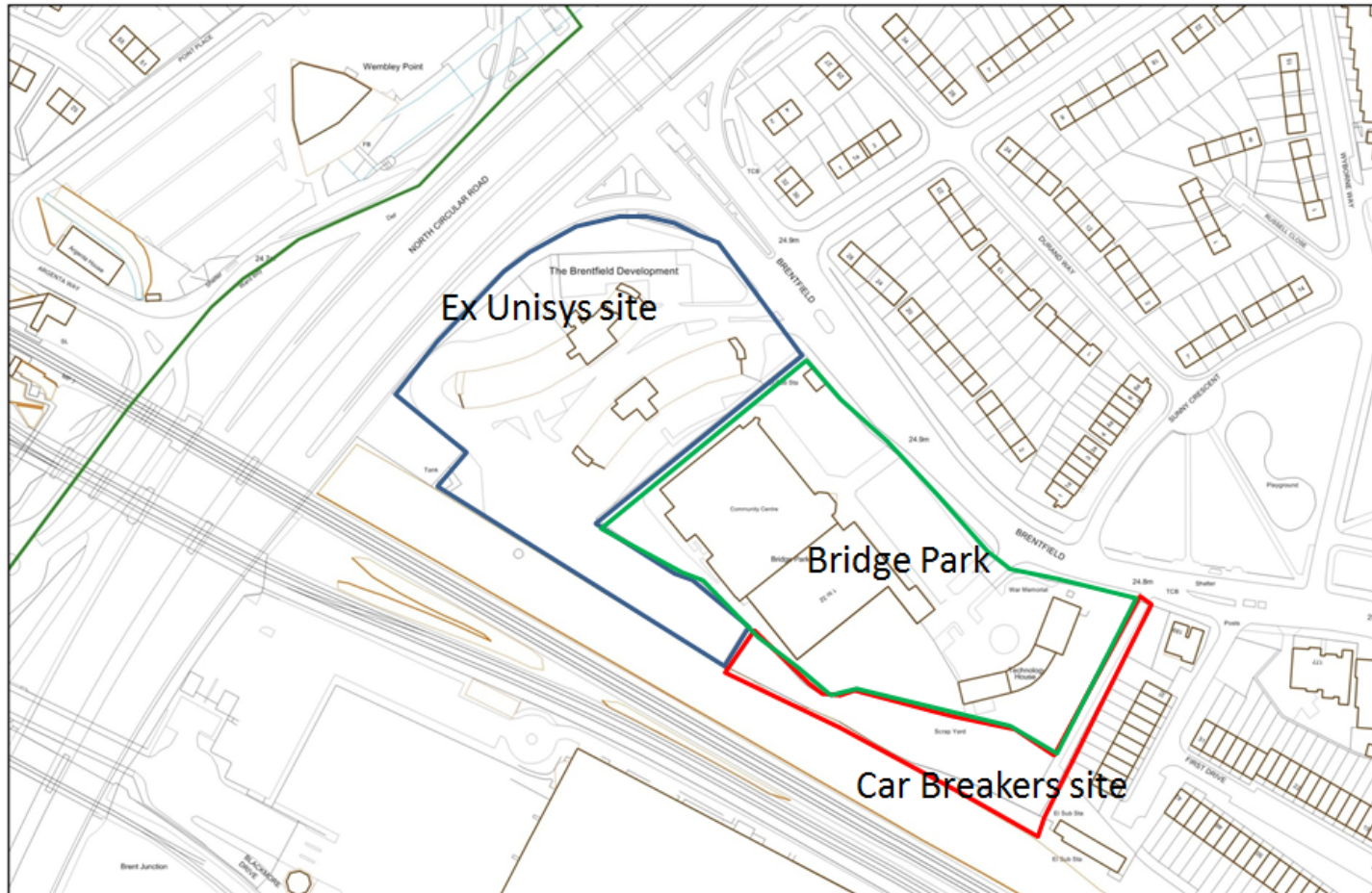
Jill Rennie  
Project Manager  
0208 937 2556  
[Jill.Rennie@Brent.gov.uk](mailto:Jill.Rennie@Brent.gov.uk)

Sarah Chaudhry  
Head of Strategic Property  
0208 937 1705  
[Sarah.Chaudhry@Brent.gov.uk](mailto:Sarah.Chaudhry@Brent.gov.uk)

**ANDREW DONALD**  
**Strategic Director of Regeneration & Growth**

# Appendix 1 Bridge Park Current Ownership

Page 166



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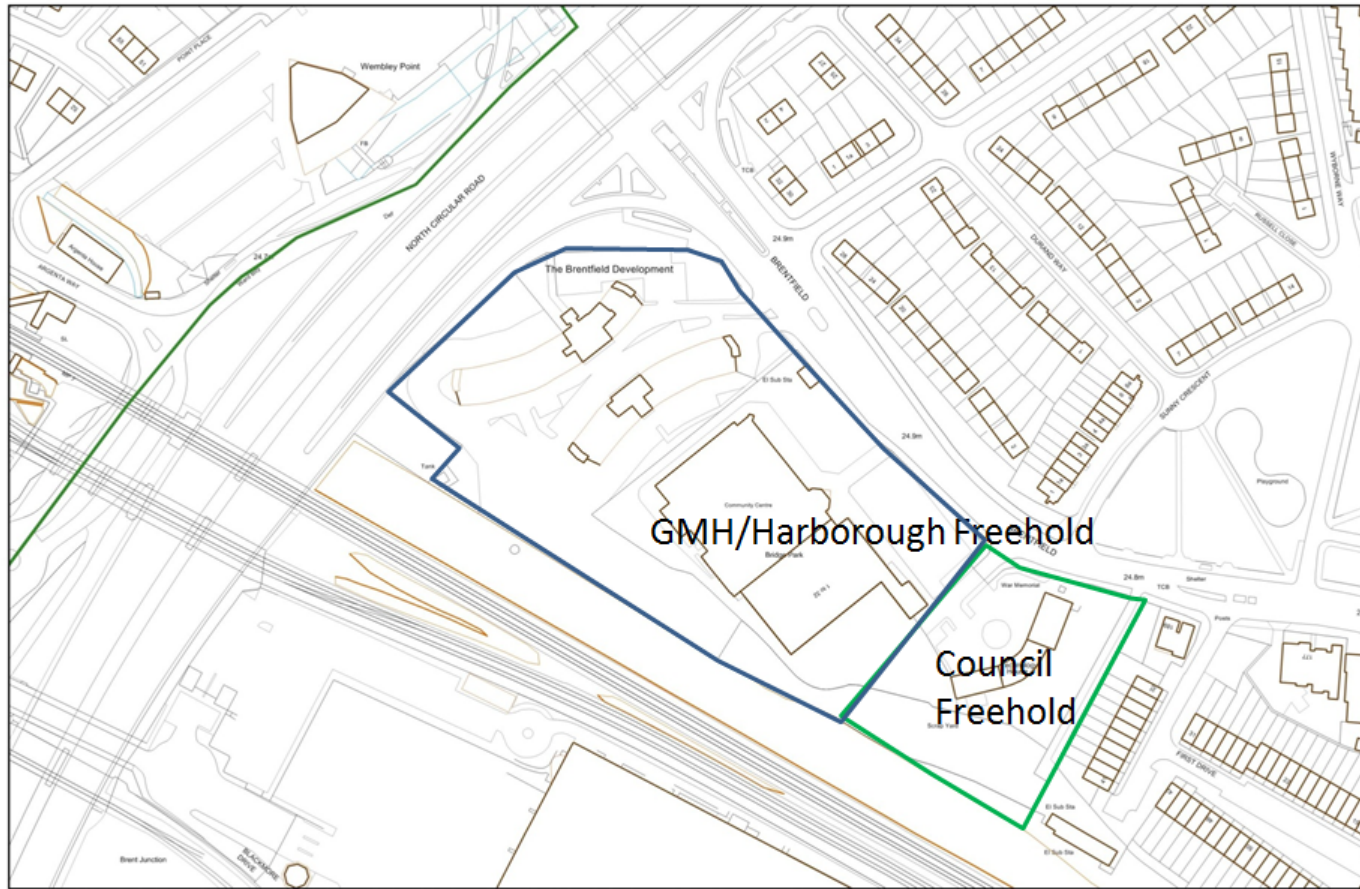
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Date

# Appendix 2 Bridge Park Ownership After Land Sale and CPO



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23 May  
2013

Meeting  
Date

Version no.  
Date



# Bridge Park - Procurement Strategy

**Department**

Regeneration and Growth

**Person Responsible**

Jill Rennie

**Created**

27th August, 2015

**Last Review**

27th August, 2015

**Status**

Complete

**Next Review**

8th August, 2016

## Screening Data

1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

The overall proposal:

Brings Forward New Housing - To bring forward the development of circa. 500 new homes. This was to include new tenures such as private rented housing

Quality & architecture & design - To deliver exemplar quality architecture and urban design and landscape design to transform the Bridge Park neighbourhood to improve resident's life chances and maximise value to the benefit of the regeneration programme.

Brings forward significant improvement to the joint sites - Brings forward significant improvement across the Council, Car Breakers and Unisys sites, through creating a new Leisure Centre and bringing back into use the Unisys site

State of the art sports facilities to the local community - To relocate the existing Sports Centre to a modern fit for purpose facility supporting the Council regeneration agenda.

Future of Bridge Park - To make a clear decision about the future use of the Councils Bridge Park site

Deliver a Sports Centre at no cost to the Council - Paid for out of CIL and land value

Delivers continuous sport provision - Delivers a centre at the beginning of the development programme before the existing centre closes

The Cabinet agreed in July 2015 that authority be delegated to the Strategic Director of Regeneration and Growth in consultation with the Chief Finance Officer and Chief Operating Officer to finalise negotiations and enter into Heads of Terms with General Mediterranean Holding SA as Guarantor and Harborough Invest Inc as Property Owner in substantially the form set out in Appendix 3 of the report from the Strategic Director, Regeneration and Growth; and to enter into negotiations, finalise and enter into a land sale agreement with General Mediterranean Holding SA and Harborough Invest Inc. This Cabinet paper does not seek any changes in regards to the Heads of Terms and the Land Sale Agreement, as such the equality analysis on this has not be revisited and should be read in conjunction with this analysis.

The Executive in February 2014 agreed to the preferred Leisure Centre option, this was option 3 which included a swimming pool which the current centre does not have. This Cabinet paper does not seek any changes in regards to the Leisure Centre option at this time, as such the equality analysis on the Leisure Centre option has not been revisited and should be read in conjunction with this analysis.

This equality analysis is only concerned with the procurement strategy for architectural design and Cost Consultant/Employers Agent.

Officers require a Full Design Team in order to prepare a planning application for the new Leisure Centre.

The Executive paper of 17th February 2014 outlined that the preferred option was to procure a professional team via

single appointments, providing flexibility for the Council to select and manage its own professional team. The professional team is anticipated to comprise, Architect, Project Manager, Structural Engineer, Civil Engineer and Mechanical and Electrical Engineer.

It was anticipated that the cost of appointing the Architect and each member of the professional team would be below the OJEU limit.

It was also noted that the proposed spend on consultants would be "at risk" until the Heads of Terms were agreed with GMH and subject to negotiation around the detail of the land contract agreement.

A procurement process for the Architect was run at the end of 2013/start of 2014. Whilst submissions were made, the Council decided not to proceed at this stage as the negotiations with GMH were on-going and without the funding in place it was not prudent to proceed.

Officers are now seeking to procure a Multidisciplinary Architecturally-Led Design Team that will include Mechanical Engineering, Structural and other design- led disciplines required to deliver the new Leisure Centre. A separate Cost Consult/Employers Agent will be employed to provide independent cost and management expertise. This decision has been reached based on experience where endeavouring to manage individual appointments has proven complicated and management intensive. A single Design Team appointment will give one single point of responsibility, reducing the internal management resource required and reducing risk.

Officers are reviewing the mix within the Leisure Centre and have held soft market testing to help inform the process.

## 2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

Ultimately the community will benefit from the new Leisure Centre.

The procurement of the Professional Appointments will enable Brent to develop its design proposals in respect of a new sports centre at Bridge Park, the architect and sub-consultants will work on the design, the cost consultant/employers agent will work on specification and costings, delivering the anticipated contractual commitments Brent has entered into with GMH.

### 3.1 Could the proposal impact on people in different ways because of their equality characteristics?

- No

If you answered 'Yes' please indicate which equality characteristic(s) are impacted

### 3.2 Could the proposal have a disproportionate impact on some equality groups?

- No

If you answered 'Yes', please indicate which equality characteristic(s) are disproportionately impacted

### 3.3 Would the proposal change or remove services used by vulnerable groups of people?

- No

### 3.4 Does the proposal relate to an area with known inequalities?

- Yes

Stonebridge Ward ranks as the lowest ward in terms of median household income

### 3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

- No

If you answered 'Yes', please indicate which equality characteristic(s) are impacted



3.6 Does the proposal relate to one of Brent's equality objectives?

- Yes

4. To ensure that local public services are responsive to different needs and treat users with dignity and respect

The procurement of the Design Team will deliver the design of the new Leisure Centre.

## Recommend this EA for Full Analysis?

Yes

## Comments

No further information is required.

The proposal is only related to procurement.

## Rate this EA

N/A

## Impact Assessment Data

5. What effects could your policy have on different equality groups and on cohesion and good relations?

5.1 Age (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.2 Disability (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.3 Gender identity and expression (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.4 Marriage and civil partnership (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.5 Pregnancy and maternity (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.6 Race (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.7 Religion or belief (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.8 Sex (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.9 Sexual orientation (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

5.10 Other (please specify) (select all that apply)

- Neutral

The procurements will be run through the OJEU procurement route or through a Framework.

6. Please provide a brief summary of any research or engagement initiatives that have been carried out to formulate your proposal.

What did you find out from consultation or data analysis?

Were the participants in any engagement initiatives representative of the people who will be affected by your proposal?

How did your findings and the wider evidence base inform the proposal?

This EA relates only to procurement, as such the appropriate Council procurement procedures are being used.

7. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

- No

This EA relates only to procurement, as such the appropriate Council procurement procedures are being used.

8. What actions will you take to enhance any potential positive impacts that you have identified?

This proposal only relates to the procurement strategy. There are no identified negative impacts. Using a Framework or OJEU route are established procurement processes. Equality considerations are included as part of the scoring criteria.

9. What actions will you take to remove or reduce any potential negative impacts that you have identified?

This proposal only relates to the procurement strategy. There are no identified negative impacts. Using a Framework or OJEU route are established procurement processes.

10. Please explain the justification for any remaining negative impacts.

There are no negative impacts

## Comments

This Cabinet paper is only concerned with the procurement strategy. The procurement of the Design Team and Cost Consultant/Employers Agent will be either through a Framework or through the OJEU procurement

process, which are inline with Council procedures. The scoring criteria will ask that the consultants demonstrate their commitment and approach to equalities in respect of Brent's proposed new sports centre.

## Organisation Sign-off Data

11. What did this equality analysis conclude?

- The proposal was accepted without changes

12. Please write a brief summary of your equality analysis which should be included in the 'diversity implications' section of any reports.

The equality analysis is in respect of the proposed procurement of professional services, both the architect/design team and employers agent/qs. The appointments themselves should not impact the 9 equality characteristics however the work they produce will have impacts. As part of the selection process we will ask applicants of the approach to equality asking that they detail past experiences/interventions ask that they detail very early high level thoughts in respect of the proposed new Bridge Park leisure centre.

13. I confirm that this equality analysis represents a fair and reasonable view of the implications of this proposal on equality and that appropriate actions have been identified to address the findings.

Enter your name

Sarah Chaudhry

Enter your designation

Head of Strategic Property

Enter your department

Regeneration & Growth

Enter today's date

16-09-2015

### Next Review Date

2016-08-08

## Outstanding Actions

No outstanding actions

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**Cabinet**  
19 October 2015

**Report from the Chief Operating  
Officer**

Wards affected:  
ALL

**Fundamental Review of the Council Tax Support Scheme**

## 1.0 Summary

- 1.1 At the Full Council meeting held in January 2015 when the localised Council Tax Support (CTS) Scheme was last subject to revision, a recommendation was agreed to fundamentally review the scheme during 2015 with a view to effecting any agreed changes to the scheme from 1<sup>st</sup> April 2016.
- 1.2 This report reviews the existing localised CTS Scheme and identifies and evaluates the options that were considered for a revised scheme together with their relative merits, risks and issues.
- 1.3 Based upon the findings from paragraphs 1.1 and 1.2 above, recommendations are made accordingly.

## 2.0 Recommendations

- 2.1 To note and approve the findings from the fundamental review of the Council Tax Support ("CTS") Scheme undertaken.
- 2.2 After carefully considering whether or not to revise the CTS Scheme, to approve the recommendation to retain the current CTS Scheme from 1<sup>st</sup> April 2016 and not to invite Full Council to revise the CTS Scheme for 2016/17.
- 2.3 To note the potential matters for consideration affecting the CTS Scheme for 2016/17 and beyond.
- 2.4 To approve a further review of the CTS Scheme during 2016/17 with a view to introducing any changes agreed by Full Council from 1<sup>st</sup> April 2017.

## 3.0 Detail

## Background

- 3.1 CTS is a local scheme providing eligible Council Tax Payers with support by way of a reduction to their Council Tax bill dependent upon their income and circumstances. The current Brent scheme was determined and agreed by Members at Full Council in December 2012 and became effective from 1<sup>st</sup> April 2013.
- 3.2 Unlike the former national Council Tax Benefit scheme that was fully funded by the Department of Work and Pensions (DWP), the local CTS Scheme, whilst demand-led, is funded by a fixed amount that is “rolled up” within the Council’s revenue support grant allocation and therefore not separately identifiable. The first year of the local scheme (i.e. 2013/14) was however funded by a ring-fenced grant that was 13.7% less than the funding received for the previous national Council Tax Benefit scheme. Consequently, the financial risk arising from fluctuations in caseload and associated expenditure now rests solely with the Council.
- 3.3 The Council has a statutory duty to provide a local CTS Scheme within its area incorporating the following provisions:
- Pension Credit age claimants are subject to statutory provisions (“prescribed requirements”) determined on a national basis and that must be incorporated within each authority’s local scheme.
  - Local schemes must support work incentives.
  - Appropriate consideration must be given to support for other vulnerable groups, including those which may require protection under other statutory provisions including the Child Poverty Act 2010, the Disabled Persons Act 1986 and the Equality Act 2010, amongst others.
  - The Local Government Finance Act 2012 states that a Billing Authority must have regard to any guidance issued by the Secretary of State.
- 3.4 A Billing Authority must consider whether to revise or replace its scheme with another one on an annual basis. However, a decision to revise or replace a scheme is reserved for Full Council only and cannot be delegated.
- 3.5 Any revision to a scheme must be made by Full Council by the 31<sup>st</sup> January immediately preceding the financial year in which it is to take effect and requires prior statutory consultation with the Greater London Authority (GLA) and such other persons as is deemed appropriate. Additionally, if a scheme is to be revised or replaced, consideration must be given to transitional protection for claimants where their support is to be reduced or removed.
- 3.6 Full Council agreed the Brent local CTS Scheme in December 2012 and this has been broadly sustained with minor amendments over the past three years. Whilst minor revisions to the scheme have been the subject of consultation and agreed by the Council on an annual basis, these have principally related to the following:

- Incorporation of prescribed changes made by central government;
- The protection from the minimum Council Tax payment of 20% for persons receiving Incapacity Benefit, and
- Uprating pension credit age applicable amounts and non dependant deductions in line with nationally defined levels.

3.7 At the Full Council meeting held in January 2015 when the local scheme was last subject to revision, a recommendation was agreed to fundamentally review the scheme during 2015 with a view to effecting any agreed changes to the scheme from 1<sup>st</sup> April 2016.

3.8 A review of the current scheme has been undertaken, seeking to evaluate the scheme against its original objectives and principles; to identify any unanticipated impacts; to explore the relationship between scheme design and Council Tax collection; and to undertake a comparison with other Councils' schemes both across London and nationally.

#### **4.0 The Existing Brent Council CTS Scheme**

4.1 The Brent Council CTS scheme was made by Full Council in December 2012 and became effective from 1<sup>st</sup> April 2013 having been preceded by extensive public consultation. The scheme incorporates six key principles and two key features as listed below and which are themes that have continued and are currently anticipated to be replicated within any revised future scheme provisions.

##### **Principle 1: “Everyone should pay something”**

All working age claimants (unless protected under principle 2 below) are required to pay a minimum contribution towards their Council Tax – this is currently set at 20% within the scheme.

##### **Principle 2: “The most vulnerable claimants should be protected” (from the minimum contribution)**

Claimants are protected from the 20% minimum contribution if they, a partner or a dependant in their household are entitled to a disability premium, enhanced disability premium, disabled earnings disregard, Disability Living Allowance or Personal Independence Payment, Disabled Persons Reduction for Council Tax purposes, War Disablement Pension, War Widow's and War Widower's Pension. Additionally, claimants are also protected if they or their partner are in receipt of a Carer's Allowance.

##### **Principle 3: “The scheme should incentivise work”**

Incentives to work are achieved by letting claimants who are working keep more of what they earn (before means-testing) – the existing scheme incorporates earnings disregards for Single Persons, Couples and Lone Parents earnings that are £10 higher than the level previously set nationally under the Council Tax Benefit scheme. In this context, a disregard means the amount of weekly earnings that may be ignored when calculating entitlement to Benefit.

##### **Principle 4: “Everyone in the household should contribute”**

Other adults in the claimant's household ("non-dependants") should contribute more proportionately to their income – the existing scheme incorporates rates of non-dependant deductions that are twice the level of deductions that existed in 2012/13. Additionally, the scheme incorporates a deduction of £6.60 for each other adult residing in the claimant's household who receives Job Seekers Allowance (Income Based) where none previously existed under the former national Council Tax Benefit scheme.

**Principle 5: "Better off claimants should pay relatively more so that the least well off receive greater protection."**

The existing scheme incorporates a taper of 30%. This is applied in the means test calculation for claimants whose income exceeds their needs. It is the rate at which Council Tax Support is reduced where weekly income exceeds basic living needs. Under the former national Council Tax Benefit scheme, the taper was 20 pence in the pound rather than the 30 pence currently applied.

**Principle 6: "Benefit should not be paid to those with relatively large capital or savings"**

The existing scheme incorporates a savings cut-off limit of £6,000 rather than the £16,000 limit that previously applied to the national Council Tax Benefit scheme.

**Feature 1:** The second adult rebate scheme (whereby claimants whose own income is too high to receive CTB, but have other adult(s) in the household whose income is low, can receive a Council Tax discount of up to 25%) was removed for working age claimants.

**Feature 2:** Premiums and personal allowances used to determine basic living needs for a claimant and their family when calculating entitlement to CTS have been held at the rates that previously applied to the national Council Tax Benefit scheme in 2012/13.

4.2 Immediately prior to the introduction of the local CTS scheme in Brent, there were 35,792 live Council Tax Benefit claims. At April 2013 when the scheme commenced, there were 33,959 claims. By April 2014, this had reduced to 31,569 claims and by April 2015, this had further reduced to 29,042 claims. Under the Brent scheme, this is categorised as shown in Tables 1, 2 and 3 (CTS Caseload) below:



Table 1 – CTS Caseload at April 2013

<b>CTS Caseload</b>	<b>As at April 2013</b>	<b>% of overall caseload</b>	<b>% of working age caseload</b>
Working age “vulnerable”	4,789	14.1%	20.7%
Working age “employed”	6,811	20.1%	29.4%
Working age “other” (i.e. unemployed but not vulnerable)	11,566	34.0%	49.9%
Pensioner	10,793	31.8%	n/a
<b>Total</b>	<b>33,959</b>	<b>100.00%</b>	<b>100%</b>

Table 2 – CTS Caseload at April 2014

<b>CTS Caseload</b>	<b>As at April 2014</b>	<b>% of overall caseload</b>	<b>% of working age caseload</b>
Working age “vulnerable”	5,104	16.2%	24.3%
Working age “employed”	6,393	20.3%	30.5%
Working age “other” (i.e. unemployed but not vulnerable)	9,488	30.0%	45.2%
Pensioner	10,584	33.5%	n/a
<b>Total</b>	<b>31,569</b>	<b>100%</b>	<b>100%</b>

Table 3 – CTS Caseload at April 2015

<b>CTS Caseload</b>	<b>As at April 2015</b>	<b>% of overall caseload</b>	<b>% of working age caseload</b>
Working age “vulnerable”	5577	19.2%	29.5%
Working age “employed”	5567	19.2%	29.5%
Working age “other” (i.e. unemployed but not vulnerable)	7735	26.6%	41.0%
Pensioner	10163	35.0%	n/a
<b>Total</b>	<b>29042</b>	<b>100%</b>	<b>100%</b>

4.3 Approximately 3,200 of the total reduction in claims that has occurred between January 2013 (i.e. under the former national Council Tax Benefit scheme) and May 2015 (i.e. almost half of the total reduction) occurred as a

consequence of the changeover from CTB to CTS to reduce expenditure to within the level of grant funding. Whilst a reduction in caseload was anticipated as a consequence of the new arrangements, the reduction is significantly greater than that anticipated. An analysis of the caseload has indicated that a reduction of just over 900 claims for the same period as above has occurred for pension credit age claims alone which were unaffected by the introduction of the localised arrangements.

- 4.4 The remaining caseload reduction has arisen in relation to working age claims and is considered to be due to a combination of factors. These include changes in the overall economic climate and the “freezing” of Applicable Amount levels at 2012/13 amounts for calculating Council Tax Support entitlement.
- 4.5 The Brent Council scheme was entirely financed within the CTS grant during the first year of operation (i.e. 2013/14) achieving a “surplus” of £1.8M. However, the position for years 2 and 3 of the scheme is more difficult to quantify as the fixed grant for Council Tax Support received in year 1 was subsequently “rolled-up” within the overall Revenue Support Grant settlement. However, assuming that the proportionate reductions in Revenue Support Grant for 2014/15 and 2015/16 applied to the original Council Tax Support grant funding for 2013/14, a notional “deficit” would have arisen in those years. (Please see Section 9: Financial Implications.)

## **5.0 Review of the current CTS scheme**

- 5.1 As agreed at Full Council, a fundamental review of the current CTS scheme has been undertaken. The review sought to evaluate the scheme against its original objectives and principles; to identify any unanticipated impacts; to explore the relationship between scheme design and Council Tax collection; and to undertake a comparison with other Councils’ schemes both across London and national.
- 5.2 The current scheme’s original objectives were to design a robust scheme that would:
- Achieve the required savings;
  - Withstand legal challenge;
  - Be able to run for at least two years;
  - Be fair and equitable;
  - Protect the most vulnerable.
- 5.3 The scheme was also based on the assumption that the Council would achieve in-year Council Tax collection from CTS claimants of between 50-80%.
- 5.4 The full review report is contained within Appendix A to this report, but the main findings were as follows:
- CTS scheme design varies nationally, and also within London, and has also seen some authorities change aspects of their scheme since the first year.

- The most common feature of scheme design is that of a minimum payment requirement, which for this year sees 77% (250 of 326) of local authorities requiring a minimum payment within their scheme; 24 of the 33 (73%) local authorities in London require a minimum payment. The range of minimum payments, both nationally and within London, is 5% to 30%.
- Nationally, Councils have adopted a variety of other features including revised “tapers”, savings limits, non-dependant charges and income disregards (all of which are incorporated within Brent’s scheme). Some other features (e.g. valuation band caps) were not adopted by Brent.
- In-year collection rates for Brent’s CTS Customers have exceeded the 50%-80% expectation, coming in at 81.76% and 85.71% for the first two years respectively. Despite this, 19% of all CTS customers currently have some arrears in respect of the previous year, and Working Age Employed customers are in proportionate terms those most likely to have arrears at 35%.
- The overall caseload in Brent has decreased by 14% since the start of the localised scheme, with the “working age other” group (i.e. unemployed but not “vulnerable”) experiencing the steepest decline in caseload at 31%. However, within this overall decline, the “vulnerable” group has seen a caseload rise of 6% over the same period. The overall reduction in caseload is partly as a result of scheme design – in that the amount of financial support available overall was reduced to achieve the necessary savings – although other macro economic factors, particularly falling unemployment have significantly contributed to this.
- Expenditure for the first year of CTS was £6.6m less than in the final year of CTB representing a financial reduction of 19%, and has further reduced by £3.17M since. This however should be seen in the context of the original expectation that after the initial reduction, caseload would continue to grow year on year, and also the expectation that in-year collection from CTS claimants could be as low as 50% (whereas in fact it achieved 81.76% and 85.71% respectively for the first two years of the scheme). Whilst the above two expectations did not transpire, it can still be seen that the overall reduction in CTS expenditure is significantly less than the corresponding reduction in the overall Revenue Support Grant, from which CTS is partly funded on a non-ring-fenced basis.
- No strong relationship has been found between collection rates and the minimum payments required under CTS schemes within London Authorities. However, there appears to be a closer relationship between collection rates and the level of deprivation within London Authorities such that lower levels of collection are achieved in areas with higher deprivation.
- In Brent’s scheme, working age claimants classed as “vulnerable” have an average of £1.30 to pay towards their weekly Council Tax liability compared to customers in the Pensioner group who have on average £3.16 per week to pay, and working age employed (£9.03) and working-age other (£5.58).

- On average, “Single claimant” households (75%) are the most likely group to experience a shortfall between their Council Tax liability and CTS entitlement of up to £5.00 per week. However, “Lone Parents” and “Couples with no dependants” are not too dissimilar at 71% and 68% respectively. On the other hand, 61% of “Couples with dependants” pay between £5.01 and £15+ per week.
- Over the entire working age caseload, 30% of claimants are classed as ‘vulnerable’, although this proportion rises to 49% for the 55+ age category. The latter category are the most likely to have no Council Tax liability and indeed the older the claimant, the more likely they are to pay nothing. Of the caseload, 66% pay £5.00 or less per week.

5.5 In conclusion; in terms of legal, financial and equitable robustness, the current scheme can be considered as a success. First and foremost, there have been no legal challenges brought against the scheme, whether in terms of matters concerning the consultation arrangements or in terms of compliance with Equality Act requirements.

5.6 From a financial perspective, the scheme has met its objective of achieving a minimum saving of 10% in the first year of CTS. Furthermore, in-year Council Tax collection rates for CTS customers have also exceeded expectations. The other key requirements of the scheme – protecting vulnerable groups and incentivising work – were also achieved and underpinned by key principles. Additionally, from an Equalities and Diversity perspective, the impact on groups with ‘protected characteristics’ has been as previously forecast.

5.7 The average weekly amount a working age customer has to pay towards their Council Tax has remained within the range that was identified prior to the commencement of the local scheme, and from a Diversity perspective, the impact on protected characteristics has been as forecast.

5.8 The 55+ age group is more likely than other age groups to have a lower amount of Council Tax contribution due to the fact that the group members are more likely to be protected from the minimum Council Tax payment contribution of 20% as they receive one of the qualifying incomes for the “vulnerable” group provided for within the scheme.

5.9 Conversely, however, the 55+ age group is also more likely to have a non-dependant living with them resulting in a higher Council Tax payment contribution where they are not protected from the minimum Council Tax payment contribution.

5.10 It should be noted that whilst those in the 55+ age group are more likely to have one or more non-dependants in the household, 59.7% of those individuals are within the vulnerable group and therefore are not subject to the minimum Council Tax payment requirement. In some cases such as where the claimant or their partner is disabled, they are also not subject to non-dependant deductions.

5.11 The Asian ethnic group is more likely to be affected by a reduction of £5.00 or more per week, due principally to this group tending to have a greater number of non-dependants in their households, and the scheme principle that other

adults resident in the household should contribute more towards their Council Tax (an impact considered acceptable in the original scheme due to the policy intention).

- 5.12 Viewed in this context, the scheme can be considered as being successful in terms of achieving its objectives and meeting the principles underpinning it. Additionally, no unforeseen impact has been identified.

## **6.0 Stakeholder Engagement events**

- 6.1 In addition to the retrospective review referred to above, two engagement events have been held with Elected Members and representatives of voluntary groups respectively. These were to gauge broader perspectives on the current scheme and establish any significant concerns or potential areas where reform of the scheme may be appropriate.

- 6.2 The broad consensus at both events appeared to be that the current scheme was performing reasonably well, and there was no perceived appetite for radical change and a departure from the main principles governing it. Indeed, it was questioned as to whether this was the right time to be considering changes, in the scope of significantly greater – but at that time largely unknown – welfare reforms expected to be introduced following the General Election.

- 6.3 Additionally, Elected Members considered that any proposed changes to the scheme should be “cost-neutral” in terms of expenditure, given the competing imperatives to protect the most financially vulnerable residents whilst being mindful of the need for the Council to make substantial additional financial savings over the next few years.

- 6.4 It should be noted that the term “cost neutral” in the context of paragraph 6.3 above relates to the amount of CTS scheme expenditure, although with regard to the reducing RSG, the proportion of grant income spent on CTS is in fact potentially increasing.

- 6.5 It should also be noted that even a “cost-neutral” scheme will be subject to financial variance depending on socio-economic factors, in particular the status of the economy and levels of unemployment. For example, a modest 1% increase in working age caseload would add only another 200 to the claimant caseload, but £250K to annual CTS expenditure.

- 6.6 Voluntary sector partners also intimated that reforms to the CTS scheme were perhaps not the highest priority requiring attention at this time.

## **7.0 CTS Scheme Options**

- 7.1 The authority can make any changes to working age claims that it wishes subject to statutory constraints and guidelines and given that CTS is a locally determined scheme. However, more radical options than those considered in Appendix B to this report were not pursued partly in response to the views expressed at the stakeholder engagement meetings and partly because more radical changes (i.e. conceptual as well as practical revisions to the current design) would have introduced unacceptable levels of financial and legal risk,

given that the review was with the intention of introducing any agreed changes for 2016/17. Were a more radical review desired, a project lead-in time of 18 months would be necessary.

- 7.2 The five broad options considered within the review were as follows:-
1. "Change" option ("cost neutral");
  2. "No change" option;
  3. 10% savings option;
  4. More generous scheme;
  5. Return to the former national Council Tax Benefit scheme provisions.
- 7.3 Even after discounting any scheme design which radically moves away from the concept of the current scheme (i.e. the means-test; minimum contribution; non-dependent charges etc), the range of permutations based on amendments to parameters within the current scheme is virtually infinite, and the analytical detail required for each one significant. Therefore, in order to crystallise the main choices available, consideration was given to five broad design options (with variations / sub-options where appropriate and feasible within the timescales available). It should be noted that, in embarking on a scheme review at all, it was necessary to consider a range of options for both scheme design and for funding.
- 7.4 It should also be noted that the detailed scheme modelling was primarily performed prior to the government's Emergency Budget announced on 8<sup>th</sup> July 2015.
- 7.5 The Emergency Budget contained a raft of welfare changes scheduled for introduction over the next two years. The effects of these cannot be precisely quantified at this stage as they are dependent upon a number of variable factors. However, a preliminary analysis has been undertaken and the impacts and risks identified from this are set out in Section 8 of this report. These suggest that the reforms concerned may have significant implications for certain CTS scheme design options for 2016 and beyond.
- 7.6 It is therefore considered highly likely that the CTS scheme will need to be revised for 2017/18 to take account of the further reforms to Child and Working Tax Credits, Housing Benefit and Universal Credit, announced in the Emergency Budget. (Please see Section of this report 8: Risks and issues). Consequently, revising the scheme for 2016/17 would potentially mean a second scheme review then being required for 2017/18 incorporating further redesign and public consultation and create potential confusion and uncertainty for claimants and employees alike due to different schemes operating in different financial years. The cost of revising the scheme and conducting a public consultation twice in a twelve month period would also result in additional cost.
- 7.7 The relative merits of each scheme design option considered under paragraph 7.2 above are set out in Appendix B to this report together with the key risks and issues arising from each one.
- 7.8 Having completed the fundamental review of the existing CTS scheme and considered alternative options and their associated risks and issues, it is

recommended that the current CTS Scheme is retained for 2016/17. This is principally due to the following:

- Higher levels of financial risk associated with the other options,
- High degree of uncertainty concerning the effect and impact of the reforms announced in the Emergency Budget on 8<sup>th</sup> July;
- The timing of other welfare reforms;
- The high probability of needing to review the localised CTS scheme for 2017/18 in addition to any revision otherwise proposed for 2016/17 to take account of the proposed welfare reforms particularly in relation to further reductions in Tax Credits;
- The longer lead-in time available for the 2017/18 scheme provides an opportunity to consider future funding arrangements for CTS within the wider budget-setting process this year, and in particular, to consider whether any CTS expenditure below the forecast level for 2016/17, or any other additional funding, should be ring-fenced to provide resilience within a revised scheme for 2017/18.

#### Advantages of the “No Change” Option Recommended

- 7.9 The “No Change” option (Option 1) supports the general view conveyed by Elected Members and stakeholders through the engagement meetings that the scheme is broadly acceptable and permits the scheme to remain broadly “cost neutral” in terms of levels of current CTS expenditure. Additionally, it does not introduce radical and potentially high risk changes, and indeed does not introduce increases in the Council Tax amounts payable by working age claimants as would arise under some of the other options considered. It also offers the advantage that Brent Council will continue to provide the same level of Council Tax Support to claimants, unlike other national welfare reform changes which will see reductions in assistance for many claimant households, particularly families, from 2016. In fact, some claimants may receive increased CTS entitlement as a result of their other income reducing.
- 7.10 The potential for legal challenge regarding any revised scheme is also significantly reduced under this option, and no changes would be required in relation to software used to deliver the service, thus avoiding software development costs and the associated implementation risks. Additionally, there would be no requirement to consider the provision of transitional protection for claimants that may receive less support under the revised arrangements.
- 7.11 A “No Change” option affords the Council an opportunity to assess and evaluate the effect of the wider welfare reforms over the next 18 months and potentially incorporate any findings within a revised scheme for the following year (i.e. 2017/18).
- 7.12 Additionally, the administrative costs that may otherwise be required in communicating changes to Council Tax Payers are minimised under this option, as are project and consultation costs as consultation will not be required in relation to 2016/17. Furthermore, no additional detailed analysis is required, and only relatively minor officer time is required in preparing reports. It is anticipated that approximately £91,887 will be saved (or at least deferred) in project costs during 2015/16 based upon the recommendations within this

report. (Please see Section 9 of this report: Financial Implications). Given that it is highly likely there will be a need to revise the scheme for 2017/18, project and consultation costs of £134K are likely to be expended for that purpose regardless of whether similar costs are incurred for this year.

#### Disadvantages of the “No Change” Option Recommended

- 7.13 The “No Change” option may be perceived as taking an “unambitious” approach given that an opportunity existed for making changes to the current scheme. However, the Emergency Budget on 8<sup>th</sup> July and the resulting new welfare reforms considerably changed the local government and welfare benefits landscape, consequently demanding a reconsideration of the options.
- 7.14 Retaining the existing scheme will mean that the adverse impact previously identified (but accepted) in relation to Asian claimants and claimants aged 55+, specifically in relation to non-dependant deductions, will continue.
- 7.15 Perhaps more significantly, although still a relatively small risk, the current Brent Council scheme includes a provision which effectively means that Universal Credit (UC) claimants have their income disregarded in full (provided that they have capital of less than £6,000) and maximum CTS entitlement (usually 80% of liability) awarded – even if the UC claimant is working. As increased numbers of claimants in receipt of relevant DWP benefits transfer to UC over time, this is likely to present an increased financial risk.
- 7.16 With reference to paragraph 7.15 above, it is however considered that the most probable development next year will be that the Department for Work and Pensions (DWP) seeks a migration of all single claimants without dependants (i.e. 8,251 CTS claimants) to UC by April 2017. If so, it is estimated that this would represent an additional cost of £101K under the present scheme assuming that the transfer were to be phased throughout 2016/17. If all of the relevant claimants transferred at once in April 2016, the cost in 2016/17 would be £161K. However, this latter scenario is considered to be extremely unlikely.
- 7.17 In context and by way of a comparison, even a modest 1% increase in caseload (i.e. 200 cases), would cost far more (approximately £254K), and similarly expenditure would reduce if caseload decreased. It is currently unclear, if not unlikely, whether all single claimants without dependants actually will migrate next year (there are currently only 31 claims which have migrated in the first three months of UC). However, the uncertainty presents a small risk and this issue will need to be addressed in the medium to long-term.

## **8.0 Risks and Issues**

- 8.1 A full list of general risks and issues relating to each of the scheme design options considered and evaluated is presented in Appendix D to this report. However a number of key risks – in particular those related to welfare reform announced in the Emergency Budget and that relate to the “No Change” option – are set out below.



- 8.1.1 Future caseload and any expenditure growth / reduction cannot be determined with precise accuracy. Figures are therefore based upon applying current expenditure and caseload to the financial modelling. In particular, any changes that could have the effect of bringing former claimants back into entitlement such as could occur if lower levels of Tax Credit income were to be awarded via the DWP, cannot be quantified and could therefore impact on the financial modelling results shown within this report. Additionally, a deteriorating economic climate could result in an increased number of CTS claims and hence overall CTS scheme expenditure.
- 8.1.2 The financial modelling has been performed in relation to the exclusive effects of CTS options. The cumulative effect of the wider welfare reforms in relation to CTS cannot be quantified with absolute certainty but could skew the results shown and evaluated within this report and its associated appendices.
- 8.1.3 The main reforms announced in the Emergency Budget, which have been considered specifically in relation to CTS, are as follows:

2016

- Reduction from April 2016 in the Overall Benefit Cap (OBC) from £26,000 to £23,000 for families and £18,200 to £15,392 for single claimants;
- Removal of the Family Premium from Housing Benefit (HB) calculations;
- Reduction in the earnings disregard in Working Tax Credits (WTC) from £6,420 per year to £3,850 per year, and an increase in the WTC taper from 41% to 48%.

2017

- Removal of Child Tax Credits (CTC) for third or subsequent children on any new claims for HB, UC and Tax Credits.

- 8.1.4 The revised Overall Benefit Cap (OBC), to be introduced in 2016, is anticipated to affect a further 2,000 current CTS claimants.

Table 4 quantifies the volumes of claimants affected by the OBC changes proposed for 2016/17 by tenure type, based on preliminary modelling. A possible consequence of the revised OBC could be that the number of claims and hence overall CTS expenditure reduce due to claimants ceasing to occupy a home within the Borough and instead either residing with their family or moving to cheaper accommodation outside of the Borough.

Table 4 – Impact of OBC by tenure for 2016/17

	2016 / 17 Cap		
	£23k Cap (Couple or Single with dependants)	£15.41K Cap (Single with no dependants)	Total
<b>TENURE</b>			
Council	46	0	46
Temporary Accommodation	222	66	288
Registered Social Landlord (RSL)	339	112	451
Private Sector	820	1299	2119
	<b>1427</b>	<b>1477</b>	<b>2904</b>

- 8.1.5 Government announcements indicate that the Family Premium is to be removed from new Housing Benefit claims from April 2016. This is likely to impact on 1,837 new claims next year where a CTS customer also receives HB, with the effect of reducing an individual's weekly HB by up to £11.05 per week. Whilst there is no direct impact on the CTS scheme, these families will have less available income with which to pay their household expenses, including Council Tax.
- 8.1.6 In 2017, the changes to CTC are estimated to affect relatively few CTS claimants as the changes only apply to new claims where there is also a newly born third child (anticipated to affect approximately 200 claimants). However the Working Tax Credit (WTC) changes in 2016 will affect significantly more, as approximately half of the CTS "employed" cohorts (5,567 cases) also receive WTC and are subject to the means test, as their weekly household income exceeds the applicable amount determined for meeting their basic living needs. The combined effect of the reduction in the earnings disregard and the increased taper is estimated to reduce claimants' WTC income on a national basis by £23.72 per week based upon a claimant's current annual household income being £6,420 (i.e. the current threshold below which the maximum entitlement to Tax Credits is permitted).
- 8.1.7 It is evident that the CTC and WTC changes will mean a significant reduction in claimants' income from 2016 (perhaps partially mitigated by an increase in the national living wage / minimum wage). The impact on the CTS scheme has the potential to be significant dependent upon the effect of retaining the 2012/13 premiums and allowances for working age claimants in 2016/17. This is because the decreased Tax Credit income would result in increased CTS entitlement when calculated against the existing needs provision in the means test. However, more detailed modelling will be required to predict the full impact of these changes because of the cumulative impact of other changes.
- 8.1.8 The timing and hence impact of Universal Credit (UC) remains unclear and therefore has the potential to skew the financial position of the CTS scheme dependent upon the timetable and pace of UC roll-out. It is possible that the government may attempt to roll out UC to all single claimants by April 2017 though this aim has not been publicly stated and based upon current progress would seem unlikely. Were this to happen, this could potentially cost between £101K and £161K in CTS expenditure - dependant on whether all claims were migrated at the start of the year or, as is considered to be more likely, phased equally

over four quarters - due to the current built-in protection for UC claimants within the local CTS scheme.

- 8.1.9 Equally, the partial protection of UC claimants within the current scheme may be viewed as desirable in the early migration to the new scheme, and less of a risk than protecting other unknown cohorts. Either way, it is recommended that this partial protection be removed when the scheme is next changed, as ultimately this measure will make the scheme unaffordable.
- 8.1.10 The effect of wider welfare reforms – particularly OBC - may result in demographic changes to the Brent population and influence customer decisions concerning where they live and work. This could potentially impact upon CTS caseload as well as demand for other services such as schools admissions and housing although any impact may not be apparent until some time after any changes have been implemented.
- 8.1.11 A central government review of localised arrangements for CTS provision and the potential for incorporating these within the UC arrangements in the future may remove the need for local provision. Consequently, any investment made in the scheme could be for a limited duration, although there is currently no indication that this route will be taken.
- 8.1.12 Actual Council Tax collection rate for CTS claimants has been higher than anticipated within the Brent Council area. However, this is sensitive to both macro-economic factors and local issues, including claimants having less money available generally due to the effects of other reforms. The effects of these have not been incorporated within the financial modelling undertaken.
- 8.1.13 Financial modelling undertaken takes no account of any future Council Tax increases. It is assumed that if the Council resolves to increase Council Tax, then the resultant increase in CTS expenditure will be met from the increased revenue derived from the Council Tax rise.
- 8.1.14 Furthermore, it will be noted that in the event of a Council Tax increase, CTS entitlement will also increase and for those claimants with a maximum potential entitlement of 100% (i.e. pensioners and vulnerable working age claimants) the full amount of the increase will be met by CTS. However, claimants with a maximum potential entitlement of 80% (ie working age employed and other), will see a small increase equivalent to the Council tax rise applied to their 20% Council Tax contribution.

Example:

Claimant's Council Tax liability £25.00 per week

Claimant's 20% Council Tax contribution is £5.00 per week

If a Council Tax increase of 2% were to be applied the following outcome would occur:

New Council Tax liability £25.50 per week

Claimant's 20% Council Tax contribution is £5.10 per week

The average working age (non-vulnerable) claimant's Council Tax liability would therefore rise by 10p per week or £5.20 per year. This increase cannot be funded directly through the CTS scheme.

- 8.2 The government's further welfare reforms announced in the Emergency Budget represent a significant risk to CTS expenditure for each of the scheme design options considered under paragraph 7.2 and Appendix B of this report. However, the greater risk is attached to Option 1 ("Cost-neutral change"), especially if a scheme design change were to be proposed seeking to protect CTS claimants from the impact of the welfare reforms without knowing the full extent and implications of the potential impact.
- 8.3 In context, the scheme design changes considered for Option 1 affect 70% of claimants by up to +/- £1.00 per week, with a further 20% affected by up to +/- £2.00 per week. However, since Option 1 was modelled, the reduction in the Overall Benefit Cap to £23,000 per annum (and more significantly, to £15,410 for single claimants with no dependants), is estimated to increase the number of affected households in Brent by 203% to 2,904. This now renders Option 1 non "cost-neutral" with the potential CTS cost arising from the "protection" for this claimant group increasing by £346K for a full year and CTS expenditure increasing from £25.44M to £25.78M.
- 8.4 Option 3 ("10% savings") is also subject to uncertainty concerning the nature of the reforms and the potential that the Council's scheme changes may exacerbate the impact of the government's other reforms.
- 8.5 Least risk is attached to Option 2 ("No change"), in that the only financial risks are those arising from caseload increase and expenditure increase due to claimants receiving less income and which would be limited to one year only. It is important to note that these are risks that are also attached to each of the other options considered anyway.
- 8.6 Furthermore, Option 2 ("No change") avoids project and consultation costs in 2015/16 and provides an opportunity for a longer (18 month) lead in to potential scheme changes for 2017/18. This would also provide the opportunity to carefully consider and evaluate the effects of the wider welfare reforms based upon knowledge and learning obtained from practical experience.

## **9.0 Financial Implications**

- 9.1 The Brent Council scheme was delivered within the agreed budget during the first year of operation (i.e. 2013/14) achieving a "surplus" of £1.8M. However, the position in later years is more difficult to quantify as subsequently the fixed grant for Council Tax Support received in year 1 was "rolled-up" within the overall Revenue Support Grant settlement. However, assuming that the proportionate reductions in Revenue Support Grant for 2014/15 and 2015/16 were applied to the original Council Tax Support grant funding for 2013/14, a notional "deficit" would have arisen as shown in Chart 1 (CTS Financial Status) below. In practice there is no longer any link between government funding and the cost of the CTS scheme, so costs are effectively fully met by

Council Tax payers. The Brent share referred to in Chart 1 below represents the proportion of the scheme expenditure that is met by Brent Council, the remainder being borne by the Greater London Authority (GLA).

Chart 1 – CTS Financial Status

Council Tax Support 13/14	28,670,000.00
Brent share @ 77.75%	22,290,925.00
Grant	24,121,000.00
<b>Surplus</b>	<b>-1,830,075</b>
Council Tax Support 14/15	26,592,000.00
Brent share @ 77.98%	20,736,441.60
Grant (Notional)	19,834,892.81
<b>Notional deficit</b>	<b>901,548.79</b>
Estimated CTS 15/16	25,500,000.00
Brent share @ 78.21%	19,943,550.00
Grant (Notional)	14,530,229.50
<b>Estimated Notional Deficit</b>	<b>5,413,320.50</b>

- 9.2 Therefore, although the level of CTS awarded has fallen, largely due to employment trends, the notional cost to the Council has been increasing. Any amendments to the scheme which increase the overall costs would have to be met from future years' budgets. It is possible that the reduction of levels of CTS seen over the last two years could be partially reversed if economic conditions deteriorate, thereby increasing costs.
- 9.3 The Brent Council share (i.e. removing the GLA component) of currently projected CTS expenditure for 2015/16 is anticipated to be £19,944M. This compares to £22,290M that was incurred for 2013/14.
- 9.4 This report recommends the retention of the existing CTS scheme for 2016/17. Whilst it is intended that this should remain "cost-neutral" in terms of levels of expenditure, it may be affected in part by the impact of welfare reforms announced in the Emergency Budget and to be introduced in 2016.
- 9.5 However, as set out in Section 8: Risks and Issues, the risks associated with the "No change" option are significantly less than those presented by the other options considered and evaluated and would also be limited to a single financial year. Whilst the Tax Credit changes scheduled for 2016 are likely to result in increased CTS expenditure, these are anticipated to be offset, at

least in part, by the continued “freezing” at 2012/13 levels of personal allowances and premiums within the local CTS scheme.

#### CTS Scheme Review - Project Expenditure

- 9.6 The recommendation to retain the existing Council Tax Support scheme for 2016/17 will, if agreed, mean a “saving” of £91,887 is achieved in 2015/16 from not having to progress to consultation. This cost would otherwise have been met from the Customer Services budget and reserves.
- 9.7 The recommendation to review the Council Tax Support Scheme in preparation for implementing changes from 2017/18 will, if agreed, require the project to be scoped, resourced and appropriately funded. To achieve implementation from 1<sup>st</sup> April 2017 and given the likely extent of change needed to account for the effects of welfare reforms announced in the Emergency Budget on 8<sup>th</sup> July, an 18 month lead in time is anticipated.
- 9.8 Consequently, scoping, resourcing and financing requirements for this review will need to be determined and agreed during the autumn of this year to facilitate the achievement of that timescale.

### **10.0 Legal Implications**

- 10.1 The Local Government Finance Act 2012 requires that for each financial year, the Council must consider whether to revise its Council Tax Support scheme or replace it with another scheme and that such decisions need to be made by 31<sup>st</sup> January in the financial year preceding that for which the revision or replacement scheme is to take effect. Only Full Council has the power to make or amend a Council Tax Support Scheme as set out in section 67(2)(a)(aa) of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012). However, as this report’s recommendations propose the retention of the existing scheme for 2016/17 and not to revise the CTS scheme for the next financial year, this matter can be considered by Cabinet. The default position is that if the CTS scheme is not revised or changed by Full Council by 31<sup>st</sup> January 2016, the CTS scheme for 2016/17 will be the same as the current CTS scheme in 2015/16 subject to any amendments to prescribed rates (e.g. for persons of pension credit age) that are made by central Government.
- 10.2 In addition to the Public Sector Equality Duty, which is discussed below, the Department for Communities and Local Government has advised that the following should also be taken into account when setting up a Council Tax Reduction Scheme:
- Child Poverty Duty under the Child Poverty Act 2010;
  - Homelessness Act 2002;
  - Armed Forces Covenant;
  - Chronically Sick and Disabled Persons Act 1970,
  - Disabled Persons (Services, Consultation and Representation) Act 1986, and
  - The Children Acts 1989 and 2004.
- 10.3 The above-mentioned legislation was referred to and considered in the report to Full Council on 10<sup>th</sup> December 2012 when Full Council decided to make and approve the proposed local Council tax support scheme for 2012/13 and

when Full Council amended the CTS Scheme for 2013/14, 2014/15 and 2015/6. As it is proposed that the CTS Scheme will not be changed for 2016/17, the legal implications regarding the above-mentioned legislation as set out in the report to the Full Council meeting of 10<sup>th</sup> December 2012 will not be repeated in this report.

#### 10.4 Public Sector Equality Duty

10.4.1 Under the Equality Act 2010, the Council has a duty to have due regard to the need to: eliminate unlawful discrimination, harassment and victimisation and any other conduct prohibited by the Act; advance equality of opportunity between people who share a protected characteristic and people who do not share it; and foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics covered by the Equality Duty are as follows:

Age, disability, gender reassignment, marriage and civil partnership (but only in respect of eliminating unlawful discrimination), pregnancy and maternity, race (this includes ethnic or national origins, colour or nationality), religion or belief (this includes lack of belief), sex and sexual orientation.

10.4.2 The public sector equality duty, as set out in section 149 of the Equalities Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, and to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic.

10.4.3 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 minimise 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 to encourage those who have a protected characteristic to participate in public life. 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.

10.4.4 The Council’s duty under section 149 of the Equality Act 2010 is to have “due regard” to the matters set out in relation to equalities when considering and making decisions on the provision of localised Council Tax Support for the area of Brent. Due regard to the need to eliminate discrimination, advance equality and foster good relations must form an integral part of the decision making process. When the decision comes before the Council, Members must consider the effect that implementing a particular policy will have in relation to equality before

making a decision. An Equality Impact Assessment will therefore assist with this.

10.4.5 There is no prescribed manner in which the equality duty must be exercised, although producing an Equality Impact Assessment is the most usual method. The Council must have an adequate evidence base for its decision making. This can be achieved by means including engagement with the public and interest groups and by gathering detail and statistics on who claims CTS.

10.4.6 Where it is apparent from the analysis of the information that the policy would have an adverse effect on equality, then adjustments should be made to avoid that effect and this is known as “mitigation”.

10.4.7 The public sector equality duty is not to achieve the objectives or take the steps set out in section 149 of the Equality Act 2010. The duty on the Council is to bring these important objectives relating to discrimination into consideration when carrying out its public functions (in this case, reviewing and considering whether to retain the existing localised scheme for Council Tax Support within Brent).

10.4.8 The phrase “due regard” means the regard that is appropriate in all the particular circumstances in which the Council is carrying out its functions. There must be a proper regard for the goals set out in section 149 of the 2010 Act. At the same time, when Cabinet Members make their decision, they must also pay regard to countervailing factors which it is proper and reasonable for them to consider. Budgetary pressures and economic and practical factors will often be important. The amount of weight to be placed on the countervailing factors in the decision making process will be for Cabinet Members to decide when making their decision.

10.4.9 The Equality implications for the recommendations proposed within this report are set out within Appendices A and B to this report and further summarised in Section 11 below.

## **11.0 Diversity Implications**

11.1 The diversity implications arising from the recommendations contained within this report are as set out below and further comprised within Appendices A and B to this report. As the report recommendations propose the retention of the existing scheme, the implications arising are as identified when the scheme was originally determined in 2012 and further confirmed through the recent review undertaken.

### **11.1.1 Age**

The Government has prescribed the CTS scheme for pensioners through legislation. This means that pensioners nationally as well as in Brent remain entitled to claim up to 100% of their Council Tax liability as a benefit. The scheme for working age claimants however is generally subject to local arrangements except for a small number of provisions that are prescribed nationally and incorporated within it.



The proportion of working age claimants aged 45 and over has increased over the past three years since the scheme was introduced whilst the proportion of working age claimants aged less than 44 has diminished. The analysis of claims for which entitlement to Benefit was originally anticipated to cease under the local scheme arrangements indicated that 4.1% of the total working age caseload aged under 45 were to be affected. This compared to 4% of the working age caseload aged 45 and over. As the anticipated loss of entitlement for claims across these two age bands was effectively neutral, the current results as set out in Appendix A suggest that other factors may be responsible for the change in composition. It is possible that claimants aged under 45 are more likely to attain employment than claimants aged 45 and over and that the improved economic climate has assisted with this. However, the reasons cannot be determined with greater precision and are likely to be due to more than one factor alone.

The CTS working age caseload has seen a significant reduction in the number of claims for customers under 25 as was expected when the original scheme was introduced. However, it should also be noted that as the volumes of claims for this category are small, relatively minor changes in volume terms may show a more significant change in proportionate terms. There have also been significant claim reductions in proportionate terms as expected for the age range 25 to 54 as a consequence of the scheme design and more recently, the improved economic climate generally. The working age caseload has decreased very slightly for customers aged between 55 and 60 years old although this is anticipated to be because a number of these customers would have seen their claims transfer to the pensionable age claim category.

The 18 to 24 age band is proportionately more likely to have a weekly shortfall between CTS entitlement and Council Tax liability of up to £5. The reasons for this are primarily as were identified when the scheme was designed in December 2012 which identified that those most affected by a reduction in entitlement of between £3 and £5 were in the 18 - 24 age group (i.e. 76%). This was because that age group was less likely to receive protection under the proposed scheme as they were not generally in receipt of Disability Living Allowance for example and more likely to be in receipt of a benefit such as Job Seekers Allowance (Income Based). Claimants aged 55+ are proportionately more likely to have no weekly shortfall between their CTS entitlement and Council Tax liability as they have a higher proportion of vulnerable claimants and are therefore protected from the requirement to pay the 20% minimum Council Tax contribution.

When the initial equalities analysis was carried out in 2012, it revealed that for working age claims, those within the 55+ age category were more likely than another group to have non-dependents in the household (36.8%) compared to the average across the whole working age caseload (17.5%). Analysis of the current caseload indicates that this continues to be the case with 32.5% of the 55+ group having non-dependants in the household compared to the working age average of 17.2%. Proportions across each of the other Age bands remain broadly representative of the figures in the 2012 analysis.

### 11.1.2 Disability

The existing working age vulnerable group is comprised predominantly of disabled claimants, their disabled partner or disabled dependants (i.e. 89%). The remaining 11% is represented by claimants in receipt of a Carer's Allowance.

Disabled claimants within the vulnerable group are afforded protection from the payment of the minimum 20% Council Tax liability generally required by other working age claimants.

When determining the original Council Tax Support scheme, due regard was given to affording protection for disabled claimants, their family members and carers. This supported the Council's second key principle concerning the scheme design that provided for the following: "The most vulnerable claimants should be protected (from the minimum contribution) proposed for Council Tax Support".

The current caseload has 5,647 working age vulnerable claims representing almost 20% of the total Council Tax Support caseload. This represents an increase of 6% in claimants classed as vulnerable since the start of the scheme and is mainly due to the inclusion of additional benefits such as Incapacity Benefit within the eligibility criteria for vulnerable claims.

There are currently 4,494 claims where the claimant and / or their partner are disabled, 544 claims where the claimant has a disabled child and 609 claims where the claimant is a carer.

The effects of the protection afforded to disabled persons from payment of the minimum 20% Council Tax liability can be clearly seen in terms of the average weekly amount they pay towards Council Tax liability. For vulnerable claimants, this amounts to £1.30 in comparison to £3.16 for pension credit age claimants, £9.03 for working age employed and £5.58 for other claimants of working age.

### 11.1.3 Race

Currently, ethnicity data is held for 65% of working age claims. The data held indicates that 'Asian' customers comprise nearly 14% of working age customers, 'Black' customers 24% and 'White' customers 20%. The overall proportions shown for each ethnic group are consistent with those that were identified in December 2012. However, within the vulnerable group, there have been changes in the composition such that the black ethnic group now has a higher proportionate share than at the start of the scheme (i.e. an increase of 10%) and the proportion of vulnerable claims for which the ethnic group is unknown has increased by 23%.

The white ethnic group has a reduced proportionate share of the vulnerable group (i.e. 7%). The mixed ethnic group has also seen a reduction in proportionate terms within the vulnerable group of 10% and the "other" ethnic group has also seen a reduction of 11%. It is

possible that the variations identified above may not exist if the ethnic group were known for all the claims within the vulnerable category.

In terms of the “working age employed” and “working age other” categories, it is not possible to provide a comparative analysis as these groups have been compiled using different claim data to that which existed when the scheme was originally designed.

Currently, 12% of Vulnerable Working Age customers are from the “Asian” ethnic group in comparison to 21% from the “Black” ethnic group and just over 20% for the “White” ethnic group. These are broadly representative of the proportions that each group represents in terms of the total working age caseload.

In terms of the Working Age Employed group, there are a higher proportion of Asian ethnic group claimants than for other claim categories. Black ethnic group claimants are broadly comparable across each of the claim types although there is a higher proportion showing in the Working Age Other claim group.

The above appears to be consistent with pre-CTS records which indicated that the Black ethnic group had a higher volume of claimants in receipt of Income Support, Job Seekers Allowance (Income Based) and Employment Support Allowance (Income Related) (i.e. the former “passported” benefits). The White ethnic group has a broadly comparable showing across each of the claim types.

There are, however, almost 36% of claimants for whom their ethnic group is unknown and consequently, the proportions shown should be considered in that context.

The Asian group is proportionately more affected by a shortfall of more than £15 between their CTS entitlement and Council Tax liability than other ethnic groups. The reasons for this can primarily be determined from the analysis previously undertaken when the existing scheme was designed in December 2012. In particular, ‘Asian’ families had a greater proportion of dependants (i.e. 22% had 3-4 children per household compared to 10% of the ‘white’ group). Consequently, they generally had larger homes and hence more Council Tax to pay for the Valuation Band allocated to their home. For example, 16% of the ‘Asian’ ethnic group resided in Band E properties compared to 9% ‘Black or 10% ‘White’ ethnic groups. Additionally, 6% of Asian claimants had 2 or more non dependants living with them compared to only 3% of non Asian families and therefore were subject to the effects of the increased rates of non dependant deductions introduced under the local scheme. Despite the 14% reduction to the CTS caseload, the proportions of Asian families and non Asian families with 2 non-dependants has remained at 6% and 3% respectively.

#### 11.1.4 Gender Reassignment

This protected group comprising people considering or undergoing the process of gender reassignment is often one of the hardest groups to reach. As gender reassignment is not a factor in the assessment of

Council Tax Support in relation to personal allowances and premiums used when assessing entitlement to support, it is anticipated that there is not an adverse impact for this group. However, it is not possible to comment more fully on the effects of the existing scheme for claimants in this group, as this will be dependent upon their income and circumstances at that time which may vary and cannot therefore be predicted with certainty. Additionally, there is not currently sufficient data and evidence available to validate this more fully.

#### 11.1.5 Marriage and Civil Partnership

The existing scheme retains the majority of the criteria that were formerly used in the assessment of the national Council Tax Benefit scheme. In particular, a 'couple' is defined as follows:

- A man and woman who are married to each other and are members of the same household;
- A man and woman who are not married to each other but are living together as husband and wife;
- Two people of the same sex who are civil partners of each other and are members of the same household;
- Two people of the same sex, who are not civil partners of each other but are living together as if they were civil partners.

Marital or civil partnership status entitles a claimant to the couple personal allowance rate and premiums in the circumstances outlined above. It is not anticipated that the existing scheme adversely affects claimants based upon their marital or civil partnership status although there is not currently sufficient data and evidence available to validate this more fully.

#### 11.1.6 Pregnancy and Maternity

For the purposes of Council Tax Support, pregnancy and maternity are considered as two separate characteristics as whilst the claimant is pregnant, premiums and personal allowances are unchanged until the child is born and then becomes a member of the claimant's household. At that time, an additional premium and allowance are awarded and child benefit income will be disregarded when calculating income received. The following incomes may, subject to eligibility, be received by a claimant's household during pregnancy and maternity and in such circumstances, are included as income in calculating entitlement to CTS.

- Statutory Maternity Pay (SMP), and
- Maternity Allowance (MA).

Whilst pregnant, the allowances and premiums used in the calculation of entitlement to support do not change. However, it is not possible to comment more fully on the effects of income received by claimants in this group during pregnancy, as this will be dependent upon their income and circumstances at that time which may vary and cannot be predicted with certainty.

It is anticipated that the existing scheme does not adversely affect anyone based upon pregnancy and maternity as much of the former national Council Tax Benefit Scheme has been retained within the existing Council Tax Support Scheme. However, there is not currently sufficient data and evidence available to validate this more fully.

#### 11.1.7 Religion and belief

Religion and belief are not generally factors used in relation to allowances and premiums when assessing entitlement to support. The exception to this is that a higher applicable amount may be determined for a claimant in a polygamous marriage that may be appropriate to certain religions and beliefs.

It is not possible to comment more fully on the effects of the existing scheme for claimants in this group, as this will be dependent upon their income and circumstances at that time that and which may vary and cannot therefore be predicted with certainty.

It is anticipated that the existing scheme does not adversely affect anyone based upon religion or belief, as there are currently no claimants identified in a polygamous marriage and much of the former national Council Tax Benefit Scheme has been retained within the existing Council Tax Support Scheme. However, there is not currently sufficient data and evidence available to validate this more fully.

#### 11.1.8 Sex

Gender is not a factor used in relation to allowances and premiums for assessing entitlement to support. It is not possible to comment more fully on the effects of the existing scheme for claimants in this group, as this will be dependent upon their income and circumstances at that time and which may vary and cannot therefore be predicted with certainty. Additionally, assessment of support considers overall household income, rather than distinguishing between male and female recipients of these benefits.

Additionally, as claims can be made by either partner, the current proportion of male and female claimants is not a relevant statistic to refer to.

#### 11.1.9 Sexual Orientation

Sexual orientation is not a factor in relation to allowances and premiums used when assessing entitlement to support. It is not possible to comment more fully on the effects of the existing scheme for claimants in this group, as this will be dependent upon their income and circumstances at that time and which may vary and cannot be predicted with certainty.

Since 2005, civil partnerships for same-sex couples have been recognised as couples for benefit purposes and therefore are treated as such in the calculation of entitlement. These changes ensure that

same-sex couples are treated the same as other unmarried couples and married couples.

It is not anticipated that the existing scheme adversely affects anyone based upon their sexual orientation as much of the former national Council Tax Benefit Scheme is retained within it. However, there is currently insufficient data and evidence available to validate this more fully.

- 11.2 In summary, the two groups that are disproportionately affected by the existing scheme arrangements are those aged 55+ and the Asian ethnic group. This is because members of these two groups are more likely to have other adults living in their home (e.g. non dependent children). As the fourth principle of the existing CTS scheme as set out in paragraph 4.1 of this report is that “everyone in the household should contribute”, this outcome is aligned with the policy intent.

The findings of the review remain consistent with those identified when the scheme was originally agreed by Full Council in December 2012 and will continue if the existing scheme is retained as proposed in the recommendations of this report.

The impact of the existing scheme will continue to be measured and evaluated and in the event that any additional adverse impact is identified, mitigation will be applied wherever reasonably practicable or justified in any event where mitigation is not possible.

## **12.0 Staffing and Accommodation Implications**

- 12.1 There will be a requirement to identify and allocate resources to the recommended CTS scheme review for 2017/18. These will be determined and costed through the project scoping process referred to in paragraphs 9.7 and 9.8 of this report. There is no accommodation implication arising from the recommendations set out within this report.

### **Background Papers**

Cabinet Report Dated 26th January 2015

Appendix A – Report on CTS Scheme Review

Appendix B – Options for CTS scheme 2016/17

Appendix C – Scheme modelling summary

Appendix D – CTS Scheme Review General Risks and Issues

### **Contact Officers**

David Oates

Head of Service (Benefits and Customer Services)

[David.oates@brent.gov.uk](mailto:David.oates@brent.gov.uk)

Tel: 0208 937 1931

Mob: 07867 184130

LORRAINE LANGHAM  
Chief Operating Officer

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## **Council Tax Support Scheme Review**

**17<sup>th</sup> June 2015**

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## 1. Introduction

When setting the 2015/16 Council Tax Support (CTS) scheme in January 2015, Full Council agreed that a fundamental review of the current scheme should be undertaken during 2015 to inform a new or revised scheme design for 2016/17 revision. This report provides the findings from that review.

The review sought to evaluate the current CTS scheme against its original objectives and principles; to identify any unanticipated impacts; to explore the relationship between scheme design and Council Tax collection; and to undertake a comparison with other Councils' schemes both across London and nationally.

The current scheme's original objectives were to design a robust scheme that would:

- Achieve the required savings
- Withstand legal challenge
- Be able to run for at least two years
- Be fair and equitable
- Protect the most vulnerable

The scheme was also based on the assumption that the Council would achieve in-year Council Tax collection from CTS claimants of between 50-80%

## 2. Executive Summary

When localised Council Tax Support (CTS) schemes replaced Council Tax Benefit (CTB) in April 2013, Brent designed its scheme with the objectives of; achieving a minimum saving of 10%, protecting vulnerable groups and incentivising work. This was achieved and underpinned by six key design principles.

Scheme design varies nationally, and also within London, and has also seen some authorities change aspects of their scheme since the first year. The most common feature of scheme design is that of a minimum payment requirement, which for this year sees 77% (250 of 326) of local authorities incorporating this aspect within their schemes; 24 of the 33 (73%) local authorities in London require a minimum payment. The range of minimum payments, both nationally and within London, is 5% to 30%. Nationally, Councils have adopted a variety of other features including revised "tapers", savings limits, non-dependant charges and income disregards (which Brent's entire scheme utilises). Some other features (e.g. valuation band caps) were not adopted by Brent.

In-year collection rates for Brent's CTS Customers have exceeded the 50%-80% expectation, coming in at 81.76% and 85.71% for the first two years respectively. Despite this, 19% of all CTS customers currently have some arrears in respect of the previous year, though Working Age Employed customers are those most likely to have arrears at 35% proportionately.

The overall caseload in Brent has decreased by 14% since the start of the localised scheme, with the "working age other" group experiencing the steepest decline in caseload at 31%. However, within this overall decline, the "vulnerable" group has seen a caseload rise of 6% over the same period. The overall reduction in caseload is partly as a result of scheme design – in that the amount of financial support available overall was reduced to achieve the

necessary savings – though it is possible that other macro economic factors such as falling unemployment may have contributed to this.

Expenditure for the first year of CTS was £6.6m less than in the final year of CTB representing a financial reduction of 19%, and has further reduced by £3.17M since. This however should be seen in the context of the original expectation that after the initial reduction, caseload would continue to grow year on year, and also the expectation that in-year collection from CTS claimants could be as low as 50% (whereas in fact they reached 81.76% and 85.71% respectively for the first two years of the scheme). Whilst the above two expectations did not transpire, it can be still be seen that the overall reduction in CTS expenditure is significantly less than the corresponding reduction in the overall Revenue Support Grant, from which CTS is funded on a non-ring-fenced basis.

No strong relationship has been found between collection rates and the minimum payments required under CTS schemes within London Authorities. However, there appears to be a closer relationship between collection rates and the level of deprivation within London Authorities such that lower levels of collection are achieved in areas with higher deprivation.

Working age customers classed as “vulnerable” have an average of £1.30 to pay towards their Council Tax liability compared to the customers in the Pensioner group who have on average £3.16 per week to pay, and working age employed (£9.03) and working-age other (£5.58).

On average, “Single claimant” households (75%) are the most likely group to experience a shortfall between their Council Tax liability and CTS entitlement of up to £5.00 per week. However, “Lone Parents” and “Couples with no dependants” are not too dissimilar at 71% and 68% respectively. On the other hand, 61% of “Couples with dependants” must pay between £5.01 and £15+ per week.

Over the whole working age caseload, 30% of claimants are classed as ‘vulnerable’, though this proportion rises to 49% for the 55+ age category. The latter category are the most likely to have no Council Tax liability and indeed the older the claimant, the more likely they are to pay nothing. Of the working age caseload, 66% pay £5.00 or less per week.

In conclusion; in terms of legal, financial and equitable robustness, the scheme can be considered as a success. First and foremost, there have been no legal challenges brought against the scheme, whether in terms of matters concerning the consultation arrangements or in terms of compliance with Equality Act requirements.

From a financial perspective, the scheme has met its objective of achieving a minimum saving of 10% in the first year of CTS. Furthermore, in-year Council Tax collection rates for CTS customers have also exceeded expectations. The other key requirements of the scheme – protecting vulnerable groups and incentivising work – were also achieved and underpinned by key principles.

The average weekly amount a working age customer has to pay towards their Council Tax account has remained within the range that was identified prior to the commencement of the local scheme, and from a Diversity perspective, the impact on protected characteristics has been as forecast; namely that the 55+ age group are more likely than other age groups to have a lower amount of contribution; and that the Asian ethnic group is more likely to be affected by a reduction of £5.00 or more per week, due principally to this group tending to have a greater number of non-dependants in their households, and the scheme principle that other adults resident in the

household should contribute more towards their Council Tax (an impact considered acceptable in the original scheme due to the policy intention).

Viewed in this context, the scheme can be viewed as being successful in terms of the objectives set for it and the principles which it set out to realise, and in that no additional unforeseen impact has been identified. Whether the same objectives and principles are sought for any future local Council Tax Support scheme is, of course, a matter for separate consideration.

## **3. Background & context**

This report reviews present CTS arrangements both from a national and local perspective with a view to informing subsequent discussions regarding future scheme design and any consultation that may need to be undertaken as a consequence.

### **3.1. Introduction of Council Tax Support**

CTS was introduced as a replacement for the national Council Tax Benefit (CTB) scheme with effect from 1st April 2013. Unlike its predecessor that was fully funded through the Department for Work and Pensions (DWP), CTS was to be funded by a fixed grant representing a reduction of at least 10% of previous Council Tax Benefit expenditure. It also differed from its predecessor in that the scheme was to be determined by each Local Authority, though with statutory provisions protecting claimants of pension credit age. It was also a requirement that when devising a scheme, each local authority should give consideration to incentivising work and protecting the vulnerable; though leaving the definition of 'vulnerable' to the discretion of each Local Authority.

Local Authorities are required to determine a scheme for their area by the 31<sup>st</sup> January of the year preceding that in which it is to become effective, ensuring that a draft scheme is published and that those likely to have an interest in the operation of the scheme are consulted, particularly residents and key stakeholders. Consultation – and the final decision on a scheme – must refer to alternative scheme options and the method of funding these.

On an annual basis, each Local Authority must determine whether to revise or replace its scheme, applying the same provisions as outlined above to any proposed changes. Where a change results in claimants experiencing a reduction in their entitlement, consideration must be given to the provision of transitional protection.

Since the first year of the CTS Scheme, the fixed Council Tax Support grant has been “rolled-up” within the overall allocation of Revenue Support Grant, and therefore is no longer ring-fenced. Consequently, it is not possible to provide a “like for like” comparison that shows the financial performance of the scheme in comparison to the original business case.

### **3.2. Brent's Council Tax Support Scheme**

In considering the design of Brent's Localised Scheme, a number of key objectives were identified along with range of supporting principles and features that would enable those objectives to be achieved.

### 3.3. Original objectives and assumptions

The original objectives of the scheme were as follows:

- To meet the saving requirement from the CTS scheme
- To design a robust scheme which could withstand legal challenge
- To design a scheme which would be fair and equitable to claimants and residents, and to protect the most vulnerable, within the financial constraints
- To design a scheme which would be financially, legally and equitably sufficiently robust to run for at least two years
- The scheme was based on the assumption that an in-year Council Tax collection rate of between 50% and 80% would be achieved

### 3.4. Principles and features

The Brent Council scheme incorporated six key principles and two key features listed below and that have also been referenced within the review report where appropriate.

- **Principle 1: “Everyone should pay something”** - All working age claimants (unless defined as protected) shall be required to pay a minimum contribution (set at 20%) towards their Council Tax
- **Principle 2: “The most vulnerable claimants should be protected”** - Claimants shall be protected from the 20% minimum contribution if they or a dependant are in receipt of a disability benefit or receive an income attracting a disability premium; or if they provide care for someone for over 35 hours per week and receive Carer’s Allowance in respect of this; or receive War Disablement Pension or War Widow’s Pension.
- **Principle 3: “The scheme should incentivise work”** - Incentives to work are achieved by letting claimants who are working keep more of what they earn.
- **Principle 4: “Everyone in the household should contribute”** - Other adults in the claimant’s household (“non-dependants”) should contribute more than under CTB, proportionately to their income.
- **Principle 5: “Better off claimants should pay relatively more so that the least well off receive greater protection.”** - This is the rate at which Council Tax Support reduces where weekly income exceeds basic living needs and was set at 30 pence in the pound rather than the 20 pence previously applied for CTB
- **Principle 6: “Benefit should not be paid to those with relatively large capital or savings”** – Those with savings in of £6,000 or more will not qualify for CTS (down from £16,000 under CTB)
- **Feature 1: The second adult rebate scheme abolished for working age claimants** – This was a scheme whereby those claimants whose own income was too high to receive CTB, but who had other adult(s) in the household on a low income, could receive a Council Tax discount of up to 25%
- **Feature 2: Premiums and personal allowances frozen** – ‘Applicable Amounts’ (the standard national figure which the government believes reflects the basic living needs of an applicant and their family) were held at the rates applied for CTB in 2012/13.

At the time that the 2013 scheme was designed, Universal Credit (UC) rollout plans were uncertain and it was necessary to build in a provision to deal with these claims. It was therefore proposed that as the volume of UC claimants in years 1 and 2 of the scheme would be small, that they should be treated as though they were in receipt of a “passport” benefit by calculating their CTS entitlement based upon a maximum of 80% of their Council Tax liability (subject to being within the capital “cut-off” limit of £6,000). This would mean in some instances that claimants would be treated more favourably under UC than if they had continued to claim their legacy benefit. However, this was considered to be a low financial risk in terms of the potential impact on expenditure.

This has indeed been the case, but UC will eventually be rolled-out for all working-age benefit claimants, whether they are working and in receipt of a small top-up, or unemployed and receiving the maximum level of support. This does therefore pose a significant future financial risk if these claims continue to be treated as ‘passport’ rather than means-tested. In considering any new scheme design, it will, therefore, be necessary to consider whether the treatment of UC income should be subject to a ‘means test’ in order to prevent escalating cost over the ensuing years.

### **3.5. Census Data**

In commenting on the Council Tax Support implications, reference has been made where appropriate to data from the 2011 national census. Details of the key census statistics and information relevant to this report can be found in Appendix A with Benefits Caseload data being included in Appendix B.

## **4. Analysis of Council Tax Support Schemes**

The information given in this section summarises the key changes made by Local Authorities since the introduction of CTS in 2013. It focuses initially on the minimum payments required under their local schemes from working age claimants, being that this represents the most common change introduced. Prior to the implementation of CTS, claimants in receipt of “passport” benefits (i.e. Income Support, Job Seekers Allowance (Income Based) and Employment Support Allowance (Income Related)) were eligible for 100% Council Tax Benefit subject to any deductions made for non-dependents residing in the household. Therefore, minimum payment requirements did not apply. Likewise, this was also true for those with an income level below their ‘Applicable Amount’.

Concurrently with the introduction of CTS, the Overall Benefit Cap (OBC) and “Bedroom Tax” were introduced for Housing Benefit, bringing additional financial pressures to those households affected. Nationally, 70% of claimants affected by the “Bedroom Tax” have also seen reductions in their Council Tax Support. Conversely, 11% of Council Tax Support claimants have been affected by the bedroom tax.

### **4.1. Minimum Payments**

In the first year of CTS, there were 23 London Authorities that introduced minimum payment requirements under their schemes for working age claimants and 10 that did not. The minimum payments ranged from 5% to 22.5% of the Council Tax liability.

Nationally, in 2013, there were 229 authorities that introduced minimum payments under their local schemes representing 68.4% of the 326 authorities in total. There were 97 Authorities that did not introduce minimum payments. The minimum payments ranged from 5% to 33.1% (in 2013/14).



A minimum payment of 8.5% was commonly applied in the first year of the schemes because transitional grant funding was available if support was not withdrawn from claimants by more than 8.5% in the first year. Brent did not avail itself of the transitional grant available because even with this, it was not financially viable to achieve the necessary savings with such a limitation on the minimum claimant payment.

Annually, more authorities have introduced a minimum payment requirement within their localised scheme, as well as changes to the minimum payment levels. The position with regards to minimum payments at the present time is shown in Table 1 below:

**Table 1 - Minimum Payment Schemes (2015):**

<b>Minimum Payment Schemes (2015/16)</b>						
<b>Area</b>	<b>Minimum Payment range</b>	<b>Authorities with minimum payments</b>		<b>Authorities with no minimum payments</b>		<b>Total</b>
		<b>Number</b>	<b>%</b>	<b>Number</b>	<b>%</b>	
<b>London</b>	5% to 30%	24	73%	9	27%	33
<b>Nationally</b>	5% to 30%	250	77%	76	23%	326

There are now only 55 Local Authorities continuing to require a small minimum payment (i.e. 8.5% or less), plus 42 who continue to provide the same levels of support as they did under the former Council Tax Benefit system. There are a further 35 Local Authorities who whilst not requiring a minimum payment, have revised their CTS entitlement provisions in other ways following the cessation of the national Council Tax Benefit scheme.

The status of the Brent Council minimum payment requirement of 20% in comparison with other London Authorities indicates that in 2015/16, there are 2 London Authorities with a higher minimum payment requirement. These are Harrow Council with 30% and Barking and Dagenham with 25%. There are 4 London Authorities with an equivalent 20% minimum payment requirement. On a national basis, there are 53 authorities with a minimum payment greater than 20% and 76 authorities with an equivalent 20% requirement.

## **4.2. Other Scheme Requirements**

Whilst the most common change introduced within local schemes has been minimum payments (as outlined above) there are a number of other changes that have been introduced by Local Authorities, which can be summarised as follows:

- 189 Local Authorities have either reduced or removed second adult rebate.
- 75 Local Authorities introduced a valuation band cap to limit the amount of benefit received in higher value properties to the amount provided to those in lower value properties. The most common valuation band cap applied is D.
- 69 Local Authorities reduced the maximum savings limit for eligibility to claim support, with most reducing the cut-off limit to £6,000 - having been £16,000 previously under CTB.
- 23 Local Authorities have changed the income taper (the amount by which support is withdrawn as income increases), ranging between 15% and 30% - having been 20% previously under CTB.

## 5. Council Tax in-year Collection Rates

Prior to the introduction of CTS, average in-year collection rates across the country were on an upward trend. However, this ceased with the introduction of CTS in 2013/14.

Whilst national figures are not yet available for 2014/15, it has been established that in the first year of local support, average Council Tax collection rates diminished by 0.2% in London and 0.4% nationwide. Within London, there were 19 Authorities that experienced a fall in collection rates, 11 where it increased, and 3 where there was no change.

One of the original objectives of the Brent scheme was to achieve in-year collection rates of between 50% - 80% for customers in receipt of CTS. Whilst overall collection rates within Brent have fallen, the collection rates achieved for CTS claimants has exceeded expectations as demonstrated in Table 2.

Table 2 - In-Year Council Tax Collection Rates

Council Tax collection rates for Years 1 & 2 of CTS		
Collection Rate	End of Year 2013/14	End of Year 2014/15
CTS Claimants	81.76%	85.71%
Overall	95.70%	95.60%

### 5.1. Collection Rates vs CTS Scheme

Chart 1 below shows that within the 23 London Authorities that introduced a minimum payment requirement within their CTS scheme in 2013/14, 74% experienced a reduction in their “in-year” collection rates, 4% experienced no change and 22% experienced an increase.

Chart 1 - London LA's with requiring a minimum payment

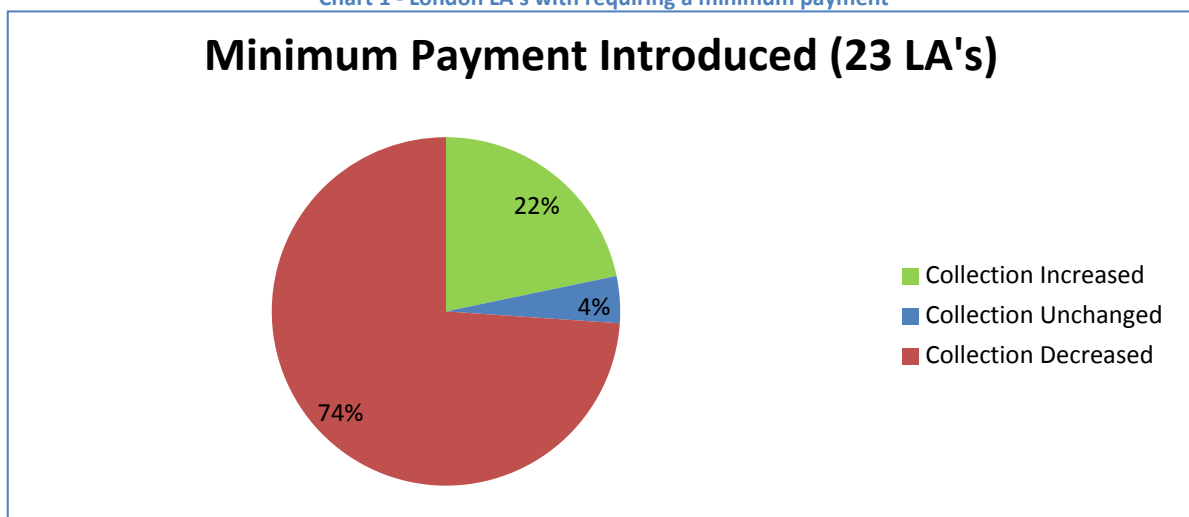
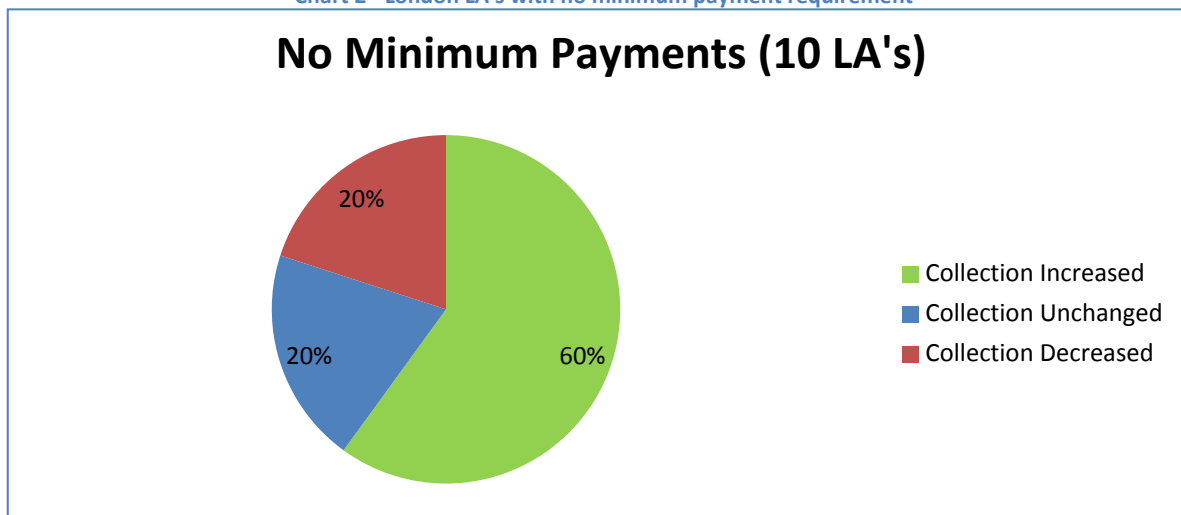


Chart 2 below shows that within the 10 London Authorities that did not introduce a minimum payment requirement within their CTS scheme in 2013/14, 20% experienced a decrease in their “in-year” collection, 20% experienced no change and 60% experienced an increase.

Chart 2 - London LA's with no minimum payment requirement



The above results appear to suggest a relationship within London Authorities between the minimum payment requirement of a CTS scheme and “in-year” collection result. However, a statistical analysis carried out by ranking 2013/14 collection results and separately ranking the minimum payment requirement under their CTS scheme, reveals only a weak relationship at best. (i.e. a more generous local scheme does not in itself result in an improved “in-year” collection). It is therefore more likely that there are other factors influencing overall levels of collection within an authority. These could for example comprise other aspects of the localised scheme introduced or socio-economic factors within the Local Authority area concerned such as employment levels and size of benefits caseload).

## 5.2. Collection Rates vs Deprivation

A statistical analysis has been carried out by ranking 2013/14 collection rates of each London Authority and separately ranking their deprivation level by applying a deprivation index. This was to determine whether there was any potential relationship between the deprivation level of a London Authority and their “in-year” Council Tax collection. This has indicated that there appears to be a strong relationship between deprivation levels and “in-year” collection; the greater an Authority’s level of deprivation, the lower their “in-year” collection rate.

## 6. Brent CTS caseload and expenditure analysis

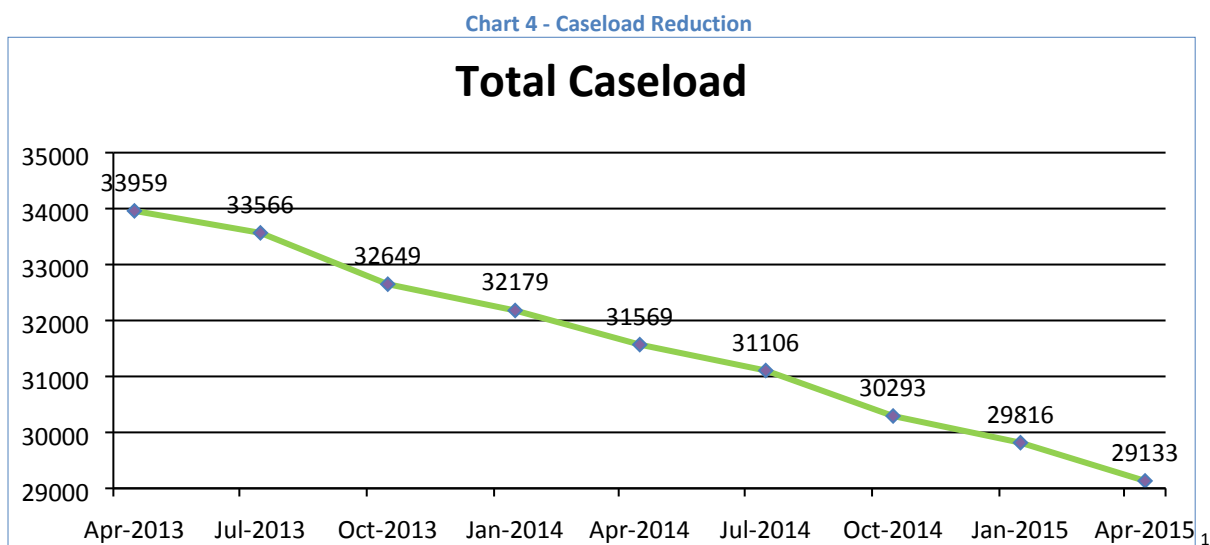
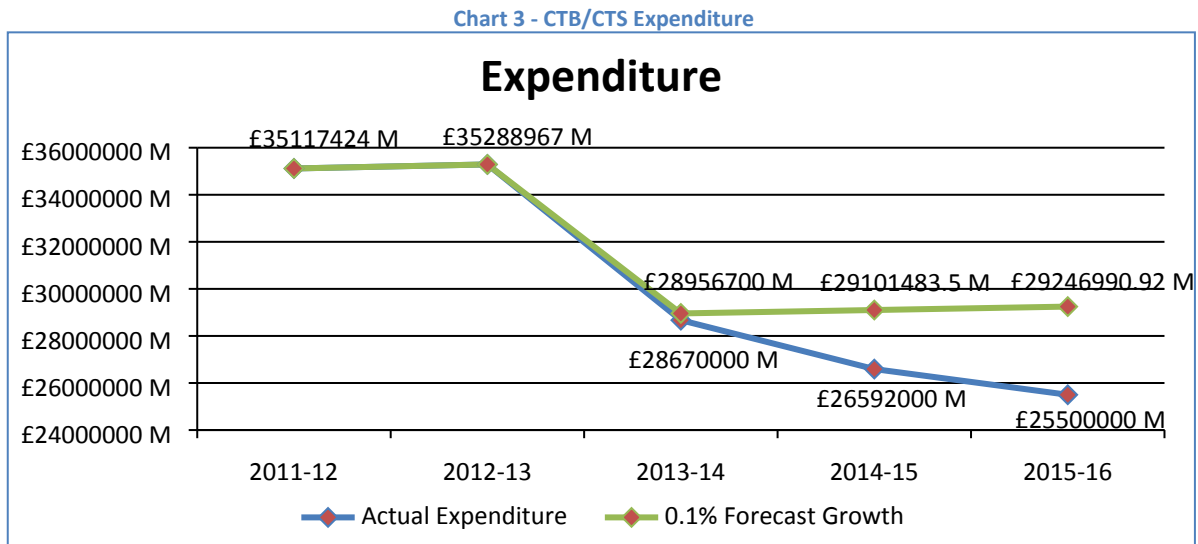
CTS claims are currently categorised by the following groups:

- **Pensioners** - customers who have reached the qualifying age of State Pension Credit
- **Working Age Vulnerable** – Customers protected from the 20 per cent minimum contribution if they, their partner or dependants are entitled some form of disability or disabled earnings disregard, or the claimant is in receipt of disabled person’s reduction for council tax purposes, war disablement pension or war widow’s / widower’s pension, or carers allowance,
- **Working Age Employed** – Customers that are working whether employed or self employed,
- **Working Age Other** – Customers who do not meet the criteria for the other 3 categories, for example, customers in receipt of “out of work” benefits.

## 6.1. Recent Caseload and Expenditure

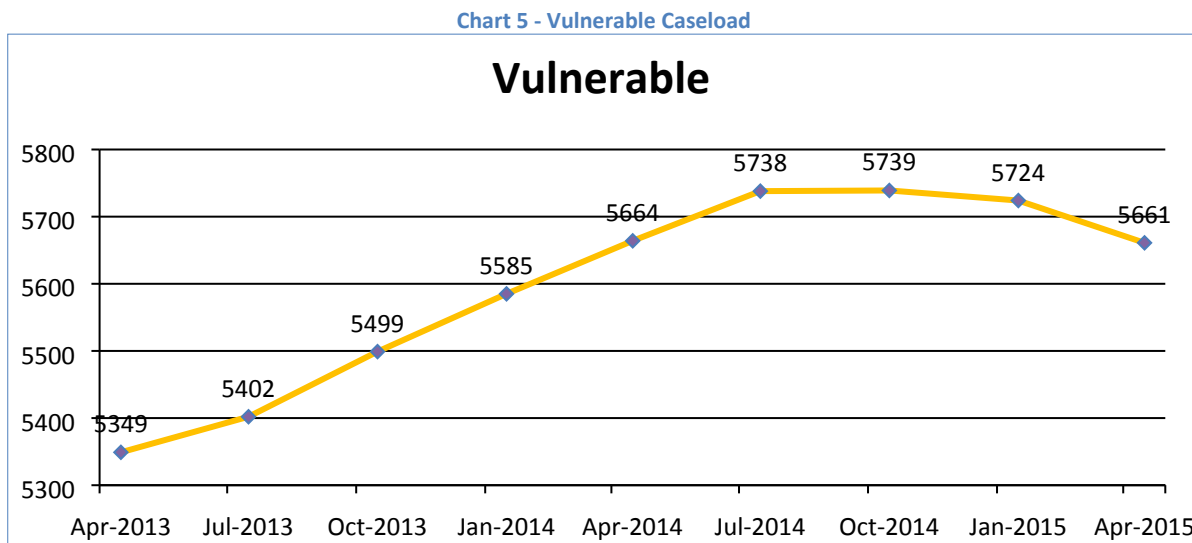
Since the introduction of CTS, both expenditure and caseload have experienced a significant downward trend. Whilst the reduction in expenditure was an intended consequence of scheme design, after the initial reduction of caseload resulting from some aspects of the new scheme (e.g. reduction to the savings limit, increased non-dependant deductions), it was expected that the caseload would continue to grow. Chart 3 and Chart 4 below illustrate the reduction in both caseload and expenditure over the final two years of CTB and the first two years of CTS (with forecast expenditure for 2015/16).

It should be noted that the original scheme was also modelled on the expectation that Council Tax collection from CTS claimants could be as little as 50%, an expectation which has in fact been exceeded, but which partially explains the financial caution built into the scheme design. This notwithstanding, it can also be noted that the Revenue Support Grant has decreased by 39.8% between 2013/14 and 2015/16 providing the overall context in which the reduction in CTS expenditure should be viewed.



<sup>1</sup> Caseload figures for April 2015 used in Chart 4 and Chart 5 are based on a snapshot taken at 1<sup>st</sup> April 2015. All other caseload data referenced is based on data extracted on 1<sup>st</sup> May 2015

It should be noted that not only has the overall caseload decreased steadily, but it has done so across most of the groups, including pensioners, who were not impacted by the change to CTS. The only exception to this is the “vulnerable” group which has actually experienced growth since April 2013. The increase to the “vulnerable” caseload is illustrated in Chart 5 below.



## 6.2. Current Caseload

Immediately prior to introducing the local CTS scheme, there were 35,792 live claims for Council Tax Benefit of which 24,064 (i.e. 67%) were of working age. By the 1<sup>st</sup> September 2013, this had reduced to 32,525 claims (i.e. a reduction of 3,267 representing a reduction of 9%). Since that time, caseload has been reducing at a rate of approximately 120 claims per month.

The current caseload, as at April 2015, is 29,042, of which the working age caseload is 18,879. The total number of live Council Tax accounts in April 2015 was 114,930; therefore 25.27% of Council Taxpayers receive CTS of which 65% are of working age. Total caseload has reduced by 19% since the final year of CTB (i.e. 31<sup>st</sup> March 2013). Chart 6 below shows the proportionate composition of each group within the total current caseload with Chart 7 showing the composition of the vulnerable group. **Error! Reference source not found.** details how the working age groups are represented across the Council Tax Valuation Bands.

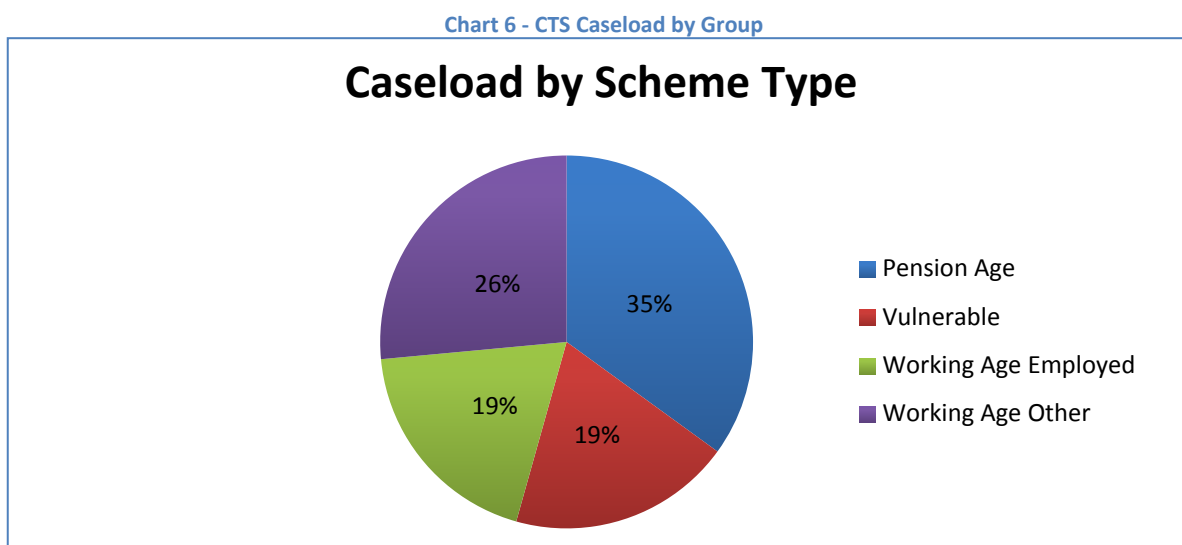


Chart 7 - Composition of Vulnerable Group

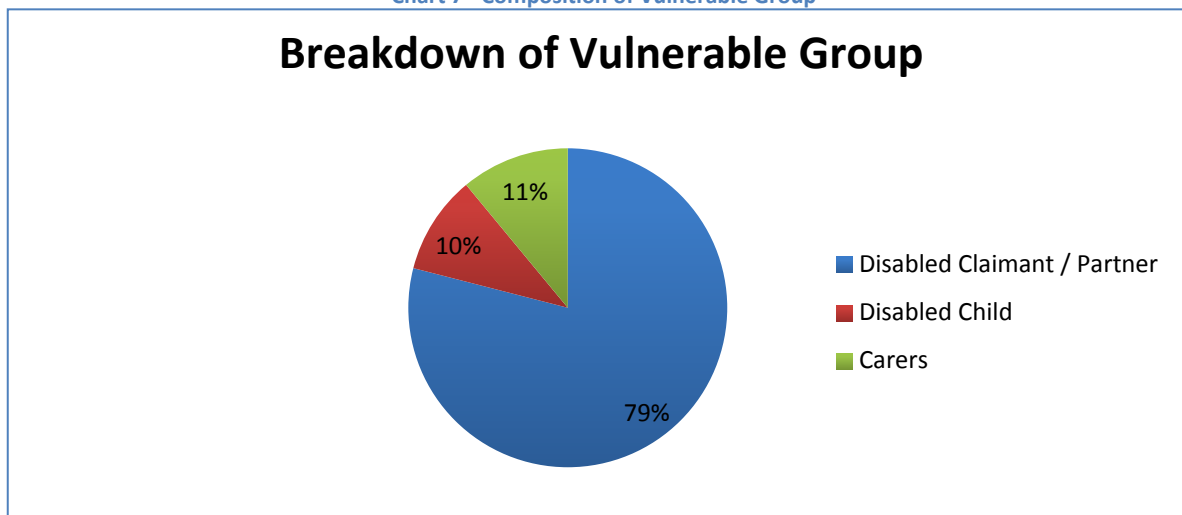
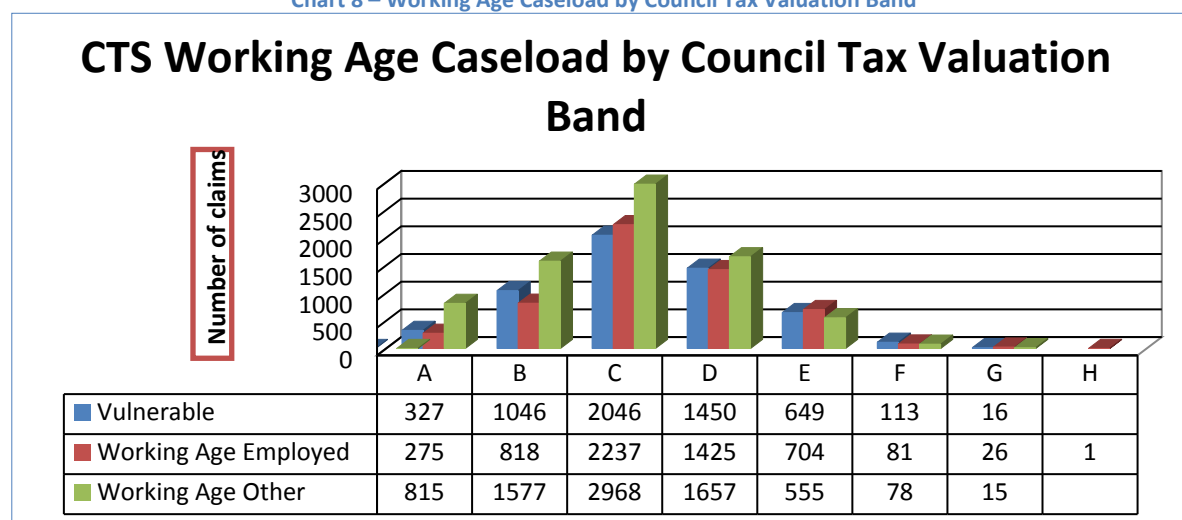


Chart 8 – Working Age Caseload by Council Tax Valuation Band



### 6.3. Reasons for Caseload Reduction

It is of significance that the CTS caseload reduced from 35,792 in December 2012 to 32,525 in the first year of the scheme and further reduced to 30,600 during the second year of the scheme before reaching the current level of 29,042. The initial reduction in the first year can be partially attributed to the effect of the scheme changes meaning that a significant number of claimants with a lower level of entitlement, ceased to be entitled altogether. (Other recipients would have remained entitled, but to a smaller amount.)

Whilst a reduction in caseload was anticipated when the CTS scheme was drafted in order to deliver the scheme within the grant-funded level, the reduction is significantly greater than that anticipated. Interestingly, an analysis of the differing claim types indicates that a reduction of 600 claims has occurred for pension credit age claims alone which would have been unaffected by the introduction of the localised arrangements.

Reference to the 2010 national census statistics for Brent indicates that the number of single-family households where all of the inhabitants were aged 65 or over had diminished by 19% to 12,264. Whilst the census was

conducted in 2010, it does appear to show a degree of consistency in terms of the current reduction experienced for claimants of pension credit age.

The remaining caseload reduction has arisen in relation to working age claims and is anticipated to be due to a combination of factors. These include changes in the overall economic climate and the “freezing” of applicable amount levels to 2012/13 amounts for calculating CTS entitlement, meaning that annual increases in other income will tend to reduce CTS entitlement and potentially, for those in receipt of lower levels of entitlement, take them out of entitlement completely.

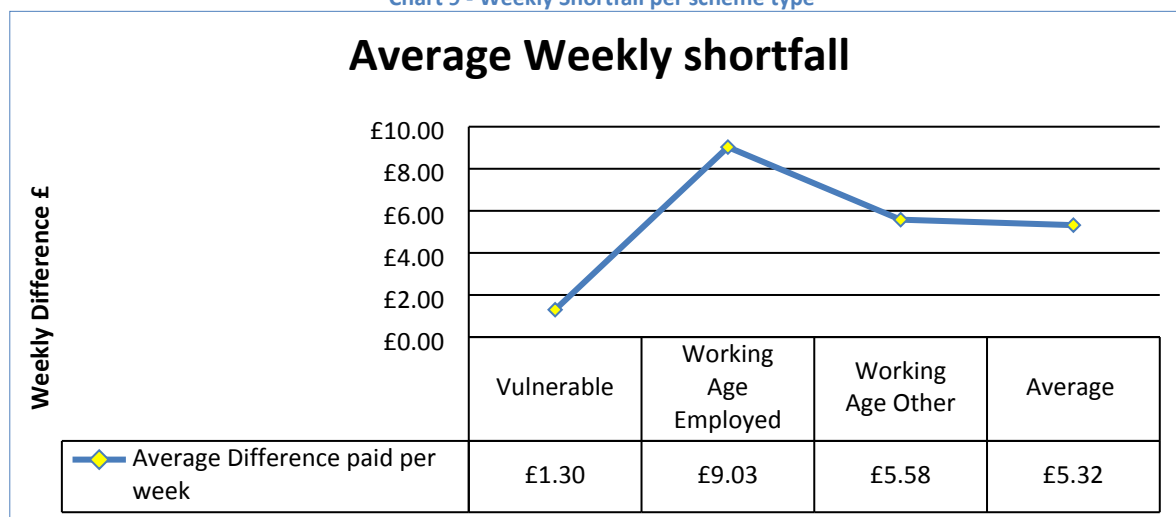
#### 6.4. Average Weekly Liability

Based on the working age groups, Table 3 below provides a breakdown of average weekly Council Tax liability<sup>2</sup>, average weekly CTS that the customer in that group is likely to receive and the difference that the customer will have to pay towards their Council Tax as a result. (It should be noted that “vulnerable” status protects claimants against the 20% minimum payment requirement, but not against other provisions of the scheme.)

Table 3 - Average Weekly Council Tax liability against CTS

Scheme Type	Average Weekly CTAX Liability	Average Weekly CTS	Average Difference to Pay
Vulnerable	£21.05	£19.75	£1.30
Working Age Employed	£21.74	£12.71	£9.03
Working Age Other	£19.66	£14.08	£5.58
<b>Average</b>	<b>£20.69</b>	<b>£15.37</b>	<b>£5.32</b>

Chart 9 - Weekly Shortfall per scheme type



Customers within the Vulnerable Scheme pay on average £6.01 (82%) less Council Tax per week than the average for the other two working age groups.

<sup>2</sup> Weekly liability and CTS is calculated net of any council tax discount and the 20% eligible reduction (for vulnerable scheme type)

The average weekly difference for working age caseload calculated at the start of the local scheme was £4.14. The freezing of allowances and premiums at the 2012/13 rates will have contributed to the increase in the average weekly difference that claimants are required to pay.

Pension Credit Age customers are protected under the existing local scheme in that the calculation of the reduction they receive has been set by Central Government; however the average difference that a pension-age customer has to pay towards their council tax is £3.16 per week. If we were to add the pensioner caseload to Table 3 above, the average weekly difference a CTS customer would pay is £4.56 per week rather than £5.32 per week as stated.

## 6.5. Council Tax Arrears

A “snapshot” analysis of cases with Council Tax Arrears as at 24<sup>th</sup> April 2015 has provided the following information, set out in Table 4 below.

Table 4 - Number of CTS customers with arrears<sup>3</sup>

CTS Customers with Arrears					
Arrears Year	Working Age Earners	Working Age Other	Vulnerable	Pensioner	Total
2012/13	287	372	167	115	941
2013/14	932	1608	432	219	3191
2014/15	1956	2458	550	421	5385

Table 5 below details the proportionate value of the figures displayed in Table 4 above against the latest caseload information, as illustrated in Chart 10.

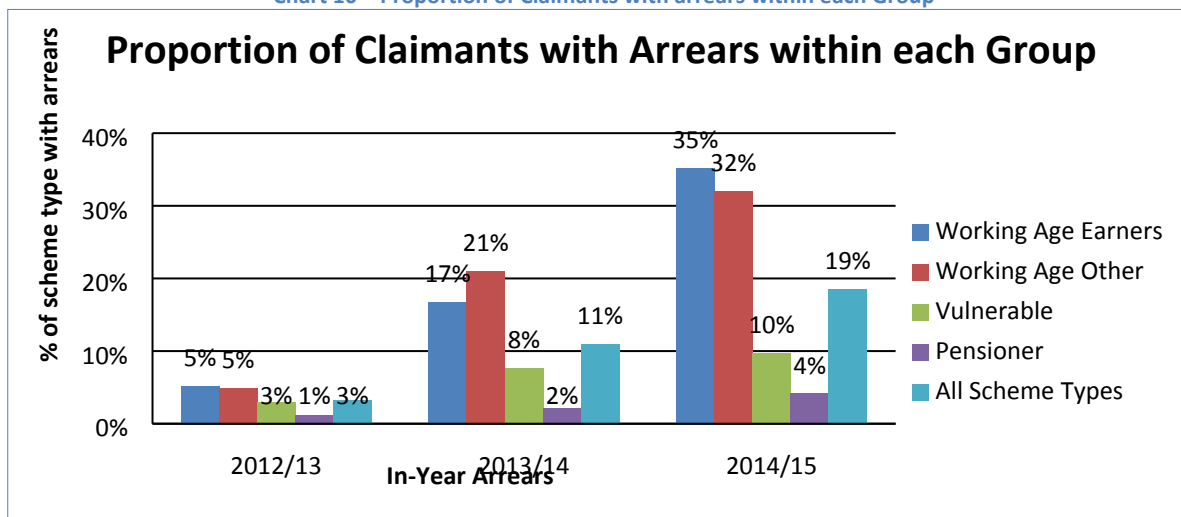
<sup>3</sup> Table 4 details the number of claims with arrears relating to a specific Council Tax year that remains outstanding as at 24<sup>th</sup> April 2015.



Table 5 - Proportion of CTS Claimants with Arrears

Proportion of CTS Claimants with Arrears					
Arrears Year	Working Age Earners	Working Age Other	Vulnerable	Pensioner	All Scheme Types
2012/13	5%	5%	3%	1%	3%
2013/14	17%	21%	8%	2%	11%
2014/15	35%	32%	10%	4%	19%

Chart 10 – Proportion of Claimants with arrears within each Group



The analysis indicates that customers within the Working Age Other and Working Age Employed groups are, in proportionate terms, more likely to have arrears arising from 2014/15 than other groups with 32% and 35% of claimants respectively having arrears for that financial year. This is significantly higher than the 19% average across all of the groups for 2014/15 although the average is significantly reduced by the pension credit age group for whom the scheme is prescribed nationally and the vulnerable group that are protected from paying the minimum 20% Council Tax.

It should be noted that Brent undertook considerable pro-active mitigation work with claimants prior to the introduction of CTS, including assisting 902 customers to clear their council tax arrears through Discretionary Hardship Payments (DHP), 464 of who are still in receipt of CTS. Whilst Table 4 has not been adjusted to factor this, it is probable that the total arrears cases relating to 2012/13 may have been up to 464 higher. Whilst the number of cases in arrears in proportionate terms appears to suggest a significant upward trend, it should be borne in mind that the number of arrears cases for 2012/13 and 2013/14 as at April 2015 are likely to have significantly diminished since the end of the years' concerned whereas the 2014/15 year only ended two months ago and consequently will show a higher proportion of cases with arrears for that year.

It should also be noted that any increase in Council Tax arrears may have a consequential impact on subsequent in-year collection performance, which in turn may have a further impact on arrears. For 2014/15, the in-year collection rate for Brent Council was 95.6% representing a slight reduction of 0.1% on the previous year's result, although the impact of the Council Tax Support Scheme on this result is not yet known (and in fact, Council Tax collection from CTS claimants increased in the second year of the scheme). Additionally, as the collection performance for Local Authorities for the second year of the localised arrangements is not yet fully known and is not generally published nationally until July / August, it is not possible to test whether this hypothesis has occurred on either a local or national basis at present.

## 6.6. Liability Orders Issued against CTS Customers

Across the 4 claimant groups outlined above, there were 1,099 working age CTS claimants that were subject to a liability order in 2013/14 (1,202 including pensionable age claimants). This increased to 2,582 liability orders in 2014/15 (2,716 including pensionable age claimants).

Whilst it is not currently possible to give a truly comparable position in terms of the overall number of Council Tax Payers subject to a liability order for these two years, the total number of liability orders issued was 23,474 for 2013/14 and 23,038 for 2014/15. Consequently, the proportion of working age claimants subject to a liability order expressed as a proportion of the total number of liability orders issued equates to 4.68% for 2013/14 and 11.20% for 2014/15.

This suggests that there is an upward trend in terms of the proportion of working age claimants subject to a liability orders.

## 7. Equalities Impact Analysis

An equality analysis has been undertaken to determine the impact that the CTS scheme has had on those of the nine protected characteristics - namely; age, disability, gender reassignment, marriage and civil partnership, maternity and pregnancy, race (ethnicity), religion or belief, sex, and sexual orientation – for which sufficient data is held to facilitate this. The report also examines data based on Family Status, despite not being part of the Equality Act.

The following will not be a factor in this equality assessment as there is currently insufficient or no data or evidence available to validate this within the records held on the Benefits database:

- gender reassignment;
- marriage and civil partnership;
- pregnancy and maternity;
- religion or belief
- sexual orientation

The Pension credit age group has been excluded from the analysis conducted as the assessment of pension credit age CTS claims is not subject to Brent's local scheme arrangements.

### 7.1. Family Status

Family Status is categories into 4 groups:

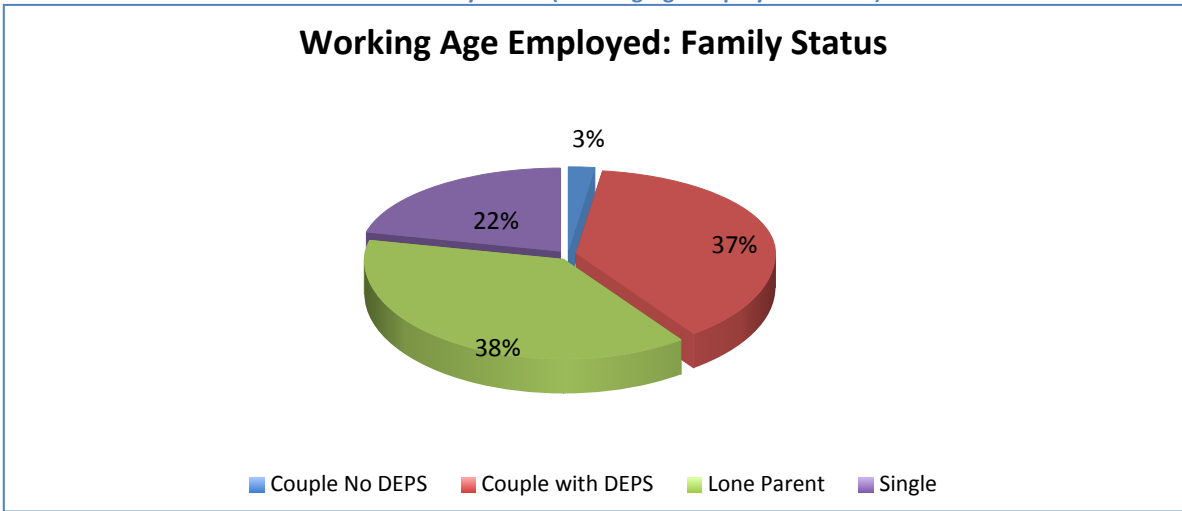
- Couples with no dependants
- Couples with dependants

- Lone Parents
- Single

Single customers make up over 56% in the “vulnerable” group compared to “couples with no dependants” making up less than 7%; these are disproportionate to the overall caseload (43% singles and 4% couples with No Dependants). However, over half of all couples with no dependants are in the “vulnerable” group.

Charts Chart 11, Chart 12 and Chart 13 below highlight that lone parents and couples with dependants are less likely to be classed as “vulnerable” compared to their representative proportions of the caseload.

**Chart 11 - Family Status (Working Age Employed Scheme)**



**Chart 12 - Family Status (Vulnerable Scheme)**

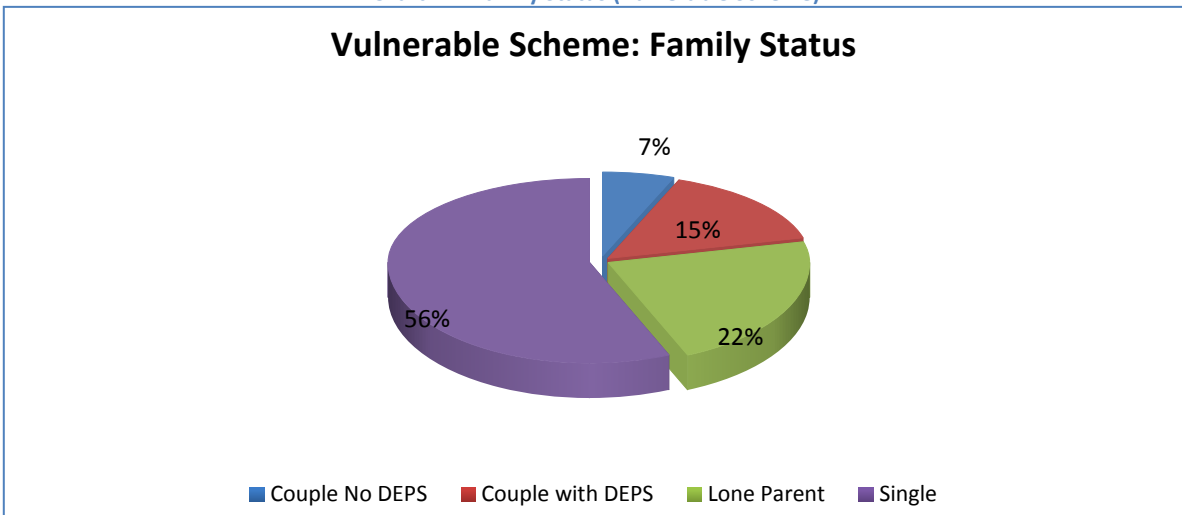


Chart 13 - Family Status (Working Age Other)

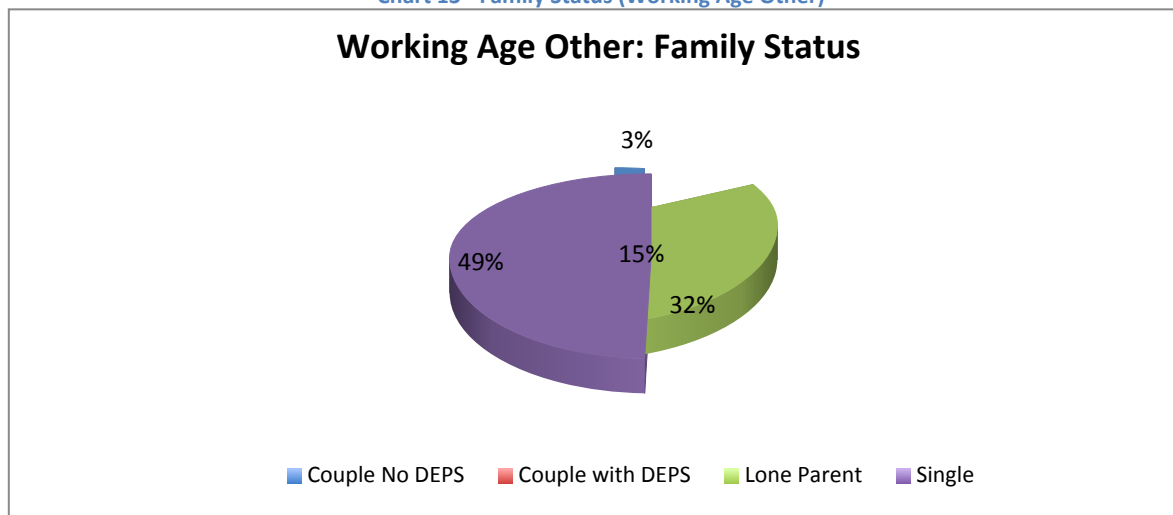


Table 6 below details the amount a customer has to pay towards their Council Tax per week within the family status groups.

Table 6 - Weekly CTS Shortfall by family status

Weekly CTAX Payment	Couple No DEPS		Couple with DEPS		Lone Parent		Single		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
£0.00	330	45%	684	17%	1083	19%	2886	35%	4983	26%
£0.01-£5.00	168	23%	931	23%	3046	52%	3437	42%	7582	40%
£5.01-£10.00	95	13%	1239	30%	759	13%	857	10%	2950	16%
£10.01-£15.00	59	8%	524	13%	578	10%	581	7%	1742	9%
£15.00+	84	11%	732	18%	365	6%	441	5%	1622	9%
<b>Total</b>	<b>736</b>	<b>100%</b>	<b>4110</b>	<b>100%</b>	<b>5831</b>	<b>100%</b>	<b>8202</b>	<b>100%</b>	<b>18879</b>	<b>100%</b>

On average, 66% of the working age caseload pays between £0 and £5 per week towards their Council Tax. A higher proportion is seen amongst Couples with no dependants (68%), Lone Parents (71%) and Single claimant households (75%). However, only 40% of Couples with dependants fall into that same band, with the remaining 60% paying between £5.01 and £15.00+ on average per week. Couples with no dependants are proportionately most likely to have nothing to pay, with 45% receiving maximum entitlement, followed by Single claimant households at 35%. Single person households (5%) and Lone parents (6%) are the least likely to pay £15+.

Table 7 below shows a snapshot of family status as it relates to the impact of other welfare reforms and the Troubled Families cohort.

Table 7 - Claims affected by Welfare Reform

Welfare Reform	Number of CTAX claims affected by Welfare Reform				Total
	Couple No DEPS	Couple with DEPS	Lone Parent	Single	
<b>OBC</b>	<b>4</b>	<b>313</b>	<b>790</b>	<b>278</b>	<b>1,385</b>
<b>Troubled Families</b>	<b>4</b>	<b>98</b>	<b>364</b>	<b>44</b>	<b>510</b>
<b>Bedroom Tax @ 14%</b>	<b>66</b>	<b>64</b>	<b>237</b>	<b>773</b>	<b>1,140</b>
<b>Bedroom Tax @ 25%</b>	<b>18</b>	<b>5</b>	<b>15</b>	<b>180</b>	<b>218</b>
<b>Total</b>	<b>92</b>	<b>480</b>	<b>1,406</b>	<b>1,275</b>	<b>3,253</b>

This indicates that just over 17% of working age customers against the total working age caseload appear to have also been affected by either other welfare changes or are known to Troubled Families, with lone parents being more affected than any other group – though it should be noted that some claimants may be affected by more than one of these factors.

## 7.2. Age

Age is recorded within age groups and categorised into the 4 claim categories as shown in Table 8 below with key data highlighted for ease of reference.

Table 8 - Caseload & Scheme Type by Age

Age Group	Vulnerable		Working Age Employed		Working Age Other		Grand Total	
18-24	48	11%	86	20%	292	69%	426	2%
25-34	443	16%	989	35%	1417	50%	2849	15%
35-44	1180	21%	2253	41%	2084	38%	5517	29%
45-54	2147	34%	1790	28%	2411	38%	6348	34%
55-60	1306	47%	382	14%	1110	40%	2798	15%
61+	523	56%	67	7%	351	37%	941	5%
<b>Grand Total</b>	<b>5647</b>	<b>30%</b>	<b>5567</b>	<b>29%</b>	<b>7665</b>	<b>41%</b>	<b>18879</b>	<b>100%</b>

Just over 29% of the working age caseload is aged between 35 and 44 years, with 34% aged between 45 and 54 years. The age group 18 to 24 years comprises only 2% of the current working age caseload. However, it will be seen that the most likely age groups to be vulnerable are 55-60 (47%) and 61+ (56%). Table 9 below compares and contrasts the current working age composition of the caseload to that which existed in 2012 when the local scheme was designed.

Table 9 - Proportion of Caseload by Age

Age Band	Proportion of Working Age Caseload in December 2012	Proportion of Working Age Caseload in May 2015	Change in Composition
18 to 24	5%	2%	-3%
25 to 34	21%	15%	-6%
35 to 44	32%	29%	-3%
45 to 54	31%	34%	3%
55 to 60	11%	15%	4%
61+	0%	5%	5%

Table 9 indicates that the proportion of working age claimants aged 45 and over has increased over the past three years whilst the proportion of working age claimants aged less than 44 has diminished. The analysis of claims for which entitlement to Benefit was anticipated to cease under the local scheme arrangements indicated that 4.1% of the total working age caseload aged under 45 were to be affected. This compared to 4% of the working age caseload aged 45 and over. As the anticipated loss of entitlement for claims across these two age bands was effectively neutral, the results in Table 9 suggest that other factors may be responsible for the change in composition. It is possible that claimants aged under 45 are more likely to attain employment than claimants aged 45 and over and that the improved economic climate has assisted with this. However, the reasons cannot be determined with greater precision and are likely to be due to more than one factor alone.

Chart 14 below shows the percentage increase / decrease in caseload by customer age between the cessation of the national Council Tax Benefit scheme in March 2013, and April 2015 when CTS was introduced.

The CTS working age caseload has seen a significant reduction in the number of claims for customers under 25 as was expected when the original scheme was introduced. However, it should also be noted that as the volumes of claims for this category are relatively small, relatively minor changes in volume terms may show a significant change in proportionate terms. There have also been significant claim reductions in proportionate terms as expected for the age range 25 to 54 as a consequence of the scheme design and more recently, the improved economic climate generally. The working age caseload has decreased very slightly for customers aged between 55 and 60 years old although this is anticipated to be because a number of these customers would have seen their claims transfer to the pensionable age claim category.

Chart 14 - Changes in caseload since 31/03/2013

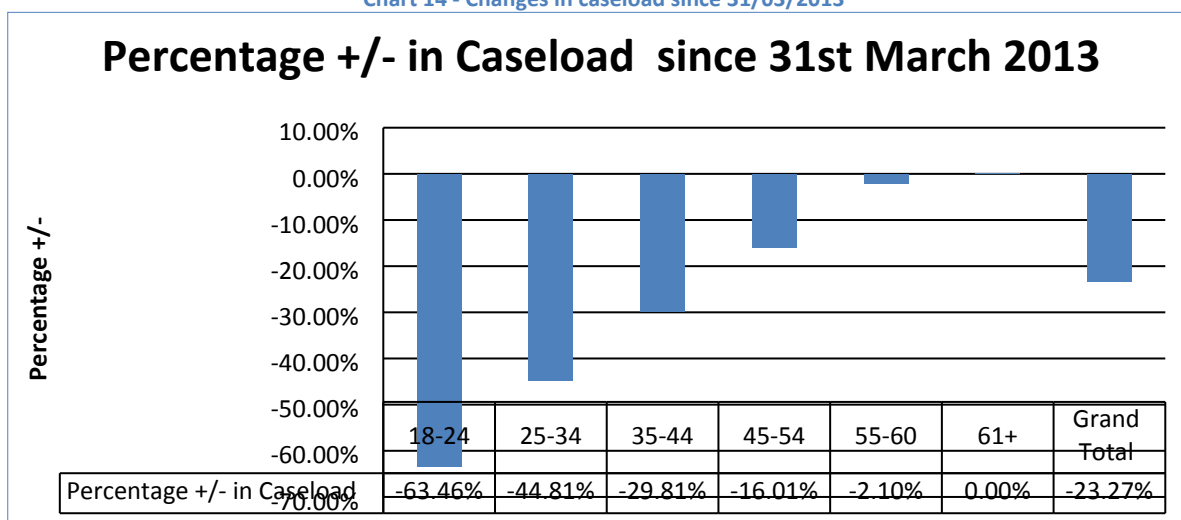


Chart 15 – Weekly Shortfall by Age Band

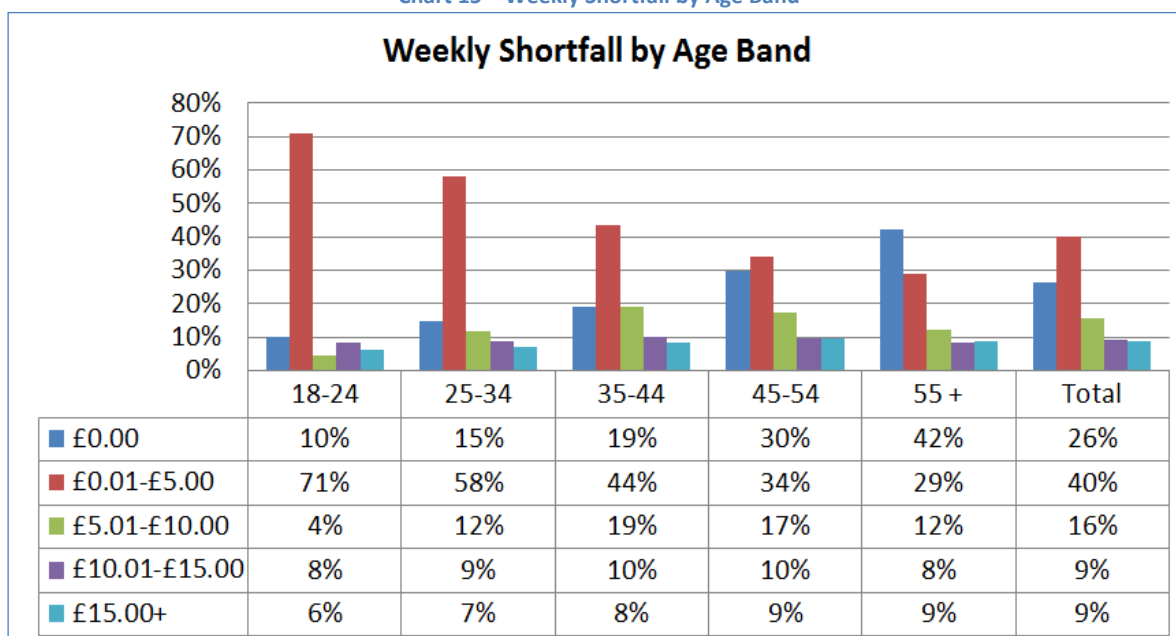


Chart 15 indicates that the 18 to 24 age band is proportionately more likely to have a weekly shortfall between their CTS entitlement and Council Tax liability of up to £5. The reasons for this are primarily as were identified when the scheme was designed in December 2012 which identified that those most affected by a reduction in entitlement of

between £3 and £5 were in the 18 - 24 age group (i.e. 76%). This was because that age group was less likely to receive protection under the proposed scheme as they were less likely to be in receipt of Disability Living Allowance for example and more likely to be in receipt of a benefit such as Job Seekers Allowance (Income Based). Claimants aged 55+ are proportionately more likely to have no weekly shortfall between their CTS entitlement and Council Tax liability as they have a higher proportion of vulnerable claimants and are therefore protected from the requirement to pay the 20% minimum Council Tax contribution

When the initial equalities analysis was carried out in 2012, it revealed that for working age claims, those within the 55+ age category were more likely than another group to have non-dependents in the household (36.8%) compared to the average across the whole working age caseload (17.5%). Analysis of the current caseload, as depicted in Table 10 below, shows that this continues to be the case with 32.5% of the 55+ group having non-dependants in the household compared to the working age average of 17.2%. Proportions across each of the other Age bands are broadly representative of the figures in the 2012 analysis.

**Table 10 - Number of Non Dependants by customer Age Band**

Age Group	Number of Non Dependants in a claimants home							
	0	1	2	3	4	5	6	Total
<b>18-24</b>	98.5%	1.7%	0.4%	0.0%	0.0%	0.0%	0.0%	<b>100.0%</b>
<b>25-34</b>	97.0%	2.7%	0.3%	0.0%	0.0%	0.0%	0.0%	<b>100.0%</b>
<b>35-44</b>	91.4%	7.5%	1.0%	0.1%	0.1%	0.0%	0.0%	<b>100.0%</b>
<b>45-54</b>	75.2%	17.4%	5.9%	1.2%	0.2%	0.2%	0.0%	<b>100.0%</b>
<b>55+</b>	67.5%	20.8%	8.0%	2.8%	0.8%	0.1%	0.0%	<b>100.0%</b>
<b>Total</b>	<b>82.8%</b>	<b>12.2%</b>	<b>3.7%</b>	<b>0.9%</b>	<b>0.2%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>100.0%</b>

It should be noted that whilst those in the 55+ age group are more likely to have one or more non-dependants in the household, 59.7% of those individuals are within the vulnerable group; thus not subject to the minimum payment requirement and in some cases are also not subject to non-dependant deductions due to disability.

### 7.3. Disability

The existing working age vulnerable group is comprised predominantly by disabled claimants, their disabled partner or disabled dependants (i.e. 89%). The remaining 11% is represented by claimants in receipt of a Carer’s Allowance.

Disabled claimants within the vulnerable group are afforded protection from the payment of the minimum 20% Council Tax liability generally required by other working age claimants. References within this document to the vulnerable group are therefore predominantly in relation to disabled persons.

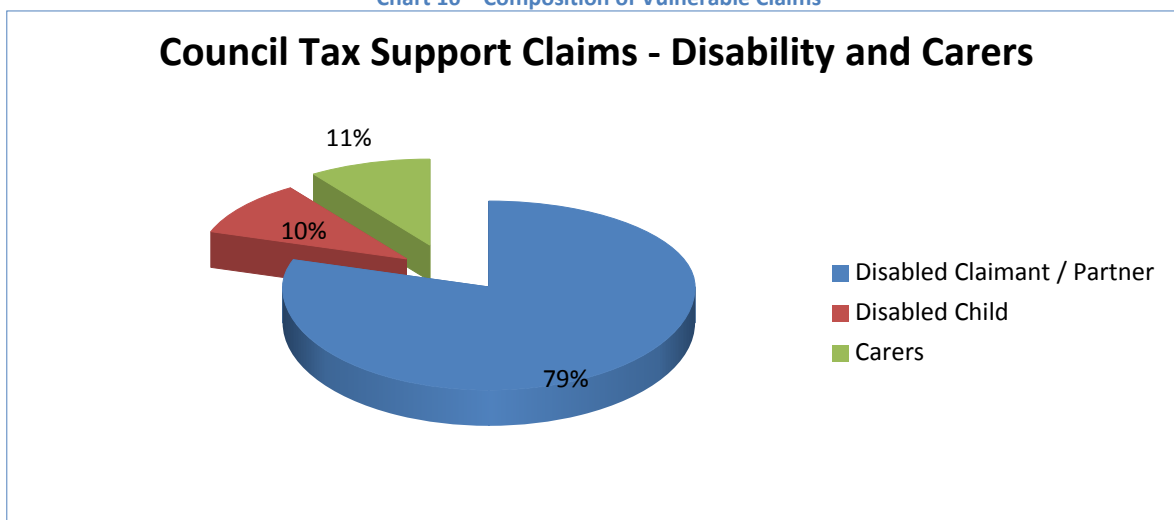
When determining the original Council Tax Support scheme, due regard was given to affording protection for disabled claimants, their family members and carers. This supported the Council’s second key principle concerning the scheme design that provided for the following: “The most vulnerable claimants should be protected (from the minimum contribution) proposed for Council Tax Support”.

The current caseload has 5,647 working age vulnerable claims representing almost 20% of the total Council Tax Support caseload. This represents an increase of 6% in claimants classed as vulnerable since the start of the scheme.

There are currently 4,494 claims where the claimant and / or their partner are disabled, 544 claims where the claimant has a disabled child and 609 claims where the claimant is a carer. Chart Chart 16 below summarises the composition of the vulnerable working age caseload in proportionate terms.

The effects of the protection afforded to disabled persons from payment of the minimum 20% Council Tax liability can be clearly seen in terms of the average weekly amount they pay towards Council Tax liability. For vulnerable claimants, this amounts to £1.30 in comparison to £3.16 for pension credit age claimants, £9.03 for working age employed and £5.58 for other claimants of working age. Additionally, the proportion of vulnerable CTS claimants with Council Tax arrears is significantly lower than for those in the other working age groups.

Chart 16 – Composition of Vulnerable Claims



#### 7.4. Ethnicity

Currently, we hold ethnicity data for 65% of working age claims. The data held indicates that ‘Asian’ customers comprise nearly 14% of our working age customers, ‘Black’ customers 24% and ‘White’ customers 20%. The overall proportions shown for each ethnic group in Table 10 are consistent with those that were identified in December 2012. However, within the vulnerable group, there have been changes in the composition such that the black ethnic group now has a higher proportionate share than at the start of the scheme (i.e. an increase of 10%) and the proportion of vulnerable claims for which the ethnic group is unknown has increased by 23%. The white ethnic group has a reduced proportionate share of the vulnerable group (i.e. 7%). The mixed ethnic group has also seen a reduction in proportionate terms within the vulnerable group of 10% and the “other” ethnic group has also seen a reduction of 11%. It is possible that the variations identified above may not exist if the ethnic group were known for all the claims within the vulnerable category. In terms of the working age employed and working age other categories, it is not possible to provide a comparative analysis as these groups have been compiled using different claim data to that which existed when the scheme was designed.

Key data is highlighted in **Error! Reference source not found.** below which indicates that 12% of current Vulnerable Working Age customers are from the “Asian” ethnic group in comparison to 21% from the “Black” ethnic group and just over 20% for the “White” ethnic group. These are broadly representative of the proportions that each group represents in terms of the total working age caseload.



In terms of the Working Age Employed group, there are a higher proportion of Asian ethnic group claimants than for other claim categories. Black ethnic group claimants are broadly comparable across each of the claim types although there is a higher proportion showing in the Working Age Other claim group. This would appear to be consistent with pre-CTS records which indicated that the Black ethnic group had a higher volume of claimants in receipt of Income Support, Job Seekers Allowance (Income Based) and Employment Support Allowance (Income Related) (i.e. the former “passport” benefits). The White ethnic group has a broadly comparable showing across each of the claim types.

There are, however, almost 36% of claimants for whom their ethnic group is unknown and consequently, the proportions shown should be considered in that context.

Table 10 - Ethnicity by Scheme Type

Ethnic Group	Vulnerable		Working Age Employed		Working Age Other		Grand Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
Asian	682	12.08%	1027	18.45%	843	11.00%	2552	14%
Black	1192	21.11%	1217	21.86%	2034	26.54%	4443	24%
Mixed	147	2.60%	189	3.40%	277	3.61%	613	3%
Other	191	3.38%	293	5.26%	260	3.39%	744	4%
Unknown	2289	40.53%	1806	32.44%	2608	34.02%	6703	36%
White	1146	20.29%	1035	18.59%	1643	21.44%	3824	20%
<b>Total</b>	<b>5647</b>	<b>100.00%</b>	<b>5567</b>	<b>100.00%</b>	<b>7665</b>	<b>100.00%</b>	<b>18879</b>	<b>100%</b>

Chart 17 – Weekly Council Tax Shortfall by Ethnicity

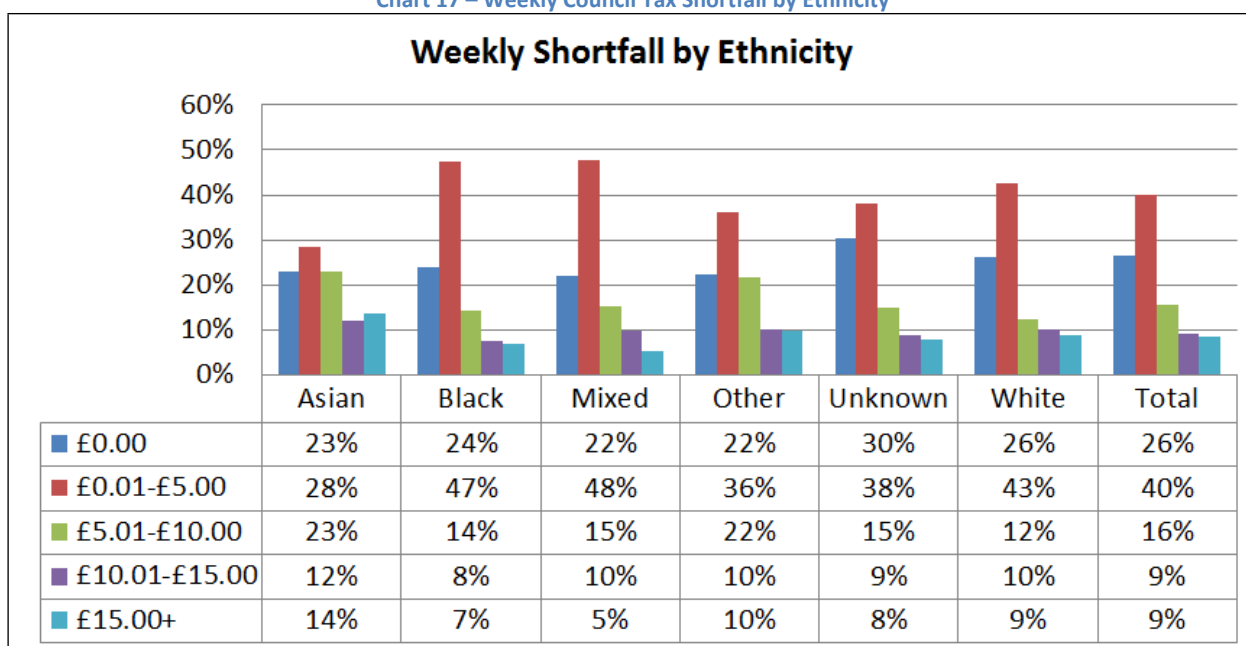


Chart 17 above indicates that the Asian group is proportionately more affected by a shortfall of more than £15 between their CTS entitlement and Council Tax liability than other ethnic groups. The reasons for this can primarily be determined from the analysis previously undertaken when the existing scheme was designed in December 2012.

In particular, ‘Asian’ families had a greater proportion of dependants (i.e. 22% had 3-4 children per household compared to 10% of the ‘white’ group). Consequently, they generally had larger homes and hence more Council Tax to pay for the Valuation Band allocated. For example, 16% of the ‘Asian’ ethnic group resided in Band E properties

compared to 9% 'Black or 10% 'White' ethnic groups. Additionally, 6% of Asian claimants had 2 or more non dependants living with them compared to only 3% of non Asian families and therefore were subject to the effects of the increased rates of non dependant deductions introduced under the local scheme. Despite the 14% reduction to the CTS caseload, the proportions of Asian families and non Asian families with 2 non-dependants has remained at 6% and 3% respectively.

## 8. Key Findings

- Brent is one of 250 Councils nationally operating a minimum payment scheme. Nationally minimum payments range from 5% to 30%; Brent's scheme is 20%.
- Nationally, Local Authorities have adopted a variety of features including revised tapers, savings limits, non-dependant charges and income tapers (which Brent's entire scheme applies). Some other features (e.g. valuation band caps) were not adopted by Brent.
- The CTS caseload has steadily declined since April 2013, with the most significant decrease affecting the Working Age Other group, with a total reduction of 31%. The vulnerable group was the only one to buck the trend and experience an increase in caseload of 6%.
- Expenditure for the first year of CTS was £6.6m less than in the final year of CTB representing a financial reduction of 19%.
- Just under 12% of working age CTS customers are living in properties in Band E and above with over 35% of those being in the vulnerable group.
- The average weekly difference a working age customer has to pay towards their Council Tax as at 1<sup>st</sup> April 2015 is under £5.32 per week (£278.16 per year); this is similar to the average calculated at the start of the scheme.
- Working age customers within the vulnerable group have an average of £1.30 to pay towards their Council Tax liability compared to the customers in the Pensioner group who have on average £3.16 per week to pay, and working age employed (£9.03) and working-age other (£5.58). The Brent CTS scheme has given due consideration to its obligations under the Equalities Act within its Principle 2: The most vulnerable claimants should be protected (from the minimum contribution) proposed for Council Tax Support.
- Collection rates for CTS claimants have exceeded expectations at 81.76% and 85.71% for the first two years respectively.
- No strong relationship has been found between collection rates and the minimum payments required under CTS schemes within London Authorities. However, there appears to be a closer relationship between collection rates and the level of deprivation within London Authorities such that lower levels of collection are achieved in areas with higher deprivation.
- Working Age Employed and Working Age Other groups represent in proportionate terms the majority of current claims with arrears and also have the highest levels of arrears proportionately in comparison with the other groups.
- There appears to be an upward trend in terms of the proportion of working age claimants subject to liability orders.

- Of the total working age CTS caseload, up to 17% (3,253) customers have also been impacted by other welfare changes and/or are known to the Troubled Families Team; with 5% (870) also identified as having Council Tax arrears.
- 66% of the working age caseload of Couples pay between £0 and £5 per week towards their Council Tax. A higher proportion is seen amongst Couples with no dependants (68%), Lone Parents (71%) and Single claimant households (75%). However, only 40% of Couples with dependants fall into that same band, with the remaining 60% paying between £5.01 and £15.00+ on average per week.
- Couples with no dependants are most likely to have nothing to pay, with 45% receiving maximum entitlement, followed by Single claimant households at 35%. Single person households (5%) and Lone parents (6%) are the least likely to pay £15+ per week.
- Single customers comprise over 56% of the vulnerable group compared to couples with no dependants that comprise less than 7%. These appear to be disproportionate to the overall caseload.
- Over the whole working age caseload, 30% of claimants are classed as 'vulnerable', though this proportion rises to 49% for the 55+ age category. The latter category are the most likely to have no Council Tax liability and indeed the older the claimant, the more likely they are to pay nothing. 66% of the caseload pay £5.00 or less per week.
- There have been significant claim reductions in proportionate terms for the age range 18 to 24 (64%) and 25 to 34 (45%). However, because the volumes of claims for the 18 to 24 group are relatively small, minor changes in volume terms may show a significant change in proportionate terms. As volumes within the 25 to 34 age group are significantly higher, the reduction in caseload for this age range is of greater significance.
- Working-Age Customers in the 55+ age category are more likely than any other group to have one or more non-dependants. The proportion is broadly in keeping with the levels identified in 2012 at 32.5% (36.8% in 2012) compared to the working age average of 17.2% (17.5% in 2012).
- The Asian ethnic group are twice as likely as non-Asian groups to have 2 non-dependants in the households at 6% compared with 3%.
- Within the Working Age Employed group, there are a higher proportion of Asian ethnic group claimants than for other claim categories. Black ethnic group claimants are broadly comparable across each of the claim types although there is a higher proportion showing in the Working Age Other claim group as previously identified when the scheme was originally designed.
- 12% of current Vulnerable Working Age customers are from the "Asian" ethnic group in comparison to 21% from the "Black" ethnic group and just over 20% for the "White" ethnic group. These are broadly representative of the proportions that each group represents in terms of the total working age caseload.
- The ethnicity of 36% of the caseload is unknown and consequently, any conclusions that may be inferred by the results must be considered within that context.

## 9. Conclusion

When considered in relation to original objectives and key principles of the scheme, the following conclusions may be drawn.

In terms of legal, financial and equitable robustness, the scheme can be considered as a success. First and foremost, there have been no legal challenges brought against the scheme, whether in terms of matters concerning the consultation arrangements or in terms of compliance with Equality Act requirements.

From a financial perspective, the scheme has met its objective of achieving a minimum saving of 10% in the first year of CTS, with the actual reduction representing 19% of the expenditure for the final year of Council Tax Benefit. Furthermore, in-year Council Tax collection rates have also exceeded expectations, with rates at 81.76% and 85.71% for the first two years respectively, against an original objective of 50%-80% of collection for CTS customers.

Other key requirements of the scheme – protecting vulnerable groups and incentivising work – were achieved and underpinned by the key principles that ensured the most vulnerable were protected against the minimum contribution and by allowing those in work to keep an additional £10 before their income affects their entitlement. Whilst, on the other hand, the other key principles of the scheme ensured that the necessary savings were achieved.

There are also a number of other conclusions that may be drawn and that have been highlighted by this report as set out below.

The decline of the caseload experienced during the first two years of the localised scheme has in part been as a result of the localised scheme design. For example, the freezing of ‘applicable amounts’ will have caused those with higher incomes and on the cusp of entitlement to gradually fall out of entitlement as their income increased. The economic upturn and increased employment opportunities may also have been a factor and would perhaps contribute to the high reduction in the Working Age Other caseload. Such a factor may also provide some explanation as to the decrease in claimants within the 25-34 age range.

The average weekly amount a working age customer has to pay towards their Council Tax account has remained within the range that was identified prior to the commencement of the local scheme; this could be partly due to the fact that there has not been an increase in Council Tax since the start of the scheme.

When reviewing the protected characteristic for “Age”, the original EIA indicated that “55-60 year olds are more likely than the other age groups to have reduction in benefit of just £0-£3 per week, the reason for which is that this age group is also more likely to be protected under Principle 2 due to being identified as disabled.” This has been the case for this age group as the review has indicated that almost 30% of those that do not need to pay any difference are older than 55 years of age.

When reviewing the protected characteristic for “Race”, the original EIA identified that the “Asian ethnic group was more affected with a reduction of £5.00 or more per week entitlement under CTS than any other group”, while noting that this adverse impact was considered acceptable on the basis that it was the policy intention of the scheme that a claimant should have a reduction in their proposed entitlement if they have other adults resident in their home that could contribute towards the Council Tax, and consequently, the more non-dependants that are resident in a claimant’s home, the greater the non-dependant deduction that would be made from the claimant’s entitlement. This review has highlighted that 50% of the Asian ethnic group have to pay £5.00 or more per week

towards their council tax liability compared to 29% of those in Black ethnic group and 31% in White ethnic group and therefore appears to support the original finding.

# Appendices

## Appendix A – Key Census Data (2011)

- **Population:** The Brent population stood at 311,215 representing an increase of 47,751 since 2001
- **Gender:** There were 156,468 male residents and 154,747 female residents representing 50.3% and 49.7% respectively.
- **BAME:** The BAME groups increased their share of the population from 55% in 2001 to 64% in 2011. This is the second highest proportion in England and Wales. The broad BAME group Asian or Asian British accounted for 33% of the population (up from 28% in 2001), and Black or Black British for 19% (down from 20% in 2001). The White ethnic group saw a reduction in its proportion from 45% in 2001 to 36% in 2011. White British and White Irish declined, whilst White Other increased substantially.
- **Single Parents:** The number of single parents with dependents has increased by 1,605 representing a 20% increase since 2001. The number of single parents with non-dependent children increased to 5,563 households. Single parents now represent 1 in 7 households within the Borough.
- **Marital Status:** The number of household residents who were married or in a same-sex civil partnership increased by 14% over the 2001 figure to 93,979. The numbers of those cohabiting and of single people also increased, by 11% and 18% respectively. The largest increase was in the number of those married or in a same-sex civil partnership but who were not living together, which doubled over the decade to 7,049 residents.
- **Health:** The number of residents who said that they had good, or very good, health increased from 70% of the population to 83%, a level comparable to that of the whole of Outer London. There was a small decrease in the percentage of residents who felt that their day to day activities were limited, to 14%, and of these, 7% felt they were limited a lot.
- **Religion:** The percentage of residents who described themselves as Christian fell from 48% in 2001 to 41% in 2011. This was still the largest faith group, with Muslims making up 19% of the population, Hindus 18%, and “No religion” 11%. The percentage of Hindus is the second highest in England and Wales, while the percentage of those stating “No religion” is the third lowest.
- **Age:** The age profile of the Borough is as follows:

Age Range	Number of Residents	Proportion (%)
0 to 4	22,446	7.2%
5 to 19	55,179	17.7%
20 to 34	89,086	28.6%
35 to 49	66,644	21.4%
50 to 64	45,184	14.5%
65 to 79	24,628	7.9%
80 to 90	8,048	2.6%
<b>Total</b>	<b>311,215</b>	<b>99.9*</b>

\*The proportion shown does not equate exactly to 100% due to rounding.

## Appendix B – Benefits Caseload Data

- **Population:** The Brent caseload is currently 29,042, of which the working age caseload is 18,879.
- **Gender:** The gender of the working age claimant caseload is as follows (note that either partner in a couple may make the Benefit claim, but there may be a disproportionate number of males making claims for couples which could potentially affect this data):

Gender	Vulnerable		Working Age Employed		Working Age Other		Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
FEMALE	3068	54%	2576	46%	4645	61%	10289	54%
MALE	2579	46%	2991	54%	3020	39%	8590	46%
<b>Total</b>	<b>5647</b>	<b>100%</b>	<b>5567</b>	<b>100%</b>	<b>7665</b>	<b>100%</b>	<b>18879</b>	<b>100%</b>

- **BAME:** Currently, ethnicity data is held for 65% of working age claims. The data held indicates that 'Asian' customers comprise nearly 14% of working age customers, 'Black' customers 24% and 'White' customers 20%.
- **Single Parents:** The number of working age single parent claims is currently 5,831 out of the 18,879 working age caseload (i.e. 31%).
- **Marital Status:** It is not possible to identify marital status / civil partnerships from the existing caseload claim data.
- **Health:** There are currently 4,494 claims where the claimant and / or their partner are disabled, 544 claims where the claimant has a disabled child and 609 claims where the claimant is a carer.
- **Religion:** It is not possible to identify the religion of a claimant from the existing caseload claim data.
- **Age:** The age profile of the working age caseload is as follows:

Age Group	Vulnerable		Working Age Employed		Working Age Other		Grand Total	
	Count	Percentage	Count	Percentage	Count	Percentage	Count	Percentage
18-24	48	11%	86	20%	292	69%	426	2%
25-34	443	16%	989	35%	1417	50%	2849	15%
35-44	1180	21%	2253	41%	2084	38%	5517	29%
45-54	2147	34%	1790	28%	2411	38%	6348	34%
55-60	1306	47%	382	14%	1110	40%	2798	15%
61+	523	56%	67	7%	351	37%	941	5%
<b>Grand Total</b>	<b>5647</b>	<b>30%</b>	<b>5567</b>	<b>29%</b>	<b>7665</b>	<b>41%</b>	<b>18879</b>	<b>100%</b>

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## Appendix B – CTS Scheme Options for 2016/17

### Introduction

The options comprised within this Appendix B were subject to financial modelling based upon the prevailing circumstances immediately prior to the Emergency Budget announced on 8<sup>th</sup> July 2015. Consequently, the financial implications for the options modelled do not incorporate the effects of the further welfare reforms that were announced within that budget. However, a preliminary analysis of the impact of the further reforms is given in the main Cabinet report and also referenced in the final section of this Appendix. An analysis of the further welfare reforms announced in the Emergency Budget indicates that even the “cost neutral” options shown in Appendix C are no longer cost neutral.

### Scheme options

The five broad options considered and evaluated within this Appendix and as also set out within paragraph 7.2 of the main Cabinet report are as follows:-

1. “Change” option (“cost-neutral”);
2. “No change” option;
3. 10% savings option;
4. More generous scheme;
5. Return to the former national Council Tax Benefit scheme provisions.

#### **1.0 Option 1: Changes to the existing CTS Scheme (cost neutral)**

- 1.1 With due regard to the perceived lack of appetite for radical change, options suggested at stakeholder engagement meetings were modelled to achieve a cost-neutral outcome based on the forecast scheme expenditure for 2015/16. (Please note that “cost-neutral” for the purposes of the financial modelling was subject to a 0.2% tolerance level, i.e. £50,000)
- 1.2 Appendix C to the main Cabinet report shows the financial implications for a variety of potential scheme options including a more generous scheme for claimants meeting certain qualifying conditions whilst identifying possible ways in which the additional expenditure might be funded from within the scheme. (“Cost” = rows versus “Savings” = columns).
- 1.3 The more generous scheme options considered and modelled included the following:
  - Treating care leavers as vulnerable (and therefore exempt from the minimum contribution element);
  - Treating foster parents / guardians as vulnerable (and therefore exempt from the minimum contribution element)
  - Protecting claimants subject to the Overall Benefit Cap and Bedroom Tax against the minimum payment requirement.

*The above claimant groups were considered as potentially suitable for additional CTS assistance on the basis of their “vulnerable” status. However, there are other alternative options available that would permit eligible “vulnerable” claimants to be entitled to additional CTS assistance provided that the appropriate IT system functionality for that purpose existed.*

*Additionally, an equivalent financial saving from elsewhere within the scheme would need to be found to meet the cost of any additional “vulnerable” claimants to ensure that scheme expenditure remained “cost-neutral”.*

- Uprating previously “frozen” Applicable Amounts in the benefit calculation to restore parity with the equivalent rates in the Housing Benefit scheme.

*This option would have the effect of equalising and hence restoring parity for the HB and CTS means and needs thresholds. It would also mean that annual uprating (i.e. the inflationary element of the scheme) that has been absent from the scheme since 2013, would be restored. This option may be considered desirable given the proposed freezing of national benefit rates from 2016/17. Additionally, as this measure would benefit households with an income above the minimum level for the purposes of the means test (and thus subject to the effects of the taper), it potentially benefits larger families and hence may contribute towards the alleviation of child poverty.*

- Allowing a further £5.00 of weekly earned income to be disregarded for claimants in employment, in addition to the existing earnings disregards within the current CTS scheme which is already £10 higher than the former national Council Tax Benefit scheme permitted.

*This option would potentially provide an additional work incentive given that more income could be earned before the means test would apply. However, the amounts would be marginal and the existing scheme may be considered to already offer a considerably more generous treatment of earnings than the previous national CTB scheme and indeed, many other Council CTS schemes.*

- Rescaling non-dependant charges (cost neutral in itself) so that all non-dependants are deemed to contribute 6% of the median income level for each income band.

*This option would provide a fairer application of non-dependant charges as currently, those in the lower income bands are deemed to contribute slightly more of their income in proportionate terms than those in the higher income bands.*

1.4 A range of other options designed to achieve savings that could finance the more generous scheme options outlined in paragraph 1.3 above and retain “cost-neutrality”, have also been considered. As the more generous measures essentially involve reallocating more CTS claimants to the “vulnerable” group, this will need to be funded either by claimants in the “employed” or “other” (i.e. unemployed but not vulnerable) – or both – groups to preserve “cost-neutrality”. Essentially, this would need to be achieved by increasing the minimum Council Tax payment contribution for claimants in these groups from 20% to 22.5% or 25%.

1.5 Although other options and mechanisms could also be considered, no one single mechanism is anticipated to achieve the same financial effect as the minimum Council Tax payment contribution. Additionally, other options and

mechanisms would have the effect of distributing the cost across all working age claimant groups including the “vulnerable” group.

1.6 It is considered unlikely that the required saving level could be achieved via another option. The most obvious alternative mechanism, (i.e. increasing the taper applied in the means-tested benefit calculation) has been considered but rejected on the grounds that a claimant whose income exceeds their “needs”, and claiming both HB and CTS, already has 65% of their “excess income” reduced from their eligible HB, and 30% from their CTS. Consequently, any further increase would be likely to push these deductions to greater than 100% and therefore provide a disincentive to work.

1.7 As indicated in Appendix C to the main Cabinet report, few of the combinations referred to actually deliver a “cost-neutral” scheme (i.e. only those shown with a green or amber colour coding would potentially be cost-neutral). The only potentially viable combinations are as shown in Table 1 (Viable CTS Scheme Options) below:

Table 1 – Viable CTS Scheme Options

Option	More generous provisions:	Paid for by:
1B	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts	25% minimum Council Tax payment contribution from employed
1C	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts	25% minimum Council Tax payment contribution from “other” (i.e. unemployed and “vulnerable”)
1G	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts	22.5% minimum Council Tax payment contribution from employed and other
2D	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts d) Additional weekly £5 earnings disregard	25% minimum Council Tax payment contribution from employed and other
4D	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts d) Treat those affected by OBC and Bedroom Tax as vulnerable	25% minimum Council Tax payment contribution from employed and other
5D	a) Treat care leavers as vulnerable b) Treat foster parents / guardians as vulnerable c) Uprate Applicable Amounts d) Treat those affected by OBC and Bedroom Tax as vulnerable e) Rescale non-dependant charges	25% minimum Council Tax payment contribution from employed and other

1.8 Although any of the options shown in Table 1 above, (or indeed other permutations) could have been valid, Option 5D represented the “best fit” (prior to the Emergency Budget) in terms of combining the scheme design options obtained from the engagement meetings with Elected Members and Voluntary Organisations.

1.9 It should be noted that the costings for these options shown within Appendix C do not include any provision for Transitional Protection (TP). If the Council were proposing to make changes to its existing scheme, it would be required to consider (but not necessarily adopt) a TP scheme for any claimants or groups of claimants that may experience a reduction in their entitlement as a consequence.

### **1.10 Impacts of Option 1 (design 5D)**

1.11 The following summarises the headline position for Option 1 (design 5D).

1.12 This model represented an increased annual cost of £31,954 on the current scheme, which is within the 0.2% tolerance applied for the purposes of calculating the “cost neutral” option.

1.13 An additional 1,404 customers would be protected from the minimum Council Tax payment contribution, primarily due to protection being extended to those claimants affected by welfare reforms. The additional protected claimants that would occur from the following changes are as follows:

- A reduction of 240 claimants from the “working-age employed” claimant group;
- A reduction of 1,164 claimants from the “working-age other” claimant group.

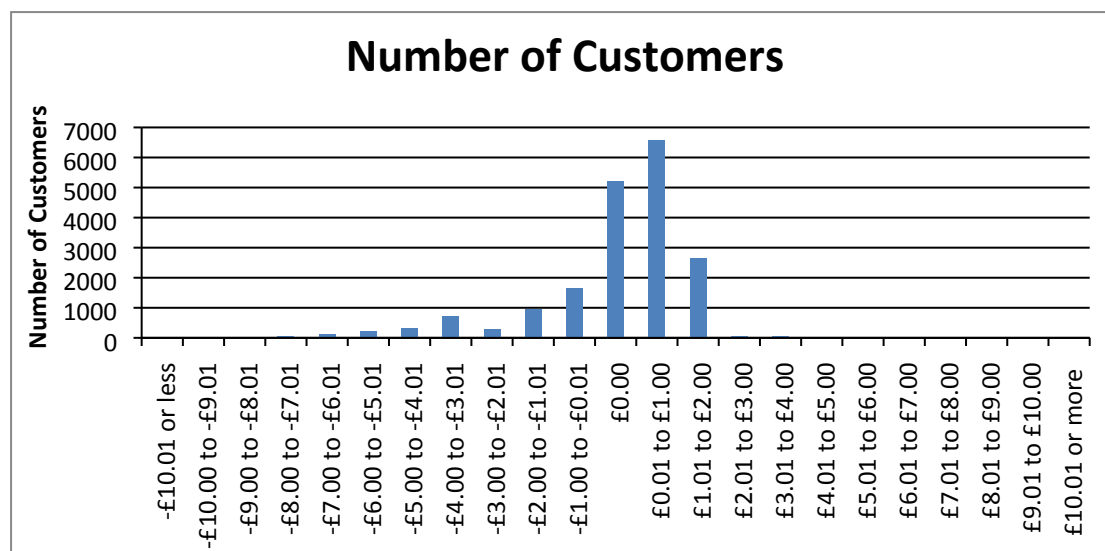
1.14 Under this option, 33% of the caseload would pay nothing (up from 26%), and 28% would pay between £0.01 and £5.00 (down from 40%). There would be an increase in those paying £5.01 to £10.00 (to 39%)

1.15 The degree of change in a customer’s Council Tax payment contribution under this option can be summarised as follows:

- 27.6% (5,223) of customers would see no change in their Council Tax contribution;
- 22.7% (4,293) of customers would see their Council Tax contribution decrease;
- 49.7% (9,395) of customers would see their Council Tax contribution increase.

1.16 As demonstrated in the following Table 2 (Distribution of changes to Customer Council Tax Contribution), 71% of the caseload would see their contribution change by +/- £1.00 per week and 90% would see a change of +/- £2.00 per week.

Table 2 – Distribution of changes to Customer Council Tax Contribution



1.17 There would be a requirement to consider Transitional Protection (TP) under this option although by way of indication, a TP scheme to ensure that claimants were not worse off by more than £5 per week in the first year of the change, would cost a modest £8,104.

1.18 The average Council Tax contribution for Working Age claimants under this option would be £5.21 per week and would be comprised as follows:-

- Vulnerable: £1.35;
- Employed: £9.14;
- Other: £6.24.

1.19 An initial review of the impact of this option by age and ethnicity indicates that the findings of the EIA for the original Brent scheme regarding the 55+ age group and Asian ethnic group are still borne out, as indicated below with comments.

- The 55+ age group is most likely to pay nothing (50%),
- The 18 to 24 age group is least likely to pay nothing (18%) although most are likely to pay £0.01 to £5.00 per week (57%). They are also in fact more likely to pay £0.00 to £5.00 per week at 75% compared to 61% across the whole working age caseload,
- The 35 to 44 age group are most likely to pay £5.01+ per week with 46% compared to 39% across the whole working age caseload,
- Aside from claimants with an unknown ethnicity, the White ethnic group is most likely to pay nothing at 33%. However, the working age average is 33% and all ethnic groups appear to be largely proportionate to this level,
- The Asian ethnic group is significantly less likely than any other group to pay between £0.01 to £5.00 and also less likely overall to pay between £0.00 and £5.00 per week,

- The Asian ethnic group are more likely than any other group to pay £5.01+ per week at 57%,
- The 'Other' ethnic group is least likely to pay nothing (22%) and equally most likely to pay £5.01+ along with the Asian group (74%).

## **1.20 Option 1 (“Change”) – advantages and disadvantages**

### Advantages – Option 1 (“Change”) (i.e. Design 5D)

- 1.21 The primary advantage of the “change option” was that it provided an opportunity to review the current scheme and direct greater assistance to other groups than currently catered for – in the case of Design 5D; care leavers, foster parents, any households subject to the means-test, particularly larger families, those with non-dependants in the lowest income band, and those affected by other welfare reforms).
- 1.22 Under this option, the core elements of the existing scheme determined by the Council would remain unchanged. Consequently, risk exposure levels that may otherwise have arisen from changing the scheme were minimised. Additionally, the administrative cost that may otherwise be required in communicating significant changes to Council Tax Payers is minimised under this option.
- 1.23 Relatively minor changes to the scheme are more likely to be supported by the Council’s IT software within the current functionality available. More significant changes may require software development and increased cost together with the associated risk of implementing previously untried software in a constrained timescale.
- 1.24 The minor change option supports the general view established from engagement meetings with stakeholders that the current scheme is broadly acceptable. The minor change option also permits the scheme to remain “cost neutral” in terms of levels of current CTS expenditure and does not introduce radical and potentially high risk changes.
- 1.25 Consulting on a “change” option provides an opportunity for any potential financial risks to the scheme to be mitigated, particularly for example concerning the treatment of Universal Credit (UC) claimants. Currently, UC claimants are treated within the existing scheme as “passported” cases, similar to Jobseekers Allowance (Income Based) or Income Support and thereby entitling them to the full 80% CTS entitlement (or 100%, if they are also “vulnerable”), subject to any non-dependant charges. However, UC is a benefit also payable to employed claimants who were in receipt of Working Tax Credit or Child Tax Credit and subject to the means test under CTS.
- 1.26 Whilst this scenario may be perceived as giving rise to inequitable treatment for claims affected by the new UC arrangements, it needs to be balanced with the small numbers of claims likely to be affected, at least in the short term and the administrative effort involved in validating UC claimant circumstances, some of which may not be available from the IT system currently used for

validating DWP data. Additionally, when the current scheme was devised, there was a significant level of uncertainty surrounding the availability of data and information to the claimant about their UC entitlement. Consequently, the scheme provision to treat them as eligible for a reduction of 80% or 100% as appropriate was an effective measure for dealing with the administrative complexities and financial risks that would otherwise have existed.

- 1.27 However, the arrangement set out in paragraph 1.26 above cannot be sustained indefinitely – both for equitable reasons and because as more claimants migrate to UC, the increased CTS awarded as a consequence of the difference between “passporting” and means-tested entitlement will place greater financial pressures on the scheme. Consequently, the “change” option provided an opportunity to review the scheme and ensure that future UC claimants were treated comparably as far as reasonably practicable with the arrangements that would have applied for them in receipt of the relevant legacy benefits.
- 1.28 Making only minor changes to the existing scheme permits an opportunity for the effects of the known welfare reforms for the next 12 months to be evaluated and incorporated within any future changes made to the scheme, though further reviews would of course incur further cost and officer time.

#### Disadvantages

- 1.29 The cost of conducting a significant scheme review and undertaking consultation for relatively minor scheme changes may be disproportionate to the benefits that may otherwise be achieved. There is also the potential that a review of the scheme next year gives rise to further changes requiring public consultation, thus incurring further consultation and project costs that could have been avoided if the changes were co-ordinated in a single consultation process.
- 1.30 It may be considered unduly hasty to review a scheme that is broadly fit for purpose, in advance of the government’s other planned reforms, and considered more judicious to do so after these reforms have been announced and their impacts fully understood.
- 1.31 Any significant changes to the scheme have the potential, at least in the short term, to affect claimant knowledge and understanding of how their entitlement has been calculated. This in turn may lead to more enquiries from claimants concerning changes to their CTS entitlement and possibly shortfalls in their Council Tax instalment payments pending resolution of their concerns.
- 1.32 CTS project costs incurred to date amount to £34,494. If the project progresses with a view to Full Council determining a revised scheme in January 2016 and including a prior public consultation, the anticipated cost will be £133,524.
- 1.33 Consultation on scheme matters and any subsequent Council determination for a revised scheme introduce the risk of a legal challenge under judicial review. It should be noted that the legal challenge may not be restricted to

the elements proposed for changes, but the entire scheme including the consultation process.

- 1.34 Whilst the minor change option retains “cost neutrality” in terms of current CTS expenditure, this may be sensitive to changes in caseload particularly if the current economic recovery is not maintained. Any significant rise in caseload or entitlement awards will increase CTS expenditure and give rise to increased budgetary pressure for the scheme generally in order to preserve its “cost neutral” status and potentially the wider Council Tax Payer should it be agreed to increase funding for the scheme.
- 1.35 Further, the “cost-neutrality” requirement means that there will be losers as well as winners under the scheme, in this case the employed and unemployed (but not vulnerable) groups, who would have a headline 25% minimum Council Tax payment contribution.
- 1.36 It may also be considered that the expense of scheme design and consultation does not warrant the changes, which for 70% of claimants’, results in a difference of up to £1.00 in the amount they pay each week, with a further 20% seeing a difference of up to £2.00 per week.
- 1.37 Consideration has to be given to transitional protection for claimants subject to any minor changes to the scheme giving rise to either a reduction in their entitlement or loss of entitlement. Whilst this does not necessarily mean that protection has to be given, there must be a consideration and a rational decision taken as a consequence. Any financial implications that may arise as a consequence of a decision to give transitional protection would need to be offset against CTS expenditure generally to retain the “cost-neutral” status of the scheme.
- 1.38 If applicable amounts were to be updated under the minor change option to incorporate cost of living changes, there is the potential that not only would claimants from the existing live caseload benefit from the changes but currently ineligible claimants may also become re-entitled. This would have the effect of increasing CTS expenditure by an unquantified amount and may give rise to additional budgetary pressures.
- 1.39 Similarly, there is a further financial risk in changing the scheme to protect those claimants who are subject to the Overall Benefit Cap (OBC) and Bedroom Tax; whilst protection for these claimants could be afforded (as forecast and prior to the effects of the Emergency Budget) in the context of the current cohorts, the government’s subsequent announcement of further welfare reforms and in particular a reduction in the OBC, would bring additional claimants into the protected cohort and add further cost into the CTS scheme.
- 1.40 Current estimates suggest that a further 1,947 claimants (i.e. a 203% increase) may be affected by the reduction in the OBC in Brent, although this has not yet been officially confirmed by the Department for Work and Pensions (DWP). The additional cost of providing protection for these claimants through the local CTS scheme is currently estimated to be £346K



on a full year equivalent basis and would thus render Option 1, as shown in Appendix C, no longer “cost neutral”.

## **2.0 Option 2: No Changes to the Existing CTS Scheme**

### Advantages

- 2.1 Under this option, the existing scheme determined by the Council would remain unchanged. Consequently, risk exposure levels that may otherwise arise from consulting on matters relating to the scheme are minimised. Additionally, the administrative cost that may otherwise be required in communicating changes to Council Tax Payers is minimised as are project and consultation costs, as consultation will not be required and no further detailed analysis will be needed. It is estimated that approximately £91,887 could be saved in project costs.
- 2.2 The potential for legal challenge concerning a revised scheme is also significantly reduced under this option.
- 2.3 No changes would be required under this option in relation to software used to deliver the service thus avoiding potential software development costs and the associated risk of implementing previously untried software in a constrained timescale. Additionally, there would be no requirement to consider the provision of transitional protection.
- 2.4 The no change option supports the general view conveyed through the stakeholder engagement meetings that the scheme is broadly acceptable and permits the scheme to remain “cost neutral” in terms of levels of current CTS expenditure. Additionally, it does not introduce radical and potentially high risk change.
- 2.5 Another key advantage of the “no change” option is that existing entitlement and hence Council Tax payment liability is known and understood by claimants. Any changes to the scheme have the potential, at least in the short term, to affect claimant knowledge and understanding of how their entitlement has been calculated. This in turn may lead to more enquiries from claimants concerning changes to their CTS entitlement and possibly shortfalls in their Council Tax instalment payments pending resolution of their concerns.
- 2.6 A “no change” option affords the Council an opportunity to assess and review the impact of the wider welfare reforms over the next 12 months and potentially incorporate any findings within a revised scheme for the following year (i.e. 2017/18).
- 2.7 Retaining the existing scheme with no change would be likely to have a relatively small impact on claimants given the existing protections provided for within the scheme for certain claimant groups and its “cost-neutral” status. It also eliminates the risk that a scheme change could inadvertently introduce an element of inequity which was not anticipated during the design stage.

## Disadvantages

- 2.8 A “no change” option may be perceived as taking an “unambitious” approach given that an opportunity exists for making changes to the current scheme. It may also appear to be contrary to the commitment given at the Full Council meeting of 19<sup>th</sup> January 2015 to conduct a fundamental review of the scheme, and therefore present some risk of reputational damage, although it may be noted that the General Election result, and the resulting new welfare reforms, have changed the local government and welfare benefits landscape considerably and demand a reconsideration.
- 2.9 Retaining the existing scheme will mean that the adverse impact previously identified (and accepted) in relation to ethnicity (i.e. Asian claimants) and age (i.e. 55+) particularly in relation to non-dependant deductions, will continue.
- 2.10 Although still a relatively small risk, the current scheme contains a provision which effectively means that UC claimants have their income disregarded in full and maximum CTS entitlement (usually 80% of liability) awarded – even if the UC claimant is working. If no scheme changes are made, this situation will continue. As increased numbers of claimants in receipt of relevant DWP benefits transfer to UC over time, this is likely to present an increased financial risk.
- 2.11 However, it is thought that the most realistic development next year will be that the DWP will attempt to migrate all single claimants without dependants (8251 CTS claimants) to UC by April 2017. If so, it is estimated that this would present an additional cost of £101K to CTS under the present scheme assuming the transfer was phased throughout 2016/17. If all transferred at once in April 2016 the cost in 2016/17 would be £161K, but this is extremely unlikely.
- 2.12 In context, though, even a 1% increase in caseload (i.e. 200 cases), would cost far more (approximately £254K), and similar expenditure would reduce if caseload decreased. It is currently unclear, if not unlikely, whether all single claimants without dependants actually will migrate next year (there are currently only 31 claims which have migrated in the first three months of UC), however the uncertainty presents a small risk, and this issue will have to be addressed in the medium to long-term.

### **3.0 Option 3: Changes to the Existing CTS Scheme to realise 10% savings**

- 3.1 In considering this option, it is important to note that claimants of pension credit age are protected from the effects of the local CTS scheme by virtue of prescribed statutory provisions. Consequently, a saving of 10% from the existing scheme expenditure levels would fall entirely on working age claimants. Based upon projected CTS expenditure for 2015/16 of £25.5M, approximately £2.55M would need to be saved under this option representing a reduction of approximately 16% from working age claimants. A 10% reduction for working age claimants would only yield approximately £1.5M (prior to deduction of the GLA proportion).

- 3.2 Given the Council's financial position and challenges faced over the next few years, consideration has been given to an option which would reduce assistance for CTS claimants but would provide additional savings for the Council to utilise in other areas.
- 3.3 Clearly there are a wide number of options available depending on the level of savings desired, and a significant number of design options for achieving this. Given the financial steer already provided by Members, a savings option has not been modelled in extensive detail, but an indicative model has been established which could provide 10% financial savings.
- 3.4 In the design modelled, savings of £2.5M could potentially be achieved through the following measures:
- Establish a minimum Council Tax payment contribution for working age claimants of 33.5% unless defined as vulnerable within the current scheme;
  - Increase non-dependent deduction levels by 40% (e.g. a non-dependant on JSA would be expected to contribute £9.25 towards the Council Tax payable by the claimant);
  - Reset the weekly earnings disregarded when calculating a claimants' income to former national CTB scheme levels (i.e. by reducing them by £10 per week).
- 3.5 The 10% saving model would represent a reduced cost of £2.54M based upon current scheme expenditure. There would be 5,346 customers (i.e. 28.3%) that would see no change in their current Council Tax payment contribution. However, 13,560 customers (i.e. 71.7%) would see their Council Tax payment contribution increase.
- 3.6 The average Working Age contribution to Council Tax would increase to £7.81 per week (i.e. a 49% increase), comprised as follows:
- Vulnerable: £1.54 (21% rise)
  - Employed: £13.35 (49% rise)
  - Other: £8.50 (54% rise)
- 3.7 Furthermore, only 27% of claimants would pay nothing, and only 4% between £0.01 and £5.00 per week. There would be 69% of claimants that would pay over £5.01+ per week.
- 3.8 Under this option, there would potentially be a more compelling case for the provision of a TP scheme to mitigate against the potential effects of the changes and this could be significant. By way of indication, a TP scheme to ensure that claimants were not worse off by more than £5 per week during the first year of this option, would cost £324K.
- 3.9 The age and ethnicity findings broadly confirm the trends for the current scheme, albeit with reduced figures as summarised below:
- The '55+' age group is most likely to pay nothing (44%)

- The '18 to 24' age group is least likely to pay nothing (11%) and most likely to pay £5.01+ per week (84%).
- The '25 to 34' age group has only 15% paying nothing and 82% paying £5.01+ per week
- The 'White' ethnic group is most likely to pay nothing (26%)
- The 'Other' ethnic group is least likely to pay nothing (22%) and equally most likely to pay £5.01+ along with the 'Asian' ethnic group (74%)

3.10 There are of course numerous other potential scheme designs under this option which could achieve a more equitable 10% savings cut.

#### Advantages

3.11 Changes to the existing scheme to achieve the 10% savings level would facilitate a reduction of approximately £2.5M to be made (assuming that the full Council Tax collectable debit was to be collected). Based upon current CTS expenditure levels, this would amount to £1.99M for Brent Council's share. The savings level could then be used to contribute towards the provision of other Council services and priorities within the context of the current financial austerity measures.

3.12 The review of the scheme necessary to achieve the level of savings required could incorporate aspects of the scheme that have been already been recognised as requiring future review. (e.g. the treatment of Universal Credit claims).

#### Disadvantages

3.13 The cost of conducting a significant scheme review and undertaking public consultation for proposed options for change may be significant and may not adequately address the implications arising from further welfare reforms over the next 12-24 months. Additionally, consultation on scheme matters and any subsequent Council determination for a revised scheme introduce the risk of a legal challenge under judicial review.

3.14 Any significant changes proposed under this option may require software development and incur associated costs and risks.

3.15 Consideration would need to be given to TP for claimants subject to changes to the scheme giving rise to either a reduction in their entitlement or loss of entitlement. Whilst this does not necessarily mean that protection has to be given, there must be a consideration and rational decision taken as a consequence. Any financial implications that may arise as a consequence of a decision to give transitional protection would need to be offset against CTS expenditure generally to maintain realisation of the 10% savings. For example, in the design option illustrated, TP which limited all changes to £5.00 a week for the first year would cost approximately £324,066.

- 3.16 Whilst this option would achieve 10% savings in terms of levels of current CTS expenditure, this would still be sensitive to changes in caseload, particularly if the current economic recovery was not maintained. Any significant rise in caseload or entitlement will increase CTS expenditure and give rise to increased budgetary pressures for the scheme and potentially the wider Council Tax Payer should it be agreed to increase funding for the scheme.
- 3.17 The 10% savings option would give rise to significant reductions in current CTS entitlement and could have the effect of contributing to increased levels of Council Tax arrears from non-payment and the need to provide a greater bad debt provision than currently exists. It is estimated that in-year Council Tax collection may drop to 77% for CTS claimants under this option, thereby reducing potential income generation by at least £575K.
- 3.18 Similarly, administration costs associated with Council Tax collection would increase under this option and it is likely that an increased demand on discretionary schemes such as the Local Welfare Assistance scheme could occur, which itself is no longer funded by central government.
- 3.19 Significant changes to the scheme have the potential, at least in the short term, to affect claimant knowledge and understanding of how their entitlement has been calculated. This in turn may lead to more enquiries from claimants concerning changes to their CTS entitlement. The cost of communications and publications concerning the proposed changes could be significant.
- 3.20 This option demonstrates that the impact of a 10% reduction in CTS expenditure would be significant and require changes in entitlement levels for existing claimants that could include applying increased levels of protection for the existing vulnerable groups. The effects of any changes under this option may also give rise to an adverse impact for claimants within the protected characteristic groups identified under the Equalities Act 2010. This option would also appear to be contrary to the general view expressed through engagement with members and stakeholders that the existing scheme is broadly acceptable and there is no appetite for significant change.
- 3.21 This option would effectively require a minimum Council Tax payment contribution of 33.5% - 35% for all non-protected claimants and would have the effect of increasing the average amount paid by a CTS claimant by 49%.

#### **4.0 Option 4: Changes to deliver a more generous scheme**

- 4.1 As set out within Appendix C to the main Cabinet report, a number of scheme designs have been modelled that would allow a more generous scheme in financial terms to be delivered. However, these would require additional funding from other Council budgets. For example, option 3A would enable additional protection (vulnerable status) to be given to care leavers, foster parents, those (currently) affected by the Overall Benefit Cap (OBC) and Bedroom Tax and allow an additional £5.00 earning disregard to be applied for employed claimants which would cost £896K from other Brent Council budgets. Even more generous options could be achieved for example by

reducing the minimum Council Tax payment from 20% for some or all claimants, or giving protection to further groups.

- 4.2 Given the financial steer for the review, a more generous and detailed scheme has not been modelled under this option.

#### Advantages

- 4.3 This option would have the advantage of reducing Council Tax liability for some or all eligible claimants thereby minimising the potential for non payment of Council Tax, and associated collection costs to the Council, as a consequence.
- 4.4 Protection from paying the minimum 20% Council Tax level would be extended to include other vulnerable groups and those financially disadvantaged by the wider welfare reforms.

#### Disadvantages

- 4.5 The impact of a more generous scheme may mean that claimants previously entitled to assistance under the former national CTB scheme could potentially become re-entitled and would increase the administrative effort on the service to process their claims and manage enquiries and also the level of scheme expenditure.
- 4.6 The attractiveness of a revised scheme under this option could in some instances act as an attractant to living in the Borough rather than other Local Authority areas, thereby placing greater demands on local public services.
- 4.7 Consultation on scheme matters and any subsequent Council determination for a revised scheme introduce the risk of a legal challenge under judicial review especially if the cost of the scheme has to be funded to a greater extent by Council Tax Payers.
- 4.8 This option would also appear to be contrary to the general view expressed through the stakeholder engagement meetings that the existing scheme is broadly acceptable and there is no appetite for significant change.
- 4.9 The cost of introducing a more generous scheme would entail significantly increased expenditure with a consequential impact on other Council budgets and a potential consideration of a referendum if Council Tax levels had to rise by 2% or more in order to partially or fully fund the increased expenditure.
- 4.10 Significant changes to the scheme have the potential, at least in the short term, to affect claimant knowledge and understanding of how their entitlement has been calculated. This in turn may lead to more enquiries from claimants concerning changes to their CTS entitlement. The cost of communications and publications concerning the proposed changes could be significant, although clearly under this option, the changes may be largely seen positive and therefore may be less contentious.

## **5.0 Option 5: Changes to the Existing CTS Scheme to replicate the former national Council Tax Benefit (CTB) Scheme**

- 5.1 As mentioned above, in undertaking scheme review, it is necessary for the Council to consider a range of options including potentially one that replicates the former CTB scheme. In a recent judicial Review, Haringey Council were found to have not consulted properly because they did not sufficiently evidence that the option of retaining the CTB scheme had been seriously considered, and the reasons for discarding that option.
- 5.2 Under option 5, CTS would be calculated using the full Council Tax liability; the taper would be restored to 20% and the savings limit restored to £16,000; earnings disregards would be reduced by £10 per week and non-dependant charges halved (and removed completely for non dependants on JSA / Income Support). The Second Adult Rebate scheme would be reintroduced and applicable amounts and premiums would be reinstated to current levels.
- 5.3 The cost of reinstating option 5 is calculated to be £3.45M based on the current caseload. However, such a change would also enable significantly more residents – not currently entitled to CTS – to claim, thus inflating the cost to the Council – and potentially the general Council Tax Payer.
- 5.4 A change would be required to reflect the requirements of UC claimants within the new scheme, as has been outlined previously within this Appendix C in relation to other scheme options.

### Advantages

- 5.5 This option would have the advantage of reintroducing zero payment Council Tax liability for certain claimants and reduced liability for others, thereby minimising the potential for non payment of Council Tax, and associated costs of collection to the Council, as a consequence.
- 5.6 It is unlikely that transitional protection would need to be considered under this option as most, if not all, claimants would experience either no change to their entitlement or an increased entitlement.

### Disadvantages

- 5.7 The impact of the reinstatement of this option would mean that claimants previously entitled to assistance under the former national CTB scheme could potentially become re-entitled and would increase the administrative effort on the service to process claims and manage associated enquiries.
- 5.8 The attractiveness of the scheme under this option could in some instances act as an attractant to living in the Borough rather than other Local Authority areas, thereby placing greater demands on local public services.
- 5.9 The cost of conducting a significant scheme review and undertaking consultation for this option would be significant and may not incorporate the potential implications arising from further welfare reforms over the next 12 months. Additionally, consultation on scheme matters and any subsequent

Council determination for a revised scheme introduce the risk of a legal challenge under judicial review especially if the cost of the scheme has to be funded to a greater extent by the Council Tax Payer.

- 5.10 This option would also appear to be contrary to the general view expressed through stakeholder engagement meetings that the existing scheme is broadly acceptable and there is no appetite for significant change.
- 5.11 The cost of reintroducing a scheme that replicated the former national CTB scheme would entail significantly increased expenditure with a consequential impact on other Council budgets and the potential consideration of a referendum if Council Tax levels had to rise by 2% or more in order to partially or fully fund the increased expenditure.
- 5.12 Significant changes to the scheme have the potential, at least in the short term, to affect claimant knowledge and understanding of how their entitlement has been calculated. This in turn may lead to more enquiries from claimants concerning changes to their CTS entitlement. The cost of communications and publications concerning the proposed changes could be significant, although clearly under this option, the changes may be largely seen as positive and therefore may be less contentious.

## **6.0 Preliminary Assessment of Further Welfare Reforms**

- 6.1 Government announcements indicate that the Family Premium is to be removed from new Housing Benefit claims from April 2016. This is likely to impact on 1,837 new claims next year where a CTS customer also receives HB, with the effect of reducing an individual's weekly HB by up to £11.05 per week. Whilst there is no direct impact on the CTS scheme, families affected will have less disposable income with which to pay their household expenses, including Council Tax.
- 6.2 The revised Overall Benefit Cap (OBC), to be introduced from April 2016, is currently anticipated to affect nearly 2,000 additional CTS claimants' and if the claimants concerned were to be protected from the minimum payment requirement within the local scheme, would potentially result in increased annual Council Tax Support expenditure totalling £346,361.
- 6.3 Table 3 below quantifies the volumes of claimants affected by the OBC changes proposed for 2016/17 by tenure type. However, a possible consequence of the revised OBC could be that the number of claims and hence overall CTS expenditure reduce due to claimants ceasing to occupy a home within the Borough and instead either residing with their family or moving to cheaper accommodation outside of the Borough.



Table 3 – Impact of OBC by tenure for 2016/17

	2016 / 17 Cap		
	£23k Cap (Couple or Single with dependants)	£15.41K Cap (Single with no dependants)	Total
<b>TENURE</b>			
Council	46	0	46
Temporary Accommodation	222	66	288
Registered Social Landlord (RSL)	339	112	451
Private Sector	820	1299	2119
	<b>1427</b>	<b>1477</b>	<b>2904</b>

- 6.4 The effects of wider welfare reforms may also result in demographic changes to the Brent population and influence customer decisions concerning where they live and work. This could potentially impact upon CTS caseload as well as demand for other services such as schools admissions and housing although any impact may not be apparent until some time after any changes have been implemented.
- 6.5 The changes to Child Tax Credit in 2017 are estimated to affect relatively few CTS claimants as the changes apply only to new claims where there is also a newly born third child (approximately 200 claimants based on current estimated figures). However the Working Tax Credit (WTC) changes effective in 2016 will affect significantly more CTS claimants as the vast majority of the CTS “employed” cohorts (5,567 cases) also receive WTC and are subject to the means test as their weekly income exceeds their applicable amount determined for meeting their basic living needs. The combined effect of the reduction in the earnings disregard and the increased taper is estimated to reduce claimants’ WTC income on a national basis by £23.72 per week based upon a claimant’s current annual household income being £6,420 (i.e. the current threshold below which the maximum entitlement to Tax Credits is permitted). However, more detailed modelling will be required to predict the full impact of these changes because of the cumulative impact of other changes.
- 6.6 It is evident that the CTC and WTC changes will mean a significant reduction in claimants’ income from 2016 (perhaps partially mitigated by an increase in the national living wage / minimum wage). The potential impact on the CTS scheme could be significant dependent upon the effect of retaining the 2012/13 premiums and allowances within the local scheme for working age claimants in 2016/17. This is because the decreased tax credit income will result in increased CTS entitlement when calculated against the existing needs provision within the means test. However, as mentioned above there could equally be a reduction in caseload and hence overall expenditure, due to the reduction in the OBC (or other economic factors) which could offset the impact of increased entitlement elsewhere.
- 6.7 The timing and hence impact of Universal Credit (UC) remains unclear and therefore has the potential to skew the financial position of the CTS scheme dependent upon the timetable and pace of UC roll-out. It is possible that the government may seek to roll out UC to all single claimants by April 2017, though this aim has not been publicly stated and based upon current

progress, would seem unlikely. However, were this to happen, it could potentially cost between £101K and £161K in CTS expenditure - dependant on whether all claims were migrated at the start of the year or, as is considered to be more likely, phased equally over four quarters - due to the current built-in protection for UC claimants within CTS. The most realistic likelihood is a phased introduction costing up to £101K, although the current pace of migration would make even this scenario seem unlikely.

	Saving to Council
	Within cost neutral tolerance
	Cost to Council

Current Cost:	£25,403,943
---------------	-------------

COST	Stand Alone Cost	Stand alone cost combined with:						
	A	B	C	D	E	F	G	
	Stand Alone Cost	25% contribution for employed	25% contribution for Other	25% contribution for Employed and Other (ie B + C)	22.5% contribution for employed	22.5% contribution for Other	22.5% contribution for Employed and Other (ie E + F)	
1	• Treat care leavers as vulnerable	£ 25,745,725	£ 25,435,118	£ 25,364,778	£ 25,054,171	£ 25,590,233	£ 25,554,882	£ 25,399,390
	• Treat foster parents / guardians as vulnerable • Uprate Applicable Amounts	£ (341,783)	£ (31,175)	£ 39,164	£ 349,772	£ (186,290)	£ (150,939)	£ 4,553
2	ALL THE ABOVE (1) PLUS	£ 25,994,331	£ 25,683,603	£ 25,613,371	£ 25,302,643	£ 25,838,822	£ 25,803,488	£ 25,647,978
	Extra £5 (or a %) on to earnings disregards	£ (590,389)	£ (279,661)	£ (209,428)	£ 101,299	£ (434,879)	£ (399,545)	£ (244,036)
3	ALL THE ABOVE (1 & 2) PLUS	£ 26,299,533	£ 26,002,815	£ 25,980,659	£ 25,683,941	£ 26,151,039	£ 26,139,802	£ 25,991,308
	Protect those affected by OBC and Bedroom Tax (indicative based on current caseload – obviously likely to increase)	£ (895,590)	£ (598,873)	£ (576,716)	£ (279,999)	£ (747,096)	£ (735,859)	£ (587,365)
4	Combine Option 1 + 3 (Note this actually <b>does not</b> include additional £5 disregard)	£ 26,050,933	£ 25,754,336	£ 25,732,073	£ 25,435,476	£ 25,902,456	£ 25,891,203	£ 25,742,725
		£ (646,991)	£ (350,394)	£ (328,130)	£ (31,533)	£ (498,513)	£ (487,260)	£ (338,783)
5	Option 4 but with the revised ND levels as per Point 7 below				£ 25,435,897			
					£ (31,955)			
OTHER STANDALONE MODELIING								
6	Rescale ND charges (cost neutral)	£ 25,404,118						
		£ (175)						
7	Default Scheme:	£ 28,858,444						
		£ (3,454,501)						
8	10% Savings Model - Achieved by:	£ 22,863,139						
	• Minimum Contribution of 33.5% • Return to default Earnings Disregards • ND deductions increased by 40%	£ 2,540,803						

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## **Appendix D – CTS Scheme Review General Risks and Issues**

The following general risks and issues were identified in relation to the scheme options set out within Appendix B of the report and based upon the conditions prevailing immediately before the Emergency Budget on 8<sup>th</sup> July 2015.

A preliminary analysis of the impacts and risks related to the announcements in the Emergency Budget is contained within the main Cabinet report.

1. If the Council is unable to review and determine any changes required to its CTS scheme by 31<sup>st</sup> January 2016, the existing CTS scheme for 2015/16 will continue to apply for 2016/17 and beyond until it is revised or replaced.
2. Any slippage in the CTS review timetable may affect any proposed consultation duration and review timings thereby increasing the potential risks from both legal challenge and determining a revised scheme for 2016/17 by the statutory cut-off date of 31<sup>st</sup> January 2016.
3. The statutory requirements for CTS require that consultation commence firstly with the GLA, then a draft CTS scheme must be published and then consultation with such other persons as the Council sees fit must take place. Any slippage in the CTS review timetable may impact on the timetable for commencing any consultation required with the GLA and documenting the draft scheme design (or designs) with sufficient time to then commence consultation with the public to permit a 12 week duration, indicated as best practice, thereby increasing the risk of legal challenge.
4. The precise level of any financial “surplus” / “deficit” in relation to CTS scheme expenditure cannot be determined with precision as the CTS grant is “rolled-up” within the Revenue Support Grant settlement.
5. Future caseload and any expenditure growth / reduction cannot be determined with precise accuracy. Figures are therefore based upon applying current expenditure and caseload to the financial modelling performed. In particular, any changes that could have the effect of bringing former claimants back into entitlement such as may occur if Tax Credits reduced, cannot be quantified and could therefore impact on the financial modelling results shown within the main report.
6. The financial modelling has been performed in relation to the exclusive effects of CTS options. The cumulative effect of the wider welfare reforms in relation to CTS cannot be quantified but could skew the results shown and evaluated within the main report.
7. Any deterioration in the prevailing economic climate may result in an increased number of claims for CTS and hence overall scheme expenditure.
8. Any scheme design that protects claimants subject to other welfare reforms could result in more claimants being protected than currently

experienced leading to additional scheme expenditure. Once determined by Full Council, a CTS scheme has to remain in place for the entirety of the subsequent financial year before it can be revised or replaced.

9. The actual Council Tax collection rate for CTS claimants has been higher than anticipated within the Brent Council area. However, this is sensitive to both macro-economic factors and local issues. The effects of these have not been incorporated within the financial modelling undertaken.
10. Financial modelling has been undertaken using a tool provided by the Brent Council Benefits software suppliers. Whilst there are some “bugs” within the tool, the effects of these are minimal and allowance has been made for these accordingly within the modelling.
11. Whilst the software provides a general ability to award transitional protection if required, this would have to be manually calculated by the assessor rather than being automatically determined and therefore increases the potential risk of error in the calculation and the assessment timescale.
12. Any significant options to be progressed in relation to changes to the CTS scheme for 2016/17 may require software development. Until the options concerned have been determined, evaluation of any required system functionality can not be tested for compliance.
13. The timing and hence impact of Universal Credit (UC) remains unclear and therefore has the potential to skew the financial position of the CTS scheme modelled dependent upon the timetable and pace of UC roll-out.
14. The impact of the CTS scheme on costs of Council Tax collection has not been included within the financial modelling as they may be subject to separate contract negotiations with Capita Business Services Ltd, the Council’s contractor for Council Tax collection.
15. Any local scheme changes resulting in increased CTS expenditure could have the effect of reducing overall Council Tax receipts at a time when central government funding is significantly falling. Any increased CTS expenditure in such circumstances, would have to be found from elsewhere.
16. A potential risk from any changes to the CTS scheme may arise in terms of Council Tax collection and hence bad debt provision. Any change to the existing bad debt provision will require a review of the provision allocated for that purpose. Reductions to budgeted collection rates also potentially affect the Council Tax base set which is used to determine the Band D Council Tax level for the Borough.
17. The effects of wider welfare reforms and any CTS scheme changes may result in demographic changes to the Brent population and influence customer decisions concerning where they live and work. This could potentially impact upon demand for other services such as schools

admissions and housing although any impact may not be apparent until some time after any changes have been implemented.

18. Applications for discounts under Section 13A Local Government Finance Act 1992 that permit the Council to provide a discount for particular cases of Council Tax Payer or for classes of Council Tax Payer may increase as a consequence of any CTS scheme changes and the wider welfare reforms and if awarded, will need to be met by the General Fund.
19. The central government review of localised arrangements for CTS provision and the potential for incorporating these within the Universal Credit arrangements in the future may remove the need for local provision. Consequently, any investment made in the scheme at this stage, could potentially be for a limited duration.
20. If additional work is required to model alternative CTS scheme scenarios that will also require public consultation, this could have the effect of reducing the consultation timescale available.
21. The financial modelling takes no account of any future Council Tax increases. It is assumed that if the Council resolves to increase set Council Tax levels, then the resultant increase in CTS expenditure will be met from the increased revenue derived from the Council Tax rise.
22. In the event of a Council Tax increase, CTS entitlement will also increase and for those claimants with a maximum potential entitlement of 100% (i.e. pensioners and vulnerable working age claimants) the full amount of the increase will be met by CTS. However, claimants with a maximum potential entitlement of 80% (ie working age employed and other), will see a small increase equivalent to the Council tax rise applied to their 20% Council Tax contribution.

Example:

Claimant's Council Tax liability £25.00 per week  
Claimant's 20% Council Tax contribution is £5.00 per week

If a Council Tax increase of 2% were to be applied the following outcome would occur:

New Council Tax liability £25.50 per week  
Claimant's 20% Council Tax contribution is £5.10 per week

The average working age (non-vulnerable) claimant's Council Tax liability would therefore rise by 10p per week or £5.20 per year. This increase cannot be funded directly through the CTS scheme.

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**Cabinet**  
19 October 2015

**Report from the  
Chief Finance Officer**

Wards affected:  
ALL

## **Budget Strategy and Financing Update**

### **1.0 Introduction**

- 1.1 The Council set its budget and council tax for 2015/16, and its business plans for 2016/17, at the 2 March 2015 meeting. Further savings of £5.9m were also agreed for 2017/18. At that time a funding gap of £0.9m was forecast for 2016/17. Following March 2015 officers began the process of developing options for 2017/18 and 2018/19, initially working to an informal target of £50m savings required for those years.
- 1.2 Since March the general election has returned a Conservative government, which on 8 July 2015 announced its new budget. Although termed a budget it did not contain the precise tax and savings plans normally included in a budget. However, it did provide useful information about future spending plans, such that the council can update its financial targets for future years, albeit that these are not yet definitive. Further detail will follow with the Spending Review, anticipated to be announced on 25 November 2015, followed by the provisional local government finance settlement, which is usually released shortly before Christmas.
- 1.3 The information in the July budget is capable of being interpreted in different ways, and there are considerably more, and greater, uncertainties than would normally be the case at this stage of the planning cycle. There is no doubt that funding for local government will continue to fall sharply, and significant savings will continue to be required for the foreseeable future, but the pace and scale of these reductions could vary significantly. The LGA recently estimated that the impact of a variety of funding announcements could leave local government with £10bn of unfunded liabilities, including reduced income

from social rents, reduced s106 receipts due to new exemptions on home building, increased national insurance contributions and the cost of extra business rates appeals. Longer-term financial planning at Brent had already taken account of most of these impacts, with the exception of the change to rent policy which will fundamentally worsen the financial underpinning of the housing revenue account.

- 1.4 Probably the most likely scenario is that the pace of general fund financing reductions in 2016/17 will be less steep than previously assumed, meaning that the council can set a balanced budget for that year without the need to agree additional savings proposals. However, thereafter the scale of reductions is likely to accelerate, and so any gains in 2016/17 should be regarded as strictly temporary.
- 1.5 As such, the profiling between years of the savings required is likely to change from that previously assumed, but the overall amount in the period out to 2019/20 should be fairly consistent with previous forecasts or even more challenging. These estimates, it must be stressed, are based on figures published at a national level. Distributional changes between different parts of the public sector, and then between local authorities once the provisional settlement is announced, could result in material changes to this forecast. In the worst case it is still possible that further savings will be required for 2016/17. This unusually high level of material uncertainty presents difficult issues for planning the budget strategy, and it is hard to be more precise about the savings required in 2017/18 and 2018/19, other than to express them in a broad range as being from £40m to £55m.
- 1.6 This report therefore updates the position on the core estimates that drive the council's budget position, to enable Members to assess the approach to the business planning and budgeting cycle. It reminds Members of the budget proposals for 2016/17 and 2017/18 that were previously agreed at the Council meeting of 2 March 2015.
- 1.7 It also presents the results of a review of council reserves that were previously managed by individual departments, and proposes a more corporate approach to controlling these, in order to manage risks better and to create the potential for investment in one-off projects and interventions that will deliver key corporate objectives and reduce long-term ongoing costs.

## **2.0 Recommendations**

- 2.1 To note the latest forecasts for the Council's financial position from 2016/17 to 2019/20.
- 2.2 To note the budget proposals for 2016/17 and 2017/18 that were previously agreed at the Council meeting of 2 March 2015, as set out in Appendix One.

### 3.0 Overall funding update 2016/17 to 2019/20

3.1 Following the general election, announcements in the July budget have provided some indications as to future funding levels for the public sector and, by inference, local government. All the information in this section must be heavily caveated, because the data released is so incomplete, but it nonetheless seeks to present the best available summary of the likely funding position.

3.2 The government committed in the July budget to finding £37bn of savings to achieve a surplus by 2019/20 and identified areas of priority spending including:

- Increasing NHS funding in England by £10bn in real terms by 2021;
- Increasing the MoD budget by 0.5% a year in real terms;
- Spending 0.7% of Gross National Income on Official Development Assistance; and
- Protecting per-pupil funding for schools, including pupil premium rates.

3.3 The Spending Review 2015 will confirm how the government will invest in priority spending and deliver the remaining £20bn of savings not already announced in the Summer Budget. To analyse the probable impact of this the remainder of this section sets out the sources of local government finance and the way in which they may be affected.

3.4 The principal sources of local government financing are summarised in Table One, below, set out from those that can least be influenced locally to those over which local councils have more control.

**Table One: Sources of local government finance for Brent, as forecast March 2015**

*Local government financing will increasingly be determined locally, with RSG previously forecast to fall by 46% over the period*

Funding source	Funding assumed by year in March 2015			Comments
	2016/17	2017/18	2018/19	
	£m	£m	£m	
RSG	55.0	41.8	29.8	Determined by central government.
BRTU	49.7	52.5	54.5	Previously indexed to inflation until 2019/20, but this could in principle be changed by government
NDR	38.0	39.4	41.1	Linked to local RV of businesses, hence the council gets (some of) the benefit in growth in the tax base, but cannot change the tax rate
Council tax	88.5	89.5	90.4	The council gets the benefit of the growth in the tax base and can also increase the tax rate by (usually) no more than 2% without a referendum
NHB	6.1	6.0	5.2	Grant from government determined by the level of house building and properties brought back into occupation
<b>Total</b>	<b>237.3</b>	<b>229.2</b>	<b>221.0</b>	

3.5 It is difficult to link these figures directly to the July Budget announcement of savings of between 25 and 40% for unprotected departments. (Unprotected

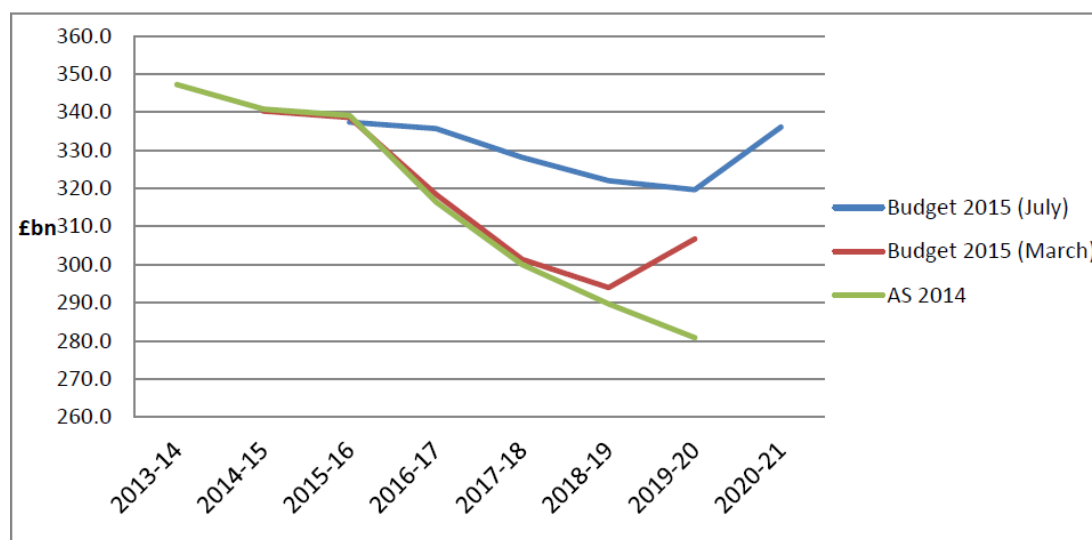
departments are, essentially, all those except on the NHS, schools, international development and, since July, defence). On the narrowest measure the council has already adopted a prudent assumption of a 46% reduction in RSG in the period to 2018/19, which was based on a funding model provided by London Councils at that time. This provides a degree of comfort against some of the worst case scenarios that have been discussed nationally, but there are a number of complications.

3.6 It is the RSG figure that can be updated following the July budget. In addition, this report also proposes other technical adjustments to some of the other figures based on more up to date information, about likely house building numbers, for example.

3.7 Chart One, below, shows the published government “Resource Departmental Expenditure Limits” (RDELs, or cash limits as they would be termed in local government), comparing the autumn statement figures to those at March 2015 and again at the July 2015 budget.

**Chart One: Government RDELs 2013/14 2015/16 (actuals) and 2016/17 to 2020/21 (estimates)**

*The national estimates are materially higher than when the council set its last budget, reflecting improved government assumptions of economic growth and other changes*

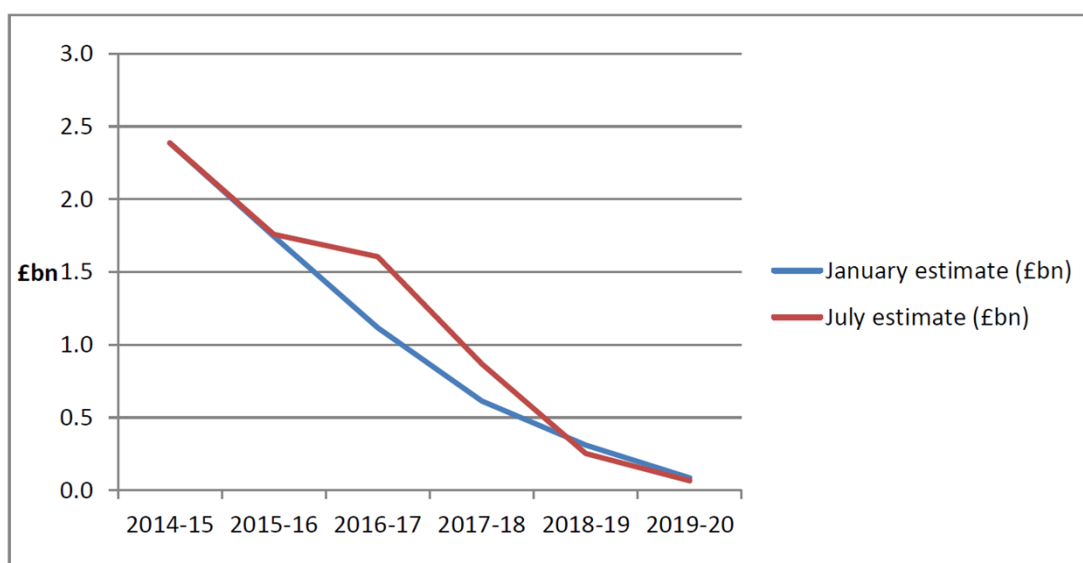


3.8 Of course, these are national figures. The effect of ring-fencing of the NHS, schools, international development and, additionally since July, defence, means that these increased spending assumptions still translate into sharp reductions of between 25 and 40% for unprotected government departments such as DCLH, from which local government is funded.

3.9 Chart Two, overleaf, produced by London Councils, shows their estimates of RSG in London, comparing the position as was estimated when the 2015/16 budget and council tax was set in March 2015 against that disclosed in July 2015 in the national budget.

**Chart Two: London Councils' estimates of RSG in London 2016/17 to 2019/20**

*Reductions in 2016/17 may be less severe than previously anticipated, but the overall reductions over the lifetime of the Parliament are in line with or more severe than previous forecasts*



3.10 Using the data above it is possible to update Brent's RSG forecasts, and set out in Table Two, below.

**Table Two: Revised RSG forecasts**

*The position is likely to be more favourable than previously assumed.*

	Estimated RSG			
	2016/17	2017/18	2018/19	2019/20
	£m	£m	£m	£m
As at March 2015	55.0	41.8	29.8	*
As at July 2015 (London Councils)	57.3	44.7	32.1	19.6
As at July 2015 (LGA)	61.4	46.5	33.4	26.4
Core forecast (average of LGA and LC)	59.4	45.6	32.8	23.0
<b>Improvement in forecast</b>	<b>4.4</b>	<b>3.8</b>	<b>3.0</b>	<b>n/a</b>

\* This figure was not previously published

3.11 The LGA forecast is based on a published funding model to individual boroughs. The London Councils model is based on the estimated total funding for London, and at this stage officers have assumed that the distribution of this will be less favourable than in previous years, due to the additional ring-fencing announced. The LGA model is therefore more likely to be accurate, but at this stage the core forecast reflects the average of the two in order to be prudent.

3.12 On this basis it would be reasonable to revise the RSG forecasts upwards as set out above. However, Members must note that the impact of distributional and other changes could yet lead to subsequent material revisions to these forecasts, and that the worst case models that have been prepared by some commentators show RSG in London falling to nil by the end of the decade, or at best very early in the 2020s.

- 3.13 The other elements of funding set out in Table One have also been reviewed. Although there was little information in the July budget from which these estimates can be updated the tax base information and other key components have been reviewed as part of the ordinary process of updating the budget model. These are set out in sequence, below.
- 3.14 Business rates top up, or BRTU, was created as one of the funding sources for local authorities on establishment of the new system of partial devolution of NDR to local authorities. Previously each council had paid its tax take from business rates into a national pool, and received means tested RSG allocations out of that pool. The BRTU system was introduced to ensure that, on day one of the new system, there were no winners or losers. Councils like Brent received top up funding, such that their initial figure for locally retained business rates and BRTU was equal to the previous element of RSG funded from the NDR pool. Westminster, for example and by contrast, paid a supplement into the pool to reach the same position.
- 3.15 The government guarantee was that this would continue to be indexed to RPI inflation until 2020. Whilst government is not bound by this officers have continued to assume that this will be honoured. In practice to date it has been, albeit by a complex mechanism of “section 31” grants. Essentially, government has limited the actual increase in BRTU to 2%, even when RPI has been higher, as it usually has been since the introduction of the system, and then paid the balance to councils as a “section 31” grant (essentially, a discretionary grant, non ring-fenced). However, all the core economic forecasts from institutions such as the OBR and Bank of England are that inflation will be lower and for longer. The cumulative impact of this will be to worsen the amounts of BRTU funding received over the planning period 2016/17 to 2018/19.

**Table Three: BRTU 2016/17 to 2018/19**

*The core estimates are lower than previously adopted due to lower inflation forecasts*

	Estimated BRTU		
	2016/17	2017/18	2018/19
	£m	£m	£m
As at March 15	49.7	52.5	54.5
As at October 15	48.8	49.8	50.8
<b>(Worsening) in forecast</b>	<b>(0.9)</b>	<b>(2.7)</b>	<b>(3.7)</b>

- 3.15 Under the retention system introduced in April 2013 the Council retains 30% of business rates paid within Brent. Projections for future years are determined by estimates of:
- RPI inflation
  - Changes in number and rateable value of businesses
  - Outcome of appeals against rateable values
- 3.16 Based on the latest projections it is estimated that locally retained business rates will increase in 2016/17 by 1% for inflation and about 1.5% for increases

in rateable value. However, March 2015 saw a surge in appeals lodged to meet the deadline for the current valuation period.

- 3.17 The Valuation Office, in July 2014, undertook to clear 95% of the backlog in appeals. They recently wrote to the council claiming that they had hit 94%, just short of the target. However, they appear to have achieved this by dealing only with backlog cases, with the effect that the actual number of properties with an outstanding appeal is now approximately 1,707 (correct as at 22 September), more than at the time that they undertook to clear the backlog.
- 3.18 As a result there are outstanding valuation appeals against properties with an aggregate RV of £98m (these properties generate about £49m in NDR, excluding the effects of any reliefs and exemptions), out of total RV of £280m. Since April 2014, appeals against property valuations of about £50m have been determined, and resulted in average reductions of 3.65%. Assuming that the impact of appeals remains at about 4% officers have therefore assumed that income will fall by some £2m as a result of appeals. Brent's 30% share of this is £0.6m. In addition it would be prudent to allow for £0.4m for Brent's share of any backdated revaluations. Clearly, if this estimate turns out to be incorrect then the financing assumptions will need to be amended.
- 3.19 However, this will be partially offset by the uprating for inflation, which is assumed to reach 2% in 2017/18 and 2018/19. The total RV will also grow (separate from the impact of appeals) as new businesses are attracted into the borough. The effect of this is assumed to be 1% per year, as set out in Table Four, below.

**Table Four: NDR 2016/17 to 2018/19**

*The impact of the increased appeals will decrease the NDR forecasts from those previously adopted, assuming that roughly the same proportion of appeals continue to be successful*

	<b>Estimated business rates</b>		
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Forecast as at March 15	38.0	39.4	41.1
Revised forecast b/f, before adjustments	n/a	37.3	38.5
Adjustment to RPI inflation assumptions	(0.6)	0.0	0.0
Add, impact of inflation	0.4	0.7	0.7
Less, assumed loss on appeal and revaluation provision	(1.0)	0.0	0.0
Add, gross valuation growth	0.5	0.5	0.4
<b>Revised forecast</b>	<b>37.3</b>	<b>38.5</b>	<b>39.6</b>
<b>Gain / (loss) on previous forecast</b>	<b>(0.7)</b>	<b>(0.9)</b>	<b>(1.5)</b>

- 3.20 Council tax is determined locally, subject to a referendum limit announced annually by DCLG. Usually this has limited council tax increases to 2% p.a. or below, unless a higher figure is supported in a local referendum. However, it is possible that a different limit will be announced later this year.

- 3.21 The council tax levied by Brent Council has not been increased for six years. However, the total levels of council tax income generated have risen with the tax base, driven by:
- Increases in the number of properties within the borough;
  - Decreases in the value of council tax discounts awarded, particularly in respect of the council tax support scheme; and
  - Improvements in collection (although this trend has reversed in the last two years).
- 3.22 Since the introduction of the council tax support scheme local councils' tax income has been positively correlated with changes in employment levels. In other words, the cost of paying council tax benefit used to sit nationally. This has been partially localised through the CTS, and so as unemployment falls (or rises) the cost to the council of the CTS falls (rises). Increases in employment in recent years have outstripped expectations, leading to one-off surpluses on the collection fund. Recent economic data points to a levelling off of the fall in unemployment, but if the OBR forecasts for growth prove accurate then the medium-term trend may still be for further reductions.
- 3.23 The updated estimated council tax income for 2016/17 now takes account of a significant improvement in the level of discounts for the council tax support scheme as well as an increase in the number of new properties in 2015/16. In addition, there is greater confidence in the accelerated house building estimates provided, enabling the council to build these into its forecasts for 2016/17 and future years at this stage. Furthermore, the estimates also take account of increasing the long-term council tax collection rate by 0.5% to 97%. Table Five, below, reflects the impact of adopting these estimates. At this stage, no adjustments have been made for any future rise in council tax, pending policy decisions by Members. As previously advised, an increase in the council tax of 1% is worth about £0.9m p.a.

**Table Five: Council tax income**

*Increases in the pace of house building and falls in the local unemployment rate, if sustained, will drive the council tax base significantly higher than previously forecast*

	Estimated council tax take		
	2016/17	2017/18	2018/19
	£m	£m	£m
Forecast as at March 15	88.5	89.5	90.4
Revised forecast	92.4	93.6	94.8
<b>Gain / (loss) on previous forecast</b>	<b>3.9</b>	<b>4.1</b>	<b>4.4</b>

- 3.24 The council will make its formal determination on the collection fund surplus later in the budget cycle, as required by legislation. Collection performance to date in 2015/16 has been below target, which will impact on any surplus (and ultimately on the tax base, which is in part determined by assumptions about how much of the total amount billed will eventually be collected). If the planned actions to address this are successful, including a review of arrears and dormant accounts, then there may be scope to build in significant additional contributions from the collection fund into the future budget



strategy, ideally through long-term collection improvement leading to increases in the council tax base.

- 3.25 During 2015/16 the government top-sliced £70m of New Homes Bonus funding from London boroughs to provide a pool of resources for use on a programme of projects across London agreed by the Local Enterprise Panel. Brent's contribution has been £2m.
- 3.26 The latest projection for New Homes Bonus (NHB) funding for the Council, reflecting the latest housing projections and assuming the top-slice will continue into future years, is that the Council is estimated to have available £8.7m in 2016/17 and £9.3m in both 2017/18 and 2018/19. However, it would not be prudent at this stage to plan the long-term budget on this basis, as this would build in a financing gap in 2019/20 onwards unless house building continues to accelerate at its current rate for several years. If it did then the risk that government would review the funding mechanism would materially increase. At this stage, therefore, a contingency has been built into the financing estimates, which will be reviewed later in the process.
- 3.27 NHB is calculated based on building over the last six years. The actual amount attributable to each of the last six years varies significantly, from below £1m to £3.6m, averaging at around £1.7m each year. The table below shows this calculation and its effect.

**Table Six: New Homes Bonus(NHB)**

*The estimated amount payable over the period to 2018/19 can be increased at this stage in the planning cycle*

	Estimated NHB		
	2016/17	2017/18	2018/19
	£m	£m	£m
Amount payable in respect of 2011/12	1.1	n/a	n/a
Amount payable in respect of 2012/13	1.7	1.7	n/a
Amount payable in respect of 2013/14	2.5	2.5	2.5
Amount payable in respect of 2014/15	0.9	0.9	0.9
Amount payable in respect of 2015/16	0.9	0.9	0.9
Amount payable in respect of 2016/17	3.6	3.6	3.6
Amount payable in respect of 2017/18	n/a	1.7	1.7
Amount payable in respect of 2018/19	n/a	n/a	1.7
Less LEP top slice	(2.0)	(2.0)	(2.0)
Total payable for year	8.7	9.3	9.3
Contingency as described above	(1.7)	(2.3)	(2.3)
Estimate	7.0	7.0	7.0
Previous estimate	6.1	6.0	5.2
<b>Improvement on previous forecast</b>	<b>0.9</b>	<b>1.0</b>	<b>1.8</b>

- 3.28 Specific government grants may also be reduced in future years which will affect our overall funding. Currently government are consulting on the what basis to use to reduce the public health grant and it seems likely that Brent will see a reduction in its funding of around £1.3m. In addition there have been delays to the implementation of the Care Bill which means some or all of the £1.1m funding received in 2015/16 may not continue into future years.

3.29 The impact of the funding changes is summarised in Table Seven, below.

**Table Seven: Overall Funding Projections, aggregating tables two to six**  
*Considering funding changes only the position is likely to improve materially*

	Estimated total funding		
	2016/17	2017/18	2018/19
	£m	£m	£m
Forecast as at March 15 (table one)	<b>237.3</b>	<b>229.2</b>	<b>221.0</b>
RSG (table two)	4.4	3.8	3.0
BRTU (table three)	(0.9)	(2.7)	(3.7)
NDR (table four)	(0.7)	(0.9)	(1.5)
Council tax base (table five)	3.9	4.1	4.4
NHB (table six)	0.9	1.0	1.8
<b>Gain / (loss) on previous forecast</b>	<b>7.6</b>	<b>5.3</b>	<b>4.0</b>
<b>Revised Forecast</b>	<b>244.9</b>	<b>234.5</b>	<b>225.0</b>

3.30 This section shows that the council's prudent approach to financial planning has helped to provide some mitigation against funding cuts. By planning for a worst-case scenario it is now more likely than not that there will be some improvement on the financing side of the budgeting model against the position previously assumed. Taken on its own this would lead to a reduction in the assumed savings required for future years, but other spending pressures will need to be taken into account.

3.31 It will be possible to update this position with some precision and certainty after the local government settlement, most probably at the January 2016 Cabinet meeting, although updated informal estimates should be available following the spending review.

3.32 However, it is important to stress that the outlook beyond 2018/19 is more likely to be worse than previously assumed, based on the data released in the July budget, and so the long-term funding outlook remains extremely challenging. It is also important to look at spending pressures before the overall estimate of the savings target can be updated, to which this report now turns.

## 4.0 Spending pressures

*Technical assumptions which can be quantified with some precision*

- 4.1 The Council has inflation and similar provisions built into its financial planning to cover the costs of pay awards, changes in national insurance, increases in pension fund contribution rates and non staff inflation. The assumptions adopted in March 2015 were as follows:
- Pay Awards 1% 2016-17 to 2018/19;
  - Increases in national insurance costs in April 2016, as taxation changes increase the cost of employment;
  - Increases in pension fund contribution rates 0.6% 2016/17, 1% in 2017/18 and 2018/19 reflecting the potential impact of the three year actuarial review;
  - General non staff inflation 1% 2016-17 to 2018/19.
- 4.2 The assumptions for pay and national insurance continue to look as well founded now as they were in March 2015 and there is no need to adjust these. However, on pensions, although the pension fund adopted a more defensive position in anticipation of the recent slide in global stock markets the overall investment outlook is weaker than in March, and the consensus Bank of England forecasts are that discount rates will remain lower for longer. This combination of factors will tend to drive fund valuations lower and liability assumptions higher, and it will be prudent at this stage to allocate further cash increases of £1m p.a. over the three-year period to 2018/19 to mitigate against the probable impact of this on the next actuarial review, which will be based as at March 2016.
- 4.3 The OBR forecasts for RPI inflation in March were for CPI to rise to 1.2% in 2016/17, and thereafter more steadily to 1.8% by 2017/18. RPI usually tracks at between one and 1.5% higher than CPI, although unusually it is current only 0.7%, higher than the nil CPI rate.
- 4.4 The council's previous assumptions on pay increases have been confirmed, as government has announced funding at this level, as well as an expectation that the increase would not be paid automatically across all staff. The council's assumptions on non pay inflation were, however, ambitious. Although officers negotiate funding settlements with contractors, rather than automatically paying inflation increments, the reality is that this position is becoming more difficult to sustain. Inflation awards have not been made on most adult social care contracts for some years, and a number of other contracts are linked to indices other than standard inflation measures. Construction costs, for example, have been rising significantly faster than general inflation. Whilst this is the right financial management strategy, it would be risky to assume for budget planning purposes that it can be delivered, and the prudent course would be to consider at this stage the risk that another £1.0 m p.a. may become payable.

*Other assumptions which are harder to quantify*

- 4.5 Outside of these technical assumptions (which will need to be revised over the budget planning process) the council will also need to consider the financial risks that it faces, and the pressures caused by changing demography and legislation. For many of these it will not yet be possible to quantify them with precision, as officers will depend on, for example, future government announcements, as will likely be set out in the Spending Review.
- 4.6 On risk, the council's budget is currently set on the basis that all agreed savings will be delivered on time and in full. This is of course the managerial focus, and the council has a good record on delivering close to 100% of its savings. However, for the purposes of financial planning it would be prudent to recognise the risk that this may not be achieved. Not only is this recognised as standard practice in financial planning, but it would also reflect the fact that as budgets are squeezed further it will become progressively more difficult to deliver savings against them. As an illustration of scale, a 5% contingency at this point would build £1m onto the cost pressures to be considered in setting the budget.
- 4.7 The council needs to understand demographics closely, as a means of understanding the population that it serves and the costs of so doing. The budget set for 2016/17 in March 2015 included £1.1m for these demographic pressures. All the indications are that as the population continues to grow these pressures will continue to be felt in the later years 2017/18 and beyond as well. In addition, as the composition of the population changes different services will be affected in different ways. As one illustration of this, the under 18 population has grown by almost 10% in the last five years, and the GLA population forecasts show that this rate of increase is largely expected to continue, levelling off only somewhat towards 2019/20.
- 4.8 This increase will inevitably put pressure on social care and early help budgets, as well as some of the ancillary costs located in other departments, such as legal services. Similar pressures exist across the range of council services, such as for adult care services and refuse collection and disposal and many others. For several years the council has tried to limit the financial allocations to services to reflect these pressures. This is clearly the right financial management policy, but equally clearly the financial planning will need to consider the service pressure caused by meeting the needs of a growing population.
- 4.9 Equally, the council will need to consider the cost of supporting residents with no recourse to public funds, which is a significant cost pressure in the current year, and it is far from clear what long-term government funding, if any, will be made available to local authorities such as Brent which are seeking to provide humanitarian support to Syrian refugees.
- 4.10 The estimates for the cost of this will need to be refined over the budget planning process. Clearly budgets will only be allocated if and when it has been demonstrated that all reasonable attempts to contain the impact of

demographic pressure, such as by negotiations with contractors, have been shown to be unsuccessful. However, simply as an illustration of the scale of such pressures, the core GLA forecast for the increase in the under 18 population is close to 7% over the next five years. If this translated directly into the costs of children's social care and early help services the additional cost over that period of time would be around £3m.

- 4.11 This does not propose allocating such a budget at this period of time, but illustrates effectively the scale of the financial challenges posed by meeting the needs of a rapidly growing population.
- 4.12 As part of the 2015/16 budget process spending pressures of £3.8m for legislative changes in respect of parking and the introduction of the Care Act were agreed, as was an allocation of £1.2m for demographic pressures in Adults Social care and £2.8m for other identified and agreed pressures.
- 4.13 The delay in implementing the main provisions of the Care Act means that this pressure will also be delayed, but it would be sensible to assume that government funding for this will also be withdrawn or reduced, and so the net impact of this on the financial planning position should be neutral. At this stage it would also be sensible to assume that the full estimated additional costs of the changes to legislation around CCTV enforcement for parking will be required to be met from this contingency established by the council. If it is possible to fund the service from a lower figure then the balance will be returned, in effect as an additional saving. The other specific pressures have been recognised and built into base budgets.
- 4.14 However, as the examples above illustrate, the demographic pressures faced over the period 2016/17 and beyond are potentially substantial. The current estimated cost of meeting these was set at £1.1m p.a. and the current expectation is that this figure is more likely than not to have to be revised upwards in the budgeting process.

#### *Legislative changes*

- 4.14 The July budget also signalled a number of new legislative changes. There will again be impacts on many council services as a result, but at this stage probably the areas most likely to be significant are those set out below.
- 4.15 On welfare reform the government will clearly:
- Lower the overall Household Benefit Cap;
  - Limit back dating in Housing Benefit claims to four weeks; and
  - Restrict housing benefit entitlement for young people.
- 4.16 The immediate financial impact of these changes will be on claimants rather than the council. However, all the experience to date has clearly shown that this increases the pressure on council services to such people, most particularly in housing and temporary accommodation costs.

- 4.17 The government has also made a policy commitment to extending free child care to 30 hours each week for three and four year olds from September 2017. The funding details for this are not yet clear, but if they fell to the general fund they would be significant.
- 4.18 The government also announced a national living wage to be introduced from April 2016. The council's policy is already to work towards paying the London Living Wage. All staff receive at least the LLW, and as contracts come up for renewal the impact of paying the LLW is considered. If nothing else happened, this would have a somewhat inflationary impact on the council's budgets, as the LLW has tended to increase annually by more than the rate of inflation. The impact of other changes to the tax credit system may also be highly significant in this area, with some forecasts of the LLW needing to be increased to £11.65 to offset this, from its current rate of £9.15 per hour, an increase of over 25%. We do not yet know what the new rate will be, or whether any funding will be allocated to offset this, particularly given the interplay between LLW and the newly announced and higher level for the national living wage.
- 4.19 As set out in the introduction to this report, there are more and greater uncertainties in the financial planning than would normally be the case at this point in the budget cycle. Until at least the major uncertainties have been resolved it would be sensible and prudent to plan to identify more savings for 2017/18 and beyond than may actually be required, to ensure that the council has well developed options available to it if some of the worst-case estimates come to pass.
- 4.20 The improvements in the funding position set out in Table Seven (paragraph 3.29) need to be seen in this light. Those improvements are only medium-term, probably falling away by 2019/20, and the underlying estimates that drive them may yet materially worsen following the spending review. Even if the estimates turn out broadly accurate there are undoubted additional spending pressures on the general fund, driven by technical factors such as inflation, demography and legislative change which are likely to be more significant than assumed when the budget was set in March 2015.
- 4.21 The consequence of this level of uncertainty is that it is no longer practical to seek to express a precise target for savings in the period 2017/18 to 2018/19. The original informal estimate of £50m may yet prove to be accurate, but as the anticipated pace of the funding reductions has been slowed as the government pushed back its target for achieving a national budget surplus to 2019/20 it is perhaps more likely than not that this could be reduced in the short-term.
- 4.22 At this stage in the planning cycle it would therefore be appropriate to plan for savings in a broad range of between £40m and £55m over the period 2017/18 and 2018/19. Critically, if this assumption comes in towards the lower end of this range, it is likely to mean that further and more severe reductions in 2019/20 would be required to continue to achieve a balanced budget.

## 5.0 Other matters

5.1 As set out in the introduction, possibly the most significant financial announcement in the July budget was the change in rent policy for social housing and associated matters. In summary:

- Social rents will reduce by 1% p.a. for four years from April 2016;
- Tenants with incomes about £40,000 (in London) will be required to pay a market not a social rent, the financial benefit of which will accrue to national not local government; and
- 'High value' properties will need to be disposed of when they become vacant, to fund the new RTB in housing associations, but the mechanics of how this will operate are as yet not published.

5.2 The first point alone is expected to cost London housing authorities over £800m by 2020. In practice for Brent this would mean that the resources available to fund the capital investment programme in housing would be significantly reduced, on current forecasts a gap in the medium-term resources of around £25m has been identified solely as a result of this change in policy. Costs within the HRA would have to be very substantially cut to make any significant offset against this gap, and some commentators have gone so far as to say that the change would make local authorities' housing revenue accounts unsustainable in the medium-term.

5.3 As with so much of the current position, the details of how these changes will be implemented are very unclear, and the proposed housing bill is yet to be published. Without doubt, there will be significant cost pressures on the HRA, impacting on the council's ability to invest in new stock, and imaginative policy options will need to be considered. Until the draft housing bill is published it is difficult to be more precise about the position.

5.4 For schools, the expectation is that funding will continue to be increased, in line with national policy announcements. Whilst there are clearly financial pressures on schools, and ever increasing expectations of them it remains the case that the Dedicated Schools' Grant, which funds them, is well funded compared to other council budgets. Officers will continue to work with schools to ensure that this is deployed to the greatest possible impact across the range of services needed to support educational and wider outcomes.

5.5 The capital programme will be updated later in the budget cycle. By taking a careful approach and limiting new unsupported borrowing over the last two years it will be possible to realise some reductions in the capital financing costs of the principal and interest on previous borrowing, generating a short-term saving for the general fund. This has not yet been quantified, and will depend on decisions about the long-term future of the capital programme from 2017/18 and beyond.

- 5.6 Increasingly the capital programme is determined by government grants, directed at specific purposes. Once the current agreed disposals have passed through the system, where they are for example supporting the South Kilburn development and other regeneration schemes, the council will need to confront difficult decisions about its future capital plans, balancing investment in the borough against the ongoing revenue cost of financing that.
- 5.6 As part of the process of managing the council's finances a series of reserves are retained. The general reserve of £12m is set at a relatively low level for London, and it would not be prudent to operate on a significantly lower figure. The council also retains a series of earmarked reserves. These fall into several categories.
- 5.7 Some earmarked reserves are simply planned budgets not yet spent. This includes where capital receipts are received in advance of budgeted capital expenditure, whether from disposals or s106 contributions. The council is also required to set aside sums to cover the long-term financing costs of its PFI contracts, to ensure that these long-term commitments can be met, and makes general provisions through its insurance fund for those risks that it is more economic to self-insure against.
- 5.8 Departments also manage a number of reserves. These could be against specific risks or planned expenditure commitments. An interim review has shown that it would be more efficient to centralise the management of at least some of these reserves. This avoids excessive prudence in risk management and would enable the council to free up some resources to finance one-off investments that could in the longer-term be self-financing as they reduce service costs, or meet other one-off investment needs.
- 5.9 A full process for this will be set out later in the budget process.

## 6.0 Financial Implications

- 6.1 There are no direct financial implications of agreeing the recommendations of this report. However, the entire report is clearly highly relevant to the council's overall financial standing.
- 6.2 The overall budget setting timetable for the 2016/17 is set out below:

Date	Activity
23/11/15	Full Council: First Reading debate
14/12/15	Cabinet: Collection Fund Surplus
25/01/16	General Purposes: Council Tax Base and Business Rates Estimate
08/02/16	Cabinet: Budget Proposals 2016/17
22/02/16	Full Council: Budget and Council Tax Setting



## **7.0 Legal Implications**

- 7.1 A local authority must budget so as to give a reasonable degree of certainty as to the maintenance of its services. In particular, local authorities are required by the Local Government Finance Act 1992 to calculate as part of their overall budget what amounts are appropriate for contingencies and reserves. The Council must ensure sufficient flexibility to avoid going into deficit at any point during the financial year. The Chief Financial Officer is required to report on the robustness of the proposed financial reserves.
- 7.2 Under the Brent Member Code of Conduct members are required when reaching decisions to have regard to relevant advice from the Chief Finance Officer 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.
- 7.3 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.

## **8.0 Diversity Implications**

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

## **9.0 Staffing Implications**

- 9.1 None directly as a result of this report.

## **10.0 Background Information**

- 10.1 Report to Cabinet, 13 October 2014 – Budget Strategy and Financing Update  
10.2 Report to Council, 3 March 2015 – Budget and Council Tax 2015/16

**11.0 Contact Officer**

11.1 Conrad Hall, Chief Finance Officer  
[conrad.hall@brent.gov.uk](mailto:conrad.hall@brent.gov.uk)

**SERVICE AREA: SUMMARY****ANALYSIS OF SAVINGS**

<b>Service Area</b>	<b>2016/2017 £'000</b>	<b>2017/2018 £'000</b>
Adults	5,290	2,800
Children & Young People	2,068	0
Regeneration & Growth	4,339	1,484
Chief Operating Officer	8,840	1,636
Public Health	1,375	0
Central Savings	1,500	0
<b>TOTAL</b>	<b>23,412</b>	<b>5,920</b>

## SERVICE AREA:

## ADULTS

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
ASC1	Residential & Nursing	Usual rates	Negotiations with Residential and Nursing care providers to ensure value for money.	420	0
ASC2	Residential & Nursing	Reduce residential care to necessary minimum and increase extra care/supported living housing	Transform the accommodation based care market in line with the Council's Market Position Statement. Reducing to a minimum the focus on residential and nursing care and developing Extra Care Sheltered/Supported Living Accommodation to give the vast majority of people who need accommodation based care greater independence and improved quality of life.	4,110	2,800
ASC3	Community Services	Brent Community Transport	Remove duplication and across a range of transport services through the OneCouncil project and as a result reduce the funding to Brent Community Transport a voluntary sector organisation which provides transport in Brent.	0	0
ASC4	Community Services	Community Engagement	Reduce core ASC service user and carer engagement to a minimum and at the same time remove duplication with the Clinical Commissioning Group community engagement and streamline community engagement.	0	0
ASC5	Community Services	Reduce grant funding	These are all of the voluntary grants that ASC currently administers. Through a Council wide approach to prevention we will reduce duplication, and the need to separately fund these services.	0	0
ASC6	Community Services	Reduce contribution to WLA	There has been a review of the West London Alliance Adult Social Care programme. A new streamlined delivery model has been agreed with a reduced budget has been agreed.	0	0
ASC7	Direct Services	Outsourcing of direct services	The proposal is to close New Millennium and Kingsbury Resource Day Centres, subject to full consultation, and re-provide these services for individuals in the independent sector. Options appraisals for the buildings will take place as part of the consultation process to identify the best use for them going forward. These could include: sale, re-use for supported living, or community hubs. In addition, subject to full consultation, we will change Tudor Gardens Residential home to Supported Living accommodation in line with the Market Position Statement	323	0
ASC9	Home Care	Increase Direct Payments	Doubling the number of Direct Payments over the two years from 384 currently and significantly increasing the employment of Personal Assistants (PA) with a Direct Payment. A PA is usually a home carer directly employed by the service user. It means the service user can ensure their carer is the right person for them and that they get the same person for every call.	187	0
ASC10	Home Care	Integration of Health & Social Care	As part of the Better Care Fund work, we are committed to delivering a 10% saving in home care through more joined up care including closer working between home carers and community nurses.	0	0
ASC12	All Care Services	Managing Demographic Demand	Significant demographic pressures have been identified for adult social care: more people living longer with more complex conditions. This is evidenced by increased prevalence of dementia and the levels of support we provide to people with dementia. This proposal assumes that the adult social care department, working with partners, can continue to manage that increased demand within the current budget, and that there will be no increases to funding.	0	0

## SERVICE AREA:

## ADULTS

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
ASC13	All Care Services	Inflation - Not providing inflation on providers	This proposal is not to plan for inflationary increases in the cost of residential and nursing care. This will be achieved through the redevelopment of the market (ASC 1), through joint work with procurement and the West London Alliance, closer working with the Clinical Commissioning Group (who also commission these services) and work with the residential and nursing care providers on their supply chain.	0	0
ASC14	All Care Services	Continuing Health Care	Continuing Health Care funding is a right for anyone whose needs are so complex that they have a 'primary health need'. Supporting people to access this funding will remain a priority, and so an additional target set for transferring financial responsibility for eligible care packages to CHC CCG funding has been included.	0	0
ASC15	Debt Recovery	Bad Debt Provision reduction	The service holds a bad debt provision to offset any debts that are written off in the year. The assumption is that the new debt recovery process within the Council will reduce the reliance on the provision being needed to write off uncollectable debt	0	0
ASC16	Mental Health	Transformation of mental health social care operating model	Phase 2 of the Mental Health redesign project will re-design the workforce and the operating model for mental health social care and will present options for saving £750k as part of this process.	250	0
ASC17	Staff Costs	Reduction of front line social work staff	Saving in front line social work staff employed in Brent Adult Social Care	0	0
ASC18	Staff Costs	Commissioning	Bringing together the commissioning functions for people services across the council (Children and Young People, Adult Social Care and Public Health), developing a new model which delivers at a reduced cost.	0	0
ASC19	Staff Costs	Appointeeship / Deputyship Services	There are two options for delivering this saving: full cost recovery for the in house service, or signposting to other organisations to undertake the functions. There will be a review process including those affected.	0	0
ASC20	Staff Costs	Reduce learning and development to statutory minimum.	Stopping all Learning and Development apart from the required statutory learning and development unless it can be delivered through external funding.	0	0
	<b>TOTAL</b>			<b>5,290</b>	<b>2,800</b>

## SERVICE AREA:

## CHILDREN &amp; YOUNG PEOPLE

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
CYP1	Early Help & Education	Children's Centres review	Implement a partnership model for the Children's Centres by tendering the management and day to day delivery in centres to an external provider	263	0
CYP2	Early Help & Education	Early Years	Review future resource requirements in general workforce budgets.	35	0
CYP3	Early Help & Education	Youth Services	Reduce management and infrastructure costs in 2015/16, and establish a new delivery model by 2016	900	0
CYP5	Early Help & Education	Youth Offending Service	Reduce service support costs and delivery costs	0	0
CYP6	Early Help & Education	SEN – Reduction in costs of assessment	Reduction in the costs of the SEN assessment process through staff restructuring.	0	0
CYP7	Early Help & Education	Children's Information Service	Integrate delivery with other customer facing council services (50% reduction). The provision is statutory but can be combined with other activities in the Early Years and Family Support Team.	0	0
CYP8	Early Help & Education	Stonebridge Adventure Playground	Cease contract for play provision with the Stonebridge Adventure Playground. This funding to Brent Play Association provides after school and holiday provision for children at the SAP which is free to the families at point of delivery and is unique to this area. It is proposed to cease this funding as it is no longer sustainable or justifiable in the current financial climate.	0	0
CYP9	Early Help & Education	Sports Development	Removal of Council funding for the PE Adviser.	0	0
CYP10	Children's Social Care	Children's Placements	Changing the placement mix between residential placements, Independent Fostering Agencies (IFA) and Brent Foster Carers. Saving to be achieved by moving 9 of the lowest need Looked After Children in residential placements to high end IFA placements, followed by a similar move of low end IFA placements to Brent Foster Carers.	700	0
CYP11	Children's Social Care	Working with Families - One Council	Improved early help services may lead to some reduction in the number of children becoming looked after. Efficiencies derived from the WLA looked after children project and the continued reduction in the use of residential care will also deliver this saving.	0	0
CYP12	Children's Social Care	Children's Safeguarding	Saving will be achieved through a reduction in commissioned activities within social care	0	0
CYP13	Children's Social Care	Children with Disabilities	Care packages for children 0-14yrs will be reviewed and savings will be achieved through a combination of increasing the use of direct payments, reducing the spend on the summer playscheme and an overall reduction of the levels of support provided.	0	0

## SERVICE AREA:

## CHILDREN &amp; YOUNG PEOPLE

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
CYP14	Children's Social Care	Adoption / fostering recruitment	Shared service option to be worked up with WLA. Work is on-going in this area.	0	0
CYP15	Children's Social Care	Short Breaks Centre	Saving will be achieved through the selling of beds to neighbouring boroughs	0	0
CYP18	Children's Social Care	Budget alignment	Corrections and removal of historical anomalies in Children & Young People's budgets arising from zero based budget exercise undertaken by officers.	0	0
CYP19	Children's Social Care	Ministry of Justice Remand Grant and Secure Placements	Adjusting the budgets for secure remand placements to the level of cases in the last 18 months, assuming that that the MoJ continues to grant fund the service at about the 2015/16 level.	0	0
CYP20	Children's Social Care	Staffing redesign in Children's Social Care	Reduction in managerial posts as part of revised managerial and supervisory structures resulting from the redesign of Children's Social Care over the next 18 months as part of the DfE Innovations Project.	170	0
		<b>TOTAL</b>		<b>2,068</b>	<b>0</b>

## SERVICE AREA:

## REGENERATION &amp; GROWTH

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
R&G1	Regeneration & Growth	Updated TA forecast based on 13/14 performance	The impact of welfare reform on temporary accommodation budgets has to date been significantly less than anticipated. The budget set for 2013/14 was underspent, and we currently estimate that at least £1.3m could be removed from the 2015/16 budget without impacting service delivery: this will merely reflect the expectation that service demand will be less than that anticipated in the original model. The £1.3m figure is under review in the light of ongoing trends in homeless presentation and acceptances	500	500
R&G3	Regeneration & Growth	Remove Civic Centre team budget - 1 year fund of events	Recalibration of Civic Centre events team budget to reflect revised role and income projections for the Civic Centre.	0	0
R&G8	Regeneration & Growth	Property Strategy & Projects	Reduction in revenue budget to support capital projects – the main implication will be a reduction in the capacity of the Council to bring forward capital projects, resulting in either fewer projects or slower delivery times. Alternative models of project delivery will also be explored.	100	0
R&G9	Regeneration & Growth	Landscape Team	Cease providing a landscaping team. Cease provision of the landscape design service leading to the deletion of two posts; Principal Landscape Designer (P04- Sp47) and Senior Landscape Designer (PO3/Sp43). This is a discretionary service providing services to internal and external clients. The service includes providing expert advice on landscaping design and contract management of landscaping projects mostly related to s106 and CIL funding.	0	0
R&G10	Regeneration & Growth	Investment Team	Reduction in revenue budget to support new investment into the Borough and project development in the growth areas, high streets etc.	0	0
R&G11	Regeneration & Growth	Investment Team	Use the CIL administration charge to fully fund the development fund and information manager.	20	20
R&G12	Regeneration & Growth	Planning & Building Control	Increase income through generating more trading business. Prioritise resources on non-ringfenced income generation work – particularly targeting and securing work through cross-boundary working via partnership schemes.	50	25
R&G13	Regeneration & Growth	Supporting People	Savings already delivered through the re-procurement of providers during 2014/15.	0	0
R&G14	Regeneration & Growth	Private Housing	Increased cost recovery following on from introduction of additional and selective licencing. Licencing income is subject to a statutory ring fence however there are some activities already carried out within Private Sector Housing which can legitimately be funded from income, thereby releasing General Fund.	50	0
R&G17	Regeneration & Growth	Facilities Management & Civic Centre	To be read in conjunction with R&G26. This proposal assumes further letting of space in the Civic Centre to a third party with a resulting service charge for the cost of FM. The saving assumes a further floor of the Civic Centre can be made available and let by 2016.	124	124
R&G18	Regeneration & Growth	Housing Needs	Shared service arrangements for housing register and allocated scheme - £100k to £200k. Initial work being undertaken with neighbouring borough where the use of common approaches and systems has been identified. This may offer potential for shared service savings and the spreading of back office/overhead costs. Initial arrangements to be in place during 15/16 (part-year saving)	140	40



## SERVICE AREA:

## REGENERATION &amp; GROWTH

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
R&G20	Regeneration & Growth	Capital Portfolio Office	Removal of service manager post and closure of capital portfolio office. The capital portfolio office provides programme management office services to the proportion of the capital portfolio that is consolidated within Regeneration & Growth – namely schools, estate regeneration and the provision of new Council buildings. The proposal is to cease this service in 2016/17, when the Verto project management software is fully embedded. An alternative proposition would be to transfer responsibility for this service to another part of the Council, most obviously the One Council PMO. This is currently being reviewed as part of the wider review of Capital Projects.	70	0
R&G21	Regeneration & Growth	Supporting People	Revised arrangements for the START plus service as a consequence of the Supporting People Fundamental Review.	150	0
R&G22	Regeneration & Growth	Private Housing	A notional saving from Private Housing Services as a consequence of the proposed wider regulatory services review. One option to be explored is a shared service with one or more neighbouring borough.	100	0
R&G24	Regeneration & Growth	Energy Solutions	Cease grant to Energy Solutions. Discontinuation of grant for the provision of energy efficiency / fuel poverty advice.	0	0
R&G25a	Regeneration & Growth	Income Generation through gaining "Approved Inspection" status	Enabling Brent to undertake Building Regulation work throughout England. Explore the potential for increasing the level of income generated by Building Control through gaining "Approved Inspector" status. This would enable Brent to undertake Building Regulation work throughout England without need to obtain the host local authority's agreement to work within their area. This ability will allow Brent to market the services in the same way as the private sector company and compete with Private Sector AI's. In taking forward this model we will review our charges to reflect market rates but ensure they remain competitive and need to develop mechanisms whereby inspection of works can be effectively resourced / undertaken.	65	35
R&G25b	Regeneration & Growth	Increase of income through charging	Increase of income through charging or expanding current charges for some services e.g. pre-application advise for domestic applications. Explore the possibility of introducing a premier service subject to legal constraints and resourcing.	100	0
R&G25c	Regeneration & Growth	Review of structures	A reduction in the staffing levels and structure of the technical services arm of the Capital Programme team.	0	0
R&G25f	Regeneration & Growth	Letting Agency	BHP will be establishing a lettings agency in 2014. The business plan projects completed additional surpluses of £350k per annum being generated from year five (2018/19). The saving represents increased income from the provision property and tenancy management services to private sector properties.	0	350
R&G25g	Regeneration & Growth	Increased Income and Efficiencies from Disabled Facilities Work	Efficiencies in relation to the administration and supervision of Disabled Facilities Grant in areas such as services to self funders / partnership working better integration with BHP.	20	40
R&G26	Regeneration & Growth	Income from the Civic Centre	Proposals will be developed for increased income from the Civic Centre. The additional income assumed from 16/17 onwards assumes that an additional floor being made available and a tenant found to occupy the space on a commercial basis from 2016. To be read in conjunction with R&G17 which represents the service charge that could be achieved and the FM costs that could then be offset.	150	150

## SERVICE AREA: REGENERATION &amp; GROWTH

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
R&G27	Regeneration & Growth	Fundamental Review of Supporting People	Supporting People resources are used to sustain housing tenancies for the most vulnerable residents in the Borough through the provision of 'floating support services' and specialist hostel accommodation. A fundamental review of the effectiveness of these preventative services is underway and services will be reconfigured in the light of this review to deliver the saving.	1,200	0
R&G27a	Regeneration & Growth	Supporting People	This would significantly reduce support to the most vulnerable people in Brent to retain their tenancies. It is likely to result in increased homelessness with consequential costs arriving elsewhere in in the housing budget.	1,000	0
R&G28	Regeneration & Growth	Shared services for property and some regeneration functions	Shared service approaches are being explored for the delivery of strategic property, asset management and capital projects. Delivery could mean the transfer of resource from Brent to a third party vehicle with core objectives to generate further revenue returns from both commercial and residential assets.	0	0
R&G29	Regeneration & Growth	Regeneration Investment Service	Significant reduction in scale of the dedicated regeneration capacity of the Council. To be read in conjunction with R&G10. The key implication would be the shift to a model based on project specific assignments.	200	100
R&G30	Regeneration & Growth	Facilities Management	To review the structure of the client side FM Team and reduce staffing levels. Now that the organisation is fully embedded within the Civic Centre and many transitional issues have been resolved, it will be possible to reduce some aspects of the FM client side team.	0	0
R&G31	Regeneration & Growth	Strategic Asset Team	To review staffing levels, skills and structure of the Strategic Property Team in the light of the findings of the current assets review. The saving assumes a net loss of one PO4 post.	0	0
R&G34	Regeneration & Growth	Housing Needs Externalisation of Advocacy Services	In May 2014, a new Duty Advice Scheme was set up by a private company in conjunction with City Law School to deal with the same housing related matters as the Advocacy Scheme run by the council. Assuming this delivers outcomes of appropriate quality, the housing needs will cease to provide this function.	0	0
R&G35	Regeneration & Growth	Housing Needs Service Redesign and Efficiencies	Reduce the number of Housing Options Officer posts by 4, over a two year period from 2016/17. Current approaches can be streamlined and operational efficiencies gained.	100	100
R&G36	Regeneration & Growth	Reduction of Welfare Reform Mitigation Team	It is forecast that the bulk of the households impacted by Overall Benefit Cap will have had their housing issues resolved by April 2015, and that the remaining workload and new cases will be dealt with by the established Housing Needs Teams.	100	0
ENS22	Regeneration and Growth	Regulatory Services	Fundamental review of regulatory services including planning and building control, looking at all options including shared services with other local authorities.	100	0
	<b>TOTAL</b>			<b>4,339</b>	<b>1,484</b>

## SERVICE AREA:

## CHIEF OPERATING OFFICER

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
ENS1	Community Services	Sports Development Team / Merge Leisure Client / Resource	Restructure Sports and Parks Service in the light of the grounds maintenance service transferring to Veolia in Sept 2014. The new service will also stop nearly all sports development work (for example stopping school holiday programmes) and concentrate on promoting healthy, active lifestyle instead. The restructure will also result in deletion of the Environment Projects and Policy Team, with only carbon tax work continuing.	0	0
ENS3	Community Services	Sports Development Team	Removal of PE Advisor – joint funded with Children & Young People. Removal of contributory funding for advisory teacher for PE and Sport.	0	0
ENS4	Community Services	Environment Policy and Projects Team	Close Welsh Harp Education Centre. The proposal would cease the provision of education for schoolchildren at this centre.	14	0
ENS5	Community Services	Energy Solutions	Cease grant to Energy Solutions	0	0
ENS6	Community Services	BTS - in-house drivers/passenger attendants	End the use of in-house driver and passenger attendants. This is a full-year effect of a previous budget decision.	0	0
ENS7	Community Services	BTS - further overhead reductions including WLA	Ending participation in the WLA project. This is the Full year effect of previous budget decision.	0	0
ENS8	Community Services	BTS - One Council Project - updated as per new proposals - one council programme – changed in light of recent report to CMT	This reflects savings associated with a review of Brent Transport Service.	100	0
ENS9	Community Services	Community Safety	In 2014/15 the Council stopped funding PC and PCSOs. This saving is the full-year effect.	0	0
ENS10	Community Services	Community Safety and Emergency Planning	To consider a new approach to managing Anti-Social Behaviour services across the borough, including consideration of a joint arrangement between the Community Safety Team and the BHP Community Safety Team.	100	0
ENS11	Community Services	Civil Contingency Post	To reduce the Emergency Planning Team by one post leaving only two posts. This is likely to require a shared service arrangement with another borough in order to maintain 24/7 cover.	27	0
ENS12	Community Services	Charging for garden waste	Introduction a charge for garden waste via a subscription service at £40 per year per household. This was agreed by Cabinet in July 2014.	238	0
ENS13	Community Services	Waste and Recycling - bulky waste	Charging residents for bulky waste collections. To replace the current free service with one that makes a £15 charge to residents for each Bulky Waste Collection Service. This will effect a 50% reduction in service volumes.	0	0
ENS14	Community Services	Parking Contract	This is the full year effect of the collaborative re-tender of the parking enforcement and back office service.	0	0
ENS15	Community Services	Parking Service	Cost reduction and income generation opportunities. Consider CEO deployment, unattended enforcement, visitor parking charges and a number of other initiatives.	921	134

SERVICE AREA:

CHIEF OPERATING OFFICER

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
ENS16	Community Services	Street Lighting	Replace existing street lighting with LED lighting to new British Standards and , optionally, a Central Managed System - This would require investment of around £7m.	0	750
ENS17	Community Services	Parking and Street Lighting - Street Trees	In 2015/16 undertake £50k less of tree maintenance work. Re-procurement of street tree contract from April 2016 to maintain this funding reduction.	0	0
ENS18	Community Services	Libraries, Art and Heritage	Transfer management of libraries to an established library trust resulting in business rates savings.	160	0
ENS19	Community Services	Libraries, Art and Heritage	Reduce stock levels to CIPFA benchmarked average resulting in less stock in each library thus reducing the amount spent on library stock	0	0
ENS20	Community Services	Libraries, Art and Heritage – grants	Gradually taper down Tricycle Theatre grant to zero by 2017/18. This would result in no outreach work to young people and schools. The arts service of two people is required to operate cultural facilities at Willesden Green Cultural Centre. This work to cease in 2017/18.	75	205
ENS21	Community Services	Transportation - Schools Crossing	Cease all school crossing patrols.	0	0
ENS23	Community Services	Registration and Nationality	Extend current joint service with Barnet to at least one other council.	50	0
ACE1	Strategic Commissioning	Review of Partnership and Engagement Team	This proposal sets out options for the review and restructure of the Partnership and Engagement Team and the associated ward working budgets. Working on three areas 1) staff structures, 2) ward working, 3) operational budgets.	0	0
ACE2	Strategic Commissioning	Review of grant funding to London Councils	The Council cannot withdraw from, or unilaterally reduce its funding to, the Grants Programme. On the contrary, s.48(7) Local Government Act 1985 provides that a grants scheme such as this one, once agreed by the majority of the London borough councils, may be binding upon a dissenting London Borough council in the absence of its agreement. We have explored the legislative scope for this. Section 48 of the Local Government Act 1985, which established the London Councils grant scheme, stipulates that councils can only vary their contribution to the grant scheme with the agreement of at least two thirds of London Boroughs. The time available to implement any agreed change would significantly limit the level of savings achieved in 2015/2016. The Council could start conversations now with leaders of other councils with a view to introducing a reduction in funding to London Councils at the end of this cycle of projects i.e. April 2017.	0	340
ACE3	Strategic Commissioning	Increased Advertising revenue	There is room for modest growth both in terms of increasing profits from our existing advertising assets and opening up new income streams.	0	0
ACE4	Strategic Commissioning	Review of Grants and contracts to voluntary and community sector	This proposal sets out to do two things: 1. Streamline and refocus the funding available through the Themed Grants stream. Options are provided for the level of cut which might be applied. 2. Carry out a review on the current corporate spend on advice and guidance and look for opportunities to eradicate duplication, harmonise funds and deliver savings.  The Partnership & Engagement Unit currently distributes c£2.1million (includes the funding to London Councils set out in ACE2 proforma) to the voluntary and community sector through grants and contracts. This funding is distributed through a variety of streams which run to different timescales.	410	0

SERVICE AREA:

CHIEF OPERATING OFFICER

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
ACE5	Communications	Review provision of Design Service	Move to a more planned approach for design, through the Annual Comms Plan planning process, which allows the creation of a sustainable in house design function, supported by an external framework, delivering savings of £60,000. Departments would only pay for specialist, or very late notice design requests.	0	0
ACE6	Communications	Ensuring staffing is aligned with current council approach to events/ commercial	Review the events and marketing capacity in Communications to align it with capacity elsewhere in the council and deliver a stronger, more streamlined service. Explore opportunities to deliver a joint fireworks display with Quintain and Wembley Stadium. Ensure communications events staffing reflects reduced public events programme.	0	0
ACE7	Communications	Review of Communications Team	Reduction in staffing and restructure of media and corporate comms functions to become generalists. Removal of two posts.	0	0
ACE8	Strategic Commissioning	Review of the Programme Management Office	Restructure of function to change funding arrangements for 2 posts.	0	0
ACE9	Strategic Commissioning	Review of Corporate Policy / Scrutiny / Complaints and FOI	Restructure of function. Removal of seven posts.	0	0
ACE10	Strategic Commissioning	Review of Business Intelligence	Restructure of function. Removal of four posts.	0	0
F&IT2	Finance	Finance	Phase 2 of the finance restructure. Savings of £0.4m to be achieved in Finance as a result of a planned staffing reorganisation following the successful implementation of the One Oracle system.	0	0
F&IT3	Finance	Audit	Reduction in audit days. Savings of £0.1m to be achieved by reducing number of contracted internal audit days.	0	0
F&IT5	Finance	Finance	Substantial cost reductions achieved by focusing on core tasks and by adopting a far more risk based approach	1,500	0
F&IT4	Strategic Commissioning	IT	Savings of £0.15m to be achieved by reducing print volumes	0	0
F&IT6	Strategic Commissioning	IT	Substantial cost reductions through a mixture of sharing services and reducing the application and other IT footprint within Brent to a core offering, with increased standardisation for users to lower costs. Savings of £1.7m to be achieved by a mixture of reducing staff numbers, stopping out-of-hours support, renegotiating contracts, reducing the IT application footprint to a core offering, with increased standardisation for users to lower costs.	1,620	0

## SERVICE AREA:

## CHIEF OPERATING OFFICER

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
HR1	Human Resources	Reconfiguration of function	It is proposed to carry out a major reconfiguration of the HR service in 2015/16 saving £1.4m by 2016/17. This will result in the merging of some areas in order to reduce the number of managers required in the new structure. It is the intention to devolve responsibility for some existing activities undertaken by the Learning and Development team to HR Managers. Other activities will be accommodated by a new performance team with a broader remit which will include resourcing, workforce development, policy and projects. In addition it is proposed to cap the existing trade union facilities time allocation awarded to GMB and Unison to a maximum of 1 x PO1 post per trade union, to move the occupational health service inhouse saving £60k and reduce the learning and development budget by £67k. In year 2016/17 further reductions in staffing can be potentially achieved through shared service arrangements within payroll, pensions, HR management information and recruitment.	743	0
HR2	Human Resources	BIBS	This will have a significant impact on staffing as the budget is predominantly made up of staffing costs. It remains the intention to consider alternative models of delivery which will transform the service; ensure greater efficiency and improve the customer experience but in the short term an immediate reduction in posts will enable BIBS to generate savings of £700k in 2015/16. This will be achieved through reviewing the Executive Assistant arrangements in light of the senior manager restructuring; ceasing the provision of some administration activities such as AskHR & AskBIBS; and carrying out a cross service reduction in headcount. This is part will be assisted by reductions in service provision across the council's departments.	1,180	0
L&P1 & 2	Legal	Legal Services	Different options of service delivery – outsourcing – private legal firm / buying from local authority that sells legal services and also London Wide work of setting up a shared service. Proposal to enter a shared service for legal. Savings of £400k have been brought forward from future years to 2016/17	900	0
L&P3 & 4	Members	Mayor Support / Service Committee	Review of support to elected Members, including reconfiguration of the democratic function.	427	0
PRO1	Strategic Commissioning	Procurement -Reduced Service	Staff Reductions	270	0
R&G5	Community Services	Capita Savings	The Capita contract for Revenues & Benefits provides for 3% savings to be delivered year on year. The proposal here represents the full outcome of the renegotiation of the Capita contract price undertaken as part of the decision to extend the current contract for a further 3 years from 1st May 2016 to 30th April 2019.	105	207
R&G15	Community Services	Benefits	Further efficiencies in advance of the introduction of Universal Credit (partly covered by reserve). The proposal will result in reduced staffing within benefits processing in advance of implementation of Universal Credit.	0	0
R&G16	Community Services	Customer Service	Reconfigure face to face access arrangements at both the new Willesden Library and the Civic Centre so as to optimise access to self service and assisted self service and ensure that more personalised face to face assistance is targeted to vulnerable customers who require more support.	0	0
R&G33	Communications	Digital Post Room	Reduce Digital Post room staffing compliment by 2.5 FTE – this can be achieved through natural turnover and reflects a continuing forecast reduction in incoming post. Reduce postage budget by £20K per annum based on forecast reductions in costs.	0	0
		<b>TOTAL</b>		<b>8,840</b>	<b>1,636</b>

SERVICE AREA:

PUBLIC HEALTH

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
PH1	Strategic Commissioning	Public Health	Review of current services to ensure that all appropriate costs are being met from public health grant	0	0
PH2	Strategic Commissioning	Public Health	Contribution to Childrens Centre Service	375	0
PH3	Strategic Commissioning	Public Health	Agreed that efficiencies would be made within public health once the grant ceased to be ring fenced and further opportunities sought to use grant to deliver across Council functions	1000	0
		<b>TOTAL</b>		<b>1,375</b>	<b>0</b>


## SERVICE AREA:

## CENTRAL ITEMS

## ANALYSIS OF SAVINGS

Ref	Unit/Service	Description	Item	2016/2017 £'000	2017/2018 £'000
R&G32	Community Services	Customer Access Service	Implementation of new customer access strategy with a specific aim to reduce the current costs of contact handling by migrating customer contact on line, improve the efficiencies of telephone handling arrangements and optimising use of shared data to reduce the need for customers to have to contact multiple services with the same information. There is a £1.5m of savings which will be achieved across the Council and held as a central saving in 2016/17.	1,500	0
R&G6	Central Items - South Kilburn	Estate Regeneration	Reduced revenue resources to support the South Kilburn Regeneration programme.	0	0
F&IT1	Central Items - Insurance	Insurance	Achieving better value renewal terms from market and optimising excess levels. Savings of £0.2m have been identified within the insurance costs. These can be achieved by seeking better value renewal terms from the market and optimising excess levels.	0	0
	Council-Wide	Restructure	Review of council structure and senior manager posts.	0	0
	<b>TOTAL</b>			<b>1,500</b>	<b>0</b>



 <b>Brent</b>	<p style="text-align: center;"><b>Cabinet</b> 19 October 2015</p> <p style="text-align: center;"><b>Report from the Chief Finance Officer</b></p>
For Action	Wards Affected: ALL/
<b>Financial Report – August 2015</b>	

## 1.0 Purpose

1.1 This report highlights the overall financial position of the Council as at August 2015. The report will cover the following topics:

- Revenue Budget monitoring summary
- 2015/16 Savings
- Council Tax & NNDR Collection Rates
- Other debt analysis and collection
- Capital Programme monitoring summary
- Financial Control

## 2.0 Recommendations

2.1 That the Cabinet notes the financial position of the Council as at the end of August 2015, and the actions being taken to contain the forecast overspend.

## 3.0 Revenue Budget Monitoring Summary

3.1 As at August 2015 the overall forecast is that the general fund revenue budget will be overspent by £2.5m by the year end, compared to £2.6m reported to Cabinet on 27 July 2015. Urgent additional expenditure controls have been introduced in order to reduce expenditure in the latter part of the year. This includes staffing recruitment decisions being signed off by the corporate management team before they proceed, and significantly greater oversight and authorisation of lower level purchase orders by senior managers and directors. Where possible, managers across the organisation have also been instructed to seek to deliver underspends against their budgets in order to compensate for the overspends incurred elsewhere.

3.2 The table below sets out the forecasts against the revenue budget by department.

Department	Gross Expenditure Budget	Gross Income Budget	Net Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m	£m	£m
<b>Regeneration &amp; Growth</b>	94.2	(69.5)	24.7	25.9	1.2
<b>Children &amp; Young People</b>	48.8	(9.4)	39.4	40.7	1.3
<b>Adult Services</b>	104.5	(20.3)	84.2	84.2	0
<b>Chief Operating Officer</b>	110.5	(43.9)	66.6	66.6	0.0
<b>Public Health</b>	18.8	0	18.8	18.8	0.0
<b>Service Area Total</b>	<b>376.8</b>	<b>(143.1)</b>	<b>233.7</b>	<b>236.2</b>	<b>2.5</b>

- 3.3 These forecast overspends against the agreed budget, whilst a significant cause for concern, do need to be seen in some context. Other London boroughs are reporting more substantial overspends, often in the areas of temporary accommodation and children's social care, which are where Brent's overspend is focused. It is also important to bear in mind that the forecast overspend amounts to just slightly more than 1% of the agreed net budget. Furthermore, the council set a challenging budget for 2015/16 with savings of £27.5m to be delivered in year. Seen in this context the projected overspend, even if not corrected by the year-end, would still represent delivery of over 90% of the planned savings. This is not to underplay the vital importance of delivering against the agreed budget, but the context is nevertheless important to understanding the financial position.

### **Regeneration & Growth**

- 3.4 The department is reporting a projected overspend of £1.2m, compared to the £0.65m overspend that was forecast in the previous report to Cabinet in July. The significant contributing factors leading to the adverse position are the temporary accommodation and Brent START budgets.
- 3.5 All across London there are significant pressures on local authority temporary accommodation budgets. Relatively speaking Brent is managing to contain the pressures – we are one of only four Boroughs where the numbers of people in emergency accommodation (typically bed and breakfast) has declined since the beginning of the year. A series of measures have been introduced within the Housing Needs service that has pulled the forecast over spend back from £2.1m to £1.5m. Subsequently officers have further reviewed the situation and are proposing three further measures to pull the projected overspend back to £1m – namely reducing the percentage of TA debt, redirecting Discretionary Housing Payments towards this area and securing an additional supply of self contained accommodation to relieve further the pressure on bed and breakfast, which is the most costly form of temporary accommodation.
- 3.6 It is unlikely that the remaining overspend will be recovered before year end and additional corporate expenditure controls are being implemented in order to try to deliver a balanced budget position at the end of the financial year. The measures recently announced in the Welfare Bill and those that have been trailed in advance of the new Housing Bill will further exacerbate the situation. In the light of this work is well underway

on a Temporary Accommodation Reform Plan which will propose more radical solutions to address the inevitable increase in demand.

- 3.7 The Brent Start budget is forecast to be overspent by £0.20m compared to £0.35m reported previously. The forecast includes projected claw back in 2014-15 by the Skills Funding Agency (SFA) and anticipated grant reduction. Performance against the Skills Funding Agency contract during the 2014/15 academic year has not been as strong as anticipated, leading to a potential claw back against the grant previously allocated. The anticipated claw back for 2015/16 is currently estimated at £300k. There have been a number of contributory factors to the claw back, including a reduction in classroom capacity associated with the need to vacate Madison House at short notice. Mitigation measures being undertaken include a cleansing of all management information to ensure the final claim is fully accurate (and therefore maximising the grant draw down) and the provision of additional courses that will deliver further qualification outcomes. The Skills Funding Agency are aware of the situation and the Operational Director is in regular dialogue with the SFA relationship manager.

### 3.8 **Children & Young People**

The Children & Young People's department has forecast that it will overspend its budget by £1.3m. All of the significant financial issues are within Children's Social Care; the Early Help and Education division is forecast to spend to budget.

- 3.9 Within Children's Social Care, the forecast overspend against the budget and financial risks have three principal components.

#### ***No Recourse to Public funds.***

- 3.10 The service is currently supporting 61 families at a projected cost of £0.9m in 2015/16, which would result in an overspend of £0.4m against the current budget of £0.5m. This forecast is unchanged from the previous month. In order to contain this pressure the service has tightened eligibility criteria in line with other London boroughs and is challenging all accommodation types to ensure the cost and size of accommodation is proportionate to the size of the family. In addition, due to the increasing difficulties in obtaining affordable accommodation in London, the service has begun offering families cheaper accommodation outside of London. In order to progress with this strategy further, a joint initiative has been formed with Housing to set up a housing scheme for NRPF clients. The model will save money by moving NRPF clients into cheaper accommodation instead of housing them in expensive B&Bs in Brent. In addition the service has recruited specialised staff with experience in Home Office and Human Rights legislation within the context of Children's Social Care legislation, and conducting in depth assessments and investigations.
- 3.11 This is a highly volatile budget and it is challenging to judge the number of families that will present themselves during the year and the number that will leave Brent. The main contributors to this volatility are the overlapping complexities of legislation affecting NRPF families and delays in Home Office decision making that results in Local Authorities supporting families for months or even years. Brent is part of NRPF Connect (a network of organisations that support Local Authorities in meeting their statutory duties to people with NRPF) and recent research suggests that the number of families presenting themselves to Local Authorities in London will continue to increase, primarily due to recent and proposed changes to immigration legislation. Therefore the current forecast assumes that while the number of families supported will increase during year, the forecast overspend of £0.4m can be contained through the interventions described above.

#### ***Children's Social Care Savings 2015/16.***

- 3.12 As part of the Council's agreed budget in March 2015, Children's Social Care are required to save £2.2m in 2015/16 and a further £0.9m in 2016/17, a total of £3.1m. These savings were principally to be achieved through more efficient commissioning of services, for example in collaboration with other WLA boroughs, increasing use of direct payments and through continuing to manage the number of secure remand placements at or about the levels experienced in the last eighteen months. In order to deliver these savings a number of projects have either begun or are being developed with the expectation of meeting the required savings targets. At present, two key savings targets have been identified as being at high risk of not being fully delivered.
- A saving of £0.3m in 2015/16 was planned to be achieved within the social care placements budget, predicated on a change in the mix of placements, specifically reducing the number of residential care, independent fostering and remand placements and increasing the use of in house Brent foster carers. Further savings of £0.14m were also predicated on reducing the overall numbers of looked after children through more effective early intervention. To date these combined savings are forecast to be under achieved by £0.3m.
  - In addition, there is a potential cost pressure of £0.4m related to staffing. This includes the additional costs of employing agency staff due recruitment and retention issues. Also, the savings in relation to the de-layering of management are partly predicated on a new structure being implemented for Children's Social Care as part of the Signs of Safety project. At present this project is behind schedule and is forecast to go live from December 2015.
- 3.13 Workforce planning in Children's Social Care is designed to ensure that caseloads across the Locality service do not exceed 20 children per social worker and in Care Planning do not exceed 15 children per social worker. This strategy is in light of the ongoing growth in Brent's child population, increased expectations from Ofsted and recruitment/retention issues in relation to Social Workers.
- 3.14 However, the initial one-off intervention in 2014/15 and the current year to achieve this will not be sustained unless either more permanent resources are allocated to the service (increasing the savings required by the council as a whole) or unless the total number of cases under management begins to reduce. The effect of social work interventions should ideally be to deal with the particular circumstances in a child's life and put in place structures where ongoing (or significant ongoing) support by the Council is no longer required.

### **Adult Services**

- 3.15 The Adults budget is forecasting a break even position as at August 2015 and is unchanged from the previous forecast.
- 3.16 The major pressures that have been identified to date relate to delivery of some of the savings items in 2015/16. This is especially the case within the Reablement service area regarding pressures within the homecare budget that is currently creating a net pressure of £0.2m. There are presently compensating under spends within Direct Services, owing to staff vacancies at the John Billam Centre (£0.1m), and within Commissioning, also attributable to staff vacancies (£0.1m).
- 3.17 At present savings to be met in 2015/16 are forecast to be made although it has been recognised that some of these carry a higher risk of not being fully delivered. This position will thus be reviewed closely through the financial year and adjusted if necessary.

### **Chief Operating Officer**

- 3.18 The Chief Operating Officer's department is projecting a breakeven position this month, which is unchanged compared to the previous month.
- 3.19 Legal Services is projecting an overspend of £0.8m, compared to £0.9m the previous month. The main cost drivers leading to the adverse position still remains as those mentioned in the previous month's report as follows:
- An upsurge on legal fees resulting from increase in volume of cases re: childcare proceedings; family justice review; property & licensing issues etc.
  - Additional costs resulting from the relocation of the children's court to Feltham. This is expected to increase the use of private lawyers instead of own staff, to attend hearing on behalf of Brent Council.
- 3.20 The overspend in Legal Services is being partly offset by underspends elsewhere in the COO department, notably within the Administrative Service where the saving allocation for year 1 and 2 have been front-loaded to year 1, thereby resulting in an underspend of £0.4m. There are further underspends reported in Strategic Commissioning and Member & Mayors divisions of £0.3m and £0.1m respectively. These underspends are attributable to in-year staff vacancies and anticipated forecast reduction in spend respectively.
- 3.21 Public Health: Due to required government savings the Public Health grant is to be reduced by a minimum of £1.3m in-year that has meant action has been needed to contain spend within this reduced budget. To date the service have identified £0.7m of savings in anticipation of this reduction, which leaves a remaining pressure of £0.6m. The remaining shortfall will be met from the earmarked reserve.

### ***Central items***

- 3.22 The Council holds a number of budgets centrally, rather than within departmental budgets. These mostly relate either to fixed items, such as subscriptions to London Councils or the LGA, or to technical items such as the earnings on treasury items, which cannot be ascribed to the activities of any given departmental budget. In addition, the SEN Transport budgets are now held here, although managerial accountability for allocating places and controlling costs still sits in the children's social care and transport services, as last year. This transfer prevents the recharging of costs between services that was a partial cause of the overspend against last year's budget. Underlying pressures on the SEN budget remain, and are being managed through the One Council project and through addressing the supply side issues.

### **Ring Fenced Budgets**

- 3.23 **Housing Revenue Account:**

As shown below, this month the Housing Revenue Account is reporting an over spend of £0.9m, which is the same as reported last month. The main contributing factor to the over spend is the continued pressure on the rental income budget due to the increased number of RTB sales and higher than targeted void turnaround times.

The base budget assumes 30 RTBs for the financial year; however as at the end of August total RTB applications received were 84 with 25 completed sales. Based on

completed sales to date the forecast for RTB sales for the year would be 60, i.e. 2 times higher than the 30 RTB sales assumed in the base budget.

The targeted turnaround time for voids set at the start of the financial year was 27 days. As at the end of August the turnaround time for standard voids was 40.4 days which is 1.5 times higher than the budgeted target.

The Council had planned on the basis of the HRA using £0.8m of its reserves of £4.5m in the 2015/16 budget. As currently forecast this balance would reduce to £2.8m by the year end.

Description	2015/16 Budget (£m)	2015/16 Forecast (£m)	Variance (£m)
Income	-57.6	-55.6	2
Expenditure	58.4	57.3	-1.1
<b>Net Budget</b>	<b>0.8</b>	<b>1.7</b>	<b>0.9</b>

### 3.24 Dedicated School Grant:

In March 2015 the Department for Education updated the latest DSG settlement for all local authorities. The provisional amount for Brent has been set at £207.208m. The final announcement will be made later in the year and will be subject to further change as academy conversions materialise during the year, funding for disadvantaged two year olds and funding for free entitlement for three and four year olds is released. It is anticipated that the final allocation will be in the region of £215m. Within this budget, £158m is passed directly to Brent schools. This budget does not include the retained balances held within individual School's accounts, which at the end of 2014/15 stood at £20m. Based on a sample of 25 London boroughs this is the fourth highest figure in London, and only about one third of boroughs' schools had, like Brent, increased their balances over this period.

Ring-Fenced budgets	Gross Expenditure Budget	Gross Income Budget	Net Budget	Forecast Outturn	Forecast Variance
	£m	£m	£m	£m	£m
<b>Dedicated Schools Grant</b>	215	0	215	215	0

#### 4.0 Savings

4.1 The table below summarises the 2015/16 agreed budget savings by department and a forecast as at August 2015. Out of the total committed savings of £27.5m, £26.0m (95.0%) are forecast to be delivered.

Service Area	2015/16 Savings	Percentage of 2015/16 budget	Forecast Savings	Forecast Variance
	£m	%	£m	£m
Children & Young People	2.9	7.0	2.1	0.8
Adult Services	8.8	9.4	8.8	0.0
Regeneration & Growth	4.1	14.9	3.4	0.7
Chief Operating Officer	11.7	13.3	11.7	0.0
<b>Total</b>	<b>27.5</b>	<b>-</b>	<b>26.0</b>	<b>1.5</b>

#### 5.0 Debt & Income Collection Analysis

5.1 The Council collects income from individuals and businesses for a range of reasons. The main types of income are:

- Oracle debt
- Charges for Social Care Services
- Council Tax
- Business Rates (National Non-Domestic Rates)
- Parking Fines
- Housing Rents

We also collect a wide range of fees and charges for everything from Land Registry Searches to Planning Applications and Licenses.

5.2 Oracle debt includes invoices raised by service areas and collected by the Finance Service Centre. The table below shows the balances as at August 2015.

	Apr-14	Jul-14	Oct-14	Jan-15	Apr-15	May-15	Jun-15	Jul-15	Aug-15
	£m	£m	£m	£m	£m	£m	£m	£m	£m
Invoices Raised	2.1	0.9	4.5	1.9	1.9	1.9	3.3	3.1	6.5
Collected	(2.0)	(1.3)	(1.0)	(1.3)	(9.1)	(2.5)	(3.3)	(3.1)	(6.1)
<b>Balance</b>	<b>7.4</b>	<b>7.3</b>	<b>9.9</b>	<b>9.7</b>	<b>10.4</b>	<b>9.8</b>	<b>9.8</b>	<b>9.3</b>	<b>9.7</b>

Of the outstanding debt of 9.7 million 44% relates to invoices up to 60 days past their due date. (26% relates to invoices less than 30 days. 35% relates to debt over 360 days and is being pursued by the FSC Debt Recovery team. £1m of this debt is secured against an asset.

- 5.3 The Abacus system records debt relating to social care fees and charges for council run services including residential care, day care, home care, adaptations, equipment etc. The table below shows the balance as at August 2015.

	<b>Apr-14</b>	<b>Jul-14</b>	<b>Oct-14</b>	<b>Jan-15</b>	<b>Apr-15</b>	<b>May-15</b>	<b>June-15</b>	<b>July-15</b>	<b>Aug-15</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Invoices Raised	0.7	0.7	0.8	0.7	0.7	*0	1.2	0.7	0.7
Collected	0.7	0.7	1.4	0.6	0.6	0.5	0.5	1.5	0.5
<b>Balance</b>	<b>10.4</b>	<b>10.3</b>	<b>9.3</b>	<b>9.0</b>	<b>9.5</b>	<b>9.0</b>	<b>9.7</b>	<b>8.9</b>	<b>9.1</b>
Balance disaggregated to:									
Unsecured client debt	7.9	7.9	8.1	7	7.7	7.2	7.6	7.6	7.5
Secured (against Property) client debt	2.5	2.4	1.2	2	1.8	1.8	2.1	2.1	1.6

\*No invoices raised in May 2015 while annual reassessments are carried out.

Total debt outstanding at the end of each month has reduced from an average between £10m and £10.5m in the early part of 2014/15 to approximately £9m to £9.7m in 2015/16 (the exact figures vary each month, of course). However, whilst this trend is favourable the proportion of debt secured against client properties is also slightly down to around 20%. This gives the Council comfort that its lawful charges (set within a national framework and guidelines) will in time be paid.

- 5.4 In terms of Council Tax, the total amount required to be collected for 2015/16 is £87.7m (excluding the GLA share) and the collection rate target is 95.9%.

Council Tax collection for 2015/16 was at 47.7% at the end of August, compared to 47.9% for August 2014. There has been a large number of new properties entering rating in the last two months, and collection would have only just begun on these. This would account for most of the 0.2% reduction on last year. Although it is still early in the new financial year, the final collection percentage is anticipated to be very similar to last year's figure of 95.6%, which would be slightly below the target figure. Final collection figures for 2014/15 show Brent's 95.6% was below the London average of 96.5%. Brent had the 24th highest collection of the 32 London boroughs (down from 21<sup>st</sup> in 2013/14). 16 boroughs had collection rates between 95% and 97%, and Brent was within 0.3% of a further 3 boroughs, but was 0.9% below the London median.

- 5.5 For 2015/16 there has been a significant reduction in the total of Council Tax Support granted, largely due to falling unemployment. This continues the trend from 2014/15.



The total granted for 2014/15 was £26.6m, compared to an anticipated £25.5m in 2015/16 (although this may fluctuate during the year, depending on economic conditions). At £25.5m, the total cash collectable will be around £0.75m higher as a result (after allowing for the GLA share and anticipated collection rates). There has also been an increase in cash collectable as a result of new properties coming in to rating (2,217 new properties have come in to rating since September 2014 – this compares to an increase of 534 Band D equivalents between September 2013 and September 2014). The overall effect of this (including the reduction in CTS) is to increase Brent's share of the collectable income by over £3.0m. Therefore even if the overall collection rate fell slightly compared to last year, the actual amount of income will increase substantially. As a result of this a larger Council Tax surplus can be declared at the end of the financial year, which will reduce the Council's overall budget requirement for 2016/17. Additionally a higher Council Tax base figure will result for 2016/17 (meaning that the budgeted income from Council Tax will increase significantly in 2016/17).

- 5.6 For NNDR, the total amount collectable is £114.0m (of which Brent retains a 30% share) and the collection rate target is 97.7%. As at August 2015, the collection rate was 46.95%, compared to 46.2% in August 2014. Therefore overall collection is up on last year, and early indications are that collection should end up being similar or slightly above last years final figure of 98.1%. Monthly collection percentages for NNDR are more volatile than for Council Tax, as they are affected by changes in the Rating List (e.g. if a property with a large rates bill comes in to rating during the month, until a payment is made this will reduce the overall collection percentage, or if one is removed from rating or has a substantial rateable value reduction the collection percentage will increase until the refund due is made). This has much more effect than for Council Tax, as an individual properties NNDR bill can be several hundred thousand pounds (or in rare instances over £1m). 25 properties in Brent have a bill of over £0.5m. Early indications are that the final collection rate for 2015/16 will be around 98.3%, but this would need to be reviewed through the year for the reasons outlined above.
- 5.7 In 2014/15 Brent collected 98.1% of the total NNDR due (up from 97.6% in 2013/14). This was the 17th highest of the 32 London boroughs, up from 18th the previous year. The London average was 98.5%. Collection is higher in inner London, with the outer London average being 98.1%.
- 5.8 Parking debt is analysed by measuring the total number of Penalty Charge Notices (PCNs) issued against the expected yield of the total debt raised, as shown below:

Period	Debt Raised £m	Issued PCNs	Forecast £m	Cash collected on 14/15 PCNs £m	Cash collected from previous years debt £m	Total cash collected £m
Q1 Average 14/15	1.3	14,626	0.73	0.5	0.2	0.7
Q2 Average 14/15	1.1	13,259	0.7	0.6	0.1	0.7
Q3 Average 14/15	1.0	12,389	0.7	0.6	0	0.6
Q4 Average 14/15	1.1	13,932	0.7	0.6	0	0.6
Q1 Average 15/16	1.1	14,004	0.7	0.5	0.2	0.7
Jul-15	1.0	13,822	0.7	0.7	0.1	0.8
Aug-15	0.9	12,804	0.65	0.6	0.07	0.67

- 5.9 Whilst there are variations in the number of PCNs issued each month, the level of revenue forecast remains broadly the same as 2014/15, representing around 64% of the value of issued PCNs. The method of forecasting income within Parking is based on a prevailing 18 month PCN yield multiplied by the number of PCN issued per month.
- 5.10 Enforcement Staff productivity is as forecast, at 1.15 Penalty Charge Notices issued per deployed hour. Levels of deployment have been slightly above forecast to achieve slightly above forecast issuance levels; the enforcement budget is therefore balanced. Of the £1.1m of PCN debtor accrued into this year (from 2014/2015), more than £800k has now been collected.
- 5.11 Slightly more PCNs were issued in the first quarter of 2015/16 than forecast, taking account of seasonal factors. However following the severe restrictions on CCTV enforcement of parking contraventions imposed by the Deregulation Act on 1 April 2015, the overall composition of the PCNs has changed significantly; there has been an average of 98% reduction in the number of CCTV-issued parking PCNs compared with the previous year 2014/15 financial year as shown in the table below. A greater emphasis is now placed on Civil Enforcement Officer-issued PCNs, as anticipated when the council's budget was set.
- 5.12 HRA Council Tenant debt is analysed in three categories; Current Tenants, Former Tenants and Other Non-Rental Debts.

The table below shows the balances for 2014/15 and 2015/16.

Period	Current Tenants £'000	Former Tenants £'000	Other £'000	Total £'000
Q2 Average 14/15	1,434	619	574	2,626
Q3 Average 14/15	1,558	626	567	2,751
Q4 Average 14/15	1,551	531	587	2,669
Q1 Average 15/16	1,607	630	637	2,874

- 5.13 Overall debt has increased from £2.669m in quarter 4 of 2014/15 to £2.874m in quarter 1 of 2015/16. This indicates a 7.7% increase in outstanding debt compared to the previous quarter. Any increase in outstanding debt has a direct impact on the level of bad debt provision as the provision provides for 100% cover of any anticipated loss of income.
- 5.14 The level of tenant debt reflects:
- An increasing number of residents claiming they are unable to pay their rent. This is due to changes in employment, changes in benefit rates and people who are in employment but now not eligible to claim housing benefit as they are just above the threshold.
  - Ongoing Debt Relief Orders and IVA are becoming more increasing.
  - No DHP payment this year in respect of bedroom tax.
  - DWP sanctions are increasing.
  - Court hearings being adjourned due to the tenants citing disrepair.
  - Court giving tenants the right to stay giving them an opportunity to clear the arrears
  - Issues with successions and introductory tenancies which are having an impact on arrears.

- 5.15 Additional resources have been allocated to the specific areas of debt where low levels of collection are prevalent, to maximise income collection and improve collection rate on council tenants' debts. Income Officers are working evening and weekends to contact tenants who may not be contactable during the normal working hours.
- 5.16 Approximately 20.82% of the total debt at the end of August relates to Former Tenants arrears where tenants have left their properties owing rent to the Council. These debts have been transferred to 1<sup>st</sup> Locate to chase, trace and collect. This process commenced in July 2015 and to date there has been a total recovery of £6,822.15. It is anticipated that this will increase on a monthly basis. A review will be carried out in November 2015 to ascertain whether this trace and collection process is effective.
- 5.17 A mini exercise was completed in July 2015 to identify and recover HBO and FTAs from those tenants who had credit balances on their rent account. A total of 162 cases were reviewed and to date a total of £5,283.81 has been recovered from 45 tenants. In addition, a total of £12,000 is still pending from a further 46 tenants where a letter has been sent to the tenant requesting permission to offset the debt against the credit balance on their rent account. A further 12 cases have been sent to the Operational Director of Finance for the debts to be written off as they are considered unrecoverable. There are 60 court cost sundry accounts which have not been reviewed during this mini exercise but will be reviewed during August and September 2015. BHP have appointed a Former Tenancy Arrears Officer and it is anticipated that more proactive collections will commence in October 2015 in regards to former tenants arrears and sundry debtors.

## 6.0 Capital

6.1 The following table sets out the 2015/16 Capital budget and forecast as at the end of August 2015. The Revised Budget column reflects the budget position approved at the June Cabinet meeting amended predominantly as a result of budget movements between 2014/15 and 2015/16. The Forecast Outturn column reflects movements that have been identified by budget holders and project managers to the end of August 2015. Further details of the variances are provided in the table below.

Service Area	2015/16 Original Budget £m	2015/16 Revised Budget £m	2015/16 Forecast Outturn £m	Forecast Variance £m
<b>Adult Services</b>	2.3	2.2	2.2	0
<b>Children and Young People</b>	0.3	0.2	0.2	0
<b>Chief Operating Officer</b>				
Communications	0.4	0.5	0.5	0
Culture & Heritage	1.4	2.4	2.4	0
Recycling & Waste/Public Realm	0.1	0.3	0	(0.3)
Parking & Street Lighting	0	0	0.3	0.3
Transportation - General Fund	4.2	4.5	4.4	(0.1)
Transportation - TfL	3.8	3.8	5.7	1.9
<b>Regeneration &amp; Growth</b>				
Regulatory Services	0	0	0.3	0.3
School Expansion Schemes	65.4	72	23.3	(48.7)
South Kilburn Regeneration	22.1	24.4	9.9	(14.5)
Private Housing	4.9	5.9	5.9	0
New Accommodation for Independent Living	5	5.3	5.3	0
The Library at Willesden Green	9.5	9.7	9.7	0
Schools (Non Expansions)	5	6	5.6	(0.4)
Strategic Property	3.4	5.2	5.2	0
Affordable Housing	1.5	1.5	1.5	0
Facilities Management	0.9	1.7	1.7	0
Planning, Landscaping and Major Projects	0.8	1.6	1.4	(0.2)
<b>Regeneration &amp; Growth (HRA )</b>				
Affordable Housing	7.1	7.1	7.1	0
Major Repairs & Improvements	41.7	44.7	44.7	0
<b>Total</b>	<b>179.8</b>	<b>199</b>	<b>137.3</b>	<b>(61.7)</b>

6.2 The forecast has been adjusted from £136.4m to £137.3m in the period from July to August to take account of the following matters:

### Chief Operating Officer

6.3 Within the Culture & Heritage service area the sum of £12k has been vired from the Sports Strategy to Pitch Improvements to meet the revised works requirements. This has a nil impact overall.

### Regeneration & Growth

- 6.4 The Schools Expansion programme has been increased by a total of £476k. This reflects:
- the costs of required window replacements at Stonebridge Primary School at £450k to be delivered as part of the overall expansion scheme with a further £400k due in 2016/17. The budget to meet these costs has been vired from the Schools Asset Management Plan allocation as per the approved Delegated Authority report.
  - the costs of enabling works at Manor School totalling £26k. The budget to meet these costs has been vired from the Schools Asset Management Plan allocation as per the approved Change Request report.

As a result of the above there has been a corresponding reduction in the Schools Asset Management Plan budget.

- 6.5 The Church End Regeneration scheme has been increased by £185k in 2015/16 and re-profiled in future years to reflect the likely acquisition of the rear of 203 Church Road in-year.
- 6.6 The Landscaping programme of works has been increased by £68k to reflect additional amounts of S106 funding commissioned for tree planting in the Harrow Road and Argo House areas. The S106 Agreements in question had been identified as at risk of expiration.
- 6.7 Property schemes have been increased by £575k to reflect the addition of the scheme to replace the Shubbery Building at the Gordon Brown Centre as approved by Cabinet on 29<sup>th</sup> June.

#### **Regeneration & Growth – HRA**

- 6.8 Delays have been identified in the 2015/16 delivery of the contract for major repairs across the housing stock which will require a significant element of the programmed work to be delivered in 2016/17. This is currently being investigated with the contractor by BHP officers and the finance team are assessing the financial impact of the delays. The 2015/16 forecast will be updated in the next cycle to reflect the result of these investigations.

#### **7.0 Financial Control**

- 7.1 Financial control is essential to the operation of any large organisation. The council operates many standard processes, such as budgetary control, risk management and internal audit to ensure that controls operate as intended, and where exceptions are identified, these are reported to senior officers and Members in order that corrective action can be taken. The particular issues that should be highlighted at this stage are set out below.

##### ***Internal Audit***

- 7.2 There are 79 internal audit assignments included within the agreed 2015/16 Audit Plan (excluding follow up and advisory work). As at August 2015, work has commenced on 27 of these assignments. 17 assignments have been completed to draft or final stage; of which 13 have an audit opinion associated with them (8 has a substantial opinion and 5 have limited opinions). The remaining 4 relate to grant certifications and accounts work which do not have an assurance rating attached and were signed off without qualification.

