



Executive

Monday, 18 January 2010 at 7.00 pm

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

Membership:

Lead Member Councillors:

Portfolio

Lorber (Chair)	Leader of the Council
Blackman (Vice-Chair)	Deputy Leader of the Council
Allie	Lead Member for Housing and Customer Services
D Brown	Lead Member for Highways and Transportation
Colwill	Lead Member for Adults, Health and Social Care
Detre	Lead Member for Regeneration and Economic Development
Matthews	Lead Member for Crime Prevention and Public Safety
Sneddon	Lead Member for HR & Diversity and Local Democracy & Consultation
Van Colle	Lead Member for Environment, Planning and Culture
Wharton	Lead Member for Children and Families

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

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The press and public are welcome to attend this meeting

Agenda

Introductions, if appropriate.

Apologies for absence and clarification of alternate members.

Item **Page**

1 Declarations of personal and prejudicial interests

Members are invited to declare at this stage of the meeting, any relevant financial or other interest in the items on this agenda.

2 Minutes of the previous meeting 1 - 10

3 Matters arising (if any)

4 Deputations (if any)

Children and Families Reports

5 Authority to invite tenders for short break services for disabled children and young people 11 - 20

This report seeks the authority to invite tenders for framework contracts for the provision of Short Break Services provided for disabled children and young people in their own home, as required by Contract Standing Orders 88 and 89.

Ward Affected:
All Wards

Lead Member: Councillor Wharton
Contact Officer: John Christie, Director of
Children and Families
Tel: 020 8937 3130 john.christie@brent.gov.uk

Environment and Culture Reports

6 Comments on the Mayor of London's Transport Strategy, Economic Development Strategy and Draft Replacement London Plan - consultation response 21 - 70

This report sets out comments on the consultation draft of the Replacement London Plan. The London Plan is legally part of the council's development plan and must be taken into account when planning decisions are taken. It is therefore important to comment on the Replacement Plan that will set planning policy for the whole of London and for this borough in particular. The Mayor of London is also charged with producing a number of strategies including a Transport and an Economic Development Strategy and these are also out to public

consultation. At its meeting on 10 December 2009, the Planning Committee agreed the above comments on the draft Replacement London Plan (subject to any further comments from the Executive). In order to meet the deadline for submission of comments officers have submitted the above comments to the Mayor of London but have said that this is subject to any further comments from the Executive.

Ward Affected:
All Wards

Lead Member: Councillor D Brown, Van Colle
Contact Officer: Richard Saunders, Director of Environment and Culture
Tel: 020 8937 5002
richard.saunders@brent.gov.uk

7 Proposed pre-submission changes to the Site Specific Allocation Development Plan Document 71 - 88

This report summarises limited changes to the draft Site Specific Allocations Submission stage Development Plan Document of the emerging Local Development Framework. The limited changes are 3 new sites and a series of minor changes to the document. The changes are proposed following publication of, and consultation on, Brent's Site Specific Allocations in June 2009 in advance of submission to the Secretary of State.

Ward Affected:
Alperton;
Barnhill;
Dudden Hill;
Kensal Green;
Queens Park;
Queensbury;
Stonebridge;
Tokyngton;
Wembley Central

Lead Member: Councillor Van Colle
Contact Officer: Richard Saunders, Director of Environment and Culture
Tel: 020 8937 5002
richard.saunders@brent.gov.uk

8 Inspiring Brent - Brent's Action Plan for the London 2012 Games 89 - 112

This report provides an update on Brent's Action Plan for the London 2012 Games which has been developed by the 2012 Steering Group. The report outlines key achievements to date and areas of work we want to develop to secure a legacy for Brent from the Games. The report outlines developments in the London 2012 City Operations Programme and the main conditions of the London 2012 Host Borough Co-Operation and Licence Agreement.

Ward Affected:
All Wards

Lead Member: Councillor Van Colle
Contact Officer: Richard Saunders, Director of Environment and Culture
Tel: 020 8937 5002

9 Proposed closure of the Church Lane parking shop 113 -
122

This report proposes the closure of the Parking Shop in Church Lane, Kingsbury with effect from 1st July 2010.

Ward Affected: All Wards
Lead Member: Councillor D Brown
Contact Officer: Richard Saunders, Director of Environment and Culture
Tel: 020 8937 5002
richard.saunders@brent.gov.uk

Housing and Community Care Reports

10 Adult Social Care Annual Performance Assessment 2008/09 123 -
146

This report advises members on the Annual Performance Assessment (APA) judgement for Adult Social Care for 2008/09, published by the Care Quality Commission (CQC). The CQC requires that details of the APA be presented to the council's Executive Committee by the end of January 2010. This report therefore outlines the areas where the CQC judges that the council is performing well and areas identified as requiring further improvement and summarises action taken to date.

Ward Affected: All Wards
Lead Member: Councillor Colwill
Contact Officer: Martin Cheeseman, Director of Housing & Community Care
Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

11 Authority to tender a contract for Supporting People funded services for domestic violence floating support service 147 -
158

This report seeks authority to invite suitable providers to tender for a contract as required by Contract Standing Orders 88 and 89. The award of a contract will be for the provision of a Supporting People funded domestic violence floating support service. The Executive agreed on 15th June 2009 that the Supporting People domestic violence floating support services should be tendered as part of the Families floating support framework (under Families with complex needs framework). This report additionally seeks authority to tender the contract for the provision of the domestic violence floating support service not as part of the Families floating support framework but as a separate contract.

Ward Affected: All Wards
Lead Member: Councillor Colwill
Contact Officer: Martin Cheeseman, Director of Housing & Community Care

Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

12 Outcome of re-negotiation of existing housing support contracts for Offenders and People with Drug and/or Alcohol issues 159 - 166

This report sets out the outcome of the re-negotiation exercise carried out with existing providers of housing support contracts for services for Offenders and people with Drug and / or Alcohol issues, and requests approval to extend the existing contracts.

Ward Affected: All Wards
Lead Member: Councillor Colwill
Contact Officer: Martin Cheeseman, Director of Housing & Community Care
Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

13 Authority to Tender Contracts for Supporting People Funded Services for Single Homeless People 167 - 180

This report seeks authority to invite suitable providers to tender for two framework agreements and one contract as required by Contract Standing Orders 88 and 89. The framework agreements will be for the provision of Supporting People funded accommodation based services and floating support services (with two initial call-off contracts to be entered into under each framework, shortly after award). The remaining contract will be for work and life skills training services for Single Homeless People. This report additionally seeks authority to extend the current Supporting People Single Homeless contracts until 31 March 2011.

Ward Affected: All Wards
Lead Member: Councillor Colwill
Contact Officer: Martin Cheeseman, Director of Housing & Community Care
Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

14 ALMO Settled Homes Initiative 181 - 214

To ensure the delivery of the BHP's SHI scheme, BHP has requested a £8m loan from the Council, secured using its prudential borrowing powers, in order to deliver in the region of 50 properties under tranche 1 of their acquisitions programme. This report sets out the proposed changes that are required to deliver the ALMO SHI scheme.

(Appendices also below)

Ward Affected: **Lead Member:** Councillor Allie

All Wards

Contact Officer: Martin Cheeseman, Director of
Housing & Community Care
Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

15 Allocation of HRA Rooftop Telecommunication Income

215 -
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There has been a substantial accrual of income in the Housing Revenue Account (HRA) over the years arising from the telecommunications equipment rental situated on 13 housing tower blocks around the borough which stood at £1.195 million (excluding Watling Gardens) at March 2009. Following the introduction of the Corporate Manslaughter and Corporate Homicide Act 2007 and the recent fire at Lakanal House in Camberwell, Brent Housing Partnership (BHP) has had to review its health & safety procedures in order to ensure that all blocks are compliant with health and safety legislation. Given the substantial cost of the new Health and Safety initiatives, the funds that have accrued should be used to finance Health and safety improvements and other works on the Council's stock borough wide.

Ward Affected:
All Wards

Lead Member: Councillor Allie
Contact Officer: Martin Cheeseman, Director of
Housing & Community Care
Tel: 020 8937 2341
martin.cheeseman@brent.gov.uk

Central Reports

16 Annual Audit Letter 2008/09

221 -
242

This report accompanies the Annual Audit Letter for 2008/09. The Letter is issued by the Audit Commission.

Ward Affected:
All Wards

Lead Member: Councillor Lorber
Contact Officer: Duncan McLeod, Director of
Finance and Corporate Resources
Tel: 020 8937 1424
duncan.mcleod@brent.gov.uk

17 Proposal to tender Revenue and IT services

243 -
276

This report seeks authority to invite suitable providers to tender for the provision of Revenue collection and Information Technology (IT) services, following the expiry of the existing Capita contract on 30 April 2011. The current contract includes the collection of revenues for Council Tax and National Non Domestic Rates (NNDR) and the provision and maintenance of IT systems specific to both Revenues and Benefits services.

Ward Affected: All Wards
Lead Member: Councillor Blackman
Contact Officer: Duncan McLeod, Director of Finance and Corporate Resources
Tel: 020 8937 1424
duncan.mcleod@brent.gov.uk

18 Former Scouts Hall Site, Coniston Gardens, Kingsbury NW9 277 - 288

This report outlines options for the future use of the former scouts' hut site on 2 Coniston Gardens, NW9 OBB (adjacent to Oliver Goldsmith Primary School) to be either: a) Disposed of to a Housing Association to deliver two five bedroom affordable housing units for rent. b) Retained in the council portfolio for use as an extended services facility and having considered the options makes recommendations to dispose of the site.

(Appendix also below).

Ward Affected: Fryent
Lead Member: Councillor Blackman, Wharton
Contact Officer: John Christie, Director of Children and Families, Duncan McLeod, Director of Finance and Corporate Resources
Tel: 020 8937 3130, Tel: 020 8937 1424
john.christie@brent.gov.uk,
duncan.mcleod@brent.gov.uk

19 Proposed Freehold Disposal of former Bryan Avenue Stores, Bryan Avenue, Willesden, NW10 2AS 289 - 294

This report seeks Executive approval to the freehold disposal of the former Bryan Avenue Stores and adjacent land by the Council to Family Mosaic Housing Association. The benefit of disposing of this redundant premises are two fold. It will raise a capital receipt and social housing will be created.

(Appendix also below).

Ward Affected: Brondesbury
Lead Member: Councillor Blackman
Contact Officer: Duncan McLeod, Director of Finance and Corporate Resources
Tel: 020 8937 1424
duncan.mcleod@brent.gov.uk

20 Brent Residents' Attitude Survey 2009 295 - 302

This report highlights the key findings of the Residents' Attitude Survey 2009 (RAS) and provides comparative performance information in relation to the previous residents' attitude survey conducted in 2005 and the place survey carried out in 2008.

Ward Affected:
All Wards

Lead Member: Councillor Sneddon
Contact Officer: Toni McConville, Director of Communications & Diversity, Phil Newby, Director of Policy and Regeneration
Tel: 020 8937 1079, Tel: 020 8937 1032
toni.mcconville@brent.gov.uk,
phil.newby@brent.gov.uk

21 Reference of item considered by Forward Plan Select Committee (if any)

None.

22 Any Other Urgent Business

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

23 Exclusion of Press and Public

The following items (circulated separately) are not for publication as they relate 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).

Appendices (reports above refer)

- ALMO Settled Homes Initiative
- Former Scouts Hall Site, Coniston Gardens, Kingsbury NW9
- Proposed Freehold Disposal of Former Bryan Avenue Stores, Bryan Avenue, Willesden, NW10 2AS

Date of the next meeting: Monday, 15 February 2010



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



LONDON BOROUGH OF BRENT

MINUTES OF THE EXECUTIVE Monday, 14 December 2009 at 7.00 pm

PRESENT: Councillor Lorber (Chair), Councillor Blackman (Vice-Chair) and Councillors Allie, Colwill, Detre, Matthews, Sneddon, Van Colle and Wharton

APOLOGIES: Councillors D Brown

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

None.

2. **Minutes of the previous meeting**

RESOLVED:

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

3. **Matters arising**

None.

4. **Deputations**

None.

5. **Future acquisition strategy for Brent Transport Fleet and authority to tender for provision of a leased maintained vehicle fleet**

The report from the Director of Environment and Culture advised that Brent Council had an ageing fleet of vehicles, almost two-thirds of which needed to be replaced within the next four years. The report sought approval for the acquisition and maintenance strategy for new vehicles and requested approval to invite tenders accordingly. Approval was also being sought for an outsourcing of maintenance arrangements for existing vehicles. In both cases the proposal was to set up a framework agreement that could be used by other members of the West London Alliance.

Councillor Wharton (Lead Member, Children and Families) referred to the fact that most of the existing fleet would not comply with existing emission controls regulations. Once the new arrangements were in place, decisions could be taken in future to reduce the fleet if necessary.

RESOLVED:-

- (i) that approval be given to adopt a new model of vehicle fleet acquisition through leasing with maintenance from a single supplier;
- (ii) that approval be given to the outsourcing of the current vehicle maintenance arrangements;
- (iii) that approval be given to procure a 4-year Vehicle Supply and Maintenance Framework Agreement split into two lots with Lot 1 consisting of the supply and maintenance of new vehicles and Lot 2 the maintenance of the Council's current vehicle fleet;
- (iv) that approval be given to the pre-tender considerations and the criteria to be used to evaluate tenders for Lots 1 and 2 of a Vehicle Supply and Maintenance Framework as set out in paragraph 4.0 of the report from the Director of Children and Families;
- (v) that approval be given to the invite of tenders and their evaluation in accordance with the approved evaluation criteria referred to in paragraph (iv) above.

6. **Authority to tender a contract for Supporting People funded services for women fleeing domestic violence accommodated in refuges and to extend associated Supported People contracts**

The report from the Director of Housing and Community Care sought authority to invite suitable providers to tender for a contract as required by Contract Standing Orders 88 and 89. The award of a contract would be for the provision of a Supporting People funded refuges service for women at risk of domestic violence with a range of support needs. The report additionally sought authority to extend the current contracts for Supporting People Family (Families, Refugees and BME) up to 31 March 2011. Councillor Colwill (Lead Member, Adults and Social Care) outlined the consultation that had taken place with service users and agencies and advised that the current providers would continue until the new contract was in place.

RESOLVED:

- (i) that approval be given to the pre tender considerations and the criteria to be used to evaluate tenders to award a contract for the provision of Supporting People funded services for women at risk of domestic violence accommodated in refuges with a range of support needs as set out in paragraph 10.1 of the report from the Director of Finance and Corporate Resources;
- (ii) that officers invite tenders and evaluate them in accordance with the approved evaluation criteria referred to in paragraph (ii) above;
- (iii) that approval be given to a further extension of Supporting People contracts for Families as specified in paragraph 7.6 of the report from the Director of Housing and Community Care up to 31 March 2011.

7. Authority to award contracts for the procurement and management of temporary accommodation

The report from the Director of Housing and Community Care requested authority to award contracts as required by Contract Standing Order No 88. This report summarised the process undertaken in tendering contracts for the Procurement and Management of Temporary Accommodation and, following the completion of the evaluation of the tenders, recommended to whom the contracts should be awarded.

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

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

RESOLVED:

that the two contracts for the Procurement and Management of Temporary Accommodation be awarded to Pathmeads Housing Association and Stadium Housing Association.

8. Reference of item considered by Forward Plan Select Committee - 2 December 2009

Authority to award the residential and respite care contract for people with learning difficulties

The Director of Housing and Community Care reported on the discussion at the Forward Plan Select Committee on 2 December relating to the report seeking authority to award the residential and respite care contract for people with learning difficulties considered at the Executive on 16 November 2009 and which had been called-in for scrutiny. He outlined the reasons for the call-in and pointed out the while the Select Committee's recommendations did not seek to change the original decision, the Committee had sought assurances and proposed caveats. He referred to the Select Committee's recommendation that staff transferred be retained as long as possible and responded that this was the intention and TUPE (Transfer of Undertakings Protection of Employment) provisions applied which safeguarded existing staff's conditions of employment. Individuals could still decide to leave of their own volition. In response to the Select Committee's request that approval of the contract be subject to the unions' satisfaction with the pension arrangements, the Director stated that this would not be appropriate but the final decision would be made by the Council's General Purposes Committee. Councillor Colwill (Lead Member, Adults, Health and Social Care) apologised for being unable to attend the Select Committee meeting as he had a prior engagement.

The Chair proposed, and it was agreed, that the Select Committee's recommendations be noted with the exception of recommendation relating to pension arrangements. He also requested that the trade unions be kept informed of progress.

RESOLVED:-

- (i) that the recommendations from the Forward Plan Select Committee on 2 December 2009 in relation to the award of the contract for residential and respite care for people with disabilities be agreed with the exception of that at (iii) requesting that the contract The Camden Society be not agreed until the trade unions and their advisors were satisfied with the pension arrangements;
- (ii) that this Executive's decision taken on 16 November in relation to the authority to award the contract residential and respite care contract for people with learning difficulties be confirmed.

9. **Brent's Sport and Physical Activity Strategy 2010 - 2015**

Councillor Van Colle introduced the report which provided an overview of Brent's Sport and Physical Activity Strategy 2010 - 2015. The strategy had been developed and written by Brent's Community Sport and Physical Activity Network (Brent CSPAN), with CSPAN members responsible for ensuring the actions were undertaken to achieve the strategic themes and priorities. The Strategy was Brent's CSPAN's strategy of which the council was one of several key stakeholders. The Executive were being asked to agree key themes, target groups and three additional priority sports.

RESOLVED:-

- (i) that it be noted that the strategy was a joint sport and physical activity strategy produced by Brent's Community Sport and Physical Activity Network;
- (ii) that the findings of the Strategy be noted and agreement given to the strategy's vision to "*increase opportunities for, and levels of participation in sport and physical activity by all sections of the community resulting in improved health, well being, community cohesion and enhanced quality of life for those people who live, work, learn and play in Brent*";
- (iii) that agreement be given to the seven key themes, identified target groups and three new priority sports within the strategy as set out in paragraphs 3.17, 3.23 and 3.24 respectively and that the Council will build these in to all sport and physical activity related work;
- (iv) that the action plan detailed within the strategy (attached as appendix 1 to the report from the Director of Environment and Culture) be noted and agree that the Council will take the lead on those actions identified as such.

10. **Brent Cultural Strategy 2010 - 2015**

The report from the Director of Environment and Culture provided a background and overview of the new Brent Cultural Strategy 2010 – 2015 which was a joint strategy produced by the partners on the Brent Culture, Sport and Learning Forum and, as such, was designed to influence all providers of cultural services in Brent to help deliver a shared vision for culture in the borough. The Strategy set out a set of

eight agreed principles that partners have identified as key to achieving the shared vision for culture in the borough.

RESOLVED:-

- (i) that it be noted that the strategy was a joint Cultural Brent Strategy produced by the Brent Culture, Sport and Learning Forum;
- (ii) that the key principles and actions within the Strategy be approved and that these will be reflected in the Council's own direct service related 'sub strategies' as explained at paragraph 3.7 of the report from the Director of Environment and Culture.

11. **Disposal of properties at 776 and 778 Harrow Road**

The Director of Environment and Culture's report detailed how two properties located on the western edge of the park were surplus to Parks Service need and how capital secured from the sale of the two properties could be used to improve infrastructure and facilities within the park.

RESOLVED:-

- (i) that subject to consent from the Charities Commission and to paragraph (ii) below, agreement be given to the disposal of 776 and 778 Harrow Road to the Notting Hill Housing Trust and for the capital receipt to be used for improvements within Barham Park;
- (ii) that officers advertise the proposed disposal, as set out in paragraph 3.13 in the report from the Director of Environment and Culture and that authority be delegated to the Director to decide on the matter, unless in his opinion significant objections are received, in which case the matter will be reported back to the Executive;
- (iii) that officers develop an application for grant funding to the Heritage Lottery Fund, using the capital receipt from the disposal of the properties as match funding.

12. **Alperton Growth Area - a vision for change**

Councillor Detre (Lead Member, Regeneration and Economic Development) introduced the report from the Director of Environment and Culture which outlined a vision for how Alperton, identified as a growth area within the Local Development Framework Core Strategy, could be developed over the coming years which would form the basis of the Masterplan Supplementary Planning Document. Councillor Detre referred to the four key objectives of the transformation which related to the canal, improving links to the between Ealing Road and the High Street, improved housing, facilities and open spaces and improving employment opportunities. He moved the recommendations in the report.

RESOLVED:-

- (i) that approval be given to the vision as set out in report from the Director of Policy and Regeneration and the prospectus attached;
- (ii) that the Regeneration Team feed back to the local businesses, residents, landowners and all stakeholders the vision for Alperton;
- (iii) that a multi-disciplinary project team be established to drive forward the regeneration of this area in line with the ambitions set out in the vision. Encompassing Regeneration, Planning, Housing, Transportation, Communication, Consultation and Property specialists, the team will provide a holistic service for all development partners.

13. **The future of Brent in2 Work and employment provision within the Borough**

The report from the Director of Policy and Regeneration set out the proposed future role of the council in the delivery of employment services in the light of reduced funding opportunities. It presented a number of options to explore that could offer the council a new delivery model to support the borough's long term unemployed into work. Approval was being sought for the establishment of a Special Purpose Vehicle in partnership with Working Links, an opportunity to deliver appropriate training across the West London area. Councillor Detre (Lead Member, Regeneration and Employment) outlined the risks associated with the project, the requirement for the council and Working Links to contribute £1m each of working capital and the need for students to stay in a job for a minimum period in order for the government grant to be payable.

The Executive in discussion sought assurances on the assumptions to keep people in work for a year and also ensure a reasonable return for the council and the consortium. The Director of Finance and Corporate Resources contributed that following a meeting the preceding week, further data was sought from the partner and so agreement in principle was required at this stage subject to satisfactory analysis.

Councillor Detre also drew attention to contract the value which now had to be divided between two successful bidders at approximately £16m each.

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

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

RESOLVED:-

- (i) that the changing economic, policy and funding environment for the local delivery of employment services be noted;
- (ii) that the implications for the council's approach to employment, and specifically for the Brent in2 Work services be noted;

- (iii) that the proposed approach to allocating the remaining Working Neighbourhoods Transition Fund beyond April 2010, as set out in section 5 of the report from the Director of Policy and Regeneration be noted;
- (iv) that approval be given, in principle, to the establishment of a new Special Purpose Vehicle for the delivery of employment services, in partnership with Working Links, subject to the development of a satisfactory business model and in line with the Heads of Terms agreement set out in Appendix 1;
- (v) that agreement be given in principle to the contribution of £1 million of Working Neighbourhood funding to the SPV;
- (vi) that agreement be given in principle to the provision of the guarantees as set out in the report from the Director of Policy and Regeneration;
- (vii) that a further report be submitted in Spring 2010 setting out the draft Memorandum and Articles and Shareholder Agreement for the Special Purpose Vehicle;
- (viii) that the Council's participation in a full bid at Invitation To Tender stage for the delivery of the Flexible New Deal Contract for West London be endorsed;
- (ix) that the above approval be subject to the satisfactory outcome of the Director of Finance and Corporate Resources' review of analysis.

14. Increasing participation in recycling in flats task group report

The Executive received the report which brought forward the work, findings and recommendations of the Overview and Scrutiny Committee's task group investigation into increasing participation in recycling in flats. The task group was set up to identify how participation rates could be increased on estates in Brent to help the council reach its LAA target of 40% recycling of waste by 2011. The task group's findings related to the following areas: understanding our local population to raise the profile of recycling; resources available for recycling from flats; making recycling easy; communication, education and involving residents; and signage. The Director of Policy and Regeneration advised that the report would now go before the Council's Waste and Recycling Service Review project.

RESOLVED:-

- (i) that the recommendations contained in the task group report be considered as part of the Waste and Recycling Gold Project;
- (ii) that members of the task group be thanked for their work.

15. National Non-Domestic Rate Relief and Hardship Relief

The report from the Director of Finance and Corporate Resources set out details of applications received since the Executive in July 2009 for rate relief to charities or non-profit making bodies. The report also presented an application for relief on the grounds of hardship.

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

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

RESOLVED:-

- (i) that the discretionary rate relief applications in appendix 2 to the report from the Director of Finance and Corporate Resources be agreed;
- (ii) that the hardship application in appendix be not approved.

16. Collection Fund Surplus/Deficit at 31 March 2010

Councillor Blackman (Lead Member, Resources) introduced the report from the Director of Finance and Corporate Resources which was part of the Council Tax setting process for 2010/2011. The council was required to estimate the amount of any surplus or deficit on the Collection Fund as at 31 March 2010. This must be done by the 15 January 2010 and this report asked members to approve the balance projected. Councillor Blackman referred to the collection rate which continued to improve and the historic deficit not collected which would be shared with the GLA in its role as a preceptor.

RESOLVED:

that the calculation of the estimated Collection Fund balance as at the 31 March 2010 as a deficit of £1,500,000 be agreed.

17. Performance and Finance Review Quarter 2, 2009/10

The joint report from the Directors Finance and Corporate Resources and Policy and Regeneration summarised Brent Council's spending, activity and performance in Quarter 2, 2009/10 and highlighted key issues and solutions to them. It took a corporate overview of financial and service performance and provided an analysis of high risk areas. The report was accompanied by appendices providing budget, activity and performance data for each service area, the Local Area Agreement, ring fenced budgets and the capital programme. Vital Signs trend data and graphs were also provided along with the council's overall budget summary.

Councillor Lorber (Lead Member, Corporate Strategy and Policy Co-ordination) urged the Executive to take responsibility for their areas and to take up issues of underperformance with officers. Councillor Blackman (Lead Member, Resources) added that regular meetings would be held with officers to address areas of overspend.

RESOLVED:-

- (i) that the council's spending, activity and performance in the second quarter of 2009/10 be noted;

- (ii) that all directors ensure that spending is kept within budget and underperformance tackled, and that measures are taken, in consultation with relevant portfolio holders, to achieve this;
- (iii) that approval be given to the virements detailed in appendix F to the joint report from the Directors of Policy and Regeneration and Finance and Corporate Resources.

18. **Any Other Urgent Business**

None.

The meeting ended at 7.35 pm

P LORBER
Chair

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Executive
18 January 2010

Report from the Director of Children and Families Department

Wards affected:
ALL

Authority to invite tenders for short break services for disabled children and young people

Forward Plan Ref: C&F-09/10-016

1.0 Summary

- 1.1 This report seeks the authority to invite tenders for framework contracts for the provision of Short Break Services provided for disabled children and young people in their own home, as required by Contract Standing Orders 88 and 89.

2.0 Recommendations

- 2.1 The Executive to give approval to the pre-tender considerations and the criteria to be used to evaluate tenders as set out in paragraph 4.1 of the report.
- 2.2 The Executive to give approval to officers to invite tenders and evaluate them in accordance with the approved evaluation criteria referred to in 2.1 above.

3.0 Detail

Statutory Background

- 3.1 Various statutory provisions enable Short Break Services to be provided to disabled children and young people in their own home. The local authority, for example, has a duty under Section 17, Children Act 1989 to assess the needs of disabled children as 'children in need' and to provide a range of services which promote the upbringing of the child within their family, minimise the effect on disabled children of their disabilities and give disabled children the opportunity to lead lives which are as normal as possible. Short Break Services is one of a range of services which can therefore be provided to disabled children and their families under these duties. Additionally, Schedule 2 paragraph 8 of the Children Act 1989 enables the local authority to make 'home help' services available to families of children in need. The Chronically Sick & Disabled Persons Act 1970 also requires the local authority to

provide 'practical assistance' within the home where it is satisfied that it is necessary to do so to meet the needs of a disabled person.

3.2 In addition to its ability to provide Short Break Services to disabled children and young people, there is also a statutory ability to provide services for carers. The local authority has a duty to assess the ability of carers to continue to provide care to family members. Under Section 6 Carers and Disabled Children Act 2000 and Carers (Recognition and Services) Act 1995, if a person with parental responsibility for a disabled child provides a substantial amount of care on a regular basis for a child and asks a local authority to carry out an assessment of his/her ability to provide care for the child, the local authority must carry out such an assessment under section 17 of the Children Act 1989. Also, the Children and Young Persons Act 2008 amends the 1989 Children Act to make it a duty for Local Authorities to provide assistance for carers to have short breaks from caring for their disabled child.

3.3 In April 2003 the regulation of domiciliary care providers came into force. Before this date the industry had not been subject to official regulatory requirements. The National Minimum Standards for Domiciliary Care has introduced new specific requirements, in particular for NVQ training and induction for all new staff and managers. In addition all staff must have an enhanced check carried out by the Criminal Records Bureau (CRB) prior to commencing work. All domiciliary care providers are now required to be registered under the Care Standards Act 2000 and to be inspected by the Care Quality Commission to ensure they are meeting the minimum standards for domiciliary care.

Description of Service

3.4 Short Break Services can be provided to meet two main needs:

- (a) Short break support provided by a personal care worker to assist the parent/carer in meeting the specific care tasks arising from the child or young person's disability where it has been assessed that the parent / carer cannot meet these tasks without support.
- (b) a short break if it is assessed that it is not in the child or young person's best interests to receive a short break away from the family home due to age or disability or lack of suitable placements

3.5 The care worker can be asked to engage with the child or young person to provide support in a number of different ways. This can be

- Personal care to meet assistance with bodily functions such as feeding, bathing and toileting and non-physical care, such as advice, encouragement and supervision relating to the above tasks.
- Developing independent life skills, including money management through shopping; travel awareness, food and hygiene by helping to prepare meals.
- Emotional and psychological support, including the promotion of social engagement and behaviour management.

- Care management of behaviour challenges, to include a more intensive care service to enable social integration for the child
- Intellectual support, including assisting the child to do their homework, following any learning plan devised by the school.
- Social support to assist the child to develop friendships by access to local youth clubs, social or local community events i.e. cinema, places of worship, and other places of interest to the child.
- A more intensive personal care service for children with higher technology dependency and health care.

Current Provision

- 3.6 The Social Care Services for Disabled Children and Young Person's team has been responsible for commissioning 'short break' services for disabled children in Brent since the coming into force of the Children Act 1989. In December 2006 a contract commenced with Personnel and Care Bank Agency for a three year period with the option to extend the contract for a further two years. The Council also spot purchases on an ad hoc basis certain Short Break Services from other care agencies. The contract with Personal and Care Bank Agency has been extended by agreement beyond the initial 3 year period to 30 September 2010 to allow for continuity of services and a handover period should there be a change in service providers. However, due to some issues with the contract, officers do not wish to extend it for the full 2 years.
- 3.7 Once a Short Break package has been agreed, the needs of the child or young person and their parent /carers is be regularly reviewed to ensure that the package continues to meet their needs in the future.
- 3.8 Where the identified social care tasks for a disabled child are combined with meeting health care needs, Short Break Services are provided after an additional assessment of the child's continuing care needs under the Primary Care Trust 'Continuing Care' criteria. The PCT use these criteria to determine the level of responsibility it has to jointly meet these needs. The Council then commissions social care services under its existing contractual arrangements and the PCT commissions health services under its health care arrangements (the PCT generally spot purchases health care needs). In very limited circumstances, the Council may be asked to use its contractual arrangements to purchase both social care and health care, with the PCT then reimbursing the Council for the health care costs. At present no agreement under section 75 of the National Health Service Act 2006 exists with regard to such arrangements with the PCT but Officers are considering whether a section 75 agreement needs to be put in place for any future joint commissioning of Short Break Services and will report back to the Executive if it is considered appropriate.
- 3.9 Approximately 60 disabled children and young people up to the age of 19 now receive a total of 615 hours care at home each week. This is a decrease on the number who received care at home in January 2008 by 155 hours per week. This does not show a decrease in need for such services but reflects the fact that some of the families who originally received Short Break Service now arrange their own care at home services through Direct Payments provided by the authority, with families

preferring to use personal assistants they have recruited directly rather than rely on agency care workers.

Future Provision – Procurement Issues

- 3.10 The future provision of Short Break Services after December 2009 has been under consideration within Disabled Children Services for some time. A number of options have been evaluated. The Aiming High for Disabled Children transformation programme has given added impetus to design and offer more flexible Short Break Services which includes care at home to families of disabled children. The main options are for the service to return to a spot commissioning basis. This would allow flexibility for the service to be commissioned from one of the several agencies available to most suit the child or young person's needs but would reintroduce previous difficulties in the monitoring of quality standards. Another option would be tender for a block contract to commission a set number of short break service hours annually. This may be more administratively efficient but would not provide value for money as the block care hours would still need to be funded even if they have not been provided. The option which has been identified as the most suitable is for a framework contract to be awarded for a 3 year term, with the option of extending it for a further two years. It is considered that this option offers value for money, whilst offering an ability to monitor quality standards, provide continuity of services to clients and provide more flexible Short Break Services including care at home for families with disabled children.
- 3.11 The Social Care Services for Disabled Children and Young Person's team wishes to procure a Short Break Service for families of disabled children and young people which may occur in the child or young person's family home or in the community; and could be provided either during the day or at night. Officers consider that there are 3 distinct elements of a Short Break Service which are as follows:
- Lot 1: Personal care and short break support for disabled children and young people in their family home and or in the community.
- Lot 2: Short Break support in the family home and or in the community for children and young people with behaviour challenges and/or autistic spectrum disorders.
- Lot 3: Short Break support in the family home and or in the community for children and young people with complex health needs, including technology dependent children and young people.
- 3.12 Officers consider that all three lots identified in paragraph 3.11 should be procured separately in order to attract as many tenders as possible. Officers are conscious however that some providers will bid for two or all three 3 lots and may be able to reduce costs as a result. Providers will be asked to indicate as part of the tender process whether prices will be reduced if awarded more than one framework contract. Officers therefore wish to procure all lots at the same time with the possibility of awarding more than one lot to one provider if this proves to be economically advantageous.

Future Procurement – Consultation Issues

- 3.13 Continuing consultations have taken place with existing parents/carers. This will inform the exact specification for the new service. Consultation has taken place in the form of a questionnaire which has been sent out to all parents/carers, as well as consultations undertaken through the Aiming High for Disabled Children initiative.
- 3.14 In addition, consultation has taken place with children and young people who have identified the packages of short breaks they would like to engage in which include activities away from their home.
- 3.15 Parents/carers will be invited to a consultation meeting where they will be informed of the tendering process and where they will be asked for their views on the service currently being provided and what/how improvements can be made.
- 3.16 During the tender process it is intended to involve one of the service user's relatives in the process of evaluating tenders. Whilst their role will not involve the scoring of tenders, they will consider the tenders and provide observations from a carer's perspective of the relative merits of the tenders.

Future Procurement - Contract Issues

- 3.17 The framework contracts will require the provider(s) to deliver the service which is culturally sensitive and meet any appropriate gender requests of parents/carers and to ensure that they maintain appropriate staff to fulfil this.
- 3.18 One of the consistent factors of high performance that has been identified throughout the monitoring of the current service provider is that of continuity of care worker, whereby the same care worker(s) regularly attend the same child/young person. Obviously the potential changeover between service providers is an anxious time for parents/carers and the children and young people because the continuity of care worker is not guaranteed. To address this Officers are recommending that the contract period is 3 years with an option to extend the framework contracts for a further 2 years subject to satisfactory performance.

Future Procurement - Monitoring

- 3.19 The framework contracts will be monitored by an Officer of the Integrated Services for Disabled Children. Monitoring of the service delivery is undertaken against a service specification and any service failures and complaints are investigated.
- 3.20 Officers have regular contact with the current service providers and hold regular monthly contract meetings. Officers will also undertake an annual site visit where service provider's records, premises, etc are checked thoroughly.
- 3.21 The Care Quality Commission will also be inspecting the service provider(s). It is envisaged that the framework contract will be more service user centred, involving greater user involvement and feedback and can be more focussed on service quality within the resources available. Annual service user satisfaction surveys will continue to be carried out.

Future Procurement – PCT involvement

- 3.22 As detailed at paragraph 3.8, where a child has both social care needs and health care needs, generally the council will purchase social care under its own contractual arrangements and the PCT commissions health services under its health care arrangements. In very limited circumstances, the Council may be asked to use its contractual arrangements to purchase both social care and health care, with the PCT then reimbursing the Council for the health care costs. It is proposed that this arrangement will continue in future with the framework contracts for Lots 1-3 used only on limited occasions to purchase both social care and health care, with the PCT then reimbursing the Council for the health care costs. As this is only likely to happen on very limited occasions, it will have minimal impact on the contract value. As there is however a possibility that PCT funded health care services may be purchased under the framework contracts, it is intended to include a PCT representative on the tender evaluation panel.

4.0 Pre-Tender Considerations

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

Ref.	Requirement	Response								
(i)	The nature of the service.	Provision of Short Break Services for disabled children and young people.								
(ii)	The future estimated value of the framework contracts	Lot 1 - £800k over 5 years (£440k over 3 years)_ Lot 2 - £200k over 5 years (£160k over 3 years)_ Lot 3 - £500k over 5 years (£300k over 3 years)_								
(iii)	The contract term.	3 years with an option to extend for a further 2 years								
(iv)	The tender procedure to be adopted.	A two stage process in accordance with the Council's Standing Orders. As Social Care transactions are 'Part B Services' for the purposes of the EU Regulations, the Regulations are of residual application only (forwarding of contract award notice, etc.) and do not dictate the procurement process to be followed.								
(v)	The procurement timetable	<table border="1"> <thead> <tr> <th>Indicative dates are:</th> <th></th> </tr> </thead> <tbody> <tr> <td>• Adverts placed</td> <td>20.01.10 – 10.02.10</td> </tr> <tr> <td>• : Expressions of interest (Pre-Qualification Questionnaire) returned</td> <td>19.03.10</td> </tr> <tr> <td>• Shortlist drawn up in accordance with pre-determined minimum standards as to financial and technical</td> <td>05.04.10 & 06.04.10</td> </tr> </tbody> </table>	Indicative dates are:		• Adverts placed	20.01.10 – 10.02.10	• : Expressions of interest (Pre-Qualification Questionnaire) returned	19.03.10	• Shortlist drawn up in accordance with pre-determined minimum standards as to financial and technical	05.04.10 & 06.04.10
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• Shortlist drawn up in accordance with pre-determined minimum standards as to financial and technical	05.04.10 & 06.04.10									

		<p>competence</p> <ul style="list-style-type: none"> • Invite to tender • Deadline for tender submissions • Initial panel evaluation • Site visits • Interviews / Presentations • Panel evaluation • Report recommending Contract award circulated internally for comment • Executive approval • Contract start date 	<p>07.04.10</p> <p>18.05.10</p> <p>01 – 03.06.10</p> <p>03 – 09.06.10</p> <p>10.06.10</p> <p>14.06.10 – 15.06.10</p> <p>22.06.10</p> <p>12.07.10</p> <p>01.10.10</p>
(vi)	The evaluation criteria and process	<p>Shortlists are to be drawn up in accordance with the Council's Contract Management Guidelines namely the pre qualification questionnaire (PQQ) and thereby meeting the Council's financial standing requirements, technical capacity and technical expertise. The PQQ will also contain social care scenarios which require detailed responses from applicants to demonstrate technical expertise, good practice and experience. The panel will evaluate the tenders against the following criteria:</p> <p>Price</p> <p>Quality – consisting of the following:</p> <ul style="list-style-type: none"> • Business Continuity Planning and Disaster Recovery Planning • Best value considerations- Quality, Personnel & Service Provision Methodology to include Contract Management Records. • Implementation Plan – detailing how the services will be performed and carried out. • Proven record of working with Children and Young People up to 19 years old. • Plan to maintain diversity of staff during the contract term • Plan to maintain cultural sensitivity and equalities in service delivery during the contract term. 	
(vii)	Any business risks associated with entering the contract	<p>No specific business risks are considered to be associated with agreeing the recommendations in this report.</p>	

(viii)	The Council's Best Value duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(ix)	Any staffing implications	See sections 6 below
(x)	The relevant financial, legal and other considerations	See sections 5, 7 and 8 below

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

5.0 Financial Implications

5.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1m shall be referred to the Executive for approval to invite tenders and in respect of other matters identified in Standing Order 90.

5.2 The estimated contract value for the new play Short Break Services framework contracts over the 5 year term (3 contract years plus the optional extension of up to two years) will be £1,500,000. This will be met from existing budgets.

5.3 The value of the individual framework contracts will be:

Lot 1 - £800,000
Lot 2 - £200,000
Lot 3 - £500,000

5.4 There will be costs incurred in the contract process for professional advice, in particular legal. These will be funded from existing resources.

6.0 Staffing Implications

6.1 This service is currently provided by one main external provider and there are no implications for Council Officer staff arising from this tendering exercise.

6.2 The Transfer of Employment (Protection of Employment) Regulations 2006, ("TUPE") operate so as to protect the continuity of service and the terms and conditions of employees where there is a "service provision change" as defined by TUPE i.e.

- (a) activities cease to be carried out by a contractor on a client's behalf and are carried out instead by another contractor on the client's behalf or by the client on its own behalf ; and
- (b) immediately before the change in the person carrying out the activities there is an organised grouping of employees situated in Great Britain which has as its principal purpose the carrying out of the activities concerned on behalf of the client and where the employees are assigned to the organised grouping of employees.

- 6.3 TUPE will also operate to protect the continuity of service and the terms and conditions of employees where there is a transfer from one person to another of an economic entity which retains its identity and where the employees are assigned to the economic identity which has been transferred.
- 6.4 Subject to the right of the employee to object to transferring, in the case of a service provision change the employee's contract of employment will transfer to the person who has taken over the carrying out of the activities while in the case of the transfer of an economic entity the employee's contract of employment will transfer to the person to whom the economic entity was transferred.
- 6.5 The communication of relevant staffing information by the transferor to the transferee and the provision of information about the implications of the transfer by the transferor and transferee to representatives of their staff affected by the transfer is a required part of the transfer process
- 6.6 In the present case, if the framework contracts are awarded to one or more new contractors TUPE may apply so as to transfer from the current contractors to the new contractor(s) those employees of the current contractors who spend all or most of their working time on the activities taken over by the new contractor(s).

7.0 **Legal Implications**

- 7.1 The Council has the necessary powers to enter into the proposed contracts under (amongst other provisions) s26 and s29 of the National Assistance Act 1948, s45 of the Health Services and Public Health Act 1968, s2 of the Chronically Sick and Disabled Persons Act 1970, the Children Act 1999 and s2 of the Local Government Act 2000, all in conjunction with s111 of the Local Government Act 1972.
- 7.2 The estimated value of Lots 1 and 3 over their lifetime is in excess of £500,000 and therefore the procurement and award of these contacts are subject to the Council's Contract Standing Orders and Financial Regulations in respect of High Value contracts . The estimated value of Lot 2 over its lifetime is in excess of the current EU procurement threshold and therefore the procurement of the contract is subject to the Council's Contract Standing Orders and Financial Regulations in respect of Medium Value contracts. As all contracts are to be procured together however, approval is sought to tender all three contracts
- 7.3 The framework contracts are for Part B Services under Public Contracts Regulations 2006 ("EU Procurement Regulations") and are therefore not subject to the full application of the EU Procurement Regulations. They are however, subject to the overriding EU principles of equality of treatment, fairness and transparency in the award of the process.
- 7.4 As the framework contracts are for Part B Services, they are not subject to the provisions under EU Procurement Regulations regarding the establishment and operation of frameworks. The framework contracts will however operate in a similar manner to single provider frameworks established under the EU Procurement Regulations, with there being call-offs from the framework contract for individual short break packages of care.

7.5 Once the tendering process is undertaken Officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering the contracts and recommending award.

7.6 As detailed in paragraph 3.8, no agreement under section 75 of the National Health Service Act 2006 exists with regard to current joint commissioning arrangements with the PCT but Officers are considering whether such agreement needs to be put in place if there is to be joint commissioning under the proposed framework contracts and will report back to the Executive if a section 75 agreement is considered appropriate.

8. **Diversity Implications**

8.1 Equalities issues are a core requirement for this contract. An equalities impact assessment has been completed. Diversity and equality perspectives will form part of the evaluation of the tendering organisations' capacity to deliver the services.

8.2 Contracts currently require providers of health, social care and housing support services to deliver services which are

- culturally sensitive by providing cultural awareness training for all care workers, matching language requirements if specifically required where possible and recruiting a local workforce which reflects the communities of Brent;
- able to offer parents/carers a male or female support worker if specifically requested;
- able to care for disabled children and young people through all staff receiving specialist training in specific areas such as management of challenging behaviour,

8.3 The contract will continue to require the provider to deliver the service in this way. 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 parents/carers, monthly monitoring meetings and provision of quarterly Performance Indicators.

9.0 **Background Information**


Short Break Procurement File

Contact Officer(s)

George Riley, Head of Social Care Services for Disabled Children, Children and Families Department

Graham Genoni, Children and Families Department, Assistant Director Social Care

John Christie
Director of Children and Families

	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Environment and Culture</p>
<p style="text-align: right;">Wards affected: ALL</p>	
<p style="text-align: center;">Comments on the Mayor of London's Transport Strategy, Economic Development Strategy and Draft Replacement London Plan – Consultation Response</p>	

Forward Plan Ref: E&C-09/10-30

1.0 Summary

1.1 This report sets out comments on the consultation draft of the Replacement London Plan. The London Plan is legally part of the council's development plan and must be taken into account when planning decisions are taken. It is therefore important to comment on the Replacement Plan that will set planning policy for the whole of London and for this borough in particular. The Mayor of London is also charged with producing a number of strategies including a Transport and an Economic Development Strategy and these are also out to public consultation. The Mayor's Transport Strategy sets out his plans for London's transport over the next 20 years. The Economic Development Strategy is the Mayor's broad vision to keep London an economic success. Officer's comments on the Replacement Plan and the two strategies are set out in the report. At its meeting on 10 December 2009, the Planning Committee agreed the above comments on the draft Replacement London Plan (subject to any further comments from the Executive). In order to meet the deadline for submission of comments officers have submitted the above comments to the Mayor of London but have said that this is subject to any further comments from the Executive.

2.0 Recommendations

That Executive agrees

2.1 The comments on the Consultation Draft of the Replacement London Plan; and

- 2.2 The comments on the Mayor's Transport Strategy; and
- 2.3 The comments on the Mayor's Economic Development Strategy; and
- 2.4 That these comments on the Transport Strategy and the Economic Development Strategy be sent to the Mayor of London to form Brent Council's response to the consultation on these documents and that the Council confirms that it has no further comments on the draft Replacement London Plan in addition to those set out below.

3.0 Detail

Replacement London Plan

- 3.1 The Replacement London Plan was published in October 2009 for public consultation. Any comments on the draft plan must be submitted by 12 January 2010. The next stage will be an Examination in Public in summer-autumn of 2010 and the new plan being adopted probably in early 2011. This Replacement Plan is intended to replace the 2004 London Plan with the 2008 alterations. It is intended to be the framework for the development of London until 2031 integrating the Mayor's transport, economic development, housing and cultural strategies as well as addressing other social and environmental issues. It provides the policy context within which boroughs set their planning policies and the basis on which the Mayor considers strategic applications referred to him. Although the Mayor was keen to have a Replacement Plan rather than a further amendment to the existing plan, many of the key policy drivers remain. Many of the big issues, such as sustainability, are moved forward, but the direction of travel remains fundamentally the same. This report concentrates on commenting on the key changes to policy and occasionally on the lack of change to the Replacement Plan. There is of course much to support in the Replacement Plan also and support to key policy changes is indicated.

Mayor's Transportation Strategy

- 3.2 The Mayor's Transport Strategy was also published in October 2009 for public consultation with a deadline of 12th January 2010 for responses. The Strategy will not have an Examination in Public. The Mayor will consider any responses, alongside responses to the Replacement London Plan and Economic Development Strategy, and is anticipated to publish the final Strategy in Spring 2010. The Strategy sets out the Mayor's transport goals, policies and proposals to support the development of London, as set out in the Replacement London Plan and Economic Development Strategy, through the period to 2031. The Strategy will provide the framework against which the Mayor, through Transport for London (TfL), and the London Boroughs will develop local transport policies and deliver projects and initiatives. The Strategy is cross-referenced against TfL's current Business Plan which sets out TfL's programme of investment in transport to 2017/18. Subsequent to publication of the final Mayor's Transport Strategy every London Council will be required to produce a Local Implementation Plan, The

for the Mayor's approval, setting out how it's transport policies and proposals will support implementation of the Mayor's Transport Strategy. Once published, the Mayor's Transport Strategy will replace the current Strategy which was published in 2003. The Strategy has been developed from the Mayor's Direction of Travel document on transport ("Way to Go") and the Mayor's Statement of Intent which were published for consultation in November 2008 and May 2009 respectively.

Mayor's Economic Development Strategy

- 3.3 The Mayor's Economic Development Strategy completes the Mayor's suite of three strategies published for public consultation in October 2009. The 12th January 2010 is also the deadline for responses. Entitled 'Rising to the Challenge', this draft strategy builds on a consultation from earlier in the year identifying key proposals for the EDS to take forward. The strategy sets out the Mayor's ambitions for economic development in the capital through five overall objectives, through to 2031 but with the acknowledgement that many of its policies are focused on the immediate future. The strategy will be used to provide the GLA group and other strategic organisations with a vision and policy direction on economic development. It also aims to clarify the roles and responsibilities of other partners that contribute to London's economy.

The LDA's Investment Strategy for 2010-2013 was very recently published for consultation. It sets out the LDA's investment strategy with regard to regeneration and economic development. However at the time of writing this report, this document has not been available to view on the LDA website and therefore will not be covered in this report.

Replacement London Plan Detailed Analysis

- 3.4 The proposed Replacement Plan is organised under eight chapter headings. Comments on the Replacement Plan are made under these headings. Replacement Plan Policies consist of strategic statements of Mayoral policy, planning decisions policy and LDF advice to the boroughs. This report will attempt to cover the key issues for the borough but members may wish to add others. The whole Replacement Plan can be found on the GLA's website via this link: <http://www.london.gov.uk/shaping-london/london-plan/docs/london-plan.pdf>

1 Context and Strategy-covers main issues such as population and infrastructure growth, climate change, poverty and disadvantage and the Mayor's vision and objectives

2. London's Places-covers regions, industrial land and town centres, open space networks

3. London's people-covers housing, education and health

4. London's Economy

5. Response to climate change

6. Transport

7 Living Places and Spaces-covers place shaping, protecting historic environment and open space, safety, air & noise pollution.

8. Implementation, Monitoring & Review

Context and Strategy

- 3.4 The overall strategy is to support continued population growth securing increased levels of employment and ensuring sufficient infrastructure is provided. The challenge of climate change is dealt with, even with enhanced growth. The plan's objectives are not so far removed from the previous London plan but the Mayor intends to take a more consensual approach to planning, giving the boroughs more say in many planning matters. This change in emphasis is welcomed.

London's Places

- 3.5 This section deals with the general spatial strategy for London. The Plan recognises Park Royal and Wembley as Opportunity Areas and the London-Luton-Bedford growth corridor-these are unchanged from the current London Plan, although the Opportunity Area at Colindale has been extended to include the Brent side of the Edgware Road and it is now called Colindale/Burnt Oak. Policy 2.8 seeks to recognise and address the orbital transport needs of outer London referring to Policy 2.6 in the Transport section of the Replacement Plan. However, the proposals and map within policy 2.6 demonstrate the lack of proposed investment in orbital transport proposals. The Replacement Plan needs to recognise and promote a wider range of potential proposals at the very least and make a greater commitment to orbital transport improvements.
- 3.6 Policy 2.16 identifies strategic outer London development centres which the mayor suggests bringing forward distinct business offers. Wembley is identified as having greater than regional importance for leisure/tourism. Although the Replacement Plan recognises that more work will be done through the designation of centres such as Wembley as "*opportunity areas*", your officers are concerned that the designation is a little one dimensional. Wembley will provide a significant amount of new specialist and non-specialist retail floor space which will complement its leisure role and this should be referred to in the table.

London's People

- 3.7 The Replacement Plan supports the retention of existing community facilities and encourages the identification of clusters of specific groups that need cultural facilities, meeting places or places of worship. This policy is welcomed.

- 3.8 The current London Plan seeks to provide 30,500 additional homes per year and the new proposed target is 33,400 homes (table 3.1), an increase of 2,900 units per annum. This increase seeks to make up for the current shortfall in the delivery of market and affordable housing sectors owing to the current recession. However, Brent's ten year target is 10,650 or 1,065 per annum. This is marginally lower than the current London Plan target and is welcomed as a reasonable and achievable minimum figure.
- 3.9 The density matrix of the last London Plan is proposed to be retained but with more useful qualifications that it is not the sole consideration and developments must meet other plan policies including design principles, housing choice, play provision and sustainability issues. A specific and welcomed change is the introduction of minimum space standards (table 3.3) that are above Brent's current Design Guidance (SPG17). For example one bed flats should be a minimum of 50m² (45m² in SPG17), 3 bed 5 or 6 person units, 86-100m² (80-85m² in SPG17). Providing larger units offsets some of the impacts of higher density development and addresses the fact that we have among the smallest dwelling space standards in Europe.
- 3.10 There will be greater emphasis on the design quality of new residential development (policy 3.5), an offer to boroughs that they can introduce a presumption against development on back gardens, that large housing sites should deliver necessary infrastructure (3.7) and that a greater range of choice in housing be delivered, notably, affordable family homes (policy 3.8). These policies, which in total move the emphasis from maximising housing density to optimising it, giving more weight to the provision of family housing for example, are supported by the council. Regarding policy for the design of new buildings, policy 7.1 under D states that design "*....should help reinforce or enhance the character, legibility and permeability of the neighbourhood.*" This new emphasis on local character is welcomed.
- 3.11 Policy 3.10 and Table 3.4 requires Brent to provide an additional 20 Gypsy and Travellers pitches out of the 538 required in London. Brent's requirement is the 11th highest in London. The policy does not assist in providing resources for such provision and the Replacement Plan should make it clear that such provision comes with an allocation of resources from the Mayor or from central government that recognises the capital and revenue costs of such provision. It is also likely that the council will need to secure private sites for gypsy and travellers and will need to undertake CPO activity which requires some up-front funding commitments.
- 3.12 The 50% strategic affordable housing target is abandoned (Policy 3.12). This long-standing policy objective will be dropped and replaced with a flexible policy that 'seeks to maximise' affordable housing provision with an average target of at least 13,200 more affordable homes per year in the capital. Clarification is required on this change because it appears to set a new target of 40% i.e. 13,200 as a proportion of 33,400. It will be up to boroughs to set an overall target in

terms of numbers or proportions. There is greater support for intermediate housing (Policy 3.12). This is proposed to change from the 70:30 split between social rent and intermediate tenures to 60:40. This is welcomed but recognition should be given to the problems of funding (both mortgage availability and grant availability) that may make the target difficult to achieve in the short term.

- 3.13 The Mayor wants to see a higher proportion of family housing in the social rented sector. His affordable housing SPG sets out the demand for 42% of all dwellings to be 3 bed or more. This supports Brent's own needs, but such a policy should be included in the Replacement Plan and criteria that allow some flexibility in the target should be set out, such as estate regeneration, the appropriateness of some sites for high levels of family housing and so on.
- 3.14 The Mayor supports (policy 3.17) the protection and enhancement of social infrastructure to meet the needs of its growing population, a matter which Brent supports. It is important, however, that the planning obligation and Community Infrastructure Levy (CIL) policies do not lose sight of these objectives by securing development value in support of other strategic planning objectives at the cost of provision in infrastructure.
- 3.15 The Replacement plan supports the need for new high quality healthcare and education facilities and the protection of existing facilities. Policy 3.19 makes note of the projected shortage of primary school places but offers little of a strategic nature to help secure the necessary financial assistance to bring this about. A clear reference to resourcing through planning obligations and seeking support from government for new school provision in the capital should be added. The comments on the implementation section bring this matter into sharper focus. The Mayor appears to be suggesting a local focus whilst looking to secure S106 funding for a wider range of strategic matters that may not assist boroughs in securing necessary local infrastructure investment, particularly social and community infrastructure.

London's Economy

- 3.16 This section of the plan deals with office, industrial, retail and town centre policy. In terms of offices, while there is a recognition that outer London will provide 22% of total office floorspace growth there is no mention of centres such as Wembley (recognised as one of the few suburban areas that could support new office development longer term in a GLA report on Office development) which could provide new office space in the longer term as part of mixed development. Wembley should be named as an area that can support consolidation of its stock and encouragement of new stock as part of its expanding town centre offer in the longer term. The London Council's response on this matter also make the point that the office market in outer London is diverse and the plan should not treat the whole of outer London as homogenous, unlikely to change over time.

- 3.17 While the general protection of Strategic Industrial Land (SIL) is supported, there is no reference to the current economic downturn and whether the demand analysis conceived at the height of the boom is still appropriate. The concern from Brent is the significant amount of vacant land and buildings in Park Royal and the objection to loss of a small part of the SIL that will enable development of industrial land. Policy should allow for small amounts of enabling development on the edges of SIL that support wider industrial land improvement objectives.
- 3.18 The identification of Wembley as one of London's Strategic Cultural Areas (policy 4.6 and map 4.2) is strongly supported. Either a map or reference to the role in Wembley in London's visitor policy (4.5) should also be made because of its strategic importance in outer London.
- 3.19 Policies for town centres remain much as they were in the 2004 London Plan. Policy 4.7 requires that the scale of retail, commercial and leisure development should be related to the size, role and function of the town centre, and to follow the sequential approach to development. However, there are some issues relating to the classification of centres shared with neighbouring boroughs which need to be addressed if this policy is to be applied appropriately and consistently.
- 3.20 The draft replacement London Plan shows Colindale and Kenton as District Centres whereas Brent's draft Core Strategy classifies these two centres as Local Town Centres. Although these were classified at the time of drafting to be consistent with neighbouring boroughs, Barnet now describe Colindale as a District Centre in their Area Action Plan for Colindale therefore, in the interests of consistency, Brent should accept this. However, Kenton continues to be classified as a Local Centre in Harrow's draft Core Strategy as well as Brent's therefore it is recommended that representations be made to the Mayor suggesting that it is consistent for the London Plan to also recognise this.
- 3.21 The Mayor also introduces an affordable shop units policy (Policy 4.9). Where appropriate, feasible and viable, the Mayor will seek the provision of affordable shop units when considering large retail developments (typically over 2,500 sq m). This could be used, the Mayor advises, in areas or in developments that have a shortage of such provision.

Response to Climate Change

- 3.22 The Mayor, in line with his target to reduce CO2 emissions by 60% by 2025 (on 1990 levels), looks at a lean (reduce energy demand through design), clean (decentralised supply) and green (renewable) approach. The change in emphasis in the current London Plan from renewables to greater flexibility on tackling climate change is welcomed. Also, the targets are more ambitious than the adopted

London Plan in that they provide an incremental CO2 reduction throughout the lifetime of the London Plan, which the previous London Plan did not do. The plan proposes that 25% of the heat and power used in London should be generated through the use of local decentralised energy systems by 2025. How this will be achieved is not explained in any great detail. It is anticipated that major developments will be required to provide this. The plan sets targets to minimise carbon dioxide emissions from major developments and all new major residential developments and non-domestic buildings will have to be zero carbon after 2016 and 2019, respectively. The council welcomes a clearer approach to non-residential buildings and energy targets than has been the case hitherto.

- 3.23 There are two comments to be made on policy 5.2 and policy 5.5 (Decentralised Energy Networks). The council's experience of decentralised energy networks is that they are possible but require some significant upfront funding which is not justified by the base load needed to make them viable. The Mayor should agree to act with energy suppliers and Government principally in order to secure investment funding to bring forward and secure key decentralised networks at an early stage of the development process. The second comment is that it is by no means certain that zero carbon development will be viable by 2016 and the policy should allow for some flexibility. A new policy emphasises the importance of retrofitting, and boroughs are expected to identify opportunities to reduce CO2 from existing stock and develop detailed policies on retrofitting. This is supported but needs a realistic assessment and identification of the resources required for such action.
- 3.24 The targets for the proportion of London's waste to be processed within London have been dropped and replaced by a less rigid policy (5.16) of managing as much of London's waste within London as practicable. This is supported, as there are opportunities to process West London's waste just beyond London's boundary whilst still meeting the objective of dealing with the waste in close proximity to the source.
- 3.25 In recognition of declining levels of municipal waste arisings, the Mayor has reviewed the waste arisings and, consequently, the amount that is apportioned to boroughs for dealing with. The revised figures have been published separately from the draft Plan in October and were made available for consultation in December. These figures will be important in assessing the amount of land needed for waste management purposes to be identified in the forthcoming joint West London Waste Development Plan Document. They show that the overall (Municipal Solid Waste and Commercial and Industrial Waste) projected waste arisings in Brent are down from 355,000 tonnes for 2010 in the current adopted London Plan to 338,000 tonnes for 2011 in the newly published figures. This results in an apportioned figure for Brent (i.e. that which is required to be dealt with within Brent) reduced from 284,000 tonnes in the existing Plan to 249,000 tonnes in the new estimated figures. The outcome therefore, when the revised

figures for West London are combined, will be a need for less land to be identified than previously estimated in the joint West London Waste Development Plan Document. Brent should, therefore, express support for these revised projections.

Transport

- 3.26 The plan seeks financial contributions of up to £600 million towards Crossrail and other strategically important transport infrastructure from new development, subject to viability. The council has already commented on the application of the crossrail Levy and these concerns still stand. Policy 6.4 sets out the main priorities for public transport system improvements, which include cross London and orbital rail links. This would be welcomed but, as Map 6.1 shows, there are no significant orbital transport improvements connecting Brent's key centres with adjoining boroughs such as Ealing-Wembley-Brent Cross. The draft Replacement London Plan continues to lack any substantive proposals to improve orbital public transport in outer London: this matter should be in a long term strategy and, at the very least, other ideas to better link town centres orbitally, especially significant improvements to bus services such as that which would be provided by Fastbus, should be committed to. Parking standards in town centres and for office developments can be enhanced where there is a lack of public transport and a regeneration need: this would appear to be a short term expedient over the need to provide better connected town centres in the suburban boroughs.
- 3.27 The plan reiterates the Mayor's opposition to any further capacity increases at Heathrow (policy 6.6), but recognises that airport capacity serving the capital and the south east must be sufficient to sustain London's competitive position.

Living Places and Spaces

- 3.28 This chapter of the Replacement plan re-states previous plan policy to achieve worthy objectives such as building inclusive environments, protecting heritage and views, promoting biodiversity, integrating public realm and providing secured by design environments. The policy on respecting local character in terms of design is fleshed out from previous London Plan policy. Schemes need to have regard to pattern and grain of existing streets in orientation, scale, proportion and mass, human in scale and informed by the surrounding historic environment. This elaboration on existing policy is welcomed. Similarly the policy on Architecture (7.6) sets out more helpful criteria in which to judge schemes.
- 3.29 Previous Mayoral statements had suggested that the future opportunities for tall buildings in London would be extremely limited. Under this change, these will be directed to the Central Activity Zone, Opportunity Areas, Areas of Intensification and Town Centres that have good access to public transport. Policy 7.7 of the Replacement Plan suggests more opportunities for tall buildings in London than

previously thought and, as it accords with Brent's approach in its Core Strategy, the policy is supported.

Implementation

- 3.30 Policy 8.2 on S106/Planning obligations emphasises that priority is to be given to securing contributions for affordable housing, Crossrail and other transport improvements. The Mayor argues that development proposals should address strategic as well as local priorities. This will be important in negotiations with the Mayor's office as he appears to seek a greater proportion of s106 payments that we currently use to mitigate the effects of development locally, as opposed to funding a London-wide infrastructure improvement. The council objects to the policy that seeks to allow for a balance without knowing what the Mayor's Strategic S106 demands are. Brent has produced its own Infrastructure and Investment Framework and the Mayor should do likewise so that boroughs can assess the level of those S106 demands and their soundness. This would allow scrutiny in the same way as happened with the Crossrail levy. Significantly, Policy 8.3 relates to the Community Infrastructure Levy and advises that this will be subject to separate guidance. The Mayor should not impose strategic priorities on the borough through the use of planning obligations and at the same time not assist more in key local infrastructure issues such as local primary school provision. The balance of determination on S106 should be with the borough - this is a proper bow to local priorities that the Mayor espouses.
- 3.31 Policy 6.5D refers to the Crossrail Planning Obligations and the Council is seeking clarification that the 'location' considered reference in the policy, is that of the 'location' of the development relative to Crossrail. This point is being raised by the Council at the Crossrail SPD Examination in Public, to ensure that Brent is not unduly affected by any Crossrail S106 requirements if there are no Crossrail stations in the borough.
- 3.32 Planning Obligations are covered in policy 8.2, with part A proposing a voluntary pooling of contributions across London. There is little benefit to the Council of it being given more weight through the London Plan. The Council will also seek clarification in 8.2L as it refers to 'contributions to the full cost of the mitigation'. It is unclear if this is a percentage contribution of the total cost, or a financial contribution equal to the full cost.
- 3.33 Annex 1 of the plan contains details of areas of Opportunity and Intensification. This list is largely unchanged from the current London Plan, apart from the Colindale Opportunity Area being extended to include Brent sites on the west side of the Edgware Road / Burnt Oak Broadway. Brent has been working hard to develop new areas of opportunity such as Alperton Canal side, developed through the Core Strategy and now being fleshed out in further planning guidance. This proposes a significant new neighbourhood of at least 1600 homes.

This should be included as a new Opportunity Area in the Replacement Plan.

London Plan Concluding Comments

- 3.34 The change in emphasis in giving the boroughs more say in planning their own boroughs is welcomed. However, Brent is concerned that the objective to fund strategic transport and other strategic matters through planning obligations now, and latterly through CIL, indicates a change in the opposite direction.
- 3.35 The London Plan needs to offer a more comprehensive vision and commitment to the improvement of orbital public transport linking outer London town centres.
- 3.36 Wembley should be identified not only as a visitor destination but for its mixed use development including retail.
- 3.37 Brent Council supports the policy of retaining and expanding specific cultural facilities.
- 3.38 The London Plan housing target is supported by the council.
- 3.39 The minimum flat size standards are supported by the council in high density development, as is the move towards improving the design quality of new residential development and optimising rather than maximising density.
- 3.40 The council supports the aim of increasing affordable family housing but seeks a recognition that this may not be appropriate on every site.
- 3.41 The ability to stop back garden development is welcomed.
- 3.42 The council cannot deliver its Gypsy site allocation without a clear understanding of the funding avenues available to secure and develop such sites.
- 3.43 The council supports the protection and enhancement of social infrastructure but is concerned that policy requiring planning obligations pay for strategic planning requirements should not undermine this policy objective.
- 3.44 The shortage of school places requires a more rounded initiative from the Mayor with the boroughs. He needs to support development on suitable sites and to lobby for appropriate funding, including the provision of local S106 funds that will take priority over strategic requirements.

- 3.45 The London Plan should recognise areas such as Wembley that have the potential to deliver office floorspace in the longer term when retail and other facilities may make co-location more attractive.
- 3.46 The council supports the provision of decentralised energy networks but on condition that the mayor works with boroughs, government and energy providers to secure investment that allows their provision earlier in the development process. Retrofitting of existing stock is also supported but needs a realistic assessment of resources identified to undertake such work.
- 3.47 The Mayor should consider small scale enabling development on some SIL sites (on the edge of major SIL areas) where there are significant amounts of vacant land if it brings forward industrial and warehousing development.
- 3.48 The council supports the identification of Wembley as one of London's Strategic Cultural Areas.
- 3.49 The council considers that insufficient commitment is given to the expansion of orbital public transport modes that connect outer London's key town centres, even if this was in the longer term or comprised of substantial improvements to orbital bus services.
- 3.50 The need to better protect existing areas of residential character is supported, while the tall buildings policy appears to be a reasonable way forward.
- 3.51 S106 obligations should prioritise local and not strategic projects until the Mayor has set out a comprehensive Investment and Infrastructure framework at which point the merits of local and strategic needs can be properly debated.
- 3.52 The Mayor should include other emerging areas of opportunity identified by the borough such as Alperton.
- 3.53 At its meeting on 10 December 2009, the Planning Committee agreed the above comments on the draft Replacement London Plan (subject to any further comments from the Executive). In order to meet the deadline for submission of comments officers have submitted the above comments to the Mayor of London but have said that this is subject to any further comments from the Executive.

4.0 Mayor's Transportation Strategy – Detailed Analysis

- 4.1 The draft Mayor's Transport Strategy states that the Mayor's vision is that "London's transport system should excel amongst those of global cities, providing access to opportunities for all its people and enterprises, achieving the highest environmental standards and leading the world in its approach to tackling urban transport challenges of the 21st century."

The draft strategy outlines the six goals the Mayor has set for achieving the vision, which are to:

- Support economic development and population growth
- Enhance the quality of life for all Londoners
- Improve the safety of all Londoners
- Improve transport opportunities for all Londoners
- Reduce transport's contribution to Climate Change and improve its resilience
- Support delivery of the London 2012 Olympic and Paralympic Games and its legacy.

The document is set out in 3 parts:

Part one outlines the vision and goals (as summarised above) together with the outcomes the strategy seeks to achieve, and the context for the strategy

Part two examines the main transport challenges London faces and set out the policies and proposals required to achieve the (six) goals. There are 26 policies within the draft strategy supported by 129 proposals – most of which support more than one policy and goal.

The proposals fall into 6 broad areas:

- Proposals 1 to 49 relate to the management and enhancement of the transport system
- Proposals 50 to 61 relate to the encouragement of more cycling and walking
- Proposals 62 to 81 relate to the improvement of safety and security
- Proposals 82 to 94 relate to the improvement of London's Environment
- Proposals 95 to 113 relate to the reduction of transport's contribution to climate change and improvement of its resilience
- Proposals 114 to 129 relate to management of the demand for travel.

Part three essentially comprises an implementation plan setting out how the Mayor proposes that his policies and proposals will be delivered by the GLA, TfL, the London Boroughs, the Department for Transport (DfT), Network Rail and other transport providers and how achievement will be monitored and reviewed. The implementation plan

covers schemes that are in TfL and other agency's current business plans and hence committed together with projects (generally over the period 2020-2031) that are currently unfunded and hence aspirational.

The whole draft Mayors Transport Strategy can be found on the GLA's website via this link: <http://www.london.gov.uk/shaping-london/plan/docs/>

In that the draft strategy sets out London-wide goals and policies which are supported by combinations of general proposals (for example – Proposal 58: The Mayor.....will bring about a step change in the walking experience in London.) and specific proposals for example – Proposal 39: The Mayor.... will progress a package of river crossings in East London) it is not possible to provide a detailed analysis of the likely impact of the strategy on Brent.

Key policies of concern

- 4.2 The goals set out in the Mayor's Transport Strategy support the vision and objectives set out in Brent's Corporate strategy, in relation to transport. Similarly the policies within the Mayor's strategy compliment the Council's current wider environmental and transport policies. The proposals within the Mayor's strategy are not likely to present a problem when the Council has to produce it's Local Implementation Plan which will put a local dimension to the implementation of transport policies, projects and initiatives.

Any concerns with the Mayor's strategy relate to omissions and areas where there is a need for elaboration rather than concerns over it's content.

London Council's have identified 8 key policies of concern. These are set out below and accurately summarise the areas of concern for Brent. Insofar as the comments set out in 3.34 to 3.52 above relate to transport and the spatial planning policy supported by transport, there is consistency between those comments made (in relation to the draft Replacement London Plan) and those summarised below:

1. Many of the policies in the strategy are aimed at supporting the anticipated growth in population and employment set out in the London Plan and supporting London's town centres. The Mayor now accepts the Outer London Commission's recommendations that future growth should be based around existing town centres rather than focusing growth on a few strategic town centres. He also agrees that the transport focus should be on improving connectivity into and between these centres and the draft strategy contains a number of policies to support this approach.
2. There is a particular emphasis on supporting the development and growth of Outer London town centres and improving orbital links between them as well as radial connectivity to central London. There is a recognition that each town centre is different and that

decisions on local transport are often best made by the boroughs. Detailed transport proposals for each town centre will be developed as part of the London Sub-regional Transport Plan process.

3. The proposals to improve orbital public transport emphasise investing in better journey planning information and improved interchange quality, particularly focusing on strategic interchanges, accompanied by better integration of the National Rail network with other transport modes; and bringing stations, service frequency and quality to minimum standards. There is little mention of new infrastructure to improve orbital transport links.
4. There is a strong emphasis on walking and cycling and the strategy includes targets for increasing the mode share of public transport, walking and cycling from 58 per cent to 64 per cent. There are several proposals relating to cycling including cycle training, raising awareness and cycle parking. Proposals on walking include better journey information, the completion of seven Strategic Walking Network Routes and the Key Walking Route approach. However, the document does not advocate a hierarchy of transport modes nor does it include any reference to a London Walking Plan.
5. The strategy says that the Mayor may consider road user charging schemes if other measures are deemed insufficient to meet the strategy's objectives. The Mayor will also consider imposing charges or tolls to support specific infrastructure improvements, such as river crossings. Any charging scheme would need to take account of local conditions, and be fair and flexible.
6. The draft strategy sets out a number of proposals for reducing carbon emissions from transport. In particular, it states that the Mayor will take the necessary steps to achieve the required contribution from ground based transport to achieve a 60 per cent reduction in London's CO₂ emissions by 2025 from a 1990 base. Progress towards this will be reported annually in the Travel in London report.
7. The draft strategy also sets out a number of measures aimed at improving air quality including behavioural change, reducing emissions from public and private fleets and tackling air quality 'hotspots' as well as further use of the Low Emission Zone. It also includes a proposal to incentivise low emission vehicles through pressing for changes to parking regulations. The draft Air Quality Strategy includes further proposals for improving air quality which will guide the strategy's development with respect to air quality
8. The draft strategy contains proposals to promote electric vehicles but does not say anything about how boroughs' concerns about increased parking stress and congestion and the potential to detract from walking and cycling will be addressed.

Proposed response to the draft Mayor's Transport Strategy

- 4.3 London Council's response to the draft Mayor's Transport Strategy was agreed at the London Council's Leaders' Committee on the 8th December 2009 and London Council's TEC Committee on 10th December 2009 and is summarised at in Appendix "A".

That response, with the inclusion of the transport related comments identified as an appropriate response to the Replacement London Plan and the following additional comments, provides the basis of an appropriate response to the draft strategy:

- There is no detail in the strategy on how town centres, opportunity areas and major developments are to be served with transport infrastructure and services to support the envisaged development growth and how these necessary transport improvements would be funded. The strategy should address this.
- The narrative on investment in orbital transport in West London in the strategy is focussed on the North and West London (London Overground) lines and a small number of strategic interchanges. Whilst those investments are necessary and welcomed the approach, and hence the narrative in the strategy, needs to be broadened to cover opportunities for orbital transport connectivity with radial lines, particularly with Crossrail.
- The strategy asserts that London currently has a comprehensive orbital bus network enabling direct orbital journeys between neighbouring centres in Outer London. This overstates the case in West London where there are gaps in orbital provision and fails to recognise that the speed and frequency of much of that provision fails to sufficiently encourage potential users to make orbital journeys by bus. The strategy needs to provide commitment to the development of high-speed, high quality bus-based orbital services such as the Wembley to Park-Royal "Fastbus" scheme. Greater flexibility in bus routing, and especially taking greater account of the views of the Boroughs, where local knowledge can help to optimise passenger numbers, is likely to lead to more effective services and better support the outer London strategic centres.
- There are locations in West London, within and close to the boundary of Brent where bottlenecks occur regularly on the highway network. Whilst the combination of the public transport investment, smoothing traffic flow and smarter travel measures and initiatives described within the strategy, may have a generally positive impact on the number of vehicle based journeys it is envisaged that these bottlenecks will remain – impacting negatively on air quality and restraining growth. The strategy needs to contain proposals for identifying and addressing the problems at those locations.

- 4.4 The West London Partnership (WLP), of which Brent is a member, is currently developing its response to the draft Mayors Transport Strategy. That response will relate proposals in the strategy to the Partnership's 10 Point Transport Plan for West London. The response will be consistent with that of London Council's and will endorse the specific concerns outlined above. Inevitably the WLP response will cover local issues which impact on partners but not on Brent. However it is anticipated that the final WLP response will be one that can be endorsed.

Mayor's Economic Development Strategy-detailed Analysis

- 4.5 The EDS is broadly divided into three sections comprising of:
- vision and goals for the strategy, underpinned by an economic evidence base;
 - details setting out the objectives and proposals required to achieve the vision; and
 - looking at next steps toward a final version of the strategy in summer 2010.

The bulk of the strategy is focused on the five objectives the Mayor has identified as being key to his vision of a successful economic capital. These are:

1. To promote London as a city that excels as a world capital of business
2. To ensure that London has the most competitive business environment in the world
3. To drive London's transition to a low carbon economy and to maximise the economic opportunities this will create
4. To give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their career
5. To maximise the benefits to London from investment to support growth and regeneration, and from the 2012 Olympic and Paralympic Games and its legacy

- 4.6 Each objective is further underpinned by a number of proposals setting out how the Mayor will achieve the objectives and with which key partners he will need to work with in order to do so. Similar to comments on the Transportation Strategy, the EDS being a London wide strategy has proposals that are often very general and broad, making it difficult to assess their possible impact in Brent.

- 4.7 Overall there are no concerns with the aim of the strategy nor the five objectives identified as being those to take forward. However, there is a

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lack of detail on how much will be invested in achieving the range of proposals, together with a lack of clarity on what the role of local authorities will be. Without the LDA's Investment Strategy to refer and cross reference (this was available at the time of review) it is not possible to grasp the scale or priority of activities to be supported in London and even more difficult to narrow this down to Brent.

- 4.8 A response to the consultation will be submitted by London Councils and West London Alliance. It has been decided that Brent will not draft a separate formal response to the consultation. Having contributed and viewed both responses we are happy that these iterate our concern regarding a more detailed implementation plan/action plan to follow this strategy so that the proposals are more tangible and that investment better articulated.

Please refer to Appendix B and C the London Councils and West London Alliance draft responses to the DS consultation.

5.0 Financial Implications

- 5.1 The Replacement London Plan fails to identify resources for some of the policies e.g. 20 additional Gypsy and Travellers pitches and also for those that are a consequence of population growth, e.g. primary school provision. Given the likelihood of difficult local authority financial settlements in the next few financial years, this will put the deliverability of the Plan in jeopardy. Of equal concern are the Mayor of London's proposed policy changes that could divert S106 contributions from local infrastructure into strategic transport and other strategic matters. Although much would depend on the scope and nature of the S106 demands and what is included in the Community Infrastructure Levy, it is important that local needs are given the necessary priority.

6.0 Legal Implications

- 6.1 The Mayor is required to prepare a spatial strategy (the London Plan) and keep it under review. The process for drawing up and altering the London Plan are set out in the Greater London Authority Act 1999 and Circular 1/2008. Borough Core Strategies and other Development Plan Documents have to be in general conformity with the London Plan.

7.0 Diversity Implications

- 7.1 One of the key objectives both the London Plan and the Mayor's Transport Strategy is to ensure that London is a city of diverse, strong, secure and accessible neighbourhoods.

8.0 Staffing/Accommodation Implications (if appropriate)

- 8.1 There are no staffing or accommodation implications arising directly from this report.

9.0 Environmental Implications

- 9.1 The London Plan and Mayor's Transport Strategy both support improved environmental standards, proposes policies that reduce CO2 emissions and development that adapts to climate change.

10.0 Background Papers

- 10.1 London Borough of Brent LDF - Site Specific Allocations Proposed Submission DPD, June 2009
- 10.2 Proposed Replacement London Plan –Draft for Public Consultation 2009
- 10.3 Mayor’s transport Strategy – Public Draft (October 2009)
- 10.4 Report to London Council’s Leader’s Committee (item11), 8th December 2009.
- 10.5 West London Partnership – 10 point transport plan (2007).

Contact Officers

Any person wishing to inspect the above papers should contact Dave Carroll, Planning Service 0208 937 5202 or Tim Jackson, Transportation Service 0208 937 5151.

Richard Saunders
Director of Environment and Culture

Appendix "A"

London Councils' response to the public consultation on the Draft Mayor's Transport Strategy

Dear

London Councils' response on the Draft Mayor's Transport Strategy

London Councils welcomes this opportunity to provide further views and comments on the revised Mayor's Transport Strategy (MTS). We are pleased to see that many of the issues we raised in response to the consultation on the Statement of Intent in July 2009 have now been addressed and there is much in the draft MTS that we welcome.

The paper attached sets out our detailed response on the issues that we feel have not yet been fully addressed in the draft Strategy and the areas where we would like to see changes in the final strategy. These are summarised below but first I would like to highlight the aspects of the draft strategy that we particularly welcome.

London Councils welcomes the following areas of the draft MTS:

- The inclusion of an Implementation Plan which sets out clearly which schemes are funded and which are in development stages.
- The commitment to promote walking, cycling and the use of public transport and the aim to increase the mode share of these journeys.
- The proposals relating to cycling including those on 'biking boroughs', cycle training, raising awareness and cycle parking.
- The proposals on walking including those relating to better journey information and the Key Walking Route approach.
- The move away from a focus on a few 'strategic centres' and to instead base future growth around existing town centres and to improve transport connectivity into and between those centres.
- The proposals for reducing carbon emissions.
- The commitment to continue opposing any further increases in capacity at Heathrow
- The proposals to improve interchange and integration between modes
- The Mayor's desire to see TfL given greater influence over National Rail services in London and to have greater influence in franchise specification.
- The Mayor's intention to ensure that the requirements for LIPs are kept to a minimum.

The areas where London Councils would like to see changes in the final strategy include:

- **Integration with the London Plan, EDS and other policy areas** – the MTS should say more about how changes in other policy areas will be taken into account. The transport investments in the MTS need to be brought together with relevant proposals in the London Plan and EDS.
- **Integration with other strategies outside London** – there needs to be clearer information about how the Strategy will link to relevant strategies outside London. The MTS should set out exactly what the Inter-Regional Forum’s role should be in relation to transport.
- **The needs of local vs, long distance transport** – the MTS needs to set out how the need for local transport services will be balanced with the needs of long distance commuting.
- **Clarity about what is achievable and deliverable within the timescale of the MTS** – we are concerned that no timescale is given for the review of the Crossrail 2 (Chelsea Hackney) route.
- **Encouraging modal shift** – the strategy should say more about how cycling measures will be developed in Outer London and should contain a sustainable hierarchy of transport modes.
- **Encouraging polycentric development** – we are concerned that the emphasis on improving orbital links is primarily on better information and integration between modes rather than new infrastructure.
- **Reviewing bus route planning** – the strategy should include a wide ranging review which focuses on how the bus network operates strategically rather than on a route by route basis or focusing on the contractual arrangements.
- **Future developments on road pricing** – we would like clarity on the Mayor’s position on road pricing and a commitment to reviewing the existing payment collection methods.
- **Addressing the impacts of climate change** – we believe that the MTS should include interim targets to allow progress towards the 60 per cent reduction by 2025 to be judged.
- **Improving Air Quality** – we would like the MTS to indicate what the Mayor’s contingency plan is if the government fails to obtain extensions for achieving the NO2 and PM10 European targets.
- **Airport Capacity** – we have some concerns about the Mayor’s approach to airport capacity and would like to see the adoption of a ‘plan, monitor and manage’ approach.
- **Transport opportunities for all** – greater consideration needs to be given to the affordability of public transport and we are concerned that this has been removed as a key outcome since the SoI was published.

- **Requirements for boroughs** – we are concerned about the Mayor’s intention to keep the requirements for LIPs to a minimum will be delivered in practice and that the MTS has introduced new requirements for boroughs (e.g. planting trees) without any additional funding.

London Councils has welcomed TfL and GLA’s willingness to engage with our Members in the development of the new Transport Strategy and looks forward to continued close working over the coming months to ensure that the issues we have raised here are addressed in the revised Mayor’s Transport Strategy.

Yours sincerely

Cllr Mike Fisher
Chairman

London Councils' response to the public consultation on the Draft Mayor's Transport Strategy

Introduction

1. London Councils has worked closely with TfL and the GLA in the development of the new Transport Strategy and is grateful for their willingness to engage with our Members and borough officers. We are pleased that many of the issues we have raised in the course of our work on the MTS over the last two years have been addressed.
2. We welcome the opportunity to provide further views and comments on the Public Draft of the Mayor's Transport Strategy (MTS). In preparing our response to this consultation we have continued to focus on those issues that we highlighted in response to previous consultations, particularly that on the Statement of Intent (SoI) in July 2009. This response sets out those issues that we continue to feel have not yet been fully addressed in the draft Strategy and we have chosen not to answer the specific consultation questions directly.
3. The current review in parallel of the MTS, London Plan and Economic Development Strategy (EDS) provide an important opportunity to deliver a clear programme for the future of transport in London within the context of an overarching spatial strategy which sets out clearly the locations for particular types of development in London and the transport investment needed to support that development. It is essential that boroughs are involved in shaping all these strategies and we have taken this opportunity to consider all three strategies together.
4. One overarching concern we have is the assumption that London's economy will continue to grow in the longer term that underpins all three strategies. There is no consideration of alternative scenarios or of the impact of different rates of growth. The MTS should consider the impacts of slower growth rates on the demand for transport and the wider consequences of alternative patterns of growth. Given the current uncertainty about the length and depth of the current recession, London Councils would like the Mayor to test alternative economic and employment growth scenarios in terms of the transport implications for different parts of London. For example, taking account of different projected export performance, different levels of recovery in consumer spending levels, different levels of public spending reductions etc.
5. Our specific comments on the MTS are set out below.

Integration with the London Plan, EDS and other policy areas

6. Whilst we recognise that it is not possible for the draft strategy to anticipate all the developments in other policy areas over the period of the plan we believe that it should say more about how changes in other policy areas will be taken into account. For example, the implementation plan in Chapter seven does not say anything about engagement with other policy areas. In addition, the link between investment in transport infrastructure and areas of economic growth is not always clear, particularly as there is little spatially specific detail in the EDS.
7. The transport investments proposed in the MTS need to be brought together with the strategic Opportunity Areas and Growth Corridors in the London Plan and the schedule of infrastructure projects that will direct LDA and other public investments. This would provide clear links between the three strategies and acknowledge the key role that transport investment plays in increasing economic potential and bringing forward investment. It would also provide a framework for a discussion about the priority areas for investment across London, and the contribution of different agencies, including the boroughs, in delivering this.
8. The London Plan, and policies in the MTS, identify Metropolitan centres as key growth areas and Proposal 5A in the EDS refers to 'removing barriers to outer London fulfilling its potential'. However, the proposals in the MTS do not provide certainty that the transport infrastructure and services will be delivered to support this. For example, the MTS policies are likely to lead to an increase in bus fares and a reduction in the total mileage of bus routes (as set out in the TfL Business Plan 2009/10-2017/18). As many parts of Outer London rely heavily on bus improvements to facilitate improved access to its town centres for local people, these proposals are inconsistent with the objectives of the EDS and London Plan.
9. In addition, the policy with regard to land safeguarded for transport use in the MTS should be consistent with that given in the London Plan. The London Plan refers to safeguarding land that already has a transport function or that will have committed transport developments. The MTS goes further and includes land that is well located to the transport network and could offer potential transport functions. We suggest that the London Plan definition be adopted in both documents.

Integration with other strategies outside London

10. We also believe that there needs to be clearer information about how the Strategy will link to relevant strategies outside London and greater

consideration of transport links to key population centres outside London. The Mayor should work with relevant boroughs to ensure that the transport strategies of areas surrounding London are aligned with London's goals, and should aim to address shared challenges.

11. There is reference to TfL's ongoing discussions with SEERA and EEDA via the Inter-Regional Forum but we believe that it would be helpful to give a stronger role to the Inter-Regional Forum (and will propose this in our response to the London Plan) and that the MTS should set out exactly what the Inter-Regional Forum's role should be in relation to transport.

The needs of local vs. long distance transport

12. We support investment that makes local journeys easier and which encourage Londoners to make more sustainable travel choices. However, we also recognise that national rail plays an important part and that London's travel needs do not stop at its borders. Ensuring that the heart of Britain's economic engine is connected properly and effectively with the region and the rest of the country is essential and we welcome such investment as is necessary to maintain this.
13. We also recognise that the detail on local services is not for the MTS and believe that boroughs are best left to determine this detail for themselves. However, the MTS needs to provide the framework in which this can happen as transport services which provide for long distance commuting do not always meet the needs of London's residents and businesses. In particular, the MTS needs to set out how the need for local transport services will be balanced with the needs of long distance commuting, for example, how will the needs of local passengers be taken into account in the development of proposals in support of high speed rail. We believe that Policy 2 should be amended to include a requirement to consider the impact on local services when introducing new services for long distance travel.
14. London Councils has previously suggested that major strategic transport projects in London should be controlled by TfL given their over-arching strategic responsibility for transport in London and we support the Mayor's desire for TfL to have greater control over rail in London even where it does not actually manage the rail network. We wish to see TfL use this greater control to ensure that the needs of local journeys are prioritised.
15. Maintenance is another crucial issue in providing for the needs of local travellers, particularly those on foot or by bike. Whilst the draft MTS is not the place to provide detail on the funding available for

maintenance, there are a number of proposals which relate to this. Unfortunately none of these say anything explicitly about the maintenance of footways and cycleways. For example, proposal 35 which sets out a commitment to maintain the network assets refers only to the road network and proposals 82,83 and 84 which relate to achieving 'better streets' do not mention maintenance. We believe that one of these proposals should be amended to ensure that adequate funding is available for the maintenance of footways and cycle routes.

Clarity about what is achievable and deliverable within the timescale of the MTS

16. We are pleased to see that the draft Strategy includes an Implementation Plan which sets out clearly which schemes are funded and which are in development stages. We also note that the draft Strategy contains greater detail on how funding will be sought and secured. However, we have some concerns about policy 32 regarding funding for buses (this is discussed further under transport opportunities for all below).
17. We are also pleased that the draft Strategy provides further information on TfL's priorities for further capacity beyond the schemes that are already committed. We note that Proposal 9 states that the Mayor will undertake a review of the Crossrail 2 (Chelsea Hackney) route to ensure it is providing the maximum benefits and value for money. However we are concerned that no timescale is provided for this. We believe that this review should be time and scope limited to ensure that TfL is in a position to lobby Government for funding for this, in time for spending decisions on Network Rail's next control period (2014-2019), and to ensure a unified and comprehensive London-wide lobbying position..

Encouraging modal shift

18. In our response to the SoI we called for greater emphasis on policies which encourage local journeys to be made on foot or by bicycle, including in Outer London. We are pleased to see that the draft MTS sets out a commitment to promote walking, cycling and the use of public transport and aims to increase the mode share of these journeys. We welcome the proposals relating to cycling including those on 'Biking boroughs', cycle training, raising awareness and cycle parking.
19. We also welcome the proposals on walking including those relating to better journey information and the completion of seven Strategic Walking Network Routes. We are particularly pleased to see the proposal relating to the Key Walking Route approach as this is something we called for in 'Breaking down the barriers to walking in London' which we published jointly with Living Streets and Walk

London last year. However, we are still concerned that many of the proposals for encouraging cycling, such as cycle highways and the cycle hire scheme have focused on Central and Inner London boroughs. We believe there is scope to develop such measures in Outer London too and that the strategy should say more about how this will be achieved.

20. In our response to the SoI we also said we would like to see a thorough review of the approach to 'road safety' and 'traffic calming' schemes, so that they are also evaluated in terms of their contribution to sustainable transport and environmental objectives. We continue to support the need for such a review and would also like to see boroughs given greater influence over speed limits on the TLRN in their area to ensure that they are able to address road safety effectively.
21. We note that the draft MTS does not advocate a road user hierarchy. We continue to believe that the transport strategy must encourage people to make smarter travel choices following a sustainable hierarchy of transport modes: putting walking above cycling, cycling above public transport and public transport above the private car. Without such a hierarchy, the many other aspirations in the strategy, which we welcome, will not come to fruition. We would encourage the Mayor to introduce policies that go beyond simply leaving it to people's individual choices and to set out a policy framework that actively discourages less sustainable modes of transport. We recognise however that, particularly in parts of Outer London, this will require transport investment to ensure a viable alternative to the private car exists and the Mayor should work with boroughs to ensure that this takes places.
22. We also note that there is still no reference to a London Walking Plan which we believe should be a key priority. This should not be a prescriptive plan but is a way of formalising the Mayor's support for walking whilst still giving boroughs the local flexibility needed to achieve improvements in walking.
23. In our response to the SoI we said that we would like to see a greater role for car clubs in the Strategy as we believe they have a key role to play in encouraging modal shift. We are pleased to see that there is now a proposal to promote the use of car clubs.

Encouraging polycentric development

24. We note that the Mayor has accepted the Outer London Commission's recommendations that future growth should be based around existing town centres and that the transport focus should be on improving connectivity into and between these centres. We welcome this move away from a focus on a few 'strategic centres' and believe that the MTS

should support transport which recognises and values the needs of Outer London and encourages polycentric development around existing town centres across London.

25. We also note that there are a number of policies and proposals to support the Central Activities Zone. However, although Inner London should benefit from many of the broader proposals as well as projects such as Crossrail and further potential schemes such as Tube extensions and rail improvements, there are no measures specifically aimed at addressing radial capacity in and through Inner London and we would not wish to see the focus on Outer London come at the expense of Inner or Central London.
26. We support the proposals in the MTS to improve orbital links between town centres but we are concerned that the emphasis is primarily on better journey planner information and improved integration between transport modes rather than new infrastructure or services. We believe that improved high quality bus links should be provided where it is not possible to provide rail links. This should include limited stop 'express buses' for journeys that can not easily be made by rail.
27. We do not believe that the Mayor has given adequate consideration to the need for new infrastructure particularly if planning for the levels of growth that the Strategy is based on. We would like to draw attention again to the statement in our response to the SoI that decisions on investment in transport infrastructure should reflect the parts of London where significant population and employment increases will take place. Additionally, investment in transport will also be required elsewhere to encourage modal shift and to address areas of transport deficit, and areas of social deprivation more generally.

Reviewing bus route planning

28. Proposal 23 states that the bus network will be kept under regular review, and that potential changes would be subject to cost benefit analysis. London Councils has been calling for an extensive review of bus route planning to ensure that it meets the needs of Londoners and visitors to London in the 21st century by making the system more logical and easier to understand and use. We believe this review should focus on how the bus network operates strategically rather than on a route by route basis or focusing on the contractual arrangements. The review should also look at the types of vehicle used, and whether there is scope to use smaller vehicles on quieter routes or at quieter times of day and at ticketing flexibility, including learning from good practice on this issue elsewhere. It is not clear that the review referred to in Proposal 23 will address these issues and we would like to see this

proposal amended to refer to a much wider ranging review which London Councils and the boroughs would be involved in the development of.

Future developments on road pricing

29. We note that the Mayor ruled out any extension to road pricing when speaking to the London Assembly on 14 October 2009, stating that he had 'every intention of not extending congestion charging in London'¹. However, in a letter sent to London Councils' Chairman, Cllr Merrick Cockell on 12 October 2009 the Mayor says that there could be a role for road pricing in London if this is considered necessary to meet the objectives of the strategy, e.g. in meeting environmental objectives, but any scheme would need to take account of local conditions, and be fair and flexible. We would therefore like clarity on the Mayor's position on road pricing and a clearer framework in the MTS as to how those boroughs who wish to, could develop their own road pricing schemes. This is particularly important given that recent changes in legislation give boroughs greater scope to introduce their own charging schemes but they would still require confirmation from the Mayor before doing so.

30. We would also like to see a commitment in the strategy to reviewing the existing payment collection methods for the congestion charging scheme to ensure the scheme is not heavily geared to securing revenue from fines, or making it unnecessarily difficult to pay.

Addressing the impacts of climate change

31. We welcome the proposals set out in the draft strategy for reducing carbon emissions (95-108) and Policy 24 which states that the Mayor will take the necessary steps to achieve the required contribution from ground based transport to achieve a 60 per cent reduction in London's CO₂ emissions by 2025 from a 1990 base.

32. We note that although CO₂ emissions will be reported annually in the Travel in London report it is still not clear what criteria or timescales the Mayor will use to determine whether his current policy approach to achieving reductions in CO₂ emissions is working. For example, it is not clear at what point the Mayor would decide that more direct intervention is required to reduce emissions in the Capital. We believe that the MTS should include interim targets to allow progress towards the 60 per cent reduction by 2025 to be judged and ensure that further interventions are introduced in sufficient time to allow this target to be met. We also believe the Mayor should set explicit targets for reducing

bus and taxi emissions (proposal 91) and we recommend that the development of low emission taxis be treated as a priority (proposal 26).

Improving Air Quality

33. We note that the draft strategy sets out a number of measures to improve air quality including behavioural change, reducing emissions from public and private fleets and tackling air quality 'hotspots' as well as further use of the Low Emission Zone. We will comment further on these in our response to the Air Quality Strategy. However, we are concerned about proposal 92 which includes the incentivising of low emission vehicles through pressing for changes to parking regulations. We believe firmly that it should be for individual boroughs to decide the levels of parking charge in their area. We would also like the MTS to indicate what the Mayor's contingency plan is if the government fails to obtain extensions for achieving the NO2 and PM10 European targets.
34. We continue to support the promotion of electric vehicles in principle and note that the draft strategy contains a number of measures to incentivise them. However, we are concerned that there are no specific proposals to ensure that electric vehicles do not add to parking stress and congestion and do not detract from walking and cycling. The Mayor must continue to work with boroughs on this.

Airport Capacity

35. We welcome the Mayor's commitment to continue opposing any further increases in capacity at Heathrow but would like to raise some concerns about the Mayor's approach to airport capacity as set out in proposal 47. London Councils strongly opposes any further expansion of Heathrow Airport, as we believe it will have significant impacts, particularly on air quality and noise pollution, for the capital's residents.
36. London Councils also accepts that there may be a need to provide further runway capacity in the South East, but opposes the use of a 'predict and provide' policy to airport development. In no other form of transport is it accepted that we should pay for and provide for all forecast growth and it is not clear why air transport should be treated differently. London Councils would like to see the adoption of a 'time phased' approach to development through a "plan, monitor and manage" approach, which, supported by continuous monitoring of the industry, would reveal what further provision was needed. This should be carried out before decisions are made regarding what level of additional airport capacity is required.

37. In addition, London Councils supports looking at alternative ways of managing or even reducing the demand for air travel by innovations in high speed rail links, the level of aviation fuel tax, as well as at other alternatives to expansion at Heathrow, including better use of London's other airports and the rest of the UK's regional airports.

Transport opportunities for all

38. We note that the strategy contains proposals to improve the physical accessibility of the transport network and that improvements will be targeted at strategic locations such as town centres and around accessible stations. We support this approach but believe that the Mayor should work with the boroughs to identify the places most in need of accessibility improvements. We continue to believe that there is room to consider greater flexibility in the standards relating to accessibility and would like to see this issue addressed in the MTS.

39. London Councils continues to believe that greater consideration needs to be given to the affordability of public transport in order to ensure that all Londoners can benefit from it. In this respect, we have some concerns about policy 32 and Proposal 119 which suggest that bus fares may be increased in order to reduce the level of bus subsidy and ensure that fares provide an appropriate level of contribution to the cost of providing public transport. We recognise that decisions on bus and tube fares are for the Mayor but we would like to see a clear indication in the MTS of what the Mayor's pricing strategy will be going forward, given that the TfL business plan has now been published. We would encourage the Mayor to approach this subject with sensitivity, seeking to avoid disproportionate price hikes which will impact most on the poorest people in London or those who rely most on public transport. We are concerned that 'ensuring the affordability of public transport fares' has been removed as a key outcome since the SoI was published in May 2009.

40. We note that the Mayor proposes to keep the range of concessions available under review to ensure that they are available to those who most need them. We believe that the concessions available to young people in full time education should be extended to those on apprenticeship schemes. At the moment many of the 16,000 apprentices in London pay full adult fares as they do not officially meet the eligibility criteria for student Oyster cards which would entitle them to concessionary travel. This means that many are spending a significant proportion of their income on travel (most apprentices in the private sector earn only £95-£110 per week). We believe that a minor amendment to the eligibility criteria should be made to allow this group of young people to access the same benefits as those in full-time

education. This would be in line with both the Mayor's and the boroughs' support for apprenticeships.

Integration between modes

41. We welcome the proposals in the draft MTS to improve interchange and integration between modes and the specific measures set out to achieve this. We are also pleased to see that the Sub-Regional Transport Plans will build on this to identify particular improvements with input from London boroughs.

42. As already set out above we support the Mayor's desire to see TfL given greater influence over National Rail services in London and believe that particular emphasis should be placed on integrating the rail network into the rest of London's transport system. We are also pleased to see that the Mayor is seeking to have greater influence in franchise specification in order to improve capacity, service levels and integration of National Rail Services with TfL Services and to create a common set of travel products.

Requirements for boroughs

43. We welcome the Mayor's intention as set out in policy 29 to ensure that the requirements for Local Implementation Plans (LIPs) demonstrate consistency with the policies and proposals set out in the MTS and that other legal requirements are kept to a minimum. However we are concerned about how this will be delivered in practice given the prescriptive nature of the draft LIPs guidance produced by TfL.

44. We are also concerned that the MTS has introduced new requirements for boroughs (e.g. electric vehicle charging points, road works permit system, Community Safety Partnerships, planting trees etc), yet additional funding has not been provided to support the implementation of these proposals. Where relevant, e.g. for street trees, funding will also be required to cover the cost of ongoing maintenance not just the initial installation.

45. In conclusion, London Councils looks forward to working with TfL and the GLA over the coming months to ensure that the issues we have raised here are addressed in the revised Mayor's Transport Strategy.

DRAFT LONDON COUNCILS RESPONSE TO 'RISING TO THE CHALLENGE: THE MAYOR'S ECONOMIC DEVELOPMENT STRATEGY FOR GREATER LONDON – PUBLIC CONSULTATION DRAFT'

London Councils welcomes the opportunity to respond to 'Rising to the challenge: The Mayor's Economic Development Strategy for Greater London - Public Consultation Draft'. London Councils represents the 32 London boroughs and the City of London Corporation. London Councils delivers influence, improvement and excellent direct services for Londoners.

Mayor's vision and objectives

London Councils supports the Mayor's vision statement for London that cuts across all his strategies, plans and actions:

'Over the years to 2031 and beyond, London should excel among global cities, expanding opportunities for all its people and enterprises, **achieving the highest environmental standards and quality of life, and leading the world** in its approach to tackling the urban challenges of the 21st century, particularly that of climate change (pg 13).

London Councils also supports the five specific objectives within the draft Economic Development Strategy (EDS).

London Councils recognises that the Mayor's Economic Development Strategy is a strategic document. However, the implementation plan – the main way that the Mayor will achieve his vision for London and his specific economic objectives – could be strengthened in order to make the vision clearer and more tangible to delivery partners.

London Councils would like to see some key outcomes within the implementation plan that will measure progress towards the Mayor's vision for London's economy, based on the economic and population assumptions that underpin the strategy. For example, by how much should international visitor spending have increased in five-ten years time; by what extent should the economic growth rate in outer London have increased by if the strategy is fully successful?

London Councils expects to see more output and detailed actions around the draft EDS proposals contained in the LDA's Investment Strategy.

Economic analysis

London has a strong and resilient economy and the analysis of London's current and future economic performance is extremely positive. London Councils agrees that London has a sound economic base that to date

appears to have been less negatively affected than other UK cities by the current recession.

However, this should not lead to complacency. On some economic indicators London performs less well than expected. For example, on the Huggins/Cardiff Global Knowledge Economy Competitiveness Index, London was ranked only 102nd in 2008. It was ranked less competitive in this respect than the South East and Eastern regions of the UK. Its ranking had also fallen from 56th in 2005.

The analysis should also acknowledge that parts of outer London's economy have not fulfilled their growth potential in the past, as highlighted in the final findings of the Outer London Commission² and acknowledged in other parts of the draft strategy.

The forecast economic and employment growth in London that underpin the strategy show London experiencing a cyclical recovery after the current recession, followed by longer term positive growth. Employment projections from three other different forecasting companies are considered. Given the continued uncertainty about the length and depth of the current recession, London Councils would like to see the Mayor consider economic and employment growth under different growth scenarios – for example, taking account of different projected export performance, different levels of recovery in consumer spending levels, different levels of public expenditure reductions etc. Other cities, for example, are planning for higher and lower overall growth scenarios³. London should do the same.

The Mayor should continue to monitor London's economy closely through the recession and over the lifetime of the strategy on a regional basis but also at a sub-regional and borough level. London boroughs now have a statutory duty to produce Local Economic Assessment from March 2010 onwards⁴. Sub-regional economic assessments are also being prepared in some parts of London. These assessments should form part of a formal mechanism of reviewing the evidence base for the Mayor's strategies. They will provide an effective way of capturing the diversity of economic performance across London. London Councils can work with the LDA and the boroughs to facilitate this.

Geography of investment and current and future infrastructure projects

In our response to the initial consultation document on the EDS, London Councils argued that the final EDS needs to be clear about priority areas for investment across London over the short and medium term – to better align public funding from a range of agencies, given the expected reduction in public spending in the short and medium term and to give confidence to private sector investors. Our response also pointed out that the strategy should better reflect London's economic and social diversity.

² Mayor's Outer London Commission, *Interim Conclusions*, 7 July 2009

³ Core Cities, *Enabling Sustainable Economic Growth: Interim report*, 2009

⁴ And are expected to complete their initial assessments within 6-9 months of this date

The draft EDS better reflects London's economic diversity. London Councils is also aware of work within the LDA to better understand the location of its current investments and the economic geography and priorities of London boroughs, with a view to aligning funding. These are encouraging developments.

However, whilst the draft London Plan, Transport Strategy and EDS each provide a partial picture of strategic developments across London, it is difficult to piece these together. The detailed planned transport investments proposed in the Mayor's Transport Strategy and the strategic Opportunity Areas and Growth Corridors within the London Plan need to be brought together to give a schedule of infrastructure projects that will direct LDA and other public investments. This could then frame a discussion about priority areas for investment across London and the contribution of the different agencies, including London boroughs. This would also provide clear linkages between the strategies – transport investment can be vital in increasing economic potential and bringing forward regeneration.

Chapter 1 – London: world capital of business

London Councils supports the proposals in this chapter, particularly around strengthened and more co-ordinated promotion of London between key agencies. This is a key strategic role for the Mayor and capitalising on the promotional opportunities afforded by the 2012 Olympic and Paralympic Games.

Promoting London as a global city with its clusters of world-beating businesses will inevitably lead to a focus on the Central Activities Zone. However, the promotion of London should include all relevant parts of London. For example, promotion around higher education, as leading HE institutes are located across the capital.

Promotional agencies should be encouraged to work closely with boroughs and sub-regional partnerships, so that they are aware of opportunities across the whole of London.

There should be close links between promotional work and other actions in the draft EDS – for example, links with the plans for large scale development in the London Plan Opportunity Areas (Proposal 5D) and with encouraging collaboration between business and academia (Proposal 2A).

Chapter 2 – Improving London's competitiveness

London Councils welcomes the emphasis on developing London's capacity for innovation by encouraging collaboration and promoting more productive links between business and academia. It would be useful to know some more detail of the type of support that the Mayor will provide in this way and the scale of investment returns that the Mayor will seek through his support.

The strategy acknowledges the vital contribution that SMEs, mirco-businesses and the self-employed make to London's economy, alongside large employers. The proposal in the draft strategy that public sector support should

complement support provided by the private sector and focus on businesses and individuals that do not have ready access to private sector support is also welcome. Currently some BME groups, disabled people and women are under-represented in terms of owning and starting businesses in London and the strategy should recognise this and focus some of its resources on these more disadvantaged groups.

The Mayor and LDA should make it clear what supporting pre-start and small/early stage businesses 'in a low cost way' means in terms of spend and the type of programmes available. London Councils would be concerned if spend on pre-start and start-up businesses is significantly reduced or support is limited only to accessing information via the Internet.

The strategy rightly highlights the introduction of the 'Solutions for Business' package. The LDA has been working with London Councils and London boroughs on the introduction of the 'Solutions for Business' package. This dialogue needs to continue to inform the LDA's decisions about the 'Solutions for Business' package that will be on offer in London. London boroughs support some aspects of the 'Solutions for Business' package – but that support is non-statutory and not always available in every borough. London boroughs, via London Councils, should have an early opportunity to discuss the LDA's proposals for the 'Solutions for Business' offer in London. This would ensure that local and regional funding and activity are aligned and do not result in significant gaps in provision. London boroughs, through London Councils, should also be involved in formal dialogue on the specification for the next Business Link contract, as this will have a significant impact on the focus of business support services in London.

Other areas for joint work between the Mayor, London Councils and London boroughs include:

- Lobbying to ensure that London remains an open and competitive business-friendly environment. London Councils and the Mayor should collaborate where possible on lobbying on these issues, to strengthen London's voice;
- Working with neighbouring regions to achieve mutual economic benefits – the Mayor and LDA should ensure that discussions around key strategic regeneration and opportunity areas include London boroughs already in working together sub-regional groups on developing these sites and drawing in other regions e.g. the London-Stansted-Cambridge-Peterborough Growth Area. If the current mechanism of working with other regions, the Inter-Regional Planning Forum is to be the main focus of dialogue with the surrounding regions, its purpose and role need to be reviewed and strengthened;
- Improving the quality of life in London. London Councils welcomes the recognition in the draft EDS that quality of life affects London's competitiveness. Aligning activity and investment with London boroughs to improve the quality of the environment, the health of Londoners, promoting culture and sport and reducing crime will be vital when public spending is tight. London boroughs have statutory duties in many of these areas and are big spenders on these services in London – for example, spending £50

million on community safety⁵ and £1½ billion on cultural and leisure activities⁶. Consequently, the Mayor's activities in these areas should be strategic ones.

Chapter 3 – Transforming to a low carbon economy

London Councils supports the measures outlined to ensure London's economy becomes a low-carbon economy and establishes itself as a low-carbon world leader.

London Councils is keen to continue collaborative working on the low carbon skills agenda between the GLA/LDA and London Councils/boroughs that takes previous work forward and builds on intentions outlined in the City Charter. Some of these initiatives are highlighted in the draft strategy, such as the Building Energy Efficiency Programme (BEEP) and work to support skills development to support a low carbon economy.

Other initiatives highlighted in the strategy where collaboration between London Councils, London boroughs and the Mayor is important include:

- The Mayor's Low Carbon Taskforce – London Councils would want to be represented on this taskforce;
- The development of 10 Low Carbon Zones in London – boroughs will be important partners in the Zones, given their community leadership role. London Councils is keen to explore with the LDA and the Mayor how low carbon businesses and infrastructure will be geographically spread across London;
- The establishment of new financing structures that are self-sustaining and can lever in private sector funding. Securing sufficient investment to transform to a low carbon economy will be particularly challenging in the short and medium term where public finances will be limited. Developing new innovative financing models will be crucial and should be a shared endeavour.

Chapter 4 – Extending opportunities to all Londoners

London Councils supports much of the analysis and most of the proposals to extend opportunities to all Londoners. The analysis of London's worklessness problems in the document is an accurate and comprehensive one, as is the lack of progress made in significantly reducing levels of worklessness in London and the need for new energy and ideas. The scale of child poverty, and its causes, is also accurately described in the draft EDS and London Councils welcomes specific proposals to reduce child poverty in London.

Giving children the best start in life and a good education is extremely important to ensure that Londoners can thrive and take advantage of the economic opportunities in the city. However, each agency needs to consider whether they are best placed to deliver initiatives. London boroughs are responsible for education – soon up to the age of 19. London Councils does

⁵ Based on London Councils survey, 2009

⁶ CIPFA General Statistics 08/09

not support the Mayor's proposals to become involved in the delivery of education and establish up to 10 School Academies. London Councils suggests that the Mayor focuses resources on establishing more vocational training opportunities for young people, using existing delivery agencies rather than establishing new institutions. The latter will only add to the complex delivery landscape described in the draft EDS.

London Councils particularly welcomes the emphasis in the strategy on increasing part-time work in London, getting workless people into sustainable jobs and supporting them to progress in their jobs, the importance of meeting business needs, the need for personalisation of provision for the long-term unemployed and greater co-commissioning. London Councils is working with the LSEB to better integrate the important work of boroughs around workless, given that they:

- Deliver and commission their own employment and skills services as well as other support services that are crucial in making a transition from welfare to work successful and provide access points to employment and skills services, such as provision of childcare, social housing, administration of housing and council tax benefit;
- Lead and co-ordinate the work of all local agencies, including PCTs and business, through Local Strategic Partnerships;
- Have well-established links with employers – they are large employers in their own right⁷ and have good links with small and large local employers⁸;
- Have a strong track record in working with the people with multiple barriers to work.

London Councils also recognises the need for greater flexibility for London within a nationally driven employment and skills system to meet its particular needs. A new approach to employment and skills provision is needed that gives flexibility at the regional level but also allows flexible delivery at the local and sub-regional level too, with a borough (or groups of boroughs) having a significant input into employment and skills services designed for their communities. London Councils is keen to work with the Mayor and the LSEB to explore how this new way of working could be achieved.

Proposal 4D states that training and employability support will focus on neighbourhoods with high concentrations of worklessness. London Councils would like the EDS to be clear on how these neighbourhoods will be identified and whether these neighbourhoods are to be the focus of LDA funded support. London boroughs should be consulted with early in the process to determine which neighbourhoods will qualify, given their role as community leaders. London Councils would like to see an approach to improving mainstream employment and skills services across the whole of London, as well as additional support around key infrastructure projects that create large scale job opportunities.

⁷ London boroughs collectively employ just over 250,000 people

⁸ For example, the Greenwich Local Labour and Business (GLLaB) scheme that through Section 106 commits employers, development and their contracts to use GLLaB services as a single point of access for local recruitment and employer engagement.

The proposals and analysis of worklessness and deprivation in London do not include the following:

- How activities in London focused on the recession and tackling the significant increase in unemployment levels in the city will continue – given that GLA Economics forecasts that employment levels in London may not reach 2006 levels again until 2018;
- Enterprise can be an important route out of unemployment for some people and this should be reflected in the EDS. The proposals in Chapter 2 to promote enterprise and entrepreneurship should be integrated into the LSEB's activities around worklessness.

The Mayor also needs to ensure that policies in other strategies do not undermine aims and objectives within another. For example, London Councils is keen that the Mayor's commitment to reducing the bus subsidy does not result in disproportionate fare increases that would significantly affect disadvantaged Londoners and could undermine work to increase employment among disadvantaged groups.

Chapter 5 – Investing in London's future

London Councils supports the key proposals in this part of the draft EDS to sustain investment levels in London and ensure that the maximum economic opportunities are gained from key investments.

For the final EDS, London Councils would like to see:

- A wider range of activities for strengthening the economic performance of outer London. London Councils welcomes the focus of town centres, but this cannot be the sole focus of support. The current EDS also highlights only public sector based activities as potential growth sectors for outer London – higher and further education and central government. Private sector growth should also be encouraged. Likewise, transport infrastructure will be very important in unlocking potential development sites. Yet the transport improvements for outer London in the EDS are confined to 'making fullest use of existing public transport and ... selective local improvements', along with facilitating orbital movements.
- Explicit links between the development of Opportunity Areas and tackling deprivation in regeneration areas, in order to ensure disadvantaged Londoners benefit from strategic regeneration schemes;
- A commitment that skills and employment activities outlined in Chapter 5 will be linked to infrastructure and development schemes, where appropriate;
- Clearer and more detailed proposals around the legacy of the 2012 Olympic and Paralympic Games and where legacy facilities and activities will be of benefit pan-London or mainly to East London;
- Clearer information on the focus on the Mayor's support of town centre development. Will this support focus on the metropolitan centres highlighted in the draft strategy or draw in a broader range of town centres? How does the proposal to support town centre development (proposal 5D) link with the proposal to encourage further development of

diverse and attractive neighbourhoods (Proposal 5F) that refers to smaller and local town centres?

Securing investment in infrastructure

Given the expected reductions in public finance, new and innovative funding mechanisms need to be explored to secure investment. London boroughs have a central role to play in developing these. Tax Increment Finance (TIF) models should be explored further. These models generate investment by allowing local authorities to borrow against future increases in business revenues and council tax, retaining a proportion of these revenues⁹. LB Barnet has already developed one such model through its Barnet Financing Plan for development at Colindale. The Core Cities are advocating another model through Accelerated Development Zones. LB Croydon and LB Barking and Dagenham are testing out new public-private partnerships through asset-based development vehicles. London Councils is keen to work with the Mayor, the LDA and the Homes and Community Agency to test out how these and other models might be developed further in London to unlock investment and development.

⁹ These currently go straight to central government.

West London Partnership

Draft Response to the Mayor's Economic Development Strategy 2009

Introduction

1. The Mayor's draft Economic Development Strategy (EDS) has been published for consultation alongside with the Draft London Plan and the Mayor's draft Transport Strategy. The closing date for the consultation is the 12th January 2010. This is the first time that a consultation has taken place simultaneously on all three documents which have also been produced using a common evidence base. This should provide a good opportunity to ensure the integration of the key strategies for London. The London Plan is the overarching spatial document planning strategy and the other Mayoral strategies and borough planning documents should aim to realise the objectives of the London Plan (London Plan Policy 1.1).
2. The Mayor's Forward to the EDS outlines his vision for London; to be the best big city in the world, excelling as a global city and ensuring the people that live there are included in its economic development. The strategy sets out the long term aims to achieve this, clarifying roles and responsibilities and starting to set future policy direction. It also outlines the threats and opportunities.
3. There are five objectives outlined in the Economic Development Strategy to help achieve the overall vision and these are set out below in this report. In addition there are five cross-cutting themes: innovation, value for money, equality of opportunity and diversity, sustainable development and environmental improvement, community safety, health and health Inequalities and climate change adaptation and mitigation
4. The Mayor's objectives for London in the draft EDS are important and should be supported. They will contributed to the Mayor's overall vision for London which informs all his strategies: 'Over the years to 2031 and beyond, London should excel among global cities, expanding opportunities for all its people and enterprises, achieving the highest environmental standards and quality of life, and leading the world in its approach to tackling the urban challenges of the 21st century, particularly that of climate change'.
5. The EDS is drafted at a high level of strategy and policy with some general objectives and statements about what the Mayor will do, with partners, to achieve them. This makes analysis of the EDS difficult both in terms of the prospects of its objectives being achieved and in terms of the likely impact of the Strategy on West London. Whilst the imminent release of the LDA draft Investment Strategy for 2010 may assist such an analysis it is likely to cover short/medium term investment decision of the LDA's resources and may not therefore provide that additional level of detail about the EDS

which would assist in assessing it and enable partners to understand how to build in the EDS to their own strategies and plans.

6. In particular, the EDS is mainly thematic in its approach and it does not have the same level of spatial analysis and objective setting as the London Plan or the Mayor's Transport Strategy (MTS). This then presents a number of difficulties for West London partners. Firstly, it is difficult to know the extent which the EDS will support in practical terms the intentions of the London Plan and will work with the implementation of the MTS. For instance, as London Councils has suggested the detailed planned transport investments proposed in the MTS and the strategic Opportunity Areas and Growth Corridors within the London Plan need to be brought together to give a schedule of infrastructure projects that will direct LDA and other public investments.
7. Secondly, it's uncertain whether the analysis on which the EDS is based and the objectives recognise that the London economy is not homogeneous and that Outer London economies such as that of West London have specific challenges and opportunities which should be tackled (see both West London evidence to the OLC and the Commission's interim conclusions). On the other hand this is acknowledged in the London Plan and MTS.
8. The EDS does not relate its aims and objectives to measurable outcomes through the period of the Strategy. It would be helpful if it did and would enable a better appreciation of the scale of investment required and the delivery risks involved.
9. Like the London Plan the EDS appears to take the highest employment forecast for employment growth (that of the GLA itself) and does not consider alternative economic recovery and growth scenarios.
10. The London Plan suggests that population and jobs grow broadly at the same rate in the Plan period. Although forecasting over this period must have a large margin of error, if the employment rate is to be increased and worklessness fall then jobs need to grow at a faster rate than employment. How this is to be achieved is not explained.
11. The role of partners in the implementation of the EDS is set out in the chapter on Implementation. However this simply names partners and says nothing about how the joint planning and delivery are to take place. It would, for instance be helpful to see acknowledgement of the need to co-ordinate activity thorough work with London Councils and sub-regional partnerships and how Local (and sub-regional) Economic Assessments can be used for strategy and plan making to support the delivery of the Mayor's objectives in the Plan and Strategies.
12. In summary overall it's suggested that the WLP –
 - Support the Mayor's overall aims and objectives for London

- Proposes that the final EDS provides further detail on the objectives and incorporates some high level and measurable outcome targets for each
- Asks that the final EDS shows how it will support in more detail the delivery of the London Plan alongside the MTS
- Proposes that the EDS provides a better spatial analysis which recognises the diversity of the London economy and particularly the distinct characteristics of West London
- The EDS should provide a better indication in the Implementation arrangements and some of the ways that the LDA expects to work with partners at all spatial levels

Overview of Objectives

13. Objective 1: to promote London as a city that excels as a world capital of business

The Mayor will work with partners to:

- *strengthen the promotion of London as a global leader and encourage promotional agencies to work collaboratively*
- *promote London to the world, taking full advantage of the 2012 Games opportunity*
- *develop a comprehensive international trade strategy to increase London's exports, particularly in rapidly developing markets such as India and China*

14. The WLP could support the proposals in this chapter, particularly around strengthened and more co-ordinated promotion of London between key agencies. This is a key strategic role for the Mayor and capitalising on the promotional opportunities afforded by the 2012 Olympic and Paralympic Games.

15. There is a risk that promoting London as a global city with its clusters of world-beating businesses will inevitably lead to a focus on the Central Activities Zone. However, there are distinct offers within different parts of London and their strengths should be recognised and promoted. London-wide promotional agencies should be encouraged to work closely with boroughs and sub-regional partnerships and collaboration should be encouraged and supported. West London is an important investment location in its own right and business partners and the boroughs have been active in promoting and seeking investment and this provides an important partnership opportunity for the Mayor and the LDA in realising this objective.

16. In realising this proposal in West London the EDS should provide for close links between promotional work and investments and other actions in the EDS and the London Plan proposals for large scale development in opportunity areas and in Strategic Outer London Growth Centres, particularly seeking to build on the sectoral strengths of these as proposed in the London Plan.

17. Objective 2: to ensure that London has the most competitive business environment in the world

Innovation

The Mayor will work with partners to further develop London's capacity for innovation, particularly for SMEs, by:

- *encouraging collaboration across sectors,*
- *promoting more productive links between business and academia,*
- *providing support for innovative activities,*
- *promoting entrepreneurial skills and*
- *helping in accessing funding*

Business support

- *Promote cost effective business support programmes for London's businesses, and especially its SMEs.*
- *Continue to be an active champion of business and lobby government and encourage an open and competitive business-friendly environment and a flexible and skilled labour market.*
- *Work with partners to ensure costs to business are kept as low as realistically possible.*
- *Work with the neighbouring regions to achieve mutual economic benefits.*

Quality of life

The Mayor will work with partners, including boroughs, the NHS and the Metropolitan Police, to:

- *improve the quality of the environment in London*
- *improve health in London and reduce health inequalities*
- *improve and promote London's overall cultural, sporting and entertainment offer*
- *increase safety, drive down crime and particularly to counter business crime in the capital*

17. The proposals for developing London's capacity for innovation by encouraging collaboration and promoting more productive links between business and academia are welcome. It would be useful to know some more detail of the type of support that the Mayor will provide in this way and the scale of investment returns that the Mayor will seek through his support. It would also be helpful to know whether there is a strategic approach in particular to sectors which could achieve above trend growth in employment (as suggested in the London Plan) so that scarce resources can be targeted most effectively.

18. In particular in West London small businesses - SMEs, micro-businesses and the self-employed – make a significant contribution to employment and GDP and so an emphasis on support for small businesses is welcome.

19. The proposal in the draft strategy that public sector support should complement support provided by the private sector and focus on businesses and individuals that do not have ready access to private sector support is also welcome. Currently some BME groups, disabled people and women are under-represented in terms of owning and starting

businesses in London and the strategy should recognise this and focus some of its resources on these more disadvantaged groups.

20. It goes without saying the business support should be cost effective; that is a principle that we would all aspire to in delivering services. So we need to be clear why that is stated specifically here and what the Mayor and LDA might mean by it and by saying pre-start and small/early stage businesses would be supported 'in a low cost way'. We would be concerned, as would other partners such as London Councils, if spend on pre-start and start-up businesses is significantly reduced or support is limited only to accessing information via the Internet. For some types of small and micro-businesses and the self-employed face to face contact is important; and this is particularly so where as a matter of policy measures are put in place to increase the proportion on small businesses from under-represented groups.
21. In their response London Councils notes that the LDA has been working with London Councils and London boroughs on the introduction of the 'Solutions for Business' package. This dialogue needs to continue to inform the LDA's decisions about the 'Solutions for Business' package that will be on offer in London. London boroughs support some aspects of the 'Solutions for Business' package – but that support is non-statutory and not always available in every borough. We should support the London Councils proposition that London boroughs, via London Councils, should have an early opportunity to discuss the LDA's proposals for the 'Solutions for Business' offer in London. This would ensure that local and regional funding and activity are aligned and do not result in significant gaps in provision. West London boroughs, through London Councils, and other stakeholders in West London should also be involved in formal dialogue on the specification for the next Business Link contract, as this will have a significant impact on the focus of business support services in London.
22. We welcome the proposal that of working with neighbouring regions to achieve mutual economic benefits and in West London we are already part of a dialogue with regard to the London – Luton corridor and have led on discussions with SE region partners with regard to transport (with TfL) and on the Western Wedge. We ask that the Mayor and LDA should ensure that discussions around key strategic regeneration and opportunity areas include the WLP stakeholders and that we are engaged in both the design of the mechanisms for liaison as well as the substance of the subsequent dialogue.
23. The WLP wholeheartedly agrees with the objective of improving the quality of life in London; through the WLP and individual stakeholders in West London have consistently made the linkages between a good quality of life and our competitiveness. Our West London EDS, 10 Point Transport Plan and evidence to the OLC have emphasised the need for co-ordinated action to improve the quality of life in West London and proposed a range of measures to support the achievement of this. Many of these measures can be delivered by West London partners in collaboration with the GLA group and the Mayor's London Plan and MTS and EDS are a key means to achieving this. This is why the integration of the London Plan and the

Mayor's strategies and clear links between them and West London and local strategies and plans is important (as stated earlier).

24. We welcome the importance given to the London's cultural, sporting and entertainment offer. In West London this is particular important, especially when related to the leisure and tourism sector which had significant growth potential in West London and to the strength of our creative industries. It would assist us in understanding the likely impact of the EDS objective and the links between this and West London and borough strategies if there was an explanation of what the Mayor intends to do as the current wording is not clear about what kind of action we could expect. The links between these actions and those to increase competitiveness and employment through supporting the cultural sector could also be clearer.

25. Objective 3: To drive London's transition to a low carbon economy and to maximise the economic opportunities this will create

The Mayor will -

- *Lead by example and work with partners to ensure that London realises the great economic opportunities associated with the move to a low carbon economy.*
- *Work with partners and lobby government to develop the scale of investment and environmental infrastructure needed to support a low carbon London.*
- *Encourage business to participate in exemplary projects to cut carbon such as the creation of a showcase Green Enterprise District and of Low Carbon Zones.*
- *Work with partners to ensure London's workforce has the right skills so businesses fully realise the employment opportunities from the global move to a low carbon economy.*
- *Create a policy framework to address climate change and will work with private, public and voluntary sector partners to improve their environmental performance.*

26. The WLP supports the measures outlined to ensure London's economy becomes a low-carbon economy and establishes itself as a low-carbon world leader and will work with the GLA/LDA to achieve this.

27. Objective 4: To give all Londoners the opportunity to take part in London's economic success, access sustainable employment and progress in their careers

The Mayor will work with partners, including boroughs, the LSEB and the HCA, to:

A good start in life

- *Help ensure that all London's children get a good start in life, and encourage relevant agencies to work towards the government's target to end child poverty being achieved in London by 2020.*
- *Ensure that all London's young people have appropriate opportunities to gain the knowledge, skills and confidence to succeed in London's labour market.*

Employment and skills

- *Raise London's employment rate, and reduce the employment rate gap for disadvantaged groups, by removing barriers and disincentives to work and providing more personalised and joined-up services to help people into employment and career progression.*
- *Significantly improve training and employability support so as to help people secure and retain a job with a particular focus on neighbourhoods with high concentrations of worklessness.*
- *Help meet the aspirations of Londoners to acquire relevant skills and qualifications to progress in their careers.*

Housing

- *Ensure there is sufficient and suitable housing to meet the needs of London's growing population and workforce, and to address problems of homelessness and overcrowding.*

28. The WLP supports this Objective and broadly agrees with the analysis in the EDS. West London through the work of the boroughs and partners and in the context of the West London Working City Strategy Pathfinder has been active in co-ordinating and measures to tackle worklessness and skills issues. Well planned, good quality and customer focused interventions are necessary to tackle the related problems of child poverty and worklessness. We support the strategy and aspirations of the LSEB and believe that in West London they are best operationalised at the sub-regional level, co-terminus with the JCP district. Within this context boroughs and businesses have an important role to play alongside LDA, the Adult Skills Service and the DWP funding provision.

29. We believe there is much to learn from the work of the WLW CSP which the LDA should take on board in designing and operating its programmes and agree with the London Councils developing proposals regarding alignment and devolution of contract management of services and the pooling of budgets. We would like to see the LDA taking a lead in working in this way. We would also wish to see a more explicit acknowledgment of the important role of businesses in realising this objective.

30. The WLP and the boroughs within it would like to be consulted early in the process to determine which neighbourhoods will qualify if the LDA is to allocate funding in this way.

31. We also refer back to our concerns about whether employment growth can be delivered at a high enough a rate to ensure that there is an adequate supply of job opportunities to reduce the level of worklessness given the population growth predicted.

32. Objective 5: To maximise the benefits to London from investment to support growth and regeneration, and from the 2012 Olympic and Paralympic Games and its legacy

Work with partners, including boroughs, developers, the LDA, TfL and OPLC to:

- Strengthen the economy across London including removing barriers to outer London fulfilling its potential, and support the development of town centres in outer and inner London as hubs for their communities and local economies.*
- Ensure that investment sustains and increases central London's ability to be competitive, productive and innovative.*
- Fully seize the unique regeneration opportunity offered by the 2012 Olympic and Paralympic Games.*
- Identify capacity to accommodate large-scale employment and housing development, including in the London Plan Opportunity Areas, through the planning system, transport proposals and investment support.*
- Take a co-ordinated and targeted approach to regeneration across London.*
- Encourage the further development of diverse and attractive neighbourhoods throughout London and encourage local economic development as an essential ingredient in this.*
- Achieve the full economic development benefits of London's transport schemes and bring forward the necessary further investment in London's infrastructure.*
- Achieve mutual economic benefits from investment for London and the wider South East.*


33. The objective is not clearly phrased – is the intention a narrow one to maximise the benefits of currently planned investment (which is mostly only committed in the first part of the Strategy period) which it appears from the wording or is it to do that and seek further investment which could be inferred from what the Mayor says he will do? The latter is preferred.

34. The recognition of the need to address underperformance in employment growth in Outer London is welcomed. However, this should not only be referenced here but should be a theme throughout all of the strategy.

35. When reviewing this section on what the Mayor will do to tackle underperformance in outer London its unclear what the EDS will contribute in addition to the few measures quoted from the London Plan and MTS. There is no mention at all of Strategic Outer London Development centres which are a key mechanism proposed by the London Plan in this connection. There is no suggestion of any leadership or investment role that might be expected from an RDA in taking forward and co-ordinating actions to secure the employment growth opportunities outlined in the London Plan. The WLP would like to see in the final EDS what is proposed be done to take these proposals forward as well as the contribution to be made by the LDA through the EDS to growth sectors and town centre vitality.

36. The proposals around the legacy benefits of the 2012 Games are focused on the Olympic Park and East London and we acknowledge the importance of this. However, there are other Olympic venues outside East

London and the legacy benefits are an issue for the whole of London. It would be desirable for the EDS to be clearer how it will contribute to the realising the legacy of the 2012 Games for London generally and for each sub-region. It could recognise the role of the sub-regional partnerships in this, for instance that of the West London 2012 Partnership.

	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Environment and Culture</p>
<p style="text-align: right;">Wards affected: Barnhill, Tokyngton, Wembley Central, Alperton, Stonebridge, Queensbury, Queen's Park, Kensal Green, Dudden Hill</p>	
<p style="text-align: center;">Proposed pre-submission changes to the Site Specific Allocation Development Plan Document</p>	

Forward Plan Ref: E&C-09/10-22

1.0 Summary

1.1 This report summarises limited changes to the draft Site Specific Allocations Submission stage Development Plan Document of the emerging Local Development Framework. The limited changes are 3 new sites and a series of minor changes to the document. The changes are proposed following publication of, and consultation on, Brent's Site Specific Allocations in June 2009 in advance of submission to the Secretary of State.

2.0 Recommendations

2.1 That Executive agrees the changes to the Site Specific Allocations Development Plan Document contained within this report.

2.2 That Executive agrees that the document be put to public consultation for a period of 6 weeks in accordance with the standards set out within the Council's adopted Statement of Community Involvement commencing upon the 22/01/2010.

3.0 Detail

3.1 The Site Specific Allocations Development Plan Document contains details of development sites that are likely to come forward in the next plan period (15 – 20 years). As referred to within the report to the Council's Executive (16th November 2009), officers intend to submit the Site Specific Allocations DPD early in 2010. The document was

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published for consultation during the summer 2009. During this consultation period, representations were received that proposed changes be made to the document before adoption. It is proposed to submit the document so that it can be examined as soon as the Core Strategy is adopted. The role of the document is to give more details of development within individual sites, including within the Core Strategy's growth areas.

- 3.2 Government best practice guidance (2008) for the Local Development Framework categorises changes to documents as "extensive changes", "focused changes" and "minor post-publication changes". None of the proposed changes are considered to be "extensive".
- 3.3 Although the changes are not considered to be "extensive", they still have an impact on the message and substance of elements of the Site Specific Allocations DPD; therefore it is important that stakeholders have the opportunity to consider the impact of these changes. The changes will be published on the Local Development Framework website, posted to all statutory consultees and new sites will be posted to occupiers and neighbours. Additionally, the documents will be available at One-Stop-Shops.
- 3.4 Having considered representations, officers recommend a number of changes to the document. These include:
- 3 new Site Specific Allocations – these are considered and recommended below. Draft allocations are included within the changes document at Appendix 1
 - Focused changes to existing Site Specific Allocations – these are included at Appendix 2
 - A focused change to the introductory text - this is discussed at para. 3.23.
 - Minor post publication (editing) changes – these are discussed at para. 3.24.
- 3.5 Focused changes: New Site Specific Allocations
Below, the inclusion of 3 new allocations is considered and recommended. Draft allocations for these are included at Appendix 1.
- 3.6 *Moberly Leisure Centre, South Kilburn*
A representation was received from the London Borough of Westminster for the inclusion of an allocation on the Moberly Leisure Centre in South Kilburn. The centre sits within Brent but is owned and operated by Westminster Council.
- 3.7 The representation seeks an allocation that promotes the redevelopment of the site for a new or improved leisure centre and enabling residential development. This site is within the South Kilburn growth area and entails the provision of improved facilities for the local community. Part of the site is a Victorian school and caretakers' house.
- 3.8 Although not listed, these are of some architectural and historical merit and this should be carefully considered as any proposal is brought

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forward. In principle, officers recommend the inclusion of this new site as a Site Specific Allocation. The Council would want to secure some affordable housing as part of any development to assist with the redevelopment of South Kilburn.

3.9 *Former service station garage Rucklidge Avenue*

The Abermarle Trust, the owners of this site submitted a representation requesting the inclusion of this site within the document. The representation seeks allocation text that merely states “residential development”. The site was subject to a planning application in 2007 where, despite officer recommendation, committee refused planning permission. Since then, the owners have resubmitted a planning application for residential development.

3.10 As this site is brownfield land within an urban area, officers feel that in principle, this site can be included within the document as it is in line with national and regional planning policy. However, officers suggest that the allocation is worded so as to refer to the difficulties of development derived from the outlook, privacy, mass and scale of possible developments in relation to the surrounding properties.

3.11 *Former Wembley Mini-Market, Lancelot Road, Wembley*

London and Quadrant Housing Trust requested that this site be included as a site specific allocation for either solely residential or the mixed use redevelopment of this site.

3.12 This brownfield site has long been vacant and officers feel that in principle, the site is suitable for redevelopment. However, officers feel that in the interests of supporting the role of Wembley town centre, the development should include commercial uses at lower floors. Planning Committee requested that car parking be added as an option for use of the site so this has been added. The new allocation will supersede the proposals for the site included in the adopted UDP.

3.13 New sites considered but not included within the document

3.14 *Swimming Pool at Roe Green Park, Kingsbury*

Executive considered and accepted recommendation of a report in October 2009 into possible sites for a swimming pool in the north of the borough. Roe Green Park contained 2 potential sites and Executive requested a detailed feasibility study to determine the preferred site. The sites present different planning considerations in respect of accessibility, potential loss of trees and the impact upon Kingsbury Manor, which is a listed building.

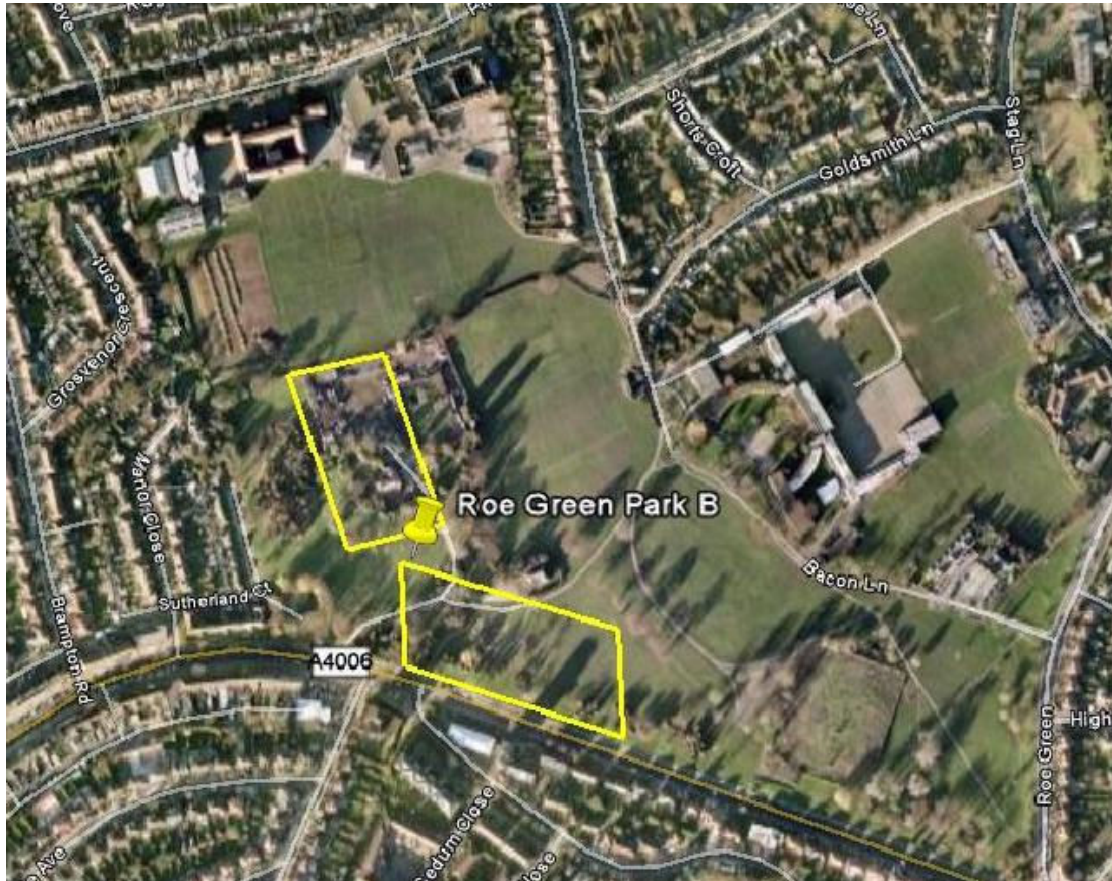
3.15 Officers feel that it is not possible to include an allocation at such an advanced stage in the Site Specific Allocations document as the actual site for this proposal has still not been agreed by the Council. Additionally, officers are concerned that the progress of the document is not held up while a site is agreed.

3.16 An allocation can be proposed at the Examination in Public if a site has been agreed before then. If this is not possible, officers suggest that a

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planning brief can be prepared that can be supplementary to the Core Strategy which itself includes a statement that the Council is seeking a pool in the north of the borough. This can deal with the more detailed site development issues and would itself be subject to public consultation.

- 3.17 An aerial photo taken from the Executive report is included below to indicate the 2 potential sites within Roe Green Park.



3.18 *Asiatic Carpets and Chancel House, Church End*

These sites were already included within the document but were identified for mixed use development. However, representations were received from Cllr James Powney and Cllr Janice Long that these sites be proposed to accommodate a new secondary school and a sixth form college.

- 3.19 Chancel House was considered for disposal by its owners but is now well occupied and there are no immediate prospects for the site to come forward for development. The level of occupation suggests that it would be extremely expensive to acquire this site and would not be achieved without complex compulsory purchase procedures. Discussions have also taken place with the owners of the carpet warehouse site who have been reluctant to move until they secure sufficient funds from housing development to finance a move to a nearby location in order relocate their business. The floorspace needs for carpet storage are significant. Again this will be a costly exercise likely to be resisted by the owners.

3.20 Furthermore, the Infrastructure Investment Framework suggests that proposed development in Church End will give rise to half a form of entry at secondary level, and approximately $\frac{3}{4}$ of a form of entry at primary school level. Therefore, it is considered more appropriate in the short term to accommodate growth within existing schools whether by using up capacity (as at Cardinal Hinsley) or by extending capacity in other secondary schools in the borough. Officers continue to consider sites in the south of the borough for new schools.

3.21 *McNicholas House, Kingsbury Road*

An allocation was proposed by the new owners of this site for the mixed use redevelopment for a new Shree Swaminarayan temple building with indoor sports and multi use community facilities and employment floorspace. Officers feel that this allocation cannot be included as the site is designated as a Borough Employment Area and the case has not yet been made to depart from this.

3.22 *Taylor's Lane Power Station, Stonebridge*

Owners E.ON requested that this site be included as an allocation as a "strategic energy generation" site. Officers feel that, although its inclusion would not necessarily harm the document, the allocation proposes no change of use or redevelopment and merely maintains its current status. It is felt there is simply no need for this allocation.

Focused change: Introductory section

3.23 Officers have clarified paragraph 1.17 of the introductory section that refers to "Planning for Infrastructure" to include a statement on utilities infrastructure in addition to social infrastructure to support development.

Minor post-publication (editing) changes

3.24 Changes have been made throughout the document to clarify the planning history by including planning application numbers. This should make the document more accessible for readers.

3.26 All references to Flood Risk have been amended to reflect the need for Flood Risk Assessments to be updated and reassessed in the light of updated data from the Environment Agency; the following text will be added to all relevant allocations: "therefore any assessment must be ensured that the most up to date data is used as part of the FRA."

3.27 The reference to Core Policy 7 – Wembley Growth Area, references to sites W9 and W10 have been added. These should have been included in the policy and was an error of omission.

3.28 SSA16 Morrison's Supermarket has been amended to replace the reference to the Metropolitan Line with the Jubilee Line. The Metropolitan Line has long since ceased to use this line.

3.29 B/C1 Oriental City has been amended so that the planning history only refers to the former Oriental City site, and not the Asda supermarket, that also falls within the red-line.

4.0 Financial Implications

- 4.1 Apart from the costs of printing and public consultation, officers believe that there are no financial implications arising directly from the report. The proposing, reporting, agreement and publication to the changes made within this report are part of the correct procedure of submitting a Development Plan Document to the Secretary of State for Examination in Public. Where local planning authorities do not follow the correct procedure for the preparation of Development Plan Documents, there is a risk that upon Examination, the council is asked by the Planning Inspector to withdraw the document, incurring further costs.

5.0 Legal Implications

- 5.1 The preparation of the LDF, including the Core Strategy, is governed by a statutory process set out in Government planning guidance and regulations. The regulations allow for changes to be proposed to the draft Plan after publication. The changes proposed will be put to the Inspector for consideration along with any representations that may be made upon them.

6.0 Diversity Implications

- 6.1 Full statutory public consultation has been carried out in preparing the Core Strategy and an Impact Needs / Requirement Assessment (INRA), which assessed the process of preparing the Site Specific Allocations, was prepared and made available in November 2008.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 There are no staffing or accommodation implications arising directly from this report.

8.0 Environmental Implications

- 8.1 There are no environmental implications arising directly from this report.

Background Papers

London Borough of Brent LDF - Site Specific Allocations Proposed Submission DPD, June 2009

London Borough of Brent LDF - Core Strategy Proposed Submission DPD, June 2009

Contact Officers

Any person wishing to inspect the above papers should contact Alexander Hearn, Principal Policy and Regeneration Planner, Planning Service 0208 937 5346

Richard Saunders
Director of Environment and Culture

Executive
Date 18th January 2010

Version No.4.0
Date 16th December 2009

Appendix 2: Focused changes to existing Site Specific Allocations

Number	Site Specific Allocation	Proposed change	Justification
W3	Brent Town Hall	Include policy reference to Core Policies 17, and 23.	A representation was made in this respect and officers feel this is a reasonable change to make. However it should be clear that the “Core Strategy Policy context” is not an exhaustive list of relevant Core Policies but is intended to demonstrate a policy reference with the Core Strategy,
W6	Amex House	<p>Include the following text to the Flood risk comments section: At the end of the second sentence add the words “<i>or reduce flood water storage.</i>”</p> <p>The following text be added to the sentence that begins “<i>The FRA should include</i>”: <i>“Demonstration that the site layout has been designed sequentially to place development in areas of lowest flood risk; design criteria for proposed development to ensure it is not at risk of flooding; demonstration of safe access/egress from the site during a flood event.”</i></p> <p>The flowing text should be added at the end of the paragraph: “<i>therefore it must be ensured that the most up to date data is used as part of the FRA.</i>”</p>	These changes have been requested by the Environment Agency.
W9	Wembley High Road	Include policy reference to Core Policies 16	A representation was made in this respect and

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			officers feel this is a reasonable change to make. However, it should be clear that the “Core Strategy Policy context” is not an exhaustive list of relevant Core Policies but is intended to demonstrate a policy reference with the Core Strategy,
W10	Wembley Chiltern Embankments	<p>Include sentence “<i>Embankments must be stabilised and development must not disrupt the rail service through the site.</i>”</p> <p>Include policy reference to Core Policy 17.</p>	<p>A representation was made in this respect and officers feel that this is a reasonable change to make.</p> <p>A representation was made in this respect and officers feel this is a reasonable change to make. However it should be clear that the “Core Strategy Policy context” is not an exhaustive list of relevant Core Policies but is intended to demonstrate a policy reference with the Core Strategy,</p>
A2	Minavil House and Unit 7 Rosemont Road	For sites A2 – A8, remove sentence “ <i>To assist this, an undeveloped buffer strip of 5 metres from the canal will be encouraged</i> ”.	This sentence was added at an earlier stage as it was requested by the Environment Agency. The Environment Agency is not the authority for the canal and British Waterways (which is) have requested that this be removed.
A3	Former B&Q and Marvelfairs House		
A4	Atlip Road		
A5	Sunleigh Road		
A6	Woodside Avenue		

A7	Mount Pleasant/Beresford Avenue		
A8	Northfields Industrial Estate		
SSA1	Metro House	Include sentence <i>“Until development proposal is forthcoming, continued use of the site as a hostel is supported.”</i>	This was agreed at an earlier stage of consultation but was omitted from the submission stage document.
SSA20	Former Unisys and Bridge Park Centre	Include sentence <i>“The design of development proposals can further mitigate the potential impacts of noise pollution through orientation and internal layout of buildings”.</i>	A representation was made in this respect and officers feel that this is a reasonable change to make.
SSA20 Page 8	Former Unisys and Bridge Park Centre	Include the following text to the Flood risk comments section: At the end of the second sentence add the words <i>“or reduce flood water storage.”</i>	This was requested by the Environment Agency
SSA24	Wembley Point	Include sentence <i>“The design of development proposals can further mitigate the potential impacts of noise pollution through orientation and internal layout of buildings”.</i>	A representation was made in this respect and officers feel that this is a reasonable change to make.
SSA24	Wembley Point	Include sentence: <i>“This site requires a revised Flood Risk Assessment based upon the most up to date data before it can be included as an adopted Site Specific Allocation.”</i>	This was requested by the Environment Agency
B/C3	Capital Way	Clarify uses within buffer zone to include <i>“community uses”.</i>	This change would be inline with the planning permission on the site.

PR2	First Central	Include sentence <i>“Development must minimise loss of existing trees and must include a comprehensive and detailed landscape strategy including planting, materials and landscaping”</i> .	Although phases of the extant permission have not been built out, the landscaped parkland and lake have been delivered resulting in a high quality public realm. Recent related residential development benefits from this and this must be considered with any forthcoming development proposals.
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1. ADDITIONAL SITES

2

Site Specific Allocations - Proposed Pre-submission Changes

1. Additional Sites

Moberly Sports Centre

Address:

Chamberlanyne Road

Ward:

Queens Park

Area:

0.66ha

Description:

Underutilised site comprising sports facilities, nursery space, an ancillary cottage and open hard-standing located off Kilburn Lane and Banister Road to the east of Kensal Green underground station.



Core Strategy policy context:

Core Policies 1, 2, 4, 5, 6, 9, 18, 19, 21 and 23.

Planning guidance:

South Kilburn Supplementary Planning Document.

Planning history:

None relevant.

Allocation:

Westminster City Council are considering taking forward a redevelopment scheme for the site as a whole. It is proposed that a high quality, fully accessible and highly sustainable redevelopment is promoted which re-provides the existing sports and nursery facilities currently provided on the site to a higher quality and specification that better responds to demonstrable local need. It is also proposed that given the inclusion of the site within the South Kilburn Growth Area that the scheme includes residential units above ground floor level that form part of a high-quality and fully integrated mixed-use development.

Indicative development capacity	104 units
Indicative development phasing	2015 - 2016

Flood risk comments:

Not within an identified flood zone. Flood zones are subject to change and modelling and re-modelling is carried out on a quarterly basis by the Environment Agency, therefore any assessment must be ensured that the most up to date data is used as part of the Flood Risk Assessment.

Site Specific Allocations - Proposed Pre-submission Changes

Justification:

1.0.1 Delivering improved quality sports, nursery and other community facilities for which there is a demonstrable local need delivered as part of a mixed-use scheme, incorporating residential accommodation, that makes the best use of an underdeveloped site lying within the South Kilburn Growth Area. The redevelopment scheme will include creating a discernable residential frontage to Banister Road, providing high quality and fully accessible sports and recreational facilities at the ground and first floors, with residential accommodation delivered above as part of a vibrant mixed-use development. Close regard would be had to re-providing existing sports and community space at a higher standard in response to discernable local need; making best use of the site by delivering residential accommodation in this strategic Growth Area; ensuring that the development responds positively to its existing townscape context; and creating a vibrant, vital and mixed-use scheme which to the western extremity of the South Kilburn Growth Area.

Site Specific Allocations - Proposed Pre-submission Changes

Former Rucklidge Service station

Address:

High Street Harlesden

Ward:

Kensal Green

Area:

0.1 hectares

Description:

Vacant petrol filling station site along High Street Harlesden. There are commercial uses at ground floor either side of the site.

Core Strategy Policy context:

Core Policies 17 and 21

Planning history:

07/2829: Planning application refused, upheld at appeal: Erection of four-storey building comprising retail floor space 14 dwellings.

Allocation:

Residential development having careful regard for heights, scale and massing of surrounding uses and development and resulting levels of outlook and privacy.



Indicative development capacity	16 units
Indicative development phasing	2013-14

Justification:

Re-use of vacant brownfield site within urban location to increase the supply of housing in the area.

Site Specific Allocations - Proposed Pre-submission Changes

Former Wembley Mini-Market

Address:

Lancelot Road, Wembley

Ward:

Wembley Central

Area:

0.1 hectares

Description:

Vacant former covered market site just outside of the shopping frontage of Wembley Town Centre. Surrounding uses are a mixture of commercial and residential character.

Core Strategy policy context:

Core policies 1,2,3,4,5,6,7 and 18

Planning history:

None relevant

Allocation:

Mixed use development for residential and commercial uses to support the regeneration of Wembley town centre. Despite the location, development proposals must still have regard for the character and scale of the surrounding area.




Indicative development capacity	16
Indicative development phasing	2013-14

Justification:

The allocation promotes a mix of uses that is in line with the aspirations for Wembley town centre to help establish a regenerative anchor at the western end of the town centre.

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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Environment and Culture</p>
<p style="text-align: right;">Wards Affected: ALL</p>	
<p>Inspiring Brent - Brent's Action Plan for the London 2012 Games</p>	

Forward Plan Ref: E&C-09/10-26

1.0 Summary

- 1.1 This report provides an update on Brent's Action Plan for the London 2012 Games which has been developed by the 2012 Steering Group. The report outlines key achievements to date and areas of work we want to develop to secure a legacy for Brent from the Games.
- 1.2 The report outlines developments in the London 2012 City Operations Programme and the main conditions of the London 2012 Host Borough Co-Operation and Licence Agreement.

2.0 Recommendations

That Members:

- 2.1 Note the progress made to date.
- 2.2 Agree the 2012 Action Plan attached as Appendix .
- 2.3 Note progress made towards signing the London 2012 Host Borough Co-Operation and License Agreement as referred to in Paragraphs 3.18 – 3.25 and authorize the Director of Environment and Culture to agree the exact terms thereof, on the advice of the Borough Solicitor.

3.0 Detail

Progress within Brent on delivering the 2012 Action Plan

- 3.1 The London 2012 Olympic and Paralympic Game will provide a catalyst to improve sports participation and physical activity across the borough, celebrate Brent's rich cultural heritage and develop volunteering skills and opportunities for businesses; all of which will help to achieve our corporate strategy aims. Over the last few years huge progress has been made on the 2012 programme. The Brent 2012 steering group membership has been widened to include representatives from NHS Brent, Brent Association for Voluntary Action and West London Partnership for the 2012 Games allowing a more strategic and borough wide approach to the Games. A dedicated Manager for the 2012 Games was appointed in May 2009 to coordinate the 2012 work across the council and has made excellent progress in raising the profile of Brent's offer both internally and externally. Brent has developed very strong relationships with the London Organising Committee for the Olympic Games (LOCOG), the Olympic Delivery Authority (ODA), the GLA, London Councils and West London Partnership for 2012 Games through a number of partnership projects. As a borough that has experience of hosting international sporting competitions it is envisaged that officers will work closely with the London 2012 organisers to help shape operational plans for the management of 2012 venues in relation to the regulatory services role, traffic management and streetcare related issues.
- 3.2 **2008 Torch Relay/Hand Over Ceremony** – The official opening ceremony of the London leg of the Beijing 2008 Olympic Torch Relay started at Wembley Stadium and Arena Square where the torch was carried by Sir Steve Redgrave and Brent student Cheyenne Green to its next destination. Cheyenne was chosen for the honour by the Greater London Authority from thousands of young hopefuls nominated by their schools.
- 3.3 September 2008 was the official handover from Beijing to London and Brent celebrated this by hosting the West London wide Culture 8 event; a dance music and entertainment extravaganza in Wembley Arena. Culture 8 was coordinated by West London Partnerships for the 2012 Games and received funding from the London Development Agency (LDA). Officers from across the council worked closely with LOCOG and West London Partnerships for the 2012 Games to organise and deliver the event in Wembley. It was the first event that was developed and programmed by eight West London boroughs and was awarded the coveted 'Inspire Mark' by LOCOG, one of the first events to be awarded the mark.
- 3.4 **LDA Personal Best Volunteering Programme** – After a successful pilot in 2007, Brent secured £180k of LDA funding to deliver the Personal Best Volunteering Programme in partnership with The College of North West London. The programme has been designed to help unemployed people or those who have little or no qualifications by providing them with a stepping stone into work or employment through developing volunteering skills. Volunteering will play an integral part of the delivery of London 2012 Games as up to 70,000 volunteers will be required. Graduates from the programme will be

offered an interview at Games time and 10% of volunteers used at Games time will come from the Personal Best programme. Brent has two Personal Best Advisors based in Brent in2 Work who work closely with the community to ensure the programme reaches those who will benefit the most. Phase three of the project ends in March 2010. To date over 1000 individuals from Brent have participated in the programme and Brent is in the top three performing local authorities delivering the programme.

- 3.5 **Pre Games Training Camps and Games Time Camps** – Willesden Sports Centre and Capital City Academy have been confirmed as pre Games training camps and are listed in the official pre games training camp guide prepared by LOCOG. Training camps can be used by Olympic and Paralympic teams from visiting nations to help them adjust and prepare prior to the Games. Both sites were part of a West London bid through the West London Partnership for the 2012 Games, and are counted as one of the 17 facilities across West London available to visiting nations to use for training opportunities.
- 3.6 Work has started to attract a nation to Willesden Sports Centre and Capital City Academy, however experience from other boroughs has demonstrated that personal contacts from community members to an Olympic or Paralympic nation has proven the most successful way to attract a nation. Working with West London Partnerships for the 2012 Games, a letter has been sent to the Indian Olympic Authority and a response is due shortly. The training camps opens up a number of opportunities to get the community involved either through sports development programmes, cultural events, hospitality and tourism.
- 3.7 LOCOG are currently having discussions with the federations for Badminton and Rhythmic Gymnastics around moving the sports to Wembley Arena. The move is an attempt to avoid building a temporary venue in Greenwich and save up to £40million. Part of this process involves proposing suitable accommodation and training venues close to the venues. The 2012 Manager has been working with LOCOG to identify a Games time training venue for Badminton in Brent. LOCOG have considered a number of potential venues in the borough and Capital City Academy has been identified as the best potential site. More detailed work will need to be completed if Badminton is moved to Wembley Arena. The decision is likely to be made in March 2010.
- 3.8 **Brent Inspires Award** – This flagship young people programme was launched in September 2009 at Wembley Learning Zone and LOCOG were in attendance.

The Brent Inspires Awards is a virtual competition aimed at 0-19 year olds in schools, colleges, youth groups or clubs across the borough allowing them to engage in sports, culture and creative experiences. The programme recognises the achievements of young people who participate in activities which incorporate the three Olympic values of respect, excellence, friendship and the four Paralympic values of courage, determination, inspiration and equality.

The Brent Inspires Award has been recognised by LOCOG as a project that is genuinely inspired by the 2012 Games and has been awarded the coveted 'Inspire Mark'.

3.9 Countdown to 2012 Event - Launched in 2007, the countdown to 2012 day has become a yearly fixture in the 2012 programme of work and provides an opportunity to consult with young people on the London 2012 Games. Led by the Youth Parliament, in partnership with Brent Council services, the days have been designed to raise the profile of the 2012 Games amongst young people in the borough as well as highlight the wider opportunities the Games provide. Activities have ranged from language workshops, events stewarding, sports taster sessions, presenting and dance workshops as well as consultation opportunities with sports services and the 2012 steering group. The 2012 steering group have made a commitment to work with young people to deliver the countdown events each year until 2012.

3.10 In addition to the projects mentioned above, a number of smaller projects have been delivered over the last few years. These include:

Brent – An Olympic Borough 1908-2012 - An exhibition celebrating Brent's heritage with past and present Games which is touring around the borough until 2011.

Respect Festival 2008 – Respect 2008 was themed around the London 2012 Games and offered a range of activities including sports taster sessions, a wheelchair dance showcase and the London 2012 roadshow where people could find out more about the Games. The LDA 2012 roadshow was also present.

London 2012 Open Weekend - A celebration of art, culture and sport, which encourages organisations to open up their venues to allow people to try something new. Brent got involved in the celebration by providing free taster sports sessions in the centres and parks providing residents with the opportunity to get involved. In addition 'Water a Way of Life' Brent's contribution to the 'West London Story' was exhibited as part of Open Weekend at the Watermans Arts Centre.

London Business Network Seminar – London Business Network, Competefor (the tendering vehicle for the Games) and Brent Council delivered an event for Brent businesses to highlight the opportunities available through the Games. To date five Brent based businesses have secured tenders related to the Games through the Competefor process.

Brent's Action Plan for the London 2012 Games

3.11 In March 2008 The Brent 2012 Action Plan was launched, which details plans and activities in the lead up to the Games. The plan was launched at Wembley Stadium and was attended by Sir Bill Morris, Director of Culture at LOCOG. The launch was designed to raise the profile of Brent's contribution to the Games and to provide an opportunity for officers to network with key stakeholders.

3.12 The launch of the action plan coincided with the 2008 Beijing Games and a number of the projects in the plan were related to this. These projects were successfully delivered but it has resulted in the action plan being time limited. The 2012 Manager has been working closely with the lead officers from the theme groups to update the plan and develop a new plan from now to 2012. The key themes detailed in the plan are as follows:

- Young Learners
- Business, Employment and Skills
- Culture and Events
- Sport and Health
- City Operations and Environmental Sustainability (new to the updated plan).

City Operations and Environmental Sustainability are new themes to the plan which link into aims of the Corporate Strategy and aspirations to be the Greenest Borough in London.

Each of the above themes is led by a small theme group. Each group has a lead officer who has identified the following to be delivered as key projects in the lead up to the London 2012 Games:

- An annual Inspiring Brent Fun Run and Walk
- Brent Inspires Awards
- Volunteering opportunities across the borough
- 2012 inspired festivals
- Cultural Olympiad celebrations
- Countdown to 2012 events
- Young ambassador programme
- Torch relay celebrations

3.13 The new action plan along with 'Inspiring Brent' the three year campaign for 2012 will be launched on the 2nd February at a celebration event at Wembley Stadium. Brent Chief Executive, Sir Bill Morris, Director of Culture at LOCOG, Moira Sinclair Executive Director for Arts Council England London and a representative from Wembley Stadium have been confirmed as speakers.

The event is an opportunity for Brent to showcase the 2012 related projects to date and to reaffirm the commitment to securing a legacy from the Games.

The new action plan is attached as Appendix 1.

City Operations

3.14 With less than three years to go to the Games, discussions are now taking place about how London will operate at Games times. Up to 1.5 million people

are expected to visit the Olympic site for the Olympic and Paralympics Games from across London, the UK and abroad.

There will also be over 10,000 athletes, 20,000 press and media personnel, and thousands of staff members and volunteers. The increased number of people in the capital is likely to place demand on local authorities and public services. These demands will have an impact across all of London in particular Brent who potentially could be hosting three sports across two venues.

- 3.15 The Olympic Delivery Authority and LOCOG have the primary responsibility for getting the Games up and running. However, the 2012 Games will generate pressures on other service providers that risk being 'invisible' as compared to the visible (and funded) costs of the Games and their legacy. It is not yet clear how if at all, the boroughs will be funded for any extra costs related to the 2012 Games as additional costs relating to refuse collection and disposal, social services, trading standards, local policing and traffic management are inevitable.
- 3.16 The GLA have set up a City Operations Steering Group which Brent Councils Chief Executive sits on representing CEOs across London. The groups' main focus is to keep London moving at Games time and a total of 24 workstreams have been set up to address this. Workstreams include the look of London, the visitor experience, public services and security.
- 3.17 In response to the issues raised, Brent has set up a City Operations Group as a sub group of the 2012 steering group to ensure that potential disruptions of hosting the Games and the financial impacts are kept to a minimum. The group is made up of senior officers from the main affected services who will work with key stakeholders as the city operations programme develops to ensure that Brent's best interests are taken on board.

Proposed London 2012 Host Borough Co- Operation and License Agreement

- 3.18 The London 2012 brand and the ability to grant an exclusive association to the London 2012 Olympic and Paralympic Games, as well as Team GB and Paralympics GB, are LOCOG's most valuable assets and therefore they only grant rights to use its intellectual property to organisations that are contributing significantly to the funding, organisation and/or legacy of the Games (such as sponsors, government and host boroughs). However in recognition of the contribution that local authorities are making to the Games, LOCOG are prepared to grant to all London boroughs the right to use various marks and present themselves as Host Boroughs of the Games on the signing of a licence. These marks include the London 2012 Olympics logo, the London 2012 Paralympics logo and a newly created host borough logo. In addition the descriptor of 'host borough for London 2012' can be used by boroughs in future communications.
- 3.19 The discussion about borough recognition has been going on with LOCOG and London Councils for the last 18 months and whilst LOCOG has indicated it is prepared for boroughs to use the marks on signing a licence, there are also

limitations. LOCOG need to protect the exclusivity they grant to their sponsors and merchandise licensees, and due to the commitments they have made to the IOC and IPC to preserve the value of the Olympic and Paralympic brands, LOCOG have put a number of controls on the way the logos can be used which is detailed in the Host Borough Cooperation and Licence Agreement.

- 3.20 The logos can be used on a flag outside the town hall, on the website (in particular the 2012 page) on signage at main entry points to the borough, on newsletters and publications relevant to the 2012 Games and informative posters. Using the logo would raise the profile of the boroughs involvement in the Games to residents, young people and businesses who are ultimately contributing to the Games through council tax and develop a sense of local pride.
- 3.21 However signing the licence to permit use of the 2012 logos would prohibit boroughs from seeking commercial sponsorship (unless from the official 2012 sponsors) for 2012 related projects or use commercial logos in order to protect the sponsors rights. Brent would have to use the designated logos on neutral areas such as the website or council publications and not in the Brent Magazine or on Brent vehicles where third parties could create an association with the Games.
- 3.22 The agreement also includes a section on 'principles of cooperation' which relates to areas such as providing access to land or premises under council control, for activities like the torch relay, photo shoots and filming for free of charge, or at the lowest standard rate that the council charges for hiring. Another area of cooperation would be to sign up to the 'look of London' programme and not create Brent branded banners and signage for the Games.
- 3.23 By signing the licence agreement, boroughs are agreeing to accept the terms and conditions and this will require stringent management across the council as misuse of the logo could lead to legal action not just by LOCOG but also by other Games bodies such as the IOC, the IPC, the BOA and BPA.
- 3.24 Brent Legal Services has been working with LOCOG, London Councils and representatives from the five east London 'host borough' on the terms and conditions of the licence. Not all of Brent's recommendations as to amendments to the licence have been accepted by LOCOG but many have, most significantly, amendment allowing boroughs to terminate the agreement at anytime.
- 3.25 The 2012 officer and Legal Services are looking at the licence agreement in detail before Brent signs up to it. Once it has been authorised the 2012 officer will be putting together detailed guidance for officers and members on the use of the logo and the conditions of the licence agreement.

4.0 Financial Implications

- 4.1 There is no allocated funding to deliver specific 2012 projects and in the current climate funding is becoming more challenging to secure. Officers will re align existing activities to meet the 2012 agenda where possible. Officers will bid for any external funding opportunities which arise in the future in relation to 2012. The 2012 Manager is also working with external partners to identify funding for 2012 activities within Brent and the sub region.
- 4.2 London Councils have commissioned the London School of Economics (LSE) to undertake a piece of research to identify the financial impact of the 2012 Games on authorities. As part of this work, council Officers met with the LSE to feed through issues in relation to the cost of hosting events at Wembley. This will be incorporated into their final report which is due early next year.

5.0 Legal Implications

- 5.1 The Olympic Delivery Authority is required to prepare and keep under review the Olympic Transport Plan which is intended to address transport issues relating to the London Olympics. Local authorities (and others) are required under Section 12 of the London Olympic Games and Paralympic Games Act 2006 to cooperate with the ODA for the purposes of implementing the Olympic Transport Plan and providing or facilitating transport services in connection with the London Olympics.
- 5.2 Section 13 of the above Act came into effect on 5 October 2009 and requires local highway, traffic or street authorities to notify the ODA if it wishes to exercise a function that might reasonably be expected to affect the implementation of the Olympic Transport Plan, any part of the Olympic Route Network, travel to or from a London Olympic event or other travel for a purpose connected with the London Olympics. Brent is the local highway, traffic and street authority for the purposes of Section 13.
- 5.3 Only the Secretary of State can make regulations regarding advertising and street trading in the vicinity of London Olympic events under sections 19 and 25 of the above Act.
- 5.4 As detailed in paragraph [3.18], the descriptor of “host borough for London 2012” and related marks is the intellectual property of LOCOG and the council’s use of such descriptor and marks is subject to agreement with LOCOG. Legal Services has been involved in discussions with LOCOG regarding the terms on which the council would be permitted to use the descriptor and marks and revised Host Borough Co-operation and Licence Agreement was received from LOCOG in November 2009. This was specified by LOCOG to be the final version of the licence. The licence imposes wide-ranging obligations on the council and therefore officers are exploring with Departments and with other boroughs the implications for the council in signing the licence and thus whether the terms of this version of the licence are acceptable.

6.0 Diversity Implications

- 6.1 As one of the most diverse boroughs in the country, the London 2012 Games are a fantastic opportunity to celebrate Brent's diversity and promote community cohesion across the borough. There are over 200 countries that will be competing in the London Games, many of which will be reflected in the makeup of the borough. The London 2012 Cultural Olympiad programme will provide a platform to celebrate the diversity through cultural activities and events which develop community cohesion. Future cultural events will involve the Big Dance 2010 and 2012, an Olympics exhibition which explores Brent's involvement in 1948 and 2012 and future Respect festivals.
- 6.2 The London 2012 bid was won on the promise to 'inspire a generation of young people'. Brent has a young population and the Games provide them with an opportunity to engage in and celebrate the experience of hosting the world's biggest sporting competition in London. The theme groups have worked closely with young people delivering activities such as countdown to 2012 days, sports taster sessions and the Brent Inspires Awards. The name of the Brent 2012 campaign, 'Inspiring Brent' was developed by young people after a consultation session with the Brent 2012 Manager.
- 6.3 The Olympics in particular the Paralympics presents an opportunity to engage the disabled community. Disability dance is an area the culture and events theme group are keen to develop. The SportsAbility Club at Willesden Sports Centre is aimed at disabled young people and their families and is one of the activities delivered by the Sports and Health theme group. All of the activities that are planned for 2012 will be fully inclusive in line with LOCOGs vision to host an 'accessible Games'.

7.0 Staffing/Accommodation Implications (if appropriate)

- 7.1 The 2012 campaign will be lead by the 2012 Manager who will work with the theme leads and colleagues from across the council. The 2012 Manager will be responsible for developing relationships with external organisations and stakeholders to ensure that Brent benefits from hosting three sports in the borough.

Background Papers

Contact Officers

Zerritha Brown, Brent Manager for London 2012, Brent House, 020 8937 5313

Richard Saunders
Director of Environment and Culture

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Inspiring Brent

**Brent Council's Action Plan for the London
2012 Games**

In the summer of 2012 London will host the Olympic and Paralympic Games, welcoming the world to the biggest sporting event and cultural spectacular.

As the Leader of Brent Council and Brent's Lead Member for the Olympic and Paralympic Games we are delighted to introduce 'Inspiring Brent', Brent's action plan for the London 2012 Games.

'Inspiring Brent' has been developed by Brent Council's Steering Group for the 2012 Games and is our programme for the London 2012 Games.

The council actively worked to welcome the Olympic and Paralympic Games back to London, particularly as the borough previously hosted the Games in 1948.

During 2008 the council delivered a fantastic range of cultural and sporting events which coincided with the 60th anniversary of the 1948 Games in Wembley.

Over the next couple of years we will use the power of the London 2012 Games to inspire and engage residents and businesses through exciting events that motivate stimulate and affect change - all of which will be delivered working with our partners and stakeholders in Brent.

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

Brent has a history of hosting world class sporting and entertainment events at Wembley Stadium and Wembley Arena and we are committed to putting Brent on the world stage as an entertainment destination of choice.

We hope that Brent's residents, their families and our local businesses will take advantage of and benefit from the many sporting and cultural activities being organised and get involved - not just as spectators but as participants.

Councillor Paul Lorber
Leader Brent Council

Councillor Alan Mendoza
Lead Member for London 2012

Our journey to London 2012 has seen us organise and deliver a variety of 2012 inspired activities. Our key achievements to date include:

- **Welcoming back the Olympic Flame** with the Beijing Torch Relay which started at Wembley Stadium and Arena Square on the 6th April 2008 by Sir Steven Redgrave and Brent student, Cheyenne Green
- **Three Countdown to 2012** days delivered by Regeneration, Sports Service and Libraries, Arts and Heritage in partnership with the Youth Parliament. The days were attended by young people from Brent who had the opportunity to participate in sports and cultural activities and help us deliver our 2012 actions
- **Culture 8**; a West London wide dance, music and entertainment extravaganza was held at Wembley Arena in September 2008 to commemorate the 1908 and 1948 Games and officially welcome the London 2012 Olympic and Paralympic Games and the UK's Cultural Olympiad. This event was awarded the coveted 'Inspire Mark' by the London Organising Committee of the Olympic Games
- **Respect festival 2008** was themed around the London 2012 Games and offered a range of activities including sports taster sessions, a wheelchair dance showcase, the London 2012 roadshow with Olympians present to motivate and inspire young people
- September 2008 launched the first **Fun Run and Walk event at Fryent Park**. The event is aimed at families and designed so they can to participate together in physical activity
- The health walks programme organised a '**Walk to Beijing**' initiative between April to September 2008. Using pedometers participants were encouraged to walk their way to Beijing in only **11,875,586 steps!**
- **Brent Museum** launched the '**Peoples Record**', an exhibition of Brent resident's memories and memorabilia of the 1948 Games developed, to mark the 60th anniversary of the 1948 Olympics
- Brent hosted the graduation ceremony for the '**Personal Best**' pre Games volunteering programme for participants from across London which took place at Wembley National Stadium and was attended by Lord Sebastian Coe and Jonathon Edwards
- **Willesden Sports Centre and Capital City Academy** are featured in the official **pre Games training camp guide** prepared by the London Organising Committee for the Olympic Games (LOCOG)

As we move towards the Olympic and Paralympics Games, we are planning a range of 2012 inspired activities, including:

- An annual Inspiring Brent Fun Run and Walk
- Brent Inspires Awards
- Volunteering opportunities across the borough
- 2012 inspired festivals
- Cultural Olympiad celebrations
- Young ambassador programme
- Countdown to 2012 events
- Torch relay celebrations

We are committed to securing a legacy from the London 2012 Games and have established the following five themes as priority areas:

- Young Learners
- Business, Employment and Skills
- Culture and Events
- Sport and Health
- City Operations and Environmental Sustainability

We have set up a number of theme groups within the council with input from our partners to deliver the priorities which are set out on the following pages.

Brent's Children and Families Department's Strategy and Partnership team is ensuring that the London Organising Committee for the Olympic and Paralympic Games (LOCOG) key priority (for children and young people to benefit from the Games) is fully realised in Brent

Working with Children's Centres, schools, the youth service, children's social care services and community organisations, we have developed an exciting programme of activities including the **Brent Inspires Award** allowing young people to engage in sports, culture and creative experiences.

The young learners programme of activities have been designed to use the power of the London 2012 Games to inspire a new generation of young people, through encouraging sports participation and healthy lifestyles and promoting the wider opportunities for education and learning, volunteering and cultural participation.

Key areas of work for the young learners group include:

- using the Brent Inspires Award to promote awareness of the Olympic and Paralympic values through sporting competitions, cultural events and informal creative learning to all young people
- supporting and promoting the LOCOG 'Get Set' education programme to education establishments across the borough
- working with Brent Youth Parliament to promote the voice of young people
- promoting citizenship in a diverse community by ensuring the Olympic and Paralympic Games ethos and values are reflected in the schools' curriculum
- opportunities to participate in 2012 learning activities through cross-borough leagues and school sports partnerships
- inviting local and national sports and arts personalities to Brent schools (from various sporting and ethnic backgrounds) as role models to inspire young people of Brent
- supporting vulnerable groups to achieve through Olympic and Paralympic inspired learning and activities.

Young Learners Case Study

Launched in September 2009, the Brent Inspires Award is a virtual competition aimed at 0-19 year olds in schools, college, youth groups or clubs across the borough allowing them to engage in sports, culture and creative experiences.

Designed by the Young Learners Theme Group, the Brent Inspires Awards recognises the achievements of young people who participate in activities which incorporate the three Olympic values of respect, excellence, friendship and the four Paralympic values of courage, determination, inspiration and equality.

Schools, college, youth groups or clubs who enter the competition record their activities on the medals table where they are eligible for either a bronze, silver or gold award and at the end of the academic year they will be rewarded for their achievement at an awards ceremony.

'Get Set' is the official London 2012 education programme which provides resources for schools and an automatic bronze point for the Brent Inspires Award.

The Brent Inspires Award has been recognised by the London Organising Committee of the Olympic Games (LOCOG) as a project that is genuinely inspired by the 2012 Games and has been awarded the coveted London 2012 'Inspire Mark'.

Brent Inspires Award will continue to run until July 2012.

Business, Employment and Skills

The London 2012 Games will offer unique opportunities for businesses across the UK. Brent council's Regeneration Team in partnership with local business support agencies across Brent and West London are working to ensure that the Games provide opportunities for local employment, skills development and business to secure an economic legacy for the future.

Following a successful pilot in 2007 Brent is now delivering the Personal Best volunteering Programme. The programme has been designed to provide unemployed people or those who have little or no qualifications with a stepping stone into work, further employment or volunteering.

Key areas for the business, employment and skills group include:

- working with the Employer Partnership, London Business Network and Supply London to support local businesses to secure tenders through the Competefor tendering process
- building the capacity of the catering industry to trade at festivals and events for 2012 and beyond
- animating the Wembley area with sporting and cultural activities
- working with Brent business support agencies to develop the capacity of the voluntary sector and raise awareness of 2012 Games
- together with the third sector, develop a pool of volunteers which reflect the diversity of the borough and signpost to 2012 inspired opportunities

Business Skills and Employment Case Study

The Personal Best Programme is a volunteering programme and has been delivered in Brent from 2007. The programme is an eight week course which offers training and guidance in areas such as stewarding for events and is delivered by the College of North West London in partnership with Brent Council. Participants have the opportunity to gain the experience that mirrors some of the volunteering skills required for the 2012 Games and receive a recognised qualification at the end of the course.

To date, over 1000 Brent residents have participated in the Personal Best Programme with a number going into further employment, training or volunteering opportunities.

Akkinola Gabriel a Brent resident who graduated in 2008 says;

"It was a great experience. I got to meet new people, try different skills and tasks. I was able to work as a steward at a concert at Wembley Stadium which was fantastic and something I enjoyed."

Shruti Shah a Brent resident graduated in 2007 and now works for Brent Library Service.

"I enjoyed Personal Best and gained a lot. It taught me more about commitment, responsibility and to think about what it is to be part of a team and around teamwork. Since then I enjoyed the work experience and since then have been able to find a job as well. I would still like to be a volunteer at the 2012 Games, it would be a great experience".

Culture & Events

The Cultural Olympiad is a four year programme of cultural activities celebrating the UK as a global nation in the lead up to the 2012 Games.

Led by Brent Council's Libraries, Arts and Heritage team, the group will use the Cultural Olympiad as a catalyst to celebrate the rich diversity of the borough providing a platform to explore and showcase our cultural heritage.

Working with a range of partners, including boroughs across West London, local artists, cultural organisations, voluntary groups and national arts bodies, the programme will involve all our diverse communities in an ongoing celebration of our multi cultural heritage.

The plans build on the opportunities brought about by Wembley's regeneration to create a new tourism destination within Brent and build capacity within creative industries to benefit from economic regeneration across Brent.

Key areas for the culture and events group include:

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

Culture & Events Case Study

In September 2008 Brent played host to the West London wide Culture 8 event; a dance, music and entertainment extravaganza to celebrate the 1908 and 1948 Games and officially welcome the London 2012 Olympic and Paralympic Games and the UK's Cultural Olympiad.

The event took place in Wembley where over 400 performers from across West London came together to deliver a stunning showcase of non-stop global music, dance, sports, circus and street entertainment, which kicked off the UK's Cultural Olympiad.

Legendary singer Jazzie B from Soul II Soul headlined the show which took place at Wembley Arena and the audience were treated to a range of cultural experiences such as hip hop, bollywood, flamenco, ballet and carnival dance.

Culture 8 also provided an opportunity to showcase the very best music and performers from West London including human beatboxer Shlomo and the One Voice choir, Nathan 'Flutebox' Lee and Aruba Red.

Culture 8 was part of the West London Festival programme and was the first event that was developed and programmed by eight West London boroughs and was awarded the coveted 'Inspire Mark' by LOCOG.

Sports & Health

Wembley Stadium will play a key role in the 2012 Games, hosting the men's and women's football semi finals and finals and welcoming back the Games to Wembley after sixty four years.

Led by Brent Council's Sports Service team, the group aims to use the power of the Olympic and Paralympic Games to improve participation in sport and physical activity and make Brent a more active and healthier borough.

Working with our leisure centres, local sports clubs, schools and NHS Brent we are developing a wide range of sports and recreational activities to encourage greater participation and healthier lifestyles for all as well as maximising sports opportunities for Brent's communities from hosting national and international events at Wembley Stadium and Wembley Arena.

Key areas for the sports and health group include:

- reducing the percentage of people in Brent that are inactive through sporting and physical activity opportunities
- providing opportunities for young people to take part in a wide variety of sports activities and increase school based sports opportunities and sports competitions within and between schools
- increasing community access to all facilities suitable for sports use, in particular facilities on education sites
- exploring opportunities to provide a third pool that serves the North of the Borough
- working with NHS Brent to increase the role of sport and physical activity as a means to address and prevent poor health
- developing an active workplaces scheme in partnership with NHS Brent to encourage employees to lead more active lifestyles
- increasing and improving facilities for recreational and informal participation in sport
- working with local sports clubs and groups to develop volunteering, coaching and leadership opportunities
- developing the Brent Fun Run and Walk as a local mass participation event to encourage family participation in physical activity
- using the Paralympic Games as a catalyst for engaging the disabled community through providing disability sports opportunities
- Implementing the actions within Brent's Sports and Physical Activity Strategy.

Sports and health Case Study

In April 2008, the sports service team launched the 'Walk to Beijing' initiative as part of the Healthy Walks Programme. The walks programme, developed in April 2006 was designed to encourage adults, especially those new to physical activity, to improve their health.

Between April and September 2008 residents were set the challenge of walking to Beijing and were given pedometers to record 11,875,586 steps, the equivalent of Brent to Beijing!

At present 11 walks take place weekly in parks across the borough. As well as promoting the benefits of leading a healthy lifestyle, the programme also has mental health and social benefits as participants have the opportunity to meet new people and make friends.

With the growth of the programme being so positive, a Walkers Forum was formed in January 2007 and meets biannually. This forum enables individuals to comment and input into the development of the programme.

Quotes from walkers

"My blood pressure is lower; I sleep better and have made new friends."

"Before the operation I hadn't walked in five years but walking makes me feel good and helps my knees. We meet our friends here and my husband comes as well. He is blind because of a stroke but he is still walking and is very fit."

"A fixed time encourages commitment to walk together regularly."

Pre Games Training Camps

Willesden Sports Centre and Capital City Academy are featured in the official pre Games training camp guide putting Brent on the map and showcasing the fantastic sports facilities the borough has to offer.

Through our work with the West London Partnership for the 2012 Games, Brent is one of 17 facilities across West London listed in the official pre games training camp guide prepared by the London Organising Committee for the Olympic Games (LOCOG.)

We are committed to maximising the potential the pre games training camps can offer the borough by:

- working with the West London Partnership for the 2012 Games to attract Olympic and Paralympic nations to train in Brent
- working with local businesses, organisations and agencies to develop a tourism and cultural package to support our offer to a host nation
- developing a community engagement programme to link to the host nation
- promoting the facilities to our sports clubs and groups as a training venue
- ensuring the community have access to these facilities

City Operations and Environmental Sustainability

Hosting the Olympic and Paralympic Games will have logistical and environmental challenges for all of London and the UK. As the city prepares for the Games, we are keen to ensure that the operational and environmental impacts of hosting a major sporting event are kept to a minimum across Brent.

We aim to achieve this through:

- working with the Olympic Delivery Authority, the London Organising Committee of the Olympic Games, the Greater London Authority and London Councils to ensure that events at Wembley Stadium cause minimal disruption to Brent residents
- providing regular updates on traffic and security zone restrictions to all residents and businesses to allow them to move around the borough
- developing a sub regional and pan London city volunteering programme to enhance the visitor experience to Brent
- using the London 2012 Games to promote environmental best practice to residents and businesses
- encouraging the use of public transport, cycling and walking in order to reduce congestion and co2 omissions
- promoting recycling, composting and re using materials as alternative methods of waste disposal

Message from the Brent 2012 Steering Group


The Brent 2012 Steering Group is made up of officers from across Brent Council as well as representatives from Brent PCT, BRaVA and West London Partnership for the 2012 Games.

We are proud of our diversity and as one of the most diverse boroughs in the country we are a melting pot of cultures and faiths. We want to use the opportunity of the London 2012 Games to celebrate our diversity, bring communities together and provide opportunities for our residents and businesses to engage in our London 2012 journey.

Inspiring Brent is our programme for the London 2012 Games and this action plan sets out our vision for securing a legacy beyond 2012 for the borough.

'We are passionate about and committed to the London Games. We will ensure that Brent contributes fully so that our communities can participate and be a part of the legacy of the Games.'

Gareth Daniel, Chief Executive, Brent Council

	Executive 18 January 2010 Report from the Director of Environment and Culture
Wards affected: ALL	
Proposed closure of the Church Lane parking shop	

Forward Plan Ref: E&C-09/10-025

1.0 Summary

- 1.1 This report proposes the closure of the Parking Shop in Church Lane, Kingsbury with effect from 1st July 2010.

2.0 Recommendations

- 2.1 That the Executive approves the closure of the Church Lane Parking Shop from 1st July 2010.

3.0 Details

- 3.1 On 12th April 2005 the Executive awarded the Council's Parking Contracts to Central Parking System (CPS) for a period of five year, with a start date of 4th July 2005. The Executive had earlier, in 12th July 2004, at the "invitation to tender" stage granted the Head of StreetCare authority to invite tenders for 5 years, renewal for a further 2 years, for Parking Enforcement and for Notice Processing and I.T. Systems Support.
- 3.2 At that time, the Council tendered the Parking Contract as two separate contracts. However, given the scope of the two contracts it was recognised that a single contractor company may wish to bid for both contracts and there may be possible savings in the process. Accordingly both contracts were tendered under EU Procurement Regulations and in accordance with the requirements for EC Public Procurement Regulations for Part A services. The two elements of work were:

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- Parking Enforcement
- Notice Processing and I.T. System Support

- 3.3 The submission from Central Parking Systems included a discount if both contracts were awarded to them and a further discount for the two year extension. The amount of the discounts, were individually and collectively greater than the other contractor. By awarding both contracts to CPS, the Council obtained a discount from the successful tenderer.
- 3.4 The parking contract specification required, amongst other things, that the successful contractor provided three Parking Shops at locations approved by the Council.
- 3.5 From the Council's perspective, the Parking Shops were to be located in areas of the Borough where demand for face-to-face contact with the users of the service was likely to be higher. The Council offered its existing premises with an operational base and car pound as part of the contract. This was because of existing lease on these premises conveniently located in Pyramid House, Fourth Way, Wembley. The arrangement also helped to enhance the opportunity for competition and for a better tender submission.
- 3.6 The second and third Parking Shops are located at Walm Lane, Willesden and Church Lane, Kingsbury.
- 3.7 It should be noted that at the time consideration was given to the merging the Parking Shop functions with the Council's One Stop Shops (OSS). This was however not followed up because the OSS' had stopped handling cash payments.
- 3.8 During 2007 the parking enforcement contractor (CPS) was bought out by another parking company – APCOA Parking.

4.0 Parking Shops – activities

- 4.1 The main functions of a Parking Shop are to:
- Receive payment for Penalty Charge Notices
 - Issue Parking Permits for CPZs (annual and visitor)
 - Issue Permits for the Wembley [Stadium] Protective Parking Scheme (WPPS) – currently this service is only provided from the Church Lane Parking Shop.
 - Deal with general enquiries
 - Deal with Suspensions and Dispensation

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5.0 The Potential for Reducing the Parking Shops

- 5.1 On being awarded the contract in July 2005 CPS acquired two shop front properties on lease for 5 years with option to extend for a further two years if Brent were to agree to extend the contracts after the initial 5 year period. Brent Council has no direct liability for these leases.
- 5.2 There is, therefore, an opportunity for Brent to instruct APCOA to close one (or indeed both) Parking Shop(s) at the end of the Contract's primary term (i.e. 3rd July 2010), or earlier with a reduced in-year saving.

Pyramid House Parking Shop

- 5.3 The Pyramid House Parking Shop provides the administration base for the Contractor and is the first point of contact for motorists wishing to recover vehicles that have been towed away.

The lease for Pyramid House is currently being negotiated by Brent Property Services and it would be premature to make any judgments on the closure of the parking shop at this location. The premises also provide accommodation for the highways and gully teams, the sign shop and the parking client officers. There would be considerable disruption to these services for the council and the residents with no financial benefit from closing the Pyramid House Parking Shop at this time. It is proposed to leave it open for the time being until after the negotiations on the Pyramid House lease when we will be in a better position to judge the situation.

Walm Lane Parking Shop

- 5.4 The Walm Lane Parking Shop is the busiest of the three existing facilities and is located in the south of the Borough where 75% of the CPZs are to be found. As part of the agreed extension of the Parking Contract, APCOA have committed to expand the number of counters from 3 to 4 or possibly 5 at the Walm Lane Parking Shop at no additional cost to Brent Council. This expansion will help alleviate severe capacity problems at Walm Lane, which has lead to a number of complaints in recent years.
- 5.5 The Walm Lane Parking Shop has in the last 12 months to September 09 generated over £1,860,000 in revenue and managed 207 visitors per day.
- 5.6 With the level of cash transactions processed in this Shop and the significant disruption to the service and consequently income to the council, it is proposed to review the business case for closing this Shop when the work on electronic processing has been completed and

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alternative arrangements for cash collection have been identified.

Church Lane Parking Shop

- 5.7 This Shop manages the Wembley Event Day Permits and the information phone line. However, only 7% of CPZ Parking Permits are renewed at the Church Lane Parking Shop. In a 12-month period from Oct 08 this shop generated just over £134,000 in revenue and managed just 22 visitors per day.

Under the terms of the Parking Contract, Brent currently pays an all-inclusive charge for Church Lane Parking Shop of £111,293 per contract year (4th July to 3rd July). The closure of the Church Lane Parking Shop will make it possible for savings to be achieved in 2010/11. The impact of this will be to divert some customers to Pyramid House the nearest alternative location. Officers believe it is possible to close this shop, and the minimal impact on the service delivery will be manageable.

- 5.8 An analysis of the Parking Shops total revenue collection shows that 44% of income is collected as cash.

6.0 Financial Implications

- 6.1 Under the terms of the Parking Contract, Brent currently pays an all-inclusive charge for Church Lane of £111,293, per annum, the annual period being the contract year (4th July to 3rd July), not the financial year.

- 6.2 The potential saving for closing from July 2010 will be £75,000 and £105,000 in a full year after allowing for some residual costs including relocation to other sites.

- 6.3 Notices will be placed at the Church Lane Parking Shop to give callers early warning that the shop will close in July, and advise customers of alternative locations and alternative means of carrying out transactions to avoid the need for personal contact. The closure will not have any impact on the Council's cash flow or transaction charges.

- 6.4 The Director of Finance & Corporate Resources' comments are included in the Report.

7.0 Environmental Implications

- 7.1 Closing the Parking Shop at Church Lane may result in an increase in car journeys. However, the development of on-line renewal of permits is expected to further reduce visits to the parking shops and reduce the need for car journeys and mitigate against any negative environmental effects.

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9.0 Legal Implications

9.1 There are no legal implications arising from this Report.

10.0 Background Papers

- Report to the Executive (12 April 2005) – Award of two Parking Contracts.

Contact Officers

Any person wishing to inspect any background papers should contact Keith Balmer, StreetCare Service Unit, 020 8937 5066, keith.balmer@brent.gov.uk.

Richard Saunders Director of Environment & Culture	Keith Balmer Head of Service (StreetCare)
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Parking Shop Report (1st October 2008 - 30th September 2009)

	Pyramid House		Wiam Lane		Church Lane		Total revenue	Total Numbers
PCNs	£208,189.80	42.00%		£201,250.14	40.60%	£86,250.06	17.40%	£495,690.00
Visits per day			16		22		12	
Telephone Calls per day				18		10		4
Permits	£358,645.26	25.41%		£1,019,760.73	72.25%	£33,027.54	2.34%	£1,411,433.53
Numbers		8,038		22,863		740.5		31,642
Visits per day			26		114		7	
Telephone Calls per day				52		60		13
*Postal Application per day				8		2		
Scratch cards	£68,400.82	9.60%		£630,570.11	88.50%	£13,537.66	1.90%	£712,508.59
Numbers		6,818		62,854		1350		71,022
Visits per day			8		70		3	
Telephone Calls per day				13		25		2.5
Dispensations	£17,901.12	64.66%		£8,582.35	31.00%	£1,201.52	4.34%	£27,684.99
Numbers		2,360		1,131		154		3,645
Visits per day			2		1		0.1	
Telephone Calls per day				7		2		0
Suspensions	£116,805.00	100%		£0.00	0.00%	£0.00	0%	£116,805.00
Numbers		33,488		0		0		33,488
Visits per day			0		0			
Telephone Calls per day				15		0		0
**Application by Fax				5				

TOTAL - Annual	£769,942.00	30.56%	52	105	13	£1,860,163.33	64.62%	207	97	2	£134,016.78	4.82%	22.1	19.5	£2,764,122.11
Grand Total - Annual	£2,764,122.11														
Visits - Excluding Suspensions															

Calculating the figures excluding the Suspensions:-		£2,647,317.11				
	£653,137.00	25.00%	£1,860,163.33	70.00%	£134,016.78	5.20%
No. of Staff	6 F/T & 1 P/T		5 F/T		4 F/T & 1 P/T	

Percentage of Revenue	
PCNs	18.36%
Permits	49.08%
Scratch Cards	24.22%
Dispensations	0.87%
Suspensions	7.47%

	2005	2009
Total Number of Live Permits	15,700	23,300
Total Number of Permits Issued	20,800	31,642

Total Number of Live Event Day Permits till 30/09/09	34,492
Total Number of Permits Issued / Renewed / Replaced from 1/10/08 - 30/09/09	3,905

Remarks

* 10 % of the permit applications (3,100) are by post. Permit reminders are sent with the self addressed envelope addressed to Pyramid House Parking Shop

** All suspensions are carried out from Pyramid House Parking Shop.


EDPP Report - 2009

Applications received		Year 08 - 09
Type	Total No.	1/10/09/ - 30/09/09
By post	16,467	550
Conference Centre	282	0
Online	732	74
Parking Shop	4,388	2,193
Total	21,869	2,817

Permits issued		Year 08 - 09
Permit Types	Total No.	1/10/08 - 30/09/09
1st Visitor Permit	15,381	784
2nd Visitor Permit	1,096	831
1st Resident Permit	15,061	1,060
2nd Resident Permit	4,092	711
3rd Resident Permit	1,145	301
1st Business Permit	422	18
2nd Business Permit	221	16
3rd Business Permit	132	15
Places of Worship (since 1 st June 08)	117	117
School (since 1 st June 08)	60	47
Allotment Holder (since 1 st June 08)	5	5
Total	37,732	3,905
Total Permits Live on Street (37,732 - 3,240 void)	34,492	

Revenue	Total No.	1/10/08 - 30/09/09
Total takings from 08 May 2006 to 29th August 2009 (Online chargeable permits are not included)	£151,740.00	£43,650

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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Housing and Community Care</p>
<p style="text-align: right;">Wards affected: ALL</p>	
<p style="text-align: center;">Adult Social Care Annual Performance Assessment 2008/09</p>	

Forward Plan Ref: H&CC-09/10-17

1.0 Summary

- 1.1 This report advises members on the Annual Performance Assessment (APA) judgement for Adult Social Care for 2008/09, published by the Care Quality Commission (CQC). The CQC requires that details of the APA be presented to the council's Executive Committee by the end of January 2010. This report therefore outlines the areas where the CQC judges that the council is performing well and areas identified as requiring further improvement and summarises action taken to date.

2.0 Recommendations

- 2.1 Members are asked to note the overall annual performance assessment and in particular the strengths and areas for further improvement identified in the performance assessment report.

3.0 Background

- 3.1 The CQC became the independent regulator for health and social care in April 2009, taking over the role from the Commission for Social Care Inspection (CSCI), which had previously undertaken the role. The establishment of the new body has involved some changes to the way in which the annual assessment of performance is carried out, with further changes expected for the 2009/10 process. In particular, members are asked to note that the assessment no longer results in a star rating for local authorities and there is no longer a judgement of leadership or commissioning and use of resources, although comments on these areas are given. The assessment still looks at the seven key outcomes that were the basis for previous judgements, but rates performance in a different way, as set out in the table at 4.2. Although

there is no longer a star rating, the performance assessment feeds into the overall CAA assessment for the council.

4. Detail

- 4.1 The table below summarises the elements that contributed to the overall judgement in 2007/08, to illustrate the differences in the methodology this year.

Table 1: Adult Social Care Performance Judgements for 2007/08

Areas for Judgment	Grade awarded
Delivering Outcomes	Good
Improved health and emotional well-being	Adequate
Improved quality of life	Good
Making a positive contribution	Good
Increased choice and control	Adequate
Freedom from discrimination and harassment	Good
Economic well-being	Good
Maintaining personal dignity and respect	Adequate
Capacity to Improve (Combined judgment)	Promising
Leadership	Promising
Commissioning and use of resources	Promising
Performance Rating	Two Stars

- 4.2 Table 2 sets out the assessment for 2008/09. There are four levels of performance: Excellent, Well, Adequate and Poor. Although direct comparisons between the current and previous systems should be treated with caution, performance can be seen as having declined against the improved quality of life outcome, improved against the maintaining personal dignity and respect outcome, while staying broadly the same in the other areas.

Table 2: Performance Assessment 2008/09

Areas for Judgment	The Council is Performing
Improved health and emotional well-being	Adequate
Improved quality of life	Adequate
Making a positive contribution	Well
Increased choice and control	Adequate
Freedom from discrimination and harassment	Well
Economic well-being	Well
Maintaining personal dignity and respect	Well
Overall Assessment	
The council is performing: Well	

4.3 Overall this shows no change from the previous years overall assessment, although arguably it has been a harder test than previous years. Looking at the individual judgement areas, 5 have remained the same. Two have changed: Improved Quality of Life has fallen from a good (well) to adequate and Increased Choice and Control has risen from adequate to well. Further comment on these changes can be found within the report. A copy of the CQC report is attached at Appendix 1, while the following paragraphs highlight some key findings.

4.4 The report identifies areas where the council is performing well and areas in which it needs to improve and these are summarised below together with some comments on action taken or planned to address areas for improvement. Although, as noted above, there is no longer a rating for leadership and commissioning and use of resources, comments are made in the report and the key findings are therefore included here.

4.5 Leadership and Commissioning and Use of Resources

4.5.1 Leadership: What the council does well

- The council has a vision for the transformation of adult social care services in line with Putting People First.
- Has ambitious plans for modernising services to meet aspirations for more user choice and control in care services.
- A new quality assurance framework is now in place and will further assist in promoting better outcomes, supported by a new model of assessment and care management.
- Partnership working has continued to improve, NHS Brent is now financially fit and able to contribute more substantially on a number of fronts, which is reflected in the LAA.

4.5.2 What the council needs to improve

- The council should continue to progress the full implementation of self directed care services, underpinned by robust IT and finance systems.
- The council needs to ensure that there is sustained improvement on key performance measures of responsiveness and delivery.

4.5.3 Implementation of self directed support is central to the Adult Social care transformation project and we expect to see significant progress over the remainder of 2009/10 and into the future, supported by the structural changes already implemented as a result of the review of assessment and care management, among other initiatives. Similarly, these changes will underpin improvement on the responsiveness and delivery of services, with key indicators showing that progress continues to be made.

4.5.4 Commissioning and use of Resources: What the council does well

- Commissioned supporting people services are now aligned for the personalisation agenda
- The council is finalising a joint agreement for a pooled budget for carers

and implementing a comprehensive shared intermediate care strategy.

- Contracting has been strengthened and there is better engagement with poorer performing regulated services.

4.5.5 What the council needs to improve

- The council should ensure the completion of the new commissioning intentions and voluntary sector strategy.
- The council should continue to develop the capacity of users and carers to engage within service and workforce development.
- The council and partners should continue to work to raise standards in independent sector care, including the levels of safeguarding training.

4.5.6 Work has started on the development of strategies for commissioning and the voluntary sector, although both will require extensive consultation with partners and service users and completion is anticipated in 2010/11. The department involves service users and carers in a range of ways and this is an area in which our approach is developing continually. Examples include specific consultations around proposed service changes, as in the area of day care, as well as through the Partnership Boards, the Carers' Centre and work with families moving to personalised budgets. Finally, a training programme is in place on safeguarding for organisations in the independent sector.

4.6 Improved Health and Emotional Well-being

4.6.1 What the council does well

- Effective joint working has continued to help to deliver an effective Health and Well-being Strategy.
- The council has increased intermediate care options for people to help reduce the number of people experiencing delayed discharges from hospital, and to avoid unnecessary attendance and admission to hospital.
- The council undertakes quality assurance monitoring of their meals service.

4.6.2 What the council needs to improve

- Deliver a more fully integrated range of intermediate care services.
- Further reduce the number of older people who are delayed in discharge from hospital.
- To resolve the shortage in beds for people with dementia.
- Further develop standards with partners for end of life care in the borough.
- Further improve the rate of reviews for people receiving services.

4.6.3 The Intermediate Care Strategy is in place and is already delivering tangible improvements, for example in addressing performance on delayed discharges, with future plans including significant investment in reablement services. It is expected that this will deliver improvements against indicators measuring independence for older people (NI 125), delayed transfers of care (NI 131), services to carers (NI 135) and enabling people to live at home (NI 139). It is considered vital that there is a sustained improvement in this area if we are going to improve on the current adequate rating. Specific proposals are in place to deliver additional provision for people with dementia, including

a significant increase in Extra Care housing. The new arrangements for assessment and care management will deliver improved performance in reviews.

4.7 Improved Quality of Life

4.7.1 What the council does well

- Minor adaptations are provided in a timely manner.
- The provision of information and support to carers has been enhanced.

4.7.2 What the council needs to improve

- Major adaptations need to be provided more quickly.
- Increase the provision of telecare.
- The council needs to continue to explore means to reduce the use of residential care, especially for people with mental health problems or a physical disability.
- Ensure that plans around extra care housing provision are developed and realised.
- Ensure that the planned development of peer advocacy and planned increases to specialist advocacy are implemented and the impact is monitored.

4.7.3 This is the one area of judgement where our rating has decreased from 2007/8. Our performance in respect of Major adaptations needs to considerably improve if we are to move this rating back to its previous level. To this end an end-to-end review of the process for major adaptations has been undertaken and additional resources have been devoted to securing improvement in turn round times in this year and over 2010/11. A new post has been established to take forward increased telecare provision. There are indications that the council may have under-represented past performance in this area and a review of the reporting mechanisms is being undertaken. In the longer term, plans are in place for a significant increase in extra care housing, with the programme beginning to deliver over the next twelve months, which will be the main platform for a reduction in the use of residential care.

4.7.4 Advocacy provision has increased in line with the programme for developing self directed support, with significant increases in, for example, learning disabilities. Work has been undertaken with MENCAP to develop quality standards and funding has been provided for a “speaking up” group. Further development is planned for 2009-11 across all user groups.

4.8 Making a Positive Contribution

4.8.1 What the council does well

- There is a user and carer involvement strategy central to the Transformation Programme.
- Annual voluntary sector conferences have commenced and are reported as working well to shape the future service delivery.
- Enhanced user, carer and third sector involvement in shaping of new service provisions.

4.8.2 What the council needs to improve

- Continue to develop the consistency and range of advocacy services
- Ensure that processes around the involvement of users and carers who are directly affected by changes to service provision are fully embedded.

4.8.3 Progress and plans for advocacy have been noted at 4.7.4 above, while user and carer involvement is covered at 4.5.6.

4.9 Increased Choice and Control

4.9.1 What the council does well

- The council is progressing the move towards self directed services, building on developments in services for people with a learning disability.
- Timeliness of assessments has improved and initial contact, assessment and care planning is being remodelled.
- The council has increased number of people accessing direct payments and they are being used creatively to improve outcomes.

4.9.2 What the council needs to improve

- To continue to progress the full implementation of Self-Directed Support and measure its impact.
- To continue to shift the balance of care to more community based options.
- To ensure that the re-design of assessment and care management delivers a prompt and effective assessment service
- Care packages are delivered more promptly.

4.9.3 Some of these points are addressed at 4.5.3 above, but it should be stressed that the redesign of assessment and care management is already delivering improvements that will continue into 2010/11 and beyond in both the implementation of SDS and the delivery of prompt and effective assessments and reviews.

4.9.4 The overall targets for implementing the Personalisation agenda will be increasing year on year. Meeting those targets will go beyond just giving individuals personal budgets and will result over time in the review and, where necessary, restructuring of our direct services provision. This is to both ensure that it offers services that are fit for individuals who will be able to decide to choose or decline the services that are on offer and that we are able to still deliver a service within the overall budget and that where necessary resources are released . The move to community based options will also be consistent with the improvement detailed in 4.7.2 in reducing the number of people in residential care. The introduction of an effective re-ablement service is also considered a very high priority as all evidence suggests that it results in better outcomes for individuals as they have a much greater likelihood of maximising their independence , whilst also increasing the value for money for the authority.

4.10 Freedom from Discrimination and Harassment

4.10.1 What the council does well

- The council has achieved level four of the equality standards for local government.
- The council now has an equality action plan with set targets to be delivered over three years.
- There is also a rolling programme of equalities learning and development activities aimed at improving equality outcomes.

4.10.2 What the council needs to improve

- The council should ensure that the take-up of services is monitored where organisations supporting people who use services have opportunities to discuss those results.

4.10.3 The CQC has noted that people are provided with advice and information to think through options around support, costs and funding and that information is provided to those who do not meet eligibility criteria, as well as the provision of advice and screening through the One Stop service. However, they have indicated that the council could do more to monitor service take up. This is being addressed through the new arrangements for assessment and includes work to ensure that voluntary sector or other organisations working with service users have the opportunity to contribute.

4.11 Economic Well-being

4.11.1 What the council does well

- There is good progress being made around support brokerage.
- The council has increased the number of people who are volunteers.
- There are a number of services supporting people to develop skills and get employment.
- There is an improvement in the job seekers allowance claimant rate which fell at a faster rate than the rest of London and nationally.

4.11.2 What the council needs to improve

- Continue to develop work opportunities for people with a disability.

4.11.3 This is a Local Area Agreement priority and the CQC have been provided with detailed information on the range of programmes and initiatives that support access to employment and training. The Performance Assessment reflects this, noting that there is “strong evidence to suggest that people of working age who use services and their carers are assisted in preparing for and finding employment”. Clearly, current economic conditions will present a challenge in this area, but there is a strong platform on which to build further improvement in what should be regarded as a strong area for the service.

4.12 Maintaining Personal Dignity and Respect

4.12.1 What the council does well

- There have been enhancements to reporting mechanisms to the adults safeguarding board and an independent chair is being appointed.
- A quality assurance framework and case file audit system is in place and delivering improvements in practice and outcomes.
- A Safeguarding Senior Practitioner post has been created to analyse, advise and audit implementation of the Mental Capacity Act.

4.12.2 What the council needs to improve

- Explore and review with partners the lower than average rate of referrals to ensure full accessibility.
- The council recognises that there remains a need to improve on case conferences, and ensuring outcomes for perpetrators are clear.
- The council should explore opportunities to engage users, carers and family members as care experts, especially those who consider themselves to be or have been at risk.
- Further increase training for staff in the independent care sector.
- The council should ensure that all service inspection recommendations are completed within a reasonable timescale after the launch of the pan-London safeguarding procedures.

4.12.3 As indicated earlier, this is the one area where the rating has improved since 2007/8. That year we could not achieve a higher rating as we had been rated as adequate on the safeguarding inspection which had taken place during that year. The increased rating is at least in part due to the fact that CQC are satisfied that we have made sufficient progress in respect of Safeguarding. The department has and will continue to implement the action plan developed following the inspection of adult safeguarding and the performance. Reasons for the relatively low rate of referrals compared to similar authorities are being explored and further improvements have been made to the system for case conferences. As noted earlier, a training programme is in place for external agencies and opportunities to engage service users and carers form part of the wider approach to engagement noted above.

5.0 Legal Implications

5.1 There are no legal implications arising from this report.

6. Financial Implications

6.1 Whilst there are few specific references to the overall cost of adult social care within the Brent report and no specific recommendations for achieving the required improvement, enhancing performance is not always cost free and is set against the overall demographic pressures which put a year on year pressure on the adult social care budget. Within their national report CQC have indicated that they will “be vigilant about spotting the impact of the economic downturn on people’s access to social care”. It is therefore

imperative that the Department continues to ensure that all the services we either procure or directly provide offer the best value for money. In addition, that the types of service we offer are themselves designed to maximise the independence and choice of individuals and minimise (where possible) long term dependency.

7.0 Diversity Implications

6.1 This report and the annual review of performance recognise good progress and practice in respect of equality and diversity issues in the delivery of social care services which contribute to the improvement of life chances for our diverse community.

8.0 Staffing/Accommodation Implications

7.1 There are no immediate staffing or accommodation implications arising from this report, but members are asked to note that delivering continued improvement in performance will almost certainly create staffing pressures in some parts of the department.

Background Papers

Annual performance assessment of adult social care services 2009

Contact Officers

Martin Cheeseman – Director Housing and Community Care
martin.cheeseman@brent.gov.uk tel 0208 937 2341

Tony Hirsch – Head of Policy and Performance, Housing and Community Care
tony.hirsch@brent.gov.uk, tel. 0208 937 2336

Keith Skerman - Assistant Director Community Care, Mahatma Gandhi House, 34 Wembley Hill Road, Wembley HA9 8AD tel: 020 8937 4230 email:
keith.skerman@brent.gov.uk

APPENDIX 1:

Annual Performance Assessment Report 2008/2009



Adult Social Care Services

Council Name: Brent

This report is a summary of the performance of how the council promotes adult social care outcomes for people in the council area. The overall grade for performance is combined from the grades given for the individual outcomes. There is a brief description below – see Grading for Adult Social Care Outcomes 2008/09 in the Performance Assessment Guide web address below, for more detail.

Poorly performing – not delivering the minimum requirements for people

Performing adequately – only delivering the minimum requirements for people

Performing well – consistently delivering above the minimum requirements for people

Performing excellently- overall delivering well above the minimum requirements for people

We also make a written assessment about

Leadership and Commissioning and use of resources

Information on these additional areas can be found in the outcomes framework

To see the outcomes framework please go to our web site: [Outcomes framework](#)

You will also find an explanation of terms used in the report in the glossary on the web site.

Delivering Outcomes Assessment

Overall Brent council is performing:

Poorly, Adequately, Well,
Excellently

Outcome 1:

[Improved health and emotional well-being](#)

The council is performing:

Outcome 2:

[Improved quality of life](#)

The council is performing:

Outcome 3:

[Making a positive contribution](#)

The council is performing:

Outcome 4:

[Increased choice and control](#)

The council is performing:

Outcome 5:

[Freedom from discrimination and harassment](#)

The council is performing:

Outcome 6:

[Economic well-being](#)

The council is performing:

Outcome 7:

[Maintaining personal dignity and respect](#)

The council is performing:

Click on titles above to view a text summary of the outcome.

Assessment of Leadership and Commissioning and use of resources

Leadership

What the council does well.

- The council has a vision for the transformation of adult social care services in line with Putting People First.
- Has ambitious plans for modernising services to meet aspirations for more user choice and control in care services.
- A new quality assurance framework is now in place and will further assist in promoting better outcomes, supported by a new model of assessment and care management.
- Partnership working has continued to improve, NHS Brent is now financially fit and able to contribute more substantially on a number of fronts, which is reflected in the LAA.

What the council needs to improve.

- The council should continue to progress the full implementation of self directed care services, underpinned by robust IT and finance systems.
- The council needs to ensure that there is sustained improvement on key performance measures of responsiveness and delivery.

Commissioning and use of resources

What the council does well.

- Commissioned supporting people services are now aligned for the personalisation agenda
- The council is finalising a joint agreement for a pooled budget for carers and implementing a comprehensive shared intermediate care strategy.
- Contracting has been strengthened and there is better engagement with poorer performing regulated services.

What the council needs to improve.

- The council should ensure the completion of the new commissioning intentions and voluntary sector strategy.
- The council should continue to develop the capacity of users and carers to engage within service and workforce development.
- The council and partners should continue to work to raise standards in independent sector care, including the levels of safeguarding training.

Summary of Performance

The council has adopted the vision for the transformation of adult social care services in line with Putting People First and has ambitious plans to modernise services to meet the aspirations for more user choice and control in care services. Elected members engage with users and carers through chairing the Learning Disability Partnership Board, and chairing the Pensioner and other User Forums.

Partnership working with the NHS continues to improve. NHS Brent is now financially fit and able to contribute more substantially on a number of fronts, such as in supporting regeneration, safeguarding arrangements and integration of intermediate care and this is reflected in the Local Area Agreement (LAA). There is a significant shared change agenda between health and social care. The council is confident there is the management capacity to achieve this. Strong programme management will be needed to ensure projects and improvements are delivered successfully and on schedule, within a context of required efficiency savings. There are areas where the council has to raise performance to match similar councils, such as on timeliness of assessment and delivery of care packages and major adaptations. A new care assessment model should facilitate this. There is also a need to invest in more community support services such as telecare to realise ambitions to reduce the use of residential and nursing care. The council has achieved an increase in the take up of direct payments, and is working on the tools and processes which underpin the wider introduction of personal budgets. A new quality assurance framework is now in place and will further assist in promoting better outcomes.

A review of partnership boards should create a more robust platform for partnership arrangements that can address the difficult decisions that will inevitably arise in achieving the objectives agreed by the Local Strategic Partnership.

The council has a workforce strategy, and is working through some recruitment difficulties within Occupational Therapist (OT) roles. The council ensures that its own staff who work directly with vulnerable adults receive appropriate training, but there is further progress needed in the private and voluntary sectors where numbers trained are comparatively low and a number of services fail to meet the national minimum standards in this area.

Performance management data is provided from a central database. There is limited evidence to support that the data contained within the system is robust, and a service inspection had previously found input to be inconsistent.

However, there are mechanisms in place to alert where there is data missing and the system is to be enhanced to support personalisation as the council takes this agenda forward.

The council is working to integrate the views of people who use services, their carers and other stakeholders in their commissioning intentions and a voluntary sector strategy has been drafted, although this will not be finalised until 2011. Work is also ongoing with user groups to develop the capacity of users to engage within service and workforce development and this is starting to deliver some improved outcomes.

The council are increasing capacity within commissioning and building upon good practice elsewhere, including developing outcome based commissioning. The council has also begun to engage more with shaping the local market to ensure that supply meets needs for range and quality. It should seek to be able to demonstrate that new commissioning models lead to improved outcomes for people in Brent. The council has a joint strategic

needs assessment with NHS Brent, which was previously found to provide robust analyses of demographic and health data, informing current and projected needs. Contracting processes have also been strengthened and targeted engagement with poorer performing regulated services is starting to assist in lifting the provision within the borough, but there is more work required to raise some from only adequate.

Outcome 1: Improved health and emotional well-being

The council is performing:

Poorly, Adequately, Well, Excellently

There is evidence that the council is working effectively to ensure that people are informed and advised about physical and mental health and well-being. The council campaigns to promote healthier and safer lifestyles and has an Older People Wellbeing Strategy and Better Government for Older People initiative which has wide involvement. There has been targeted action to address particular health concerns in partnership with the NHS Brent, such as to support people and their carers who have been affected by stroke. There is evidence that the Emergency Admissions Risk Likelihood Index, now widely used by GPs, the Care Co-ordination approach and intermediate care services have helped to avoid unnecessary hospital attendance and admissions. This has allowed some reinvestment by the NHS in additional community staff. Both the council and partners report effective joint working to help reduce the number of people delayed in being discharged from hospital. However, the overall number of delays attributable to social care still appear comparatively high and the new integrated intermediate care services need to make further impact on reducing hospital stays. The council has set an LAA target on reducing delayed transfers of care, acknowledging it as a priority for Brent and has achieved its first year target. There has been some delay in the development of the intermediate care strategy and the council needs to ensure that it presses ahead promptly with health partners to maximise the options for older people in Brent.

The council has had only limited success in reducing residential care admissions for older people. The council is therefore planning to do more to support people to remain in their own homes such as increasing the provision of telecare equipment and doubling its reablement capacity, to keep people independent for as long as possible.

Brent Mental Health Services (BMHS) have implemented systems to improve discharge practice and processes. Brent continues to invest in a range of residential and other treatment options for people with drug or alcohol related problems.

There is evidence that the majority of people who are in care homes within the borough are receiving good quality care including meals that are balanced, promote health, and meet their cultural and dietary needs. In addition, where people require meals services within their own homes, the council monitors the quality of the contracted service and the findings of this monitoring is used to drive change.

The council has increased the rate of reviews for people receiving services, but it is still well below the regional average.

For end of life care, the council has a Palliative Care Team, Hospice and improved working relations have enhanced continuity of care processes. However, for regulated services operating within the borough, 3 out of the 7 nursing homes were less likely to provide assurance that at a client's time of death staff would treat them and their family with care, sensitivity and respect. The council's own care home for older people however met this standard, as did other personal care homes within the borough.

What the council does well

- Effective joint working has continued to help to deliver an effective Health and Well-being Strategy.
- The council has increased intermediate care options for people to help reduce the number of people experiencing delayed discharges from hospital, and to avoid unnecessary attendance and admission to hospital.
- The council undertakes quality assurance monitoring of their meals service.

What the council needs to improve

- Deliver a more fully integrated range of intermediate care services.
- Further reduce the number of older people who are delayed in discharge from hospital.
- To resolve the shortage in beds for people with dementia.
- Further develop standards with partners for end of life care in the borough.
- Further improve the rate of reviews for people receiving services.

Outcome 2: Improved quality of life

The council is performing:

Poorly, Adequately, Well, Excellently

There is evidence that people who use services and carers get advice and support at an early stage. People who need small pieces of equipment and minor adaptations are provided with these quickly. There has been enhanced information provision to carers, and a new resource centre opened in December 08 to assist with rehabilitation services. The council is also working towards the transformation of services to provide self-directed care. Brent estimates a need to significantly increase their extra-care housing options and provide more specialist advocacy services, including peer advocacy. However, plans for extra care housing for 08/09 were not realised. In addition, people who require major adaptations to their homes on average wait longer than in most councils in the country. There are delays both in assessment, due to OT shortages, and in making the adaptations. The council has a risk assessment strategy in place, is reviewing the whole process and implementing an action plan to improve on this persistent area of poor performance. More people could probably benefit from assistive technologies (telecare), as the council provides this less frequently than similar councils, and which could thereby play a larger role in supporting people to remain in their own homes. Intensive home care has increased, but overall levels of support to people to live independently are lower than in similar councils. The council promotes social inclusion opportunities for people who are carers and for them to use mainstream local services. For young carers, the council provides funding for a project to help them socialise more. There are a number of projects to assist social inclusion for older people and those with disabilities including reviewing access to transport, sport and leisure activities and volunteering.

What the council does well

- Minor adaptations are provided in a timely manner.

- The provision of information and support to carers has been enhanced.

What the council needs to improve

- Major adaptations need to be provided more quickly.
- Increase the provision of telecare.
- The council needs to continue to explore means to reduce the use of residential care, especially for people with mental health problems or a physical disability.
- Ensure that plans around extra care housing provision are developed and realised.
- Ensure that the planned development of peer advocacy and planned increases to specialist advocacy are implemented and the impact is monitored.

Outcome 3: Making a positive contribution

The council is performing: **Poorly, Adequately, Well, Excellently**

There is evidence that people who use services and their carers are supported to take part in community life and that users and carers are actively involved in developing services. There is a user and carer involvement strategy central to the Transformation Programme. Voluntary organisations are encouraged to contribute views and have assisted in the development of some services that support people. A first annual voluntary sector conference was held as part of a series of measures to improve the relationship with the voluntary sector. People who use services are represented on all Partnership boards and all boards have recently reviewed and revised their governance arrangements. Feedback however indicated that the council may not be fully representing the views of people with sensory disabilities and the council agreed to reconvene the group affected. There have been consultations on draft strategies including for housing, mental health accommodation and dementia care.

The redevelopment of day services for people with a learning disability has brought out some diversity of interests and dissatisfaction with process; the council has worked to resolve this through an action plan arising from a complaint. The experience and views of users and their carers in the future are expected to be more inclusive in helping to shape service improvements. The council's quality assurance framework also embraces the perspective of user expertise. As part of the council's quality assurance framework, a telephone survey was undertaken to seek service user views on food temperatures, presentation of meals, texture and taste, delivery times, delivery staff customer care, and the range of meals available. This has enabled the council to gauge views on various quality issues. Comments have been used to drive changes for the new contracted out service. People who use services and their carers have also been involved in recruitment and training.

Volunteers are actively encouraged; 'Keep in touch – Brent' is an established Age Concern service which provides phone contact with older people through volunteers.

What the council does well

- There is a user and carer involvement strategy central to the Transformation Programme.
- Annual voluntary sector conferences have commenced and are reported as working well to shape the future service delivery.
- Enhanced user, carer and third sector involvement in shaping of new service provisions.

What the council needs to improve

- Continue to develop the consistency and range of advocacy services
- Ensure that processes around the involvement of users and carers who are directly affected by changes to service provision is fully embedded.

Outcome 4: Increased choice and control

The council is performing: **Poorly, Adequately, Well, Excellently**

There is evidence to suggest that current advice and information provided by the council has assisted clients to think through support options, risks, costs and funding. The council has a single point of access, the One Stop Service, as their initial point of contact. A service redesign project is intended to bring a sharper focus on advice and information through one point to all people who contact the council for social care. Work to improve information and sign-posting for people seeking support was being developed for all social care contacts and to be available through the web-site, and change is expected to be implemented during 2009.

More older people are now being assessed within 28 days, but performance in this respect is still markedly slower than for similar councils, and the council reports this was adversely affected by the move towards self-directed support. The council is reorganising assessment and care management arrangements with the full involvement of frontline staff and which should enable people who need services and their carers to take more control of their support in the future, but was still work in progress. Timeliness of delivery of social care packages following assessment has declined significantly from the preceding year and is also now below that of similar councils.

Through awareness raising and enhanced guidance, the council has significantly increased the number of people who are making use of direct payment, and has met the council's target for the year but is still below the average for London. The pattern of use across user groups is for more lower cost packages than in the national picture. The council has focused early development of self-directed care on people with a learning disability linked to a modernisation programme for the existing services. This has provided a model for developing the tools and processes and for then extending for all users and carers. An enhanced and expanded Direct Payments support provider service, specified in consultation with carers and service users, was due to start in July 2009. An additional support provider has also been introduced into Brent to support people who do not wish to be an employer. The council has ambitious plans for moving more substantially towards self directed care, but is still at an early stage.

There is evidence to suggest that people who use services do benefit from a range of support services on offer, though as reported above more people could be supported to live independently by increased telecare and adaptations, and thereby reduce the use of residential care. There are a wide range of services tailored to meet the needs of people from diverse communities and users are able to contact service providers when they need to. Good work is evidenced with carers, through organised events, development of a dedicated web-site, availability of breaks, direct payments and the planned development of a pooled carers' budget. However, on a comparative measure for carers receiving needs assessment or review and a specific carer's service, or advice and information, fewer carers in Brent are benefiting from these services than in similar councils.

A quality assurance framework to address variable quality of assessments has been developed and audits are being undertaken to quality assure the new integrated assessment and care management structure. Self assessment reviews have been developed in learning disability with a staff

development programme and are reported to lead to better outcome based care plans.

There was some indication from a complaint investigation that care planning did not fully engage with service users and carers; the council investigated and agreed an action plan.

Complaints appear to be well managed; response times have improved, pressure points of complaint areas found in 07/08 have reduced for 08/09 and action plans are developed for all complaints. To assist effective learning from complaints, the council should consider a direct analysis in the annual report of complaint components which are upheld/partly upheld to target problem areas.

There has been a growth in brokerage and advocacy for learning disabled

clients, with plans for progress into older people's services and physical

disability services in 09/10, but some advocacy is available via Age Concern

and Elders Voice.

What the council does well

- The council is progressing the move towards self directed services, building on developments in services for people with a learning disability.
- Timeliness of assessments has improved and initial contact, assessment and care planning is being remodelled.
- The council has increased number of people accessing direct payments and they are being used creatively to improve outcomes.

What the council needs to improve

- To continue to progress the full implementation of Self-Directed Support and measure its impact.
- To continue to shift the balance of care to more community based options.
- To ensure that the re-design of assessment and care management delivers a prompt and effective assessment service
- Care packages are delivered more promptly.

Outcome 5: Freedom from discrimination and harassment

The council is performing: *Poorly, Adequately, Well, Excellently*

The council's eligibility criteria for the provision of care services has remained unchanged for some years, and people are provided with advice and information to help think through support options, risks, costs and funding. An Information Directory is being developed to ensure those not meeting criteria or self-funding know where to find help. As part of the development of the one stop service, there has been work on screening and advice arrangements, in order to ensure greater consistency. However, there is limited evidence to suggest that the take-up of services is being monitored beyond routine contract monitoring where organisations supporting people who use services have opportunities to discuss those results.

Brent Council had achieved level 4 of the equality standards for local government at the end of March 2009 and the council had developed an equality action plan with set targets to be delivered from 2008-11. There is a rolling programme of equalities learning and development activities. Equalities Impact Assessments are carried out to inform service transformation. Equalities data is recorded and monitored to assess accessibility and take-up. There is a wide range of services available to communities which reflect the diversity of the population. The council is engaging with people from black and minority ethnic groups, and voluntary organisations around safeguarding and prevention, including work in the community to keep people safer in their own homes.

What the council does well

- The council has achieved level four of the equality standards for local government.
- The council now has an equality action plan with set targets to be delivered over three years.
- There is also a rolling programme of equalities learning and development activities aimed at improving equality outcomes.

What the council needs to improve

- The council should ensure that the take-up of services is monitored where organisations supporting people who use services have opportunities to discuss those results.

Outcome 6: Economic well - being

The council is performing: **Poorly, Adequately, Well, Excellently**

People who use services and their carers are helped through readily available information and advice to maximise income to meet support costs and to be financially secure. There is help via the council and voluntary sector to ensure take-up of benefit entitlements with links to other support such as tackling fuel poverty. There is also work to develop this further using independent support brokers for users considering direct payments, as the council moves towards more self directed care.

There is strong evidence to suggest that people of working age who use services and their carers are assisted in preparing for, and finding employment. After 6 years of investment the job seekers claimant rate has fallen. There is good access to training and employment opportunities for those people who are eligible, which is captured in individual support plans and effective work with carers to support those who are working or wish to find employment. Work is also in progress to find employment for people who are in transition from children's to adults services.

Brent promotes open employment in partnership with external providers in the community: e.g. Brent in2 Work, Toucan, Mencap, Remploy and the College of North West London. There is a specific project to support disabled people with complex needs. Community Networks coordinates work placement and training activity for people recovering from mental illness.

Forty people have been supported to volunteer in 2008/09, with a small number of them obtaining paid employment as a result. The service is popular and now has a waiting list of over 40 learning disabled clients. Comparative data from national indicators (NI 146) suggest that employment of people with learning disabilities is lower than in similar councils.

What the council does well

- There is good progress being made around support brokerage.
- The council has increased the number of people who are volunteers.
- There are a number of services supporting people to develop skills and get employment.
- There is an improvement in the job seekers allowance claimant rate which fell at a faster rate than the rest of London and nationally.

What the council needs to improve

- Continue to develop work opportunities for people with a disability.

Outcome 7: Maintaining personal dignity and respect

The council is performing: **Poorly, Adequately, Well, Excellently**

Following the service inspection, the council has undertaken much work and increased capacity to strengthen safeguarding practice, and there is greater confidence that people are getting better outcomes. Alerts appear to be investigated promptly and the outcomes of safeguarding incidents are now monitored and reviewed through the partnership board. There has been discussion and agreement reached about key monitoring information and revisions to ensure clarity around the closure of cases. A safeguarding awareness raising programme has been undertaken with black and minority ethnic and hard to reach groups on safeguarding and preventing abuse, which probably contributed to a 20% increase of referrals in 08/09. However, the rate of referral relative to population is still lower than in similar councils and this should be explored with partners and through the new communications strategy to ensure full accessibility. The rate of completion of investigations has fallen and attention may be needed to explore and ensure delays do not increase. A quality audit function has been established and is starting to feed back into a circle of improvement in practice and identifying areas for further improvement. Other developments include the use of the Strategy Discussion Template to strengthen the evidencing of strategy decisions, more multi-agency working at strategy stage, improved risk assessment and interim protection plans, an increase in the proportion of cases that go to case conference and improvements in recording outcomes for service users. Users surveyed reported that they felt safer after the process and knew whom to contact with any future concerns.

The council should explore opportunities to engage users, carers and family members as care experts, especially those who consider themselves to be or have been at risk, beyond the use of customer surveys.

There is evidence to suggest that people who use services and their carers find that personal care respects their dignity, privacy and personal preferences. The council has an improved training programme, and high numbers of relevant adult social care staff within the council had received

training during 08/09, with the audit process now being used to identify more sharply the training needs for 09/10. This needs to be extended wider to the private and voluntary sector, where levels of training increased over the previous year but still less than half of staff had received training supported by the council, and a high proportion of registered services were found to have shortfalls in this area on inspection.

Nearly all regulated services were found to be providing a good level of protection, though lower for domiciliary care and nurses agencies. The council has worked effectively with partners and the regulator to improve the quality in a residential service rated as poor.


What the council does well

- There have been enhancements to reporting mechanisms to the adults safeguarding board and an independent chair is being appointed.
- A quality assurance framework and case file audit system is in place and delivering improvements in practice and outcomes.
- A Safeguarding Senior Practitioner post has been created to analyse, advise and audit implementation of the Mental Capacity Act.

What the council needs to improve

- Explore and review with partners the lower than average rate of referrals to ensure full accessibility.
- The council recognises that there remains a need to improve on case conferences, and ensuring outcomes for perpetrators are clear.
- The council should explore opportunities to engage users, carers and family members as care experts, especially those who consider themselves to be or have been at risk.
- Further increase training for staff in the independent care sector.
- The council should ensure that all service inspection recommendations are completed within a reasonable timescale after the launch of the pan-London safeguarding procedures.

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	<p>Executive 18 January 2010</p> <p>Report from the Director of Housing and Community Care</p>
<p>Wards affected: ALL</p>	
<p>Authority to tender a contract for Supporting People funded services for domestic violence floating support service</p>	

Forward Plan Ref: H&CC-09/10-25

1 Summary

- 1.1 This report seeks authority to invite suitable providers to tender for a contract as required by Contract Standing Orders 88 and 89. The award of a contract will be for the provision of a Supporting People funded domestic violence floating support service.
- 1.2 The Executive agreed on 15th June 2009 that the Supporting People domestic violence floating support services should be tendered as part of the Families floating support framework (under Families with complex needs framework). This report additionally seeks authority to tender the contract for the provision of the domestic violence floating support service not as part of the Families floating support framework but as a separate contract.

2 Recommendations

- 2.1 The Executive to agree that the tender of the Supporting People domestic violence floating support service be taken out of the tender for the Families floating support framework and be separately tendered alongside the service for women fleeing domestic violence accommodated in refuges.
- 2.2 The Executive to give approval to the pre tender considerations and the criteria to be used to evaluate tenders to award a contract for the provision of Supporting People funded services for floating support service for women escaping domestic violence with a range of support needs as set out in paragraph 7.1 of this report.

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2.3 The Executive to give approval to officers to invite tenders and evaluate them in accordance with the approved evaluation criteria referred to in paragraph 2.2 above.

3.0 Detailed Background – Supporting People

3.1 As detailed in the report to the Executive of 15 June 2009 regarding the Supporting People Families floating support framework, a strategic review of family services funded by Supporting People (“SP”) was undertaken that concluded in April 2009. Following the review a report was presented to the Commissioning Body in May 2009 recommending the tendering of services and setting out how they should be packaged. At this time it was considered that the domestic violence floating support service for women escaping domestic violence with a range of support needs should be tendered as part of the Families floating support framework. Details regarding the background to the domestic violence floating support contract were set out in that report. Members will recall approving the tendering of the domestic violence floating support service as part of one of the Families frameworks.

3.2 In March 2009 a decision was taken to complete a strategic review of domestic violence services funded by SP which was completed in June 2009. As a result of this review, a report was presented to the Commissioning Body in June 2009 recommending the tendering of these services, and setting out how they should be packaged. The Commissioning Body agreed that SP funded domestic violence services needs to be re-tendered.

3.3 A report was presented to the Executive on 14 December 2009 containing detailed information about the strategic review of SP funded domestic violence services and proposals for future SP funded domestic violence services. The report outlined the consultation that had taken place with service users and providers. At the Executive on 14 December 2009, Members approved the tendering of a contract for an accommodation based service for women fleeing domestic violence accommodated in refuges,

3.4 Following the completion of the strategic review of domestic violence services funded by SP, Officers have further considered tendering proposals. Officers consider that the domestic violence floating support service links closely with the contract for the service for women fleeing domestic violence accommodated in refuges. It is felt that the range of providers who will bid for both contracts are likely to be the same. It is considered that tendering both contracts together will result in greater opportunity for efficiency savings. Officers also consider that as the refuges tender will include specialist provision for Asian women, there will be a need to ensure their needs are also addressed by the floating support services and this can be best done by tendering both contracts together.

3.5 As detailed in paragraph 3.4, Officers consider that there are good operational reasons for linking the procurement of the two domestic violence tenders. Also, the removal of the domestic violence floating support service from the Families framework procurement is not considered to jeopardise that

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procurement. SP officers feel that as a result of closer partnership work with the Think Families Programme, there is likely to be an increase in the numbers of referrals for the provider of SP funded complex families' client group. The Think Families Programme is geared with the whole family engaging and signing up for the programme, an approach that does not fit with domestic violence where women who are experiencing domestic violence will want to be supported away from their perpetrator. For such reasons SP officers consider it more appropriate to procure the domestic violence floating support contract and link it with the tender for the domestic violence refuge tender. This will permit domestic violence services to retain its specialism.

3.6 It is considered that any loss of savings in the Families framework procurement by removal of the domestic violence floating support service will be more than offset by the possibility of savings by linking this service with the service for women fleeing domestic violence accommodated in refuges

4. Proposals for Tendering

4.1 SP currently allocates a total of 2.38% of the £12.8 million SP budget and commissions two providers for domestic violence services. The organisations are commissioned to provide:

- A service for Asian women accommodated in refuges and a floating support service for Asian women (with a capacity for a total of 6 women + 10 children for the service for women (and children) accommodated in refuges and with a capacity to support 15 Asian women for floating support).
- A generic service for women accommodated in refuges and a floating support for women from all backgrounds (with a capacity for a total of 13 women + 32 children spread out between two refuge locations and with a capacity to support 32 women for floating support).

4.2 The SP Team propose that current floating support service for women escaping domestic violence is reconfigured into one contract which will have a capacity to support up to 47 women that can provide structured and intensive support to women escaping domestic violence with a range of complex needs, supporting women from all backgrounds, including Asian women. The services would focus on working jointly with a range of stakeholders such as Children's Services, Family Welfare services, the Council's family Intervention Project, the Drug and Alcohol Action Team, Health services, Housing, Community Safety Team and other appropriate organisations to improve outcomes for vulnerable families.

4.3 The complex needs addressed could include mental health issues, physical health needs, substance misuse, forced marriages, women wishing to exit prostitution and trafficking.

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- 4.4 The objective of this tender exercise is to improve the quality of the floating support services for women escaping domestic violence and by combining current contracts, small efficiencies will be made. In providing floating support services to women escaping domestic violence providers will need to demonstrate sensitivity and the ability to provide ethnically and culturally sensitive services, including Asian women and respond to the needs of Brent's diverse communities and be able to link in with different partner agencies and agendas. The contracts will be awarded to the tender who submits the most economically advantageous tender for the service.
- 4.5 The exact requirements and quantities of services for the floating support service for women escaping domestic violence will be outlined in a detailed service specification.
- 4.6 Currently, 8 staff provide support to approximately 66 service users (and 42 children) across both the refuge and floating support services, delivering an average of 280 hours/week. As detailed in paragraph 3.4, the intention is to procure the domestic violence services as two contracts. With the SP contracts proposed for services for domestic violence services it is envisaged that 25 service users (and their children) will be supported in refuges and 47 women (and their children) will be supported with the floating support service.
- 4.7 As the existing contracts for floating support and services for women accommodated in refuges are due to expire in April 2010, they will need to be extended until March 2011 using delegated powers to ensure sufficient time for the procurement process to be undertaken.
- 4.8 For the award of the contract for floating support services for women escaping domestic violence, officers are recommending that the period for the contract is 2 years with an option for a 2 year extension, where performance is satisfactory.

5 Monitoring

- 5.1 SP funded services will be monitored by the SP Unit. The current providers are required to submit quarterly monitoring data on their performance to the SP Team and attend regular meetings for this. In addition to these meetings the SP Team will also conduct an annual Quality Assessment Framework review of the service.
- 5.2 It is proposed that monitoring of the new contracts will be more service user centred, outcome focussed, and provide good quality services within the resources available. Annual service user satisfaction surveys will also be carried out. The future provider will also be asked to submit regular monitoring data that is required by the various statutory funding agencies, which informs the National Performance Indicators. All monitoring will be carried out by the SP Team and will also draw on stakeholder feedback. This will include appointment of a lead contract manager and annual performance review meetings.

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5.3 It is envisaged that services will be monitored through the Quality Assessment Framework which will have specific performance indicators and outcomes set. These will include: successfully supporting women escaping domestic violence to live independently, enabling support during difficulties by clear signposting to services; and ensuring the support worker is skilled in identifying complex needs and issues such as substance misuse and measures are in place for addressing possible child protection concerns and other complex needs.

6 Access to Services

6.1 Access to the newly commissioned floating support service for women escaping domestic violence service will be via an SP funded central referral service (Start Plus).

7 Pre-Tender Considerations.

7.1 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Executive

Ref	Requirement	Response
(i)	The nature of the service	A floating support service for up to 47 women escaping domestic violence The Contract will be targeted to help women escaping domestic violence who may have a range of complex needs (Mental Health needs, substance misuse issues); Asian women, BMER (Black Minority Ethnic and Refugee) women escaping domestic violence who may or may not have complex needs; single women (including BMER women) escaping domestic violence who may have complex needs; forced marriages and women wishing to exit prostitution and trafficking
(ii)	The future estimated value of a contract:	Up to £141K per annum for the service for 47 women receiving floating support (Up to £564k over 4 years).
(iii)	The contract term	The contract will be for a maximum 4 year contract term - 2 years with an option to extend for a further 2 years.
(iv)	The tender	Formal tendering (including advertising) with a two

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	procedure to be adopted:	stage (restricted) procedure leading to the appointment of provider to a contract, in accordance with the procedure set out in Council's Standing Orders 96(c). Evaluation will be on the basis of the most economically advantageous tender.	
(v)	Procurement timetable	Indicative dates are:	
		Adverts placed	Feb 2010
		Seminar for Interested Parties	March 2010
		Expressions of interest returned	March 2010
		Shortlist drawn up in accordance with the Council's approved criteria	April 2010
		Invite to tender	April 2010
		Deadline for tender submissions	June 2010
		Site Visits	June/July2010
		Interim Panel evaluation	July 2010
		Interviews	July/August 2010
		Final Tender Evaluation and Contract Decision	August 2010
		Report recommending Contract award circulated internally for comment	Sept/Oct 2010
		Executive approval	September/Oct 2010
		Contract award	Sept/Oct 2010

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		Contract start date	1 st April 2011
(vi)	The evaluation criteria and process.	<p>Shortlists of those to be invited to tender are to be drawn up in accordance with the Council's Contract Management and Procurement Guidelines namely the pre qualification questionnaire (PQQ) and thereby meeting the Council's minimum standards of financial standing, technical capacity and professional and technical expertise.</p> <p>Award of the contract will be made on the basis of the most economically advantageous offers, with the tenders to be evaluated against the following evaluation criteria:</p> <p>Tendered Price (50% weighting)</p> <p>Quality assessment (50% weighting) using the following criteria:</p> <ul style="list-style-type: none"> • Methods of service delivery within Brent • Service User involvement and choice including the service provider's ability to respond flexibly to the specific needs of the respective service user groups and the ability to facilitate involvement of service users in the shaping and delivery of services they receive. • Methods for ensuring Quality performance and good outcomes, including demonstration of how service standards will be maintained and monitored. • Approach to working with women (to include women of Asian, BMER and all other backgrounds) escaping domestic violence with complex needs/issues • Approach to Partnership working with the Council and other agencies. • Added Value and innovation. 	
(vii)	Any business risks associated with entering the contract.	<p>All existing providers are locally based organisations working with women (and children) escaping domestic violence, with varying needs in the borough. The contract(s) to be tendered will represent a significant portion of their business. However no particular business risks for the Council have been identified assuming there is continued funding from the Communities and Local Government.</p>	

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(viii)	The Council's Best Value Duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met. Tenders will be invited to submit specific proposals on ensuring what is the most economically advantageous tender on the basis of a 50% weighting for cost and 50% weighting for quality issues. There will an assessment of detailed evaluation criteria as stated in (vi).
(ix)	Any staffing implications, including TUPE and pensions	See sections 9 and 11
(x)	The relevant financial, legal and other considerations.	See sections 8, 9, 10 and 11 below

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

8 Financial Implications

8.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1million shall be referred to the Executive for approval to invite tenders and in respect of other matters identified in Standing Order 89.

8.2 As detailed at paragraph 4.1, SP has a total budget of 12.8 million and future contracts will be funded from this SP budget. The current combined annual value of the current domestic violence SP contracts (for floating support and accommodation in refuges) is £309K. It is envisaged that the number of support hours/capacity purchased may be increased. The future estimated value of the contract for the floating support service element is up to £141K per annum and up to £168 per annum for the refuge element. Currently SP commissions four contracts for the domestic violence services, inclusive of floating support and refuges. The expectation is that re-tendering the services as two contracts, one for the floating support element and one for the refuge element, will lead to an increased value for money and greater efficiency savings.

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8.3 There will be costs incurred in the contract process for professional advice, particularly legal. The cost of these contracts, including those for professional advice, will be funded from existing resources within the SP budget.

9. Legal Implications

9.1 The Council has the necessary powers (and in some cases, duties) to enter into the proposed contracts under (amongst other provisions) s26 of the National Assistance Act 1948, the Supporting People Grant Conditions, section 1 of the Local Government (Contracts) Act 1997 and s2 of the Local Government Act 2000, all in conjunction with s111 of the Local Government Act 1972.

9.2 The estimated values of the contract over its lifetime is in excess of £500K therefore the procurement and award of the contract are subject to the Council's Contract Standing Orders in respect of High Value contracts and Financial Regulations and, thus, Executive approval is required for the invitation to tender for the Contract. Standing Orders require a formal tender process to be followed, including advertisement and a restricted or two stage procurement process will be used.

9.3 The services to be provided under the contract are classified as Part B Services under the Public Contracts Regulations 2006 ("EU procurement Regulations") and are not therefore subject to the full application of the EU Procurement Regulations. They are however, subject to the overriding EU principles of equality of treatment, fairness and transparency in the award of the contracts. Non-discriminatory language must be used in the Specification, and a contract award notice will need to be sent to the Official Journal of the European Union.

9.4 Once the tendering process is undertaken Officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering and recommending awards of contracts.

9.5 The Transfer of Employment (Protection of Employment) Regulations 2006, ("TUPE") operate so as to protect the continuity of service and the terms and conditions of employees where there is a "service provision change" as defined by TUPE.

9.6 TUPE will also operate to protect the continuity of service and the terms and conditions of employees where there is a transfer from one organisation to another of an economic entity which retains its identity and where the employees are assigned to the economic identity which has been transferred.

9.7 Subject to the right of the employee to object to transferring, in the case of a service provision change the employee's contract of employment will transfer to the organisation which has taken over the carrying out of the activities while in the case of the transfer of an economic entity the employee's contract of

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employment will transfer to the organisation to which the economic entity was transferred.

- 9.8 A process of consultation and the communication of relevant information between the transferor and the transferee and the staff and their representatives is part of the transfer process that may have to take place.
- 9.9 In the present case, the existing SP contracts includes both floating support and services for people accommodated at refuges. If the contract for the floating support service for women escaping domestic violence is awarded to a new contractor, TUPE may apply so as to transfer from the current to the new contractor those employees of the current contractor who spend all or most of their working time on the activities relating to floating support services for women escaping domestic violence taken over by the new contractor. This is because the activities taken over by the new contractor are not likely to fundamentally change and given the current contractors employ some staff that spend all or most of their working time carrying out activities relating to floating support for women escaping domestic violence under the current contract.
- 9.10 As detailed in paragraph 4.7, it will be necessary for the existing contracts for floating support and services for people accommodated at refuges to be extended to 31 March 2011. Given the duration of the existing contracts and the duration and nature of the proposed extensions, it is considered that Officers have delegated powers to agree such extension.

10 Diversity Implications

- 10.1 Contracts currently require providers of housing support services to deliver services which are
- culturally sensitive by providing cultural awareness training for all workers, matching specific language requirements where possible and recruiting a workforce which reflects the communities of Brent;
 - able to offer service users a female support worker if specifically requested
- 10.2 The new contract will continue to require the provider to deliver services in this way. In addition the new provider will be encouraged to set up partnering arrangements with local community groups and specialist providers to ensure that a diverse range of services can be provided to meet the specific ethnic and cultural needs of service users.

11 Staffing Implications

- 11.1 As detailed at paragraph 9.9 there are likely be TUPE implications arising from the award of the contract with TUPE applying to those staff providing a service that will be included in the tender process. Appropriate consultation with current employers will commence as soon as possible.

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12 Background Papers


Supporting People Grant Conditions (CLG)
Brent Five Year Supporting People Strategy 2005/10
Strategic Review of domestic violence Services May 2009
Executive Reports – 15 June 2009 & 14 December 2009

Contact Officers

Liz Zacharias (Supporting People Lead Officer)
Supporting People
Housing & Community Care
Mahatma Gandhi House
Telephone: 0208 937 2283
Email: liz.zacharias@brent.gov.uk

Martin Cheeseman
Director of Housing and Community Care

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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Housing and Community Care</p>
<p style="text-align: right;">Wards affected: ALL</p>	
<p>Outcome of re-negotiation of existing housing support contracts for Offenders and People with Drug and/or Alcohol issues</p>	

Forward Plan Ref: [H&CC-09/10-24](#)

1.0 Summary

1.1 The Executive meeting in May 2009 considered the current contracts for housing support services for offenders and people with drug and / or alcohol issues, and how to reprovide these services in view of their expiry on 31st December 2009. The Executive approved an exemption from the usual tendering requirements of Contract Standing Orders, to allow negotiations with the existing providers, with a view to allowing new or extended contracts to be awarded from 1st January 2010 until 31st December 2012. A key factor in the negotiations was that satisfactory efficiency savings and / or added value be achieved. The Executive requested a report back on the renegotiations before awarding any contracts.

1.2 Accordingly this report sets out the outcome of the re-negotiation exercise carried out with existing providers of housing support contracts for services for Offenders and people with Drug and / or Alcohol issues, and requests approval to extend the existing contracts.

2.0 Recommendations

2.1 The Executive to note the outcomes of the re-negotiation meetings and the efficiency savings achieved.

2.2 The Executive to approve the extension of the current contracts in relation to all the offender and drug and / or alcohol services funded by Supporting People, as listed in sections 4 and 5 of the report, to 31st December 2012.

3.0 Background – Supporting People

3.1 The Supporting People (SP) programme is a national programme to commission the provision of housing-related support for vulnerable people to help gain, increase or maintain their independence. Supporting People funds the provision of ‘floating support services’ (support to service users in their own home where the Support Worker moves to support someone else when support is no longer needed), and ‘accommodation based services’ (support tied to accommodation where the client living in a hostel or supported housing scheme receives support as a condition of occupation).

3.2 The Supporting People programme commenced in April 2003, with the grant funding for the programme in Brent standing at £12.8 million for 2009/10.

3.3 Members will recall that at their meeting in May 2007, they approved the Supporting People Commissioning Framework setting out a procurement programme for SP services over a five-year period. This involved the completion of a Strategic Review of groups of services according to client group to inform future procurement, commissioning and tendering of SP services.

3.4 The Executive meeting in September 2008 agreed to give approval for pre-tender considerations and criteria to be used to evaluate tenders for five framework agreements for housing support services, including services for offenders and people with drug and alcohol issues.

3.5 The SP Strategic Review of both services was completed and reported to the Supporting People Commissioning Body in November 2008. The findings from both Reviews evidenced high quality services that provided good value for money, and that were also able to demonstrate added value from the particular skills and expertise available within the organisations in working with vulnerable people with particular specialist needs. The Commissioning Body supported the recommendation in the Strategic Review that these services not be tendered in accordance with Contract Standing Order 84, on the grounds that these are very specialist organisations with particular expertise in the field, and to this end would very likely be the only organisations to tender for the existing contracts should an exercise be required.

3.6 The Core Strategy Group and Strategic Commissioning Body partners, in particular Probation and NHS Brent, supported the recommendation in the May 2009 to not tender the services.

3.7 Accordingly in May 2009 the Executive was asked to consider a different approach with regard to these contracts. In May 2009 the Executive agreed:

- (i) that approval be given to an exemption from the tendering requirements of Standing Orders in relation to all the offender and drug and alcohol services funded by Supporting People, in accordance with Contract Standing Order 84;
- (ii) that approval be given to a re-negotiation of the existing Supporting People contracts for Offenders and People with Drug and Alcohol issues, as listed in sections 4 and 5 of the report, to allow new contracts to be awarded from 1st January 2010 until 31st December 2012;
- (iii) that a further report be submitted on the results of the re-negotiation exercise and to consider whether new contracts should be awarded to the organisations listed in sections 4 and 5 of the report as a result of that renegotiation exercise.

3.8 After the Executive Meeting in May 2009 individual negotiation meetings were held with the providers listed in Section 4 of that report. The meetings were held jointly with a representative from the Brent Procurement Team. The providers were advised that we were seeking cashable and / or non cashable savings. The outcome of those negotiations is set out in section 6 below.

4.0 Current pattern of SP funded provision of housing support for Offenders

- The SP grant spent on specialist Offender housing support services is £480K per year (2008/09), or about 3.7% of the annual SP budget
- The number of services users funded for support is 65, with thirty five people receiving accommodation-based support and the remaining thirty in receipt of floating support services
- Existing services are provided by organisations with specialist knowledge and expertise of working with this particular client group

4.1 The Supporting People contract start and end dates for Offender services currently in place is detailed below:

Contract Name	Service Type	Contract Start date	Contract End date
Hestia	Accommodation	10.01.07	31.12.09
St Mungo's	Accommodation	01.01.07	31.12.09
St Mungo's	Floating Support	01.05.07	31.12.09.

5.0 Current pattern of SP funded provision of housing support for people with Drug and Alcohol issues

- The SP grant spent on specialist Drug and Alcohol housing support services is £279K per year (2008/09), or about 2.2% of the annual SP budget

- The number of services users funded for support is 100, with twenty nine people receiving accommodation-based support and the remaining seventy one in receipt of floating support services
- Existing services are provided by organisations with specialist knowledge and expertise of working with this particular client group

5.1 The Supporting People contract start and end dates for Drug and Alcohol services currently in place is detailed below:

Contract Name	Service Type	Contract Start date	Contract End date
CHC	Accommodation	26.10.06	31.12.09
St Mungo's	Accommodation	01.04.07	31.12.09
CHC	Floating Support	01.04.07	31.12.09
PCHA	Floating Support	01.04.07	31.12.09

6. Outcome of the Negotiations with Providers

6.1 The main outcomes of the negotiation meetings are as follows (all figures given are annual):

Provider	Outcome of Renegotiation
Hestia	Ex-offender Accommodation Based Service – restructure of staff resulting in £19,500 efficiency savings
St Mungos	Ex-offender Accommodation Based Service - £24,215 efficiency savings Ex-offender Floating Support Service - £5,048 efficiency savings Alcohol Accommodation Based Service – No achievable savings and / or added value. Current contract running in deficit. SP to increase funding by £1,747
CHC	Drug & Alcohol Accommodation Based Service – No achievable savings, small low value contract with excellent outcomes Reducing Drug & Alcohol Floating Support - Increase number of units by 10 at a total cost of £16,470
PCHA	Drug & Alcohol Floating Support – Increase number of units by 5 at a total saving of £13,395

Summary: Offender Services

Contract	Current Costs	Re-negotiated Cost / units	Difference	Comments
Hestia Accommodation	£331,000	£311,500	£19,500	Savings achieved
St Mungos Accommodation	£ 57,288	£ 33,073	£24,215	Savings achieved
St Mungos Floating Support	£100,968	£ 95,920	£ 5,048	Savings achieved

Summary: Drug and / or Alcohol Services

Contract	Current Costs	Re-negotiated Cost / Units	Difference	Comments
CHC Accommodation	£55,246	Nil	Nil	Excellent small low value contract with no achievable savings
St Mungos Accommodation	£94,450	£96,197	SP funding increase of £1,747	Current contract price unsustainable, SP agree additional funding
CHC Floating Support	£32,946	10 additional units	£16,470 non-cashable savings	10 additional units at no extra cost to SP
PCHA Floating Support	£93,977	5 additional units	£13,395 non-cashable savings	5 additional units at no extra cost to SP

Overall Cash Savings	Overall Non-Cashable Benefits
£47,016 p.a.**.	Increase in capacity by 15 additional floating support units per year equivalent to £29,865***
Overall savings in excess of of £76,881 p.a. Savings are also implemented in current year whereas potential savings through re-tendering would have taken another year to implement	

** cash saving

*** non-cashable saving/ efficiency

6.2 In conclusion the Executive asked to approve the recommendations contained in section 2 of this report. The outcome of the negotiations reported in section 6.1 above are the best concessions that can reasonably be obtained, note that 2 contracts have not resulted in savings and indeed one is to receive extra funding, but consider these should still be recommended for award because they offer good value for money when benchmarked against other similar services..These contracts will be funded from within the existing Supporting People budget. With the contracts on new revised terms to improve value for money, quality and improved outcomes, a contract expiry date of December 2012, will enable this review work to have fully embedded and the Council to see evidence from the new approach.

7.0 Financial Implications

7.1 This report updates members on negotiation of SP contracts that were exempted by the Executive from Tendering requirements in line with Standing Orders.

7.2 These contracts are being funded from within the overall SP budget currently £12.8 million for 2009/10.

7.3 Contract negotiations for these services have resulted in overall savings of in excess of£76,881 to the SP budget. There are no additional financial implications arising from the recommendations set out in this paper.

8.0 Legal Implications

8.1 The Executive has already approved an exemption from the tendering requirements of Contract Standing requirements in relation to the services described in sections 4 and 5 of this report. However it did not approve the award of contracts to the current providers on the basis that it wanted a report back on the result of contract negotiations before agreeing to the award. Accordingly this is the purpose of this report.

8.2 Most of the contracts as extended will also need to be varied to reflect the change in prices or units provided. These variations do not require Executive approval as they fall within the delegated authority of the Director of Housing and Community Care. In addition, the Director has also approved a short extension to the current contracts from 1st January 2010 until 19th January 2010, to enable continuity of service pending approval by the Executive to a longer-term extension.

9.0 Diversity Implications

9.1 Contracts currently require providers of housing support services to deliver services which are:

- culturally sensitive by providing cultural awareness training for all staff,

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matching specific language requirements where possible and recruiting a local workforce which reflects the communities of Brent;

- able to offer service users a male or female Support Worker if specifically requested
- Partnering arrangements with local community groups and specialist providers is encouraged

9.2 The proposed new contracts will continue to require providers to deliver services in the same way. Therefore the proposals in this report have been subject to screening and officers believe that there are no diversity implications that require further assessment.

Background Papers

Supporting People Grant Conditions (CLG)
Brent Supporting People Strategy 2005/10
Strategic Review of Offender services (November 2008)
Strategic Review of Drug and Alcohol services (November 2008)

Contact Officers

Liz Zacharias (Supporting People Lead Officer)
Marilyn Nortey-Silke (Supporting People team)

Martin Cheeseman (Director of Housing and Community Care)

Housing and Community Care Department
34 Wembley Hill Road
Wembley
Middx HA9 8AD

Martin Cheeseman
Director of Housing and Community Care

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Executive
18 January 2010

Report from the Director of Housing and Community Care

Wards Affected:
ALL

Authority to Tender Contracts for Supporting People Funded Services for Single Homeless People

Forward Plan Ref: H&CC-09/10-26

1.0 Summary

- 1.1 This report seeks authority to invite suitable providers to tender for 2 framework agreements and 1 contract as required by Contract Standing Orders 88 and 89. The framework agreements will be for the provision of Supporting People funded accommodation based services and floating support services (with 2 initial call-off contracts to be entered into under each framework, shortly after award). The remaining contract will be for work and life skills training services for Single Homeless People.
- 1.2 This report additionally seeks authority to extend the current Supporting People Single Homeless contracts until 31 March 2011.

2.0 Recommendations

- 2.1 The Executive to give approval to the pre tender considerations and the criteria to be used to evaluate tenders to award framework agreements for the provision of Supporting People funded accommodation based services and floating support services for single homeless people, and a contract for work and life skills training services for single homeless people, as set out in paragraph 10 of this report.
- 2.2 The Executive to give approval to officers to invite tenders for the 2 framework agreements and one contract and to evaluate them in accordance with the approved evaluation criteria referred to in paragraph 2.1 above.
- 2.3 The Executive to approve an extension of the existing Supporting People

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contracts for services for Single Homeless Services as specified in paragraph 8.9 of this report until 31 March 2011.

3.0 Detail Supporting People

- 3.1 The Supporting People (“SP”) Programme is a national programme to commission the provision of housing related support services for vulnerable people to help gain, increase or maintain their independence. SP funds the provision of “floating support services” (support to service users in their own home where the support worker moves to support someone else when support is no longer needed) and “accommodation based services” (support tied to accommodation where the client living in a hostel or supported housing scheme or a refuge receives support as a condition of occupation).
- 3.2 The SP Programme commenced in April 2003. The budget for the SP Programme in Brent is £12.8 million for 2009/10.
- 3.3 Members will recall that at their meeting in May 2007, they approved the SP Commissioning Framework setting out a procurement programme for SP Services over a five-year period. This tendering project is part of the plan set out in the programme. Single Homeless services are all included in the SP Programme and due to be tendered in 2009-10.
- 3.4 In June 2009 the decision was taken to complete a strategic review of single homeless services funded by SP which was completed in October 2009. As a result of the review an Indicative Equality Impact Assessment was undertaken. Both reports were presented to the Commissioning Body in December 2009. The Commissioning Body recommends the tendering of the single homeless services.

4.0 Detail – Strategic review of Supporting People services for Single Homeless People

- 4.1 Defining single homeless:
The term single homeless is generally used when service users do not ‘fit’ into one box in terms of support needs and often points to a complexity of need. Common support issues for this group include social exclusion, mental health and substance misuse. For the purpose of this report Brent single homeless may be defined as a user group that is single, with no dependent children, are unlikely to be statutory homeless but have a vulnerability that makes it difficult for them to sustain a home and contribute to the wider community. The term generic is used in this report to identify this group of single homeless.
- 4.2 The review report recommended to the Commissioning Body the following:
1. The large hostels (Livingstone House & Pound Lane) within Brent to provide an intensive assessment phase for up to a maximum of three months to identify an individual’s needs and recommend the appropriate onwards pathway

2. To provide a small number of units for rough sleepers (who have been verified as bedding down and sleeping in the open air at night) within the hostels for a short period of time pending a decision on their longer term housing and support pathway.
3. Hostels will provide 24 hour cover.
4. A clear referral pathway (described above) into, between and out of all services will ensure that services are sufficiently flexible to meet the changing needs of single homeless people placing the emphasis on the 'right help at the right time'.
5. It is recommended that a number of accommodation based services be designated as specialist i.e. Mental Health, Drug & Alcohol, ex offenders to capture and provide for identified secondary needs. The remaining accommodation based services will offer generic support to those who are preparing for independent living
6. Cover to medium/low support services to be provided between 8 am – 8 pm Monday- Sunday as required by the service user, with access to out of hours support through an 'on-call' service.
7. To create a small team to work across all providers for work and learning. One post for 'Work Skills' that will look for training and a work placement programme with local businesses, support to find work after placements and ongoing support regarding work. To build links and partnerships with providers of training related job activity and Job Centres to create work opportunities for service users. In addition this post will have a working knowledge of in work benefits.
8. A further post to provide short life skills programme for service users, mainly within the two hostels, but the programme should be able to deliver to other venues as needed. In addition they will build up links with local colleges and seek funding to deliver the programme.
9. All service users will be expected to sign up at the initial assessment to undertake the support plan, to take responsibility for the plan and to agree to move on from any accommodation provided (supported accommodation only) when support plan is completed.
10. To provide floating support to service users in the form of surgeries', short term crisis support and up to 2 years floating support to people in their own accommodation and to verified rough sleepers.
11. Services will be provided by generic providers who must ensure services are provided in a culturally sensitive manner with a staff group that reflect the culture of the client base
12. That all single homeless services work with the emphasis on improving social inclusion and that outcomes will be measured on this basis
13. To set a planned move on (NI141) target of 80% within the first year of operation for accommodation based provider whilst floating support will have a target of 96% for living independently (NI142). Where it is noted that support is no longer required but clients are waiting to move on, to review the funding as this indicates that the service is not required apart from housing
14. To review funding for services where the voids are consistently above 10% as this would indicate no need for the service
15. To withdraw funding from the accommodation based services where tenants have assured tenancies, replacing with floating support if required

16. To review in conjunction with the Housing Resource Centre and Housing Solutions the role of rough sleeping outreach to the pathway for single homeless people, in particular the links in relation to residential support and support to independent living in the private rented sector
17. To further review, in conjunction with Housing Solutions, the feasibility of Registered Social Landlords (RSL) becoming managing agents for Private Rented Sector (PRS) properties.
18. To further review the possibilities of allocating a small 'pot' of money for rent deposits for those at work on low income and ready to move on to support them to obtain PRS tenancies.

4.3 The intention is to remodel current services to take into account the conclusions of the strategic review within the contract tendering proposed in this report. Members will note that all matters itemised in paragraph 4.2 above are relevant in terms of background context for this procurement.

5.0 Detail – Current patterns of Supporting People funded single homeless services

5.1 Supporting People currently funds accommodation based housing-related support services with a total cost of £800k per annum. A total of 220 people access these services. The services are short term providing up to a maximum of 2 years housing related support including assistance with “move-on” and resettlement support. There are however a small number of ‘assured tenancies’ within this group.

Accommodation based services for single homeless are provided by five providers, one of which is a BME provider to the Irish community, providing a variety of models where staff may be based on site or visit. Properties include shared housing, single sex and mixed accommodation, “move-on” semi-independent and independent flats. Current contracts vary from short term services to long term accommodation services although it remains unclear how short and long term services vary as all have service users who have been in the accommodation for longer than 2 years. Currently there are no specified services for rough sleepers.

5.2 Floating Support

Three providers provide floating support to 468 users at a cost of £1.4m per annum, one provider works solely with the Irish community (43 units), the second provider works in Partnership with a BME Drug and Alcohol provider (140 units) and the third provider is a partnership of two RSL's (285 units). Floating support services are provided up to a maximum of two years

5.3 Large Hostels

Members will remember that at the November Executive meeting members agreed that the award of a contract for the Pound Lane hostel would be exempted from the tendering requirements ordinarily required by the Council's

Contract Standing Orders, for good operational and financial reasons as set out in the report.

5.4 Discussions are currently taking place with English Churches Housing Group to vary the contract so that the services at Livingstone House can meet the requirements set out in the strategic review of single homeless services. A report on the outcome of these discussions will be presented to the Commissioning Body in February 2010 and for approval by the Executive March 2010.

6.0 Diversity Implications

6.1 Accommodation based and floating support services are currently provided on a generic basis (that is to individuals who are single and may have a range of support needs, rather than one specific need such as substance misuse, or an offending background) with the exception of those services provided to the white Irish community whose services are provided by an Irish Housing provider and one generic floating support contract where there is a subcontract to a BME Drug & Alcohol service

6.2 Service users entering single homeless services ethnic breakdown 08-09:

White British	12%	Asian British	2%	Black Caribbean	25%
Irish	5%	Parkistani	2%	African	17%
Other	54%	Bangladashi	2%	Other	8%
Mixed	9%	Other	7%		
Not identified	6%				

6.3 Given the above statistics it is difficult to argue that there is a need to provide specialist provision to any one specific community group. Anecdotal evidence is that the Irish community in need of housing related support are older people whose needs may be best met through the Older People's Supporting People services.

6.4 An indicative Equality Impact Assessment has been undertaken to assess the impact of the proposed arrangements in terms of equalities across all individuals using the services. Accommodation based service to the Irish community will remain, however within floating support services prospective tenders will be asked to include an Irish worker to ensure this group are represented.

7.0 Consultation with service users, providers and stakeholders

7.1 Service users of Supporting People funded single homeless services within Brent were given the opportunity to contribute to the strategic review either by completion of a questionnaire or by attendance at a consultation meeting. In addition a separate questionnaire was used at the Single Homeless Advice Surgery. Findings are shown below:

The consultation groups were arranged over three sessions in various locations in Brent to allow easy access for service users. Approximately 50

users attended across these sessions. The major themes of the sessions were:

- Social Housing – seen as an entitlement – with many prepared to sit and wait until this was offered regardless of the length of time this could take. As a result the purpose of supported living is lost.
- Skills training – many service users wanted work or work experience to get into the job market rather than training which they did not see as useful or appropriate

98 questionnaires were returned from current users of single homeless services

- 17% did not feel safe in their current accommodation
- Over 85% of respondents need support with obtaining benefits, wanted regular feedback, needed help to build their lives and move on and to have social activities arranged.
- Over 92% of service users thought the support provided was OK/good/very good
- 86% of service users said that their support worker had made them aware of their move on options, however 57% would not consider private renting as an option. This seems to be based on past experience, low income, no security and permanency.
- Less than 7% thought that their cultural needs were not met by their current provider.
- When asked what gaps were in the support services, service users wanted more activities, more/ better information on housing, private rented and social housing and how long moving out of accommodation can take.

The single homeless survey took place over a one month period, with 58 people completing the questionnaire.

- The single most common cause cited by respondents for homelessness is family/parents asking them to leave – interesting this was not confined to young people, but across all ages.
- 50% of people thought that their homelessness could have been prevented if they had known where to go for help earlier
- Over 68% wanted help on where they could get housing,
- 67% wanted 'council' housing, whilst only 27% wanted information on private renting.
- Fewer than 7% of the total spent the night in a car/ on the streets / in a hallway. The remaining number found a bed for the night; however the survey did not look for long term plans.

7.2 **Priorities Identified by Stakeholders/Partners**

- To accept clients irrespective of the nature of their tenancy especially those living in council properties (Floating Support)
- Greater emphasis on clients gaining independence through other agencies and support organisation, in preparation for move-on.
- Supported accommodation that meets the clients development into independence i.e. rehab, daily living skills, education & training and employment.

7.3 **Feedback from Providers**

Providers were asked to identify gaps in services and how they saw the future of services for single homeless. Below the key areas are listed:

- Development of a pathway through services
- Develop service users to be involved in consultation, developing and managing services
- Develop links with other statutory and non statutory agencies/stakeholders
- Develop meaningful activity, training and work for service users
- Life skill training
- Promote social inclusion in/of the wider community
- Working with private sector landlords & housing associations to source appropriate properties (in addition to Start Plus)
- Increased health awareness i.e. TB screening, sexual health etc
- To make PRS attractive to users
- Need for floating support short term services (6-8 weeks max)
- Apprenticeships for service users
- Advice surgeries for those who require one off advice

7.4 The current Supporting People providers for single homeless people are aware of the procurement timetable and have expressed an interest to continue to provide SP services to their users until the tender process has been completed and providers appointed.

8.0 **Proposals for tendering**

8.1 It is proposed to tender for the provision of Supporting People funded accommodation based services and floating support services for single homeless people under two framework agreements and a contract for work and life skills training services for single homeless people

8.2 The Supporting People team propose that current accommodation based services be reconfigured into two contracts.

8.3 Services will be structured into a pathway model that allows service users to move forward and back as their needs change.

8.4 Some services will be designated as Mental Health or Drug and Alcohol to improve outcomes for secondary needs, the remaining services will be generic single homeless services catering to a range of needs. A small number of units will be for low support

8.5 Floating support will be provided to those who are living in their own accommodation or to those identified and verified as rough sleepers. Support will be provided in the following ways:

1. Crisis Support to those who are at risk of losing a tenancy, support will be up to a maximum of 6 weeks

2. Surgeries for those who have been through Supporting People services, and require one off support that can be dealt with there and then.
3. Provide floating support to those that require support for up to 2 years.

8.6 To create a small team to work across all providers for work and learning. One post for 'Work Skills' and the second post will provide life skills programmes.

8.7 The objective of the tender exercise is to improve the quality of services for single homeless people by combining and re-specifying services. In addition some efficiency saving will be made. Providers will have to demonstrate sensitivity and the ability to provide ethnically and culturally sensitive services and respond to the needs of Brent's diverse communities. Contracts will be awarded to the tender which submits the most economically and qualitatively advantageous tender for the services.

8.8 The existing contracts for the accommodation-based services and the floating support services noted in paragraphs 5.1 and 5.2 are due to expire November 2010 however it is unlikely that the tender process will be completed by this time and therefore an extension until March 2011 is requested for all single homeless contracts to facilitate the continuation of the relevant single homeless people services during the period of tendering, to allow for the tendering timetable to be followed, and to allow for individual contracts to commence once providers have been appointed

St Mungos
English Churches Housing Group
Single Homeless Project
Notting Hill/Paddington Churches HA
Lookahead
Broadway
Innisfree

8.9 The exact requirements and qualities of services will be outlined in a detailed service specification

8.10 Officers consider that framework agreements are appropriate for the accommodation-based services and floating support services for single homeless people because they offer the flexibility if necessary to call off additional services in future from the providers appointed to the frameworks. It is anticipated that the call-off contracts specified in the table at paragraph 10.1) will be called-off promptly after the award of the frameworks. In respect of the proposed framework agreements (and the resulting call-off contracts) for accommodation-based services and floating support services for single homeless people, and the contract for work and life skills training services, officers are recommending that the period for the contracts is 3 years with an option for a 2 year extension where performance is satisfactory.

9.0 Monitoring

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- 9.1 Supporting People services will be monitored by the Supporting People unit. The current providers are required to submit quarterly monitoring data on their performance and to attend regular meetings for this. In addition the Supporting People team also conduct an annual quality assessment using the Quality Assessment Framework.
- 9.2 It is proposed that the monitoring of the new contracts will be more service user centred, outcome focused and provide good quality services within the resources available. Annual service user satisfaction surveys will be carried out. Future providers will be required to submit regular monitoring data as described in 9.1above.

10.0 Pre-tender Considerations

In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Executive:

Ref	Requirement	Response
(i)	The nature of the service	<p>An accommodation based service for up to 250 persons accommodated in various shared/single houses for people who are single, with no dependent children, are unlikely to be statutory homeless but have a vulnerability that makes it difficult for them to sustain a home and contribute to the wider community. It is proposed this be addressed by a framework agreement (Framework 1) to which 3 providers will be appointed, as follows:</p> <p>Framework 1 Accommodation Based Services The framework is for single homeless individuals who may have a range of complex needs (Mental Health, substance misuse, ex offenders etc); BMER (Black Minority Ethnic and refugees). Two contracts will be called off from this framework. Contract 1 will be for up to 120 people over 17 properties. A number of these units will be for the Irish Community. Contract 2 will be for up to 116 people over 14 properties. A number of these units will be for Refugees</p> <p>A floating support service for up to 500 people, regardless of tenure who have a vulnerability that makes it difficult for them to sustain a home and contribute to the wider community. It is proposed this be addressed by a framework agreement (Framework 2) to which 3 providers will be appointed, as follows:</p> <p>Framework 2 Floating Support Services The framework is for single homeless individuals who have a range of complex needs (Mental Health, substance misuse, ex offenders etc) BMER, Rough Sleepers. There will be two contracts called off from this framework Each contracts will be for up to 250 individuals</p> <p>Work and life skills team to work across all services users regardless of support type. It is proposed this be</p>

		addressed by a contract for a Work and Life Skills team, which would work across all single homeless providers to ensure work opportunities and life skill training	
(ii)	The future estimated value of all contracts:	<p>It is estimated that the agreements will collectively total £2 m pa (£10 m over the maximum term of 5 years), itemised as follows:</p> <p>Framework 1 – 2 call-off contracts totalling approx. £850k pa</p> <p>Framework 2 – 2 call-off contracts totalling approx. £1 m pa</p> <p>Work & Life Skills contract – approx. £125K pa</p>	
(iii)	The contract term	The frameworks and the contract will be for a maximum of 5 years (being for 3 years with an option to extend for a further 2 years).	
(iv)	The tender procedure to be adopted:	<p>A two stage process leading to the award of a framework Agreement in accordance with the Councils Standing Orders.</p> <p>Social Services transactions are 'Part B services' for the purpose of the EU regulations. The regulations are of residual application only (general duties of fairness and transparency, forwarding of a contract notice etc.) and do not dictate the procurement process to be followed.</p>	
(v)	Procurement timetable	Indicative dates are:	
		Adverts placed	Feb 2010
		Seminar for Interested Parties	March 2010
		Expressions of interest returned	March 2010
		Shortlist drawn up in accordance with the Council's approved criteria	April 2010
		Invite to tender	April 2010
		Deadline for tender submissions	June 2010

		Site Visits	June/July 2010
		Interim Panel evaluation	July 2010
		Interviews	July/August 2010
		Final Tender Evaluation and Contract Decision	August 2010
		Report recommending Contract award circulated internally for comment	September/ October 2010
		Executive approval	September/ October 2010
		Contract award	September/ October 2010
		Contract start date	1 st April 2011
(vi)	The evaluation criteria and process.	<p>Shortlists of those to be invited to tender are to be drawn up in accordance with the Council's Contract Management and Procurement Guidelines namely the pre qualification questionnaire (PQQ) and thereby meeting the Council's minimum standards of financial standing, technical capacity and professional and technical expertise.</p> <p>Award of the framework agreements and call off contracts will be made on the basis of the most economically advantageous offers, with the tenders to be evaluated against the following evaluation criteria:</p> <p>Tendered Price (50% weighting)</p> <p>Quality assessment (50% weighting) using the following criteria:</p> <ul style="list-style-type: none"> • Methods of service delivery within Brent • Service User involvement and choice including the service provider's ability to respond flexibly to the specific needs of the respective service user groups and the ability to facilitate involvement of service users in the shaping and delivery of services they receive. • Methods for ensuring Quality performance and good outcomes, including demonstration of how service standards will be maintained and monitored. • Approach to working with single homeless people with complex needs/issues, including approach to 	

		<p>delivering flexible solutions which are responsive to varying service user needs (e.g. Substance misuse, mental health and other complex needs) with service provision for the BMER group</p> <ul style="list-style-type: none"> • Approach to Partnership working with the Council and other agencies. • Added Value and innovation.
(vii)	Any business risks associated with entering the contract.	All existing providers are locally based organisations working with single homeless people, with varying needs in the borough. The contract(s) to be tendered will represent a significant portion of their business. However no particular business risks for the Council have been identified assuming there is continued funding from Communities and Local Government.
(viii)	The Council's Best Value Duties	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met. Tenders will be invited to submit specific proposals on ensuring what is the most economically advantageous tender on the basis of a 50% weighting for cost and 50% weighting for quality issues. There will be an assessment of detailed evaluation criteria as stated in (vi).
(ix)	Any staffing implications, including TUPE and pensions	See sections 12 and 14
(x)	The relevant financial, legal and other considerations.	See sections, 11, 12, 13 and 14..

11.0 Financial Implications

- 11.1 The Council's Contract Standing Orders state that contracts for supplies and services exceeding £500k or works contracts exceeding £1m shall be referred to the executive for approval to invite tenders and in respect of other matters identified in Standing Order 89.
- 11.2 The Supporting People budget in 2009-10 is £12.8m. These contracts will be funded from within the Supporting People budget.
- 11.3 The current combined annual value of the single homeless Supporting People contracts is £2m. It is envisaged that the capacity purchased will increase, i.e. the work and life skills team. The expectation is that a total of £200k savings will be made through this exercise.
- 11.4 There will be costs incurred in the contract process for professional advice. The cost of these contracts, including those for professional advice, will be funded from existing resources within the SP budget.

12.0 Legal Implications

- 12.1 The Council has the necessary powers to enter into the contracts under section 1 of the Local Government (Contracts) Act 1997 and section 111 of the Local Government Act 2003 in conjunction with its functions (amongst other provisions) s21, s26 and s29 of the National Assistance Act 1948, s45 of the Health Services and Public Health Act 1968, s2 of the Chronically Sick and Disabled Persons Act 1970, and sections 179(2)&(3), 180, 192 and 193 of the Housing Act 1996 . The Council also needs to comply with any conditions imposed on the Supporting People Grant it receives.
- 12.2 The estimated values of each of the framework agreements and the work and life skills contract over their lifetimes are in excess of £500K therefore the procurement and award of the contracts are subject to the Council's Contract Standing Orders in respect of High Value contracts and Financial Regulations and, thus, Executive approval is required for the invitation to tender for the Contracts. Standing Orders require a formal tender process to be followed, including advertisement and a restricted or two stage procurement processes will be used.
- 12.3 The services to be provided under the contract are classified as Part B Services under the Public Contracts Regulations 2006 ("EU procurement Regulations") and are not therefore subject to the full application of the EU Procurement Regulations. They are however, subject to the overriding EU principles of equality of treatment, fairness and transparency in the award of the contracts. Non-discriminatory language must be used in the Specification, and a contract award notice will need to be sent to the Official Journal of the European Union.
- 12.4 Once the tendering process is undertaken Officers will report back to the Executive in accordance with Contract Standing Orders, explaining the process undertaken in tendering and recommending awards of contracts.
- 12.5 The Transfer of Employment (Protection of Employment) Regulations 2006, ("TUPE") operate so as to protect the continuity of service and the terms and conditions of employees where there is a "service provision change" or where there is a transfer from one organisation to another of an economic entity which retains its identity and where the employees are assigned to the economic identity which has been transferred.
- 12.6 In the present case, the existing SP contracts includes both floating support and services for people accommodated in supported housing. If the contracts for services for single homeless people in supported housing and floating support are awarded to a new contractor, TUPE is likely to apply so as to transfer from the current to the new contractor those employees of the current contractor who spend all or most of their working time on the activities relating to services for single homeless people in supported housing and floating taken over by the new contractor. This is because the activities taken over by the new contractor are not likely to fundamentally change and given the current contractors employ some staff that spend all or most of their working

time carrying out activities relating to services for people supported housing or floating support to single homeless people under the current contract.

- 12.7 As detailed in paragraph 8.8, it will be necessary for the existing contracts to be extended to 31 March 2011 in respect of services for single homeless people in supported housing or floating support. .
- 12.8 The contractors currently providing services for people in accommodation based services do so from a number of leased properties. Any new contractor will need to identify as part of their tender, arrangements for housing management with the landlord of the various properties.

13 Diversity Implications

- 13.1 Contracts currently require providers of housing support services to deliver services which are:
- Culturally sensitive by providing cultural awareness training for all workers, matching specific language requirements where possible and recruiting a workforce which reflects the communities of Brent;
 - Able to offer service users a female support worker if specifically requested
- 13.2 The new contract will continue to require the provider to deliver services in this way. In addition partnering arrangements with local community groups and specialist providers will be encouraged to ensure that a diverse range of services can be provided to meet the specific ethnic and cultural needs of service users.

14 Staffing Implications

- 14.1 As detailed at paragraph 12.10 there are likely be TUPE implications arising from the award of the contract with TUPE applying to those staff providing a service that will be included in the tender process. Appropriate consultation with current employers will commence as soon as possible.


15 Background Papers

Supporting People Grant Conditions (CLG)
Brent Five Year Supporting People Strategy 200/14
Strategic Review of Single Homeless Services October 2009
Executive Report Pound Lane – November 2009

Contact Officers

Liz Zacharias (Supporting People Lead Officer), Supporting People, Housing & Community Care, Mahatma Gandhi House, Tel: 020 8937 2283
Email: liz.zacharias@brent.gov.uk

Martin Cheeseman
Director of Housing and Community Care

	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Housing and Community Care</p>
<p style="text-align: right;">Wards Affected: ALL</p>	
<p>ALMO Settled Homes Initiative</p>	

Forward Plan Ref: H&CC-08/09-09

Appendix 1 and 2 are not for publication ('below the line') as they contain information relating to the financial or business affairs of any particular person (including the authority holding that information) pursuant to Schedule 12A of the Local Government Act 1972.

1.0 Summary

- 1.1 A report to the Council's Executive meeting on 16 August 2007 provided an 'in principle' approval for the Council's Arms Length Management Organisation (ALMO), Brent Housing Partnership Limited (BHP) to deliver a pilot Temporary To Permanent Housing Scheme to provide some 260 new homes using funding of £5m allocated by the Housing Corporation under the Settled Homes Initiative¹, and agreed that the properties may be owned and managed by BHP and/or an SPV established for that purpose.
- 1.2 A subsequent report on 11th February 2008 set out the proposed arrangements for delivering the scheme including the establishment of a special purpose vehicle to deliver the scheme, as a wholly owned subsidiary of BHP. Members were informed that a further report would be presented to the Executive on the detailed financial and operational arrangements to deliver the scheme and any changes that may be required to be made to BHP's constitution and the ALMO Management Agreement with the Council. The Executive delegated authority to the Director of Housing and Community Care to agree a nominations

¹ The SHI scheme is part of the Mayor's Targeted Funding Stream which was introduced to increase the provision of settled accommodation for homeless households in London.

protocol with BHP, subject to a further report being presented on any contractual arrangements that may arise from the delivery mechanism.

- 1.3 Following the Executive's approval, BHP has embarked on a series of soft market testing exercises to identify potential funders. However, due to the downturn in the economic climate, the increasing costs of borrowing from the private sector have impacted adversely on the overall scheme affordability and viability. BHP reviewed the scheme assumptions and submitted a new funding bid to the Housing Corporation in September 2008 for an additional £5m to deliver 286 properties. It was subsequently agreed with the Housing Corporation that the original round one bid would be withdrawn, and the new bid would be treated as a round two submission for £10 million. The outcome due to be announced in February 2009, was made in April 2009, BHP were advised that their funding bid was successful by the newly formed Homes and Communities Agency (HCA)².
- 1.4 There has still been no further improvement in the borrowing terms available from the private lenders. To ensure the delivery of the BHP's SHI scheme, BHP has requested a £8m loan from the Council, secured using its prudential borrowing powers, in order to deliver in the region of 50 properties under tranche 1 of their acquisitions programme. This report sets out the proposed changes that are required to deliver the ALMO SHI scheme.

2.0 Recommendations

- 2.1 The Executive to note BHP at present is not contemplating setting up a special purpose vehicle, as a wholly owned subsidiary of BHP, in order to deliver the scheme.
- 2.2 The Executive to approve the delivery arrangements proposed and note the increased number of dwellings achievable from the additional £5m HCA grant support.
- 2.3 The Executive to give approval to the provision of a loan facility to Brent Housing Partnership Ltd of up to £8million to facilitate the delivery of tranche 1 of SHI scheme and delegate authority to the Director of Finance and Corporate Resources, in consultation with the Borough Solicitor, to agree the final terms and conditions of the loan facility.
- 2.4 The Executive give approval to BHP, to enter into a Grant Agreement for the SHI scheme with the Homes and Communities Agency (HCA) in respect of their £10 million funding allocation, under the Settled Homes Initiative, and delegate authority to Director of Finance and Corporate Resources to agree the terms of that Grant Agreement, in consultation with the Borough Solicitor.

² The Homes and Communities Agency was formerly the investment arm of the Housing Corporation.

- 2.5 The Executive agree to provide BHP a loan facility of up to £8 million to fund the acquisition of approximately 50 properties under the tranche 1 of the SHI programme and also delegate authority to the Director of Finance and Corporate Resources to agree the final loan sum to be provided to BHP and the term over which the loan will be repayable, subject to the following conditions:
- (1) The loan sum will relate only to costs directly attributable to this scheme
 - (2) The loan is seen to be affordable to BHP and that the agreed loan repayment schedule is substantiated within the overall business case model, and
 - (3) The final agreement to provision of the loan remains within the best interests of the council
- 2.6 The Executive note that the terms of the loan are generally neutral on the Council's finances and provide for a nil net contribution on the Council's General Fund.
- 2.7 The Executive authorise the Director of Housing and Community Care to seek consent from the Secretary of State under section 25 of the Local Government Act 1988 in respect of the £8m loan facility once the final terms of the loan agreement have been agreed by the Director of Finance and Corporate Resources.
- 2.8 The Executive authorise the Director of Finance and Corporate Resources to enter in to a Direct Agreement with the HCA, in consultation with the Borough Solicitor in order to satisfy the grant conditions for the SHI grant allocated to BHP.
- 2.9 The Executive agree to permit BHP to acquire, own and manage up to 286 properties and to grant tenancies in connection with the Settled Homes Initiative.

3.0 Detail

Background

- 3.1 The Council and BHP had jointly been allocated £5m to deliver a pilot scheme to provide up to 260 new homes as part of the SHI scheme under the 2008/09 Mayor's Targeted Funding Stream. The aim of the SHI scheme is to utilise the public funding stream that supports the provision of temporary accommodation which will ultimately result in the provision of permanent housing which can be let at affordable rents. At present the provision of temporary accommodation is supported by market rents which are largely met from housing benefit. The majority of temporary accommodation properties are leased from private landlords by local authorities and social landlords on a short term basis (typically 3 to 5 years). The costs of financing these schemes are supported by market rents, which in turn are met largely from housing benefit. There are little costs to the council in this arrangement but high levels of public subsidy through Housing Benefit are required for no long term benefit as the investment in the properties

does not result in the conversion of more affordable homes for rent or sale

- 3.2 In August 2007 the Executive gave “in principle” approval for Brent Housing Partnership Limited (BHP) to establish a special purpose vehicle (SPV), as a subsidiary of BHP to deliver a temporary to permanent housing scheme. At this meeting the Executive were advised that a further report would be presented would set out the details on how BHP would deliver the scheme
- 3.3 BHP engaged Grant Thornton in April 2008 to develop the financial model for the SHI, and to provide independent financial advice. Initial modelling showed that the volume of properties deliverable was significantly reduced as a consequence of the impact of the restrictions in the financial markets. As a result BHP reviewed the original terms of the scheme further and considered options to improve the deliverability and their access to funding to commence with their acquisitions programme. Market confidence in lending to Special Purpose Vehicles and housing associations was also declining. This was due to the combined impact of a collapse in the sub-prime mortgage market, and the subsequent global financial crisis, and at a local level, the collapse of Ujima Housing Association.
- 3.4 Lender preference following the restrictions in the financial markets had shifted towards seeking greater security through parent company guarantees and/or a closer link to the group parent, thereby questioning the use of the SPV. As BHP did not own any properties, they could only proceed on the basis that the SHI scheme formed part of its core activities. During this period, BHP sought tax advice from Grant Thornton, and as a consequence of ongoing discussions related to the changes in the financial market, presented a report to the BHP Board on 5th August 2009, proposing not to proceed with the establishment of the SPV.
- 3.5 Discussions were held with the Housing Corporation in June 2008 on the deliverability of the scheme on the basis of the original assumptions, and it was agreed that a new bid would be submitted under the SHI scheme, as part of Round 2 of the Mayor’s Targeted Funding Stream, which made new funds available in 2009/10 to deliver Temporary to Permanent schemes. As the SHI scheme was being administered by the Housing Corporation, under the 2008-11 National Affordable Housing Programme, their funding conditions stipulated that only accredited partners would be eligible to receive funding support. Although the original £5m funding allocation was awarded to the Council and BHP on a joint basis, a new funding bid could only be submitted by BHP, who had achieved Housing Corporation Preferred Partner status on the 19 July 2007.
- 3.6 BHP submitted a revised bid requesting £10m to deliver 286 homes in July 2008 on the basis that the previous bid was not deliverable. It was anticipated that a decision would be made by Ministers and announced by the Mayor by December 2008. The evaluation of the bids was partly

delayed as the new Homes and Communities Agency was being set up to take forward the Housing Corporation's previous investment functions. BHP received confirmation that their bid for funding was successful on 6 April 2009.

- 3.7 However, BHP was unable to progress the scheme further, as following the Executive's decision in December 2008 to dispose of the 110 units Granville New Homes development in South Kilburn to BHP, a considerable amount of officer time, from both the Council and BHP, was involved in concluding the Granville New Homes (GNH) sale agreement to the mutual satisfaction of both organisations. This agreement was predicated on the Council providing BHP with a loan through prudential borrowing, and BHP meeting loan obligations through a combination of the rent roll and retained surpluses. On completion of the sale in August 2009, officers from the Council and BHP have been revisiting the delivery mechanism and funding arrangements for the ALMO SHI.
- 3.8 The current market conditions securing housing finance remain challenging and social housing providers such as housing associations face substantial increases in the interest rate payable and more onerous loan conditions – this also materially affects BHP in seeking funding. Lenders have not relaxed their position on containing the assets through an SPV and therefore BHP are not pursuing this option at this stage.
- 3.9 If BHP are unable to secure funding to the acquisition programme there is an increased threat that the borough would lose the £10m HCA investment to provide settled homes for homeless families. Moreover this could also potentially affect the HCA's views on the Council's ability to deliver affordable homes at a strategic level. Given the Council's overall demand for temporary to permanent housing and potential loss of HCA funding, this report requests the Executive's approval to provide a £8m loan facility, using the Council's prudential borrowing powers, to support the first tranche of BHP's acquisition programme of approximately 50 properties.

Demand For Temporary to Permanent Housing Schemes

- 3.10 The borough is in need of both additional affordable housing and a supply of temporary social housing to meet on-going demand from homeless households. The report on Supply and Demand and Temporary Accommodation presented to Members at the Executive meeting on 16th March 2009 sets out the current forecasts over the next three years. Given the current economic climate, officers anticipate that the demand from all groups will increase by 15% over the next three years. In addition, although the Council had forecast the number of permanent lettings to have fallen by 13% in 2009/10³, the actual number of lettings achieved against the pro-rata target is down

³ In 2008/09 the council achieved 987 permanent lettings in council housing stock and from nomination received from other social landlords. In 2009/10, the number of permanent lettings is forecast to reduce to 857 lettings.

by 18% to date. This reduction in permanent lettings is due to fall in the number of relets and slippage in the new build development programme on sites which had stalled this year. However, at present the Council has not experienced a surge in homeless demand due to the success of our homelessness prevention initiatives.

3.11 In Brent, we are keen to reduce our procurement of short term leased dwellings as part of our overall strategy to reduce temporary accommodation and meet the Government's target to halve temporary accommodation usage by 2010. As part of developing a successful homelessness prevention strategy we also want to encourage and support private sector landlords to rent their properties to tenants directly rather than rely wholly on the leasing schemes which offer them guaranteed income. The guaranteed rents offered to the private sector landlords make an allowance for costs incurred by the council and its partners in managing these properties on their behalf and therefore create differential from the market rent levels that could be achieved if the private sector landlords were to manage the properties themselves. As the portfolio of temporary leased properties reduces, the fixed costs incurred by the council and its partners will need to be met from a reduced number of properties in management. This in turn may have a knock on effect on the lease rents that can be offered to private sector landlords. Given this, private sector landlords may seek alternative options that can assist them in maximising the rental income that they are able to achieve.

3.12 At present the council has 3,472 households in various forms of temporary accommodation. The council also has a legal duty to provide these households occupying temporary accommodation with suitable accommodation. In particular, short term leased accommodation does not offer settled accommodation for the homeless households that are occupying the properties. Whilst some households are able to stay in the same temporary accommodation property until they are permanently housed, many households have moved from one temporary accommodation property to another, mainly because of the following reasons:

- the lease has expired
- the property is in disrepair and is being handed back to the owner
- the household size or needs have changed

3.13 Over the next two years, the leases on approximately 600 properties are due to expire. The council has recently retendered its contract for the provision of short term temporary accommodation and is reducing it over short term supply requirements in order to address the following objectives:

- Delivery of the 2010 TA reduction target;
- Supporting our homelessness prevention strategies to encourage private sector landlords to rent directly to tenants;
- Replace existing Temporary Accommodation properties which are in disrepair;
- Promote the supply of alternative schemes which provide settled accommodation and contribute to permanent housing supply; and,

- Improving standards in property and housing management.
- 3.14 Given the rate at which these leases expire, the council will need to ensure it has an adequate supply of suitable alternative accommodation to rehouse any homeless households where short term leases are expiring and the leases are not being renewed. Properties delivered from the SHI scheme will help to assist the council in meeting this demand.
- 3.15 In April this year, the Executive gave approval to deliver a sub regional temporary to permanent housing scheme which would have resulted in the supply of over 300 temporary to permanent housing units in Brent over a two year procurement programme. Unfortunately, whilst the Council gave its approval to proceed with the scheme, two authorities withdrew from negotiations on the scheme and therefore the overall scheme and delivery programme became unviable for the Council to proceed on its own. The ALMO SHI scheme provides an opportunity for the Council to address the loss arising from the Sub regional scheme.

Contribution Towards Delivering Council's Strategic Objectives

- 3.16 The Executive is asked to note that the delivery of the SHI scheme supports the council's delivery of the Brent Community Strategy (2006-2010)⁴ and the council's Corporate Strategy 2006-2010⁵, both of which set priority for developing an inclusive community. In particular, the delivery of the Scheme will support the following objectives:
- maintain the supply of affordable new housing and achieve our targets for reducing the use of temporary homes for families with children
 - help to deliver a programme to bring more empty properties back into use
 - allow the council to work with private landlords to provide high quality rented accommodation
- 3.17 The Corporate Strategy specifically sets objectives to improve Health and Well Being of the borough's residents. The benefits to the community of providing housing which meets the standards of accommodation and housing management services offered by the Scheme can be seen from the Government's "Background of the Decent Homes Standard" publication which said:
- Too many live in poor-quality housing or find that their Landlord, private or public, does not provide a proper service
 - Many live on estates which have been left to deteriorate for too long, and which contribute to ill-health, crime and poverty
 - Many families and individuals, including elderly and vulnerable people, live in housing that is not energy efficient and in which it is difficult to keep warm

⁴ [Community Strategy 2006-2010](#)

⁵ [Corporate Strategy 2006-2010](#)

- 3.18 The impact of these problems is as clear as the benefits of decent housing. There are strong associations between poor housing and poverty, deprivation, crime, educational under-achievement and ill-health. People are discriminated against in looking for work or using services because of where they live. Whole neighbourhoods suffer from neglect.
- 3.19 More specifically, the SHI scheme promotes and improves well being of the borough's residents as follows:

Economic Considerations

- Makes best use of public funding and investment in order to contribute towards the provision of longer term affordable housing in the longer term
- Provides a partnership approach towards delivering affordable homes across four authorities in order to achieve consistent approaches towards procurement, standards and quality,
- Improved procurement approach has resulted in a cross borough a risk sharing arrangement

Social Considerations

- Provision of good quality, well managed settled accommodation for homeless families
- Supports the delivery of our overall TA reduction plan and Local Area Agreement targets to reduce temporary accommodation usage
- Housing management provision will also be regulated by the Council and Tenants Service Authority providing an extra layer of comfort maintaining higher management standards and support provided to the residents.

Environmental Considerations

- Contributes towards bringing empty properties back into use
- All properties will be standards that comply with the property specification agreed with the council and are in line with the HCA's grant conditions.
- BHP will be required to take reasonable steps to ensure properties acquired meet the environmental sustainability requirements of the council, the HCA and TSA.

BHP's Delivery Mechanism and Governance Arrangements

- 3.20 BHP will deliver the SHI scheme within their existing structures. Overall responsibility for the delivery of the scheme lies with BHP's Director of Finance, who is ultimately responsible, in conjunction with BHP's Chief Executive, to their board. The BHP board has delegated a number of responsibilities to a sub-committee which in addition to board members includes co-opted expertise.

- 3.21 BHP currently employs three officers/consultants who are wholly engaged in acquisition/development matters. The exact composition of this will be dependent on operational requirements to deliver projects and will change from time to time. However, BHP is committed to providing the level of resources necessary to deliver these projects and officers are satisfied that the current structure supports the overall procurement, development and management requirements. These properties will be managed, on a day to day basis, by a specialist team which has been set up to manage BHP's dwellings (as opposed to their management arrangements for the Council's stock).
- 3.22 The Council's Head of Affordable Housing Development is responsible for overseeing the delivery of the new affordable housing and the delivery of new initiatives, and is supported by a team of officers who also monitor, support and facilitate housing association and the ALMO's development activity in the borough. The Affordable Housing Development Unit is the main point of contact for the Homes and Communities Agency in respect to delivery of the National Affordable Housing Programme.

The Outputs and Key Financial Assumptions

- 3.23 The HCA funding allocation of £10million to BHP to provide 286 homes is being administered by the HCA and will be allocated on a grant per unit acquired basis once the properties have been acquired and the works programme has been carried out. The HCA has set BHP the following targets:

2009/10	13 properties
2010/11	136 properties
2012/11	137 properties

- 3.24 BHP will apply a ceiling on the maximum total costs of purchasing the property, which will be determined by assessing the minimum rent required to cover its loan debt and operating costs. Given this, BHP will be aiming to acquire predominately two bedroom accommodation in order to meet the Council's housing needs requirement and keep within the affordability parameters. Larger homes may be considered as part of the procurement programme for later tranches and will require BHP to model the impact of increased costs on their financing requirements.
- 3.25 BHP has provided the Council two financial models, one that supports the delivery of the 286 programme, and one which specifically supports the £8m loan facility requests. A summary of the key modelling assumptions applied between the two models is provided in Appendix 1. The total acquisition and works costs for delivering approximately 50 units is estimated at approximately £10.5million (average cost £210,000 per property). As grant is paid on a per unit basis, the total grant attributable to the first tranche is £1.8m (c. £35k per property). The loan to value ratio is on average 80%.

Procurement Strategy

- 3.26 BHP has established various acquisition routes to identify properties, which include:
- i) direct enquiries;
 - ii) estate agents;
 - iii) targeting ex Right To Buy sales;
 - iv) support acquisitions administered by the council using enfranchisement procedures;
 - v) properties earmarked for disposal by the council or housing associations
- 3.27 BHP will only acquire properties that meet the Council's approved criteria and have agreed to apply the suitability and standards criteria adopted for all West London Temporary Accommodation procurement, which preclude the acquisition of properties in regeneration areas without the written consent of the Council and properties that do not meet pre-defined property sizes. In addition, the BHP has agreed to exclude properties that are in difficult to let areas, unsuitable properties located over shops and with poor access, and those with an unconventional bedroom configuration.
- 3.28 BHP has identified a pipeline of properties to achieve their 2009/10 delivery targets. BHP has acquired three properties from existing reserves to demonstrate to the HCA that they are able to deliver the scheme, and is building up a pipeline of at least 50 properties to acquire over the next eight months. Part of the acquisition programme includes the purchasing of two empty properties that the Council has been able to acquire using the enfranchisement process together with some properties being offered directly with BHP by existing leaseholders, and properties via estate agents. In addition, BHP has been negotiating to acquire seven of two bedroom properties from with Paddington Churches Housing Association (PCHA) who have identified these properties for disposal on the open market as part of their overall stock rationalisation and asset management strategy (the receipts of which will be reinvested in existing homes in or on the provision of new affordable housing in the borough).
- 3.29 BHP has appointed an Acquisitions Manager to lead on the identification and selection of properties and to progress the purchase of suitable properties. All properties that are to be acquired are to be inspected by external valuers to ensure that properties identified for acquisition have been surveyed and represent value for money. In addition, BHP has also appointed an external Certifier to ensure a certificate is issued to confirm that each property meets the specification required by the Homes and Communities Agency a condition of the grant funding requirement. If the loan facility is approved by the Executive, BHP will make available to the Council copies of inspection reports, surveys, valuations and certification required to satisfy the conditions of the loan agreement or as otherwise required.

Rent Levels

- 3.30 The properties acquired under the SHI scheme will be let by BHP under assured shorthold tenancies until their business plan surpluses are sufficient for properties to convert, on an incremental basis, to affordable rents (and assured tenancies granted) at which point BHP will need to grant assured tenancies at rents which are in line with HCA target levels. The current financial model assumes conversions to permanent tenancies can be achieved over a 14 to 17 year period, on a phased basis at a rate of 18 properties per quarter.
- 3.31 Local Housing Allowance rules set limits to the amount of housing benefit that will be paid to landlords in respect of tenants' liability to pay rent for privately rented properties. BHP will apply market rents in line with Local Housing Allowance rent levels. It has been confirmed by the Department of Work and Pensions (DWP) that as BHP is not a local authority or Registered Social Landlord, the rules on Local Housing Allowance (which usually apply to private landlords) will apply and the rules relating to rent rebate (which apply to housing associations and local authorities) will not. The current Local Housing Allowance rents in Brent for two bedroom properties are given in Table 1 below.

Table 1 Local Housing Allowances as at December 2009

North Brent	Kenton, Harrow & Kingsbury, Alperton, Wembley	£219.23 per week
Inner West Brent	Park Royal	£300.00 per week
West Brent	Church End, Stonebridge, Cricklewood Harlesden, Kilburn	£340.00 per week

- 3.32 The DWP are currently consulting on proposed changes to replace the current system of limiting Housing Benefit (HB) subsidy⁶ in respect of claims from customers living in temporary accommodation by a series of thresholds and caps from April 2010. The proposed changes are only to be applied to new tenants claiming housing benefits from 1 April 2010 and apply to accommodation leased by the Council. The revised arrangement will not be applied to homeless households staying in housing association leased schemes unless the local authority considers the rent levels to be unreasonably high. Given this, officers consider the approach BHP has taken in setting the rent levels can be supported under the proposed changes DWP are considering to implement from April 2010.

Nomination Arrangements

⁶ Housing Benefit subsidy is paid by the Department for Work and Pensions to local authorities as reimbursement for HB payments they make to customers on behalf of the Secretary of State.

- 3.33 One of the key aims for the SHI schemes is to help achieve the Government's target to reduce the use of temporary accommodation. Essentially, those households which are offered assured shorthold tenancy of these properties will cease to be homeless (where a statutory duty is owed), and other households nominated to the properties will cease to be homeless when a dwelling converts from temporary to permanent. The Council's homelessness duty will be discharged if the homeless applicant accepts a qualifying offer of an assured shorthold tenancy on a voluntary basis. The Council will need to explain in writing that the applicant is under no obligation to accept the offer of an assured shorthold tenancy for the purposes of discharging its homelessness duty in advance of accepting the tenancy. Otherwise, the homeless applicant has an assured shorthold tenancy and thereafter, the Council can only then discharge its homelessness duty under section 193 under the circumstances set out in Para 5.9 below. . Given this, the scheme presents a significant advantage over delivering short term leasing schemes and contributes to the council's wider Housing Strategy and TA reduction plans.
- 3.34 The Council and BHP have agreed the principles of the nomination process which is a requirement of the grant conditions. BHP will not be seeking any nomination fees from the Council in respect to nominations that are received. However, further discussions are being held with BHP on how the financial modelling can address voids and rent losses periods which are outside the modelled assumptions, where the Council has not been complying with its obligations under the nomination agreement.
- 3.35 It is the intention of this scheme to offer the sitting tenant the opportunity to remain in the property at an affordable rent so that the Council can discharge any homelessness duty which owed at the point of conversion from temporary to permanent. However, where the tenant does not want to accept an assured tenancy in the existing dwelling, the tenant may continue to remain in their dwelling and bid for other properties under the Council's allocations system, which is currently Locata, or a direct offer can be made in line with the Council's Allocation Scheme and BHP's Allocations policy. BHP would then be able to target another dwelling for sitting tenants to be given the opportunity for conversion to an assured tenancy.
- 3.36 In addition, the Council is also considering how the scheme can assist in rehousing residents that are threatened with homelessness as part of an overall homeless prevention initiative. Further discussions are being taken forward with the CLG's Homelessness Action Team and the Homes and Communities Agency to consider extending the scope of the referral route BHP can apply to include homeless households where a statutory duty to provide housing has not been accepted. However, Members should note that the outcome of this decision is not material in terms of the scheme proceeding.

HCA Grant Agreement

- 3.37 As part of their preferred partner status with the HCA, BHP is required to enter into a grant agreement for any schemes that have been funded under the 2008-11 National Affordable Housing Programme. Officers are therefore requesting the Executive's approval to permit BHP to enter into a Grant Agreement for the SHI scheme with the Homes and Communities Agency for their £10m funding allocation. The Executive is also being asked to delegate authority to the Director of Finance and Corporate Resources to agree the terms of the SHI Grant Agreement, in consultation with the Borough Solicitor.
- 3.38 For their first development, BHP was required to sign up to the HCA's ALMO Grant agreement. The Council were required to provide a Performance Bond Guarantee in respect of BHP's grant funded development activities to ensure that each development is completed in line with the HCA's requirements. For the SHI scheme the HCA will require BHP to enter into a new grant agreement, which is largely a standardised agreement that is being applied to other SHI schemes. Whilst a bespoke agreement for the ALMO is being consulted upon, the HCA will not agree terms and conditions which would provide an uncompetitive advantage to its other development partners or which would seek to reduce the protection of the investment they are making. Once issued by the HCA, it is unlikely that the Council will not be in a position to renegotiate any variations to the standardised SHI Grant Agreement.
- 3.39 The HCA SHI grant agreement broadly follows the same format as the ALMO New Build Grant Agreement. However, the SHI grant agreement excludes a number of complexities that were inherent to the ALMO New Build Grant Agreement. A key difference the ALMO New Build Grant Agreement and the ALMO SHI Grant Agreement is that the Council is not required to provide a Performance Bond Guarantee as the grant is only payable once BHP have acquired each property, and carried out the works and have let the property. For the ALMO New Build programme, the HCA pays grant in tranches, at acquisition stage and completion stage and given this, the HCA requires the performance bond guarantee to protect their investment to ensure that they are in a position to complete the development with another partner. As grant applicable to the SHI scheme is only payable at the end of the acquisition and works period, on a property by property basis, the HCA have agreed that the performance bond guarantee requirements can be waived.
- 3.40 A form of Rent Charge will be entered into by BHP and the HCA as part of the Grant Agreement terms and conditions. The purpose of the Rent Charge is to protect the HCA's interests if BHP were in breach of their obligations under the grant agreement. The Rent Charge provides BHP with an opportunity to remedy breaches, however if these are not addressed, the HCA can seek possession and recovery of the properties that have been funded, appoint a new property manager or dispose of the properties. If BHP intends to dispose of any properties funded using SHI grant, they are first required to obtain written consent from the HCA before proceeding with the disposal. If approval is

granted, BHP will need to repay the grant and a proportion of the increase in value of the properties being disposed of.

- 3.41 If the Executive agrees to grant BHP the £8m loan facility, then the HCA and the Council will need to enter into a Direct Agreement, which acknowledges that the security interest granted over the properties acquired by BHP will be in the favour of the Council as the senior lender. The aim of the direct agreement is to enable the HCA to submit proposals to the Council (as senior lender) to consider where the HCA considers it appropriate to appoint an alternative manager in the following circumstances:
- i) an interested party has taken a step to enforce security against any properties that have been acquired;
 - ii) an Order has been made to wind down BHP;
 - iii) an administrative Order has been made against BHP;
 - iv) the appointment of a receiver or administrative receiver has been made; and
 - v) the passing of a resolution to wind down BHP has been made.
- 3.42 Where the Council has provided financial assistance, by way of a loan facility, the HCA will require BHP to provide certified copies of statutory consents from the Secretary of State for Communities and Local Government under section 25 of the Local Government Act 1988 as a condition precedent to the SHI grant agreement. Given this, the Executive is asked to authorise the Director of Housing and Community Care to make an application to obtain the statutory consents required to support the £8m loan facility once the terms of the loan have been finalised by the Director of Finance and Corporate Resources.

Loan Agreement

- 3.43 In May 2009, the Executive agreed to grant BHP a loan facility, using its prudential borrowing powers, in order to finance the acquisition of 110 unit Granville Road New Homes development in South Kilburn. The loan was granted on the basis that BHP were able to service the loan from the net rental income and operating surpluses after factoring into account operating costs for managing and maintaining the properties for the duration of the loan agreement. By reference to the loan terms that were applied to support the acquisitions costs of the Granville New Homes development, BHP is now seeking the support of the Council to secure a loan facility of £8m to deliver their first tranche of approximately 50 properties under the SHI scheme.
- 3.44 The interest rate applied to the prudential loan for the Granville Homes Development was at 5%. The Council's current consolidated rate of interest against its borrowing is around 5%. This rate of borrowing still compares favourably against the lending rates that BHP were being previously quoted from private sector lenders (although the overall effect on the anticipated cash flows is broadly neutral in the early years). At that time, their soft market testing indicated that funding was available in the region of 7%. However, more recently, lenders are requesting an increased requirement to provide a greater degree of

property and cash back security to provide further protection in the current economic climate, and given this it is unlikely that BHP will be able to secure a competitive funding from private lenders in the short term in order to deliver a viable programme. Table 2 show the annual and total loan repayment charges that would be applied on a loan granted by the Council at a 5%, 6% and 7% interest rate.

Table 2 Loan Repayment Payments on £8m

Rate of Interest	5%	6%	7%
Annual Repayments Due	£515,092	£581,191	£644,691
Total Amount	£15,452,748	£17,435,738	£19,340,736

3.45 The draft heads of terms for the loan facility have been discussed between BHP and the Director of Finance and Corporate Resources and are set out in Appendix 1. BHP has provided a financial model in support of their business plan to acquire approximately 50 properties over the next 8 months and officers are currently reviewing this financial model to ensure that it demonstrates that BHP are able to support the loan repayments. Officers will require the model to be audited to confirm that it is free from material errors before the loan facility can be finalised. The loan drawdown will be linked to batches of properties that BHP has identified for acquisition. Each loan drawdown request will require BHP to submit a valuation for the property, report on the property condition, details on the required level of works and the works costs. The Council will consider these to ensure that properties are acceptable in terms of the investment commitment. However, Members should also note that number of a safeguards are to be put in place to protect the Council's overall interests further, which include:

- i) BHP will be required to submit a fully audited financial model from their external financial advisors demonstrating BHP's ability to meet their loan repayment obligations;
- ii) BHP will only be permitted to acquire properties in line with the Council's specification that require security for the loan;
- iii) approval in writing by the Director of Finance and Corporate Resources after setting out the business case for acquiring the property;
- iv) The Council will place the first legal charge on all of the properties at the point of each acquisition; and,
- v) The final terms of the Council's Direct Agreement with the HCA will provide safeguards to consider alternative options to service the debt and manage the properties to avoid disposals

3.46 Members should note that a review of BHP's financial strength is carried out annually and it will be possible for officers to identify and

address any exposure to BHP and the Council which may result in the loan not being repaid as a result of BHP's other activities.

3.47 The Executive is asked to delegate authority to the Director of Finance and Corporate Resources to agree the final loan sum to be provided to BHP (not exceeding £8million) and the term over which the loan will be payable, subject to the following conditions:-

- i) The loan sum will relate only to capital costs directly attributable to this scheme including Stamp Duty Land Tax (SDLT);
- ii) The loan is seen as affordable to BHP and the agreed loan repayment schedule is substantiated within the overall business case model; and,
- iii) The final agreement to provide the loan remains within the best interest of the Council.

Meeting Future Funding Requirements

3.48 In order to fund the acquisition and works costs for the remaining 236 properties over the next two years, BHP have the following options

- i) use of existing resources
- ii) securing loans from private lenders
- iii) securing further loan tranches from the Council

These options are not mutually exclusive and the viability of some of these may be impacted on the longer term status of BHP in respect to the ALMO Management Agreement, and whether BHP are able to continue to manage the Council's wider housing stock.

3.49 BHP has acquired three properties from existing reserves to ensure that operational management arrangements could be put in place to bring the homes into BHP's ownership. BHP may consider the use of future reserves to assist managing cashflow or to provide additional security against properties acquired. The use of reserves will be considered by the Director of Finance and Corporate Resources when finalising the terms of the loan facility arrangements.

3.50 BHP has prepared a funder prospectus to seek private loans, but the continuing impact of the 'credit crunch' is likely to have an adverse impact on both the availability of private loans and the terms and conditions applied to any funding. BHP will continue to explore private funding solutions but it is likely that these will be in smaller packages, say 10 – 15 dwellings. The main impediment to private funding is that BHP's management agreement ceases on 30 September 2012 and private lenders need to be satisfied of BHP's longevity and how this is supported by their overall business plan.

3.51 The Council may be called upon to provide an extended loan facility using its prudential borrowing powers in order to finance future acquisition tranches. However, until BHP has carried out its own funding competition, officers are unaware as to what extent BHP would be seeking further assistance from the Council. If an extension to the

loan facility is requested, a further report will be presented to Members where the Director of Finance and Corporate Resources considers the Council has the financial capacity to assist BHP, after taking into account the Council's own capital borrowing requirements in the short and medium term. If the Director of Finance and Corporate Resources, considers the Council has the capacity to assist BHP, then BHP will be required to provide a fully audited business case which demonstrates they are able to service any existing and new loan repayments without further costs falling on to the General Fund.

- 3.52 If BHP are not able to secure funding for further tranches, then BHP will only be able to deliver the first tranche of 50 or so properties. The HCA will still be required to provide a contribution of £1.8m grant support towards the acquisitions and will not be able to reclaim any of the allocated grant if further acquisition tranches do not proceed. The financial model for tranche 1 of BHP acquisitions programme has been developed to exclusively support the £8m loan facility request and does not therefore depend on the delivery of further tranches. Whilst it will be disappointing for the Council and BHP, if BHP will be able to deliver future tranches because of unavailability of funding, the Council still have been able to secure nominations to c50 properties which would convert to permanent affordable homes in the next 14-17 years.

Key Project Risks

3.53 Impact in changes to LHA rent levels

The Settled Homes Initiative grant funding requirement stipulates that BHP must set rents which are in line with Local Housing Allowances. This is because Local Housing Allowance rules set limits to the amount of housing benefit that will be paid to landlords in respect of tenants' liability to pay rent for privately rented properties. If there are changes to the level of rents BHP are able to charge, then there are two options

- i) BHP can extend the period on which the properties convert to permanent housing
- ii) BHP can dispose of some properties throughout the term to provide further subsidy from the growth in capital values. Voids can be targeted in these circumstances.

The Council and BHP are to consider whether some headroom can be built in the model and whether the loan term can be extended from 30 years to 40 years to allow more flexibility in the rents that can be charged.

3.54 Maintaining Affordability and Viability

BHP are required to provide a fully audited model which demonstrates the model affordability position and their ability to service the loan repayments before a loan can be approved. The Council will seek to ensure that the financial model has been audited and is free from material errors. In addition, BHP are to ensure acquisitions provide the appropriate level of security cover in order to support the level of borrowing and comply with the Council's requirements.

- 3.55 Managing Exit Costs
BHP can cancel part or whole of the loan however by giving the Council a reasonable period of notice. Any agreement to cancel the loan will be in made in the Council's sole discretion and if agreed, will require BHP to meet the Council's fees, expenses and any other costs due or owing on the loan. These conditions will be reflected in the Loan Agreement.
- 3.56 Council's Operating Costs
BHP will need to cover the costs the Council incurs for administering the loan and a margin of 1% of each loan draw down amount will be charged to meet these administrative costs. A condition of the loan will be BHP will meet the council's reasonable legal costs of finalising the terms of the grant agreement with the HCA, in particular finalising the direct agreement, obtaining statutory consents and preparing the loan agreement.
- 3.57 Demand for accommodation reduces
Whilst the overall numbers of homeless approaches are reducing due to the council's successful homeless prevention strategies, the Council still has the fourth highest number of homeless households in London. The council's TA reduction plan assumes that the Council will have 2,663 temporary accommodation properties in management by December 2010. The Council is considering how the scheme can be extended as part of a homelessness prevention initiative to rehouse those threatened with homelessness or housing need, where the council would otherwise have accepted a homelessness duty. Further discussions are being held with the HCA and the Council is seeking its own legal advice on whether using the scheme in this way is feasible and will allow BHP to satisfy the grant conditions.
- 3.58 Managing voids and rent losses
The Council proposes to nominate households within 15 working days of a nomination request being received from the BHP. BHP needs to ensure that the property is ready to let so the tenancy can commence within the 15 working day period. The Council will not be liable for any rent loss for failure to nominate, however there will be a direct relationship between the Council's performance in sending nominations and BHP's ability to service the loan, which would need to be reviewed if BHP are unable to service the loan. Where the Council is unable to nominate a household, BHP will seek nominations from other referral sources (as approved by the Council and the HCA) and if the Council is unable to nominate on a frequent basis, then the BHP propose to dispose of a property to generate a receipt in order to manage the cash flows required to support the loan.
- 3.59 Ensuring conversion of properties at end of term
The SHI scheme has no guaranteed conversion rate to target rents, but seeks to optimise conversion at the end of the loan period. The modelling suggests all of the properties will be converted at the end of the loan period, however, the conversion rate is dependent on a range

of market variables and different scenarios such as interest rates, and inflation.

3.60 Availability of Properties

There is a risk that the current state of the housing market will lead to difficulties in procuring properties because there may be too few on the market that meet the requirements of the scheme. However, officers consider that there is a sufficient pipeline of properties to support the tranche 1 acquisition programme without distorting the local market. The general approach to procurement was to focus on former Council owned properties within BHP managed schemes sold under the Right to Buy Scheme, in order to benefit from the fit with existing management arrangements. The timetable for the delivery of the original scheme was over 4 years. The new grant allocation requires delivery to be achieved within the timetable of the NAHP 2008-11 funding allocation, and the bulk of the properties will need to be acquired over 2 years (2010/11 and 2011/12). BHP has appointed an Acquisitions Manager to focus on the identification of properties from various routes, including taking forward negotiations with PCHA to acquire a small portfolio of properties that might otherwise be disposed of on the open market, leaseholder buy backs, and open market acquisitions.

3.61 Longer term viability of BHP

The concept of BHP owning and managing stock is a departure from that envisaged for BHP when it was established in 2002 to manage the Council's stock. Stock ownership is an important factor when determining BHP's longer term viability. In particular, the sale of the Granville New Homes Development, the transfer of 45 one bedroom voids⁷ for market renting and the delivery of BHP's first new build affordable housing scheme at Aldbury Avenue are key steps taken by BHP to expand their role. With the settled homes initiative and development pipeline, BHP has the capacity to own and manage around 400 homes over the next 2 years, in addition to the properties that they manage under the BHP Management Agreement, which is due to expire on 30 September 2012.

3.62 Impact on BHP's Business Plan

This funding request, together with existing or other funding requests that the Council is supporting needs to consider all of BHP's business activities. Officers will carefully review BHP's financial model and obligations under the HCA grant agreement to ensure BHP are able to service the loan repayments on £8m Loan Facility to deliver the acquisitions programme for first tranche of properties. In doing so, officers will consider the impact the delivery of the SHI scheme has on BHP's other activities such as the following:

- i) management of the Council's housing stock under the BHP Management Agreement

⁷ Of which 8 voids have transferred and a further 11 voids are due to be transferred by December 2009.

- ii) the management of Granville New Homes development and BHP's ability to service their loan repayments under the loan facility provided by the Council
- iii) The management of temporary accommodation under the Brent Direct Lease Scheme
- iv) The management of market rented accommodation in respect of the 45 one bed room voids the Council in the process of transferring to BHP

3.63 Financing Future Phases

If the BHP is unable to secure further funding for the remaining phases of the SHI scheme, then there may be adverse implications on the Council and BHP in respect to securing funding in the future for other development or new initiatives. Whilst the HCA investment is intended to support the delivery of new homes and regeneration, there is an expectation that both BHP and the Council will be able contribute to the delivery, either through the provision of land or by making a financial contribution. The Council will need to consider the impact of restricting lending to BHP or on the use of prudential borrowing to support its own development activities when proposing investment opportunities to the HCA to consider.

- 3.64 A risk map setting out the risks involved in the Settled Homes Initiative for the Council and BHP is provided in Appendix 3.

4.0 Financial Implications

- 4.1 This report is seeking agreement for the Council to use its prudential borrowing powers to lend up to £8m to BHP to facilitate the delivery of the SHI. The loan facility will be prepared on the basis that there are no net costs to the Council's General Fund.
- 4.2 As of 1st April 2010 local authorities will be required to prepare their statements of accounts in accordance with International Financial Reporting Standards (IFRS) rather than UK standards. The new accounting provisions will be laid down within CIPFA's Code of Practice on Local Authority Accounting in the United Kingdom which is due to be published on 16th December 2009. Under the new form of Financial Reporting the Council will be required to account for many previously established accounting treatments in a different manner which could affect the impact of transactions from the start of the new financial year.
- 4.3 One such area relates to the identification of Service Concessions where a local authority could be deemed to be entering into a lease arrangement through a transaction where it gains a legal charge over a property, such as the granting of a loan. This matter will be fully investigated when the Code of Practice is published and any derived impact on the Council from entering into the proposed loan agreement will be ascertained and evaluated as part of the Director of Finance and Corporate Resources considerations before agreeing to the final terms of the loan. Currently it is not envisaged that there would be a

requirement for retrospective adjustment relating to such agreements entered into prior to November 2009.

- 4.4 Councils are required to follow the Prudential Code issued by CIPFA which sets out how councils ensure they use their new freedoms responsibly. The code sets out indicators which councils are required to set before the beginning of each year, to monitor during the year, and to report on at the end of each year. For external debt, the prudential indicators are as follows:
- a. The authorised limit for external debt. This allows flexibility to carry out debt restructuring or enter into other such arrangements beneficial to the Council's services should opportunities arise.
 - b. The operational boundary for external debt. This sets out the expected total of borrowing for each year. This is lower than the authorised limit and is a key management tool for in-year monitoring. It is set at a level that reflects the council's capital financing requirement, the level of the capital programme, and estimated requirements for cash flow.

It is not forecast that entering into the £8m loan agreement with the BHP would cause these indicators to be breached.

- 4.5 BHP appraises projects in a number of ways including the use of industry standard software for new build developments. In addition, BHP engaged Grant Thornton to build a financial model for both the SHI scheme and GNH and these have been shared with the Council (indeed in the case of GNH formed an important part of the Council's due diligence process). This model is currently being reviewed.
- 4.6. BHP have agreed that it is appropriate at this stage of its SHI scheme development to break down the project into manageable chunks that will facilitate the Council establishing whether for each drawdown BHP can demonstrate the properties being purchased/built are value for money, meet the Council's housing need, are affordable to BHP, and BHP's overall finances are sufficient to manage risk both in the short and long term. A key part of BHP's financial strategy has been to accrue surpluses through efficiency savings in order to comply with accounting standards issues, particularly regarding future pension liabilities. BHP's board policy is that surpluses generated for these reasons are invested for the benefit of the Council's housing strategy.
- 4.7 In all cases BHP will be demonstrating that council loans will be capable of being repaid within the standard 30 year appraisal period, with the rental streams from the acquired/built dwellings being used to finance the repayments (both interest and principal) over the loan term. During the life of the loan, the temporary tenancies let at market rents on assured shorthold tenancies will be transferred to assured tenancies let at affordable rents.

- 4.8 The Council will have the loan secured over BHP's assets in line with the loan facility agreement that was signed between the Council and BHP regarding the Council's loan to BHP in relation to the purchase of the units at Granville New Homes. This will give substantial security over the longer term for the loan. The Council will need to decide on what basis the interest should be charged, and what arrangements should be made if BHP wishes, for commercial reasons, to repay the loan and refinance elsewhere.
- 4.9 It is understood that BHP have been advised that private finance may be more readily available if each scheme is financed through a blend of public and private finance. In these circumstances the Director of Finance and Corporate Resources would need to be satisfied that such arrangements do not materially reduce the Council's security. However, it is acknowledged that this would considerably reduce the recourse to council funding. Members should note that any private borrowing secured by BHP would need to be approved by the Council as this borrowing will be on the Council's balance sheet.

5. Legal Implications

- 5.1 Communities and Local Government (CLG) has confirmed that BHP can own assets and grant tenancies without the requirement for further consent from the Secretary of State (subject to Council approval as required under BHP's constitution).
- 5.2 In terms of BHP's own Constitution, clause 4 of the Memorandum of Association of BHP states that BHP has the power to do anything a natural or corporate person can lawfully do which is necessary or expedient to further its objects unless prohibited by the Memorandum. Under clause 3(11) of the Memorandum of Association of BHP, it states that the objects of BHP include carrying out such activities as Brent Council shall approve.
- 5.3 Under section 24 of the Local Government Act 1988 ("the LGA 1988"), a local authority has the power to give financial assistance to any person for the purposes of, or in connection with, the acquisition, construction, conversion, rehabilitation, improvement, maintenance or management of privately let housing. Such financial assistance can include grants, loans, guarantees and indemnities. A local authority can only exercise such a power under section 24 of the LGA 1988 (subject to exceptions) if it has the consent of the Secretary of State to do so pursuant to section 25 of the LGA 1988.
- 5.4 Reference has been made to the council using its prudential borrowing powers as these powers will need to be exercised if the council decides to support BHP's loan application. The power that the council would use if it follows this option is section 1 of the Local Government Act 2003. The 2003 Act provides that a local authority may borrow money for any purpose relevant to its functions under any enactment, or for the purposes of the prudent management of its financial affairs subject to the borrowing limit determined by the authority and the Secretary of

State. The decision as to whether to go forward with prudential borrowing will need to take this into account, as well as ensuring that the HRA or the General Fund is able to repay the loan. If BHP is unable to service and pay off any loan granted by the council, this would have a significant impact on the council and could affect not only the council's finances but BHP's ability to perform the council's housing management functions in respect of the council's housing stock.

- 5.5 It should be noted that the Council has a fiduciary duty to its council tax payers and Members must consider whether this loan complies with normal and prudent commercial practices.
- 5.6 The council must ensure that the reasons for undertaking the Prudential Borrowing fall within the council's community strategy.
- 5.7 The principle of BHP being able to grant tenancies as a landlord, instead of the Council, has been confirmed by the department of Communities and Local Government in relation to the Settled Homes Initiative and the Homes and Communities Agency in respect of their National Affordable Housing Programme. BHP will grant assured shorthold tenancies which are governed under the Housing Act 1988. Once conversation from temporary to permanent accommodation takes place, BHP will grant assured tenancies which are also governed under the Housing Act 1988. The format of the tenancy agreements which BHP grants to homeless applicants under the Settled Homes Initiative have to be approved by the HCA.
- 5.8 Local authorities have a duty under Part VII of the Housing Act 1996 to house homelessness persons in temporary accommodation who satisfy the qualifying criteria (i.e. eligibility, homeless, priority need, not intentionally homeless and local connection).
- 5.9 The council can only discharge its duty to house qualifying homeless persons in temporary accommodation under the circumstances set out in section 193 of the Housing Act 1996 and the circumstances in which this duty can be discharged are as follows:
 - (i) if the homeless person accepts an offer of permanent accommodation from the council in the form of a secure tenancy under Part VI of the Housing Act 1996;
 - (ii) if the homeless person accepts an offer of an assured tenancy (other than an assured shorthold tenancy) from a private landlord; or
 - (iii) if the homeless person accepts a qualifying offer of an assured shorthold tenancy with the council's approval and is advised in writing in advance that he is under no obligation to accept the offer of accommodation.
- 5.10 The duty under section 193 of the Housing Act 1996 will cease to exist if:
 - (i) the applicant ceases to be eligible for assistance;

- (ii) the applicant ceases to occupy the accommodation as his/her only or principal home, or
 - (iii) the applicant becomes homeless intentionally from the temporary accommodation provided.
- 5.11 The HCA require BHP and the Council to enter into a nomination agreement in respect of the scheme. The content of the nominations agreement will need to be approved by the HCA. There are no nomination fees or payments for failure to nominate. Legal advice is being sought on whether stamp duty land tax is payable in respect of the nomination rights. It is a requirement of the HCA that BHP enters into a nominations agreement with the Council to enable the Council to nominate individuals and their household to the properties comprised in the Settled Homes Initiative as they become available in order to discharge the Council's homelessness functions to provide temporary accommodation under section 193 of the Housing Act 1996 and interim temporary accommodation (pending a decision on acceptance of homelessness duty) under section 188 of the Housing Act 1996. There is a strong argument that the nomination rights will not be liable to stamp duty land tax as the requirement to have a nominations agreement is stipulated by the HCA rather than the Council. Before entering into a nomination agreement with BHP, officers will seek further advice from Her Majesty's Revenue and Customs to clarify as to whether there is a Stamp Duty Liability in respect of the nominations rights that are offered to the Council. If Stamp Duty Land Tax is liable on the nomination rights, this project may not be so beneficial to the Council from a financial perspective.
- 5.12 BHP will be liable to pay Stamp Duty Land Tax at 4% of the purchase price of the properties.
- 5.13 Homeless applicants who are granted Assured Shorthold Tenancy Agreements will not have the statutory Right to Buy or the Right to Acquire the properties provided to them to occupy as temporary accommodation. Section 180 of the Housing and Regeneration Act 2008 ("the 2008 Act"), which is not yet in force, will allow tenants of the assured tenancy properties, which will be provided as permanent accommodation with the benefit of public subsidy/grant funding by the HCA under section 27A of the Housing Act 1996, the Right to Acquire. It is not yet known when section 180 of the 2008 Act will come into force though it will be a number of years before the Assured Shorthold Tenancies will be converted to Assured Tenancies as permanent accommodation.
- 5.14 The form of the Assured Shorthold Tenancy Agreement as temporary accommodation and the Assured Tenancy Agreement as permanent accommodation, which will be provided by BHP to the homeless applicants, will need to be approved by the HCA.
- 5.15 For the Assured Shorthold Tenancy properties (temporary accommodation), BHP will be required by the HCA to charge rent at a level which is not higher than the level of the Local Housing Allowance.

For the Assured Tenancy properties (permanent accommodation), BHP will be required by the HCA to set the rent at a level in line with the Government's rent restructuring policy or any successor policy.

- 5.16 BHP will be prohibited by the HCA from increasing the rent more than once in any 12 month consecutive period, except for the first 12 months of the tenancy. For the Assured Tenancies as permanent accommodation, BHP must not increase the rent by more than RPI plus 0.5% per annum, subject to any changes in Government policy relating to affordable housing for rent. In relation to service charges, BHP must not increase the service charges more than once in any 12 month consecutive period (save for the first 12 months of the tenancy) and must not increase the service charge more than RPI plus 0.5% per annum.
- 5.17 As part of the grant arrangements, the HCA will have an estate rentcharge over the properties, for which BHP receives grant funding from the HCA, under section 2(4) of the Rentcharges Act 1977. The Rentcharge Deed is set out in Schedule 2 of the draft Settled Homes Grant Agreement. BHP will confirm that no financial charges secured on the properties will have priority over the Rentcharge in favour of the HCA. Further details about the Rentcharge are set earlier in this report in paragraph 3.40 above.
- 5.18 As the Council is involved in granting a loan to BHP, the HCA will enter into a direct agreement with the Council as set out in paragraph 3.41 above. The HCA will acknowledge and consent to the Council obtaining a charge over the properties as security for the Council's loan. However, where there is a default in respect of the Rentcharge deed, although the HCA will agree to keep the Council and BHP informed of what actions it proposes to take, BHP and the Council will not have any right to consent or consultation by the HCA in relation to the HCA's actions for breach of the Rentcharge Deed.
- 5.19 Where there is any proposed change in control of BHP, the draft Settled Homes Grant Agreement requires that the HCA's consent needs to be obtained for any change of control of BHP and the HCA will confirm that it will not unreasonably withhold such consent. Similar requirements for consent from the HCA apply regarding any plans to dispose of the properties which have been the subject of grant funding from the HCA.
- 5.20 If BHP as an ALMO ceased to exist or were to wound up, consideration needs to be given as to what would happen with the properties which are the subject to grant from the HCA under the Settled Homes Initiative. As set out in the Risk Map in Appendix 3 to this report, one option is for the properties to be transferred to the Council as the parent organisation of BHP. If the properties were to be transferred from BHP to the Council at nil value, there would be no stamp duty land tax liability. However, it might be a more attractive proposition for the properties to be disposed to a registered provider/registered social landlord as this would assist in paying off the loan and also, it would

avoid the problem of the assured shorthold tenants and assured tenants becoming secure tenants of the Council.

- 5.21 As BHP will own these properties, it will not need the Secretary of State's consent under section 27 of the Housing Act 1985 in relation to housing management. However, if it is intended that BHP will continue to manage the council's housing stock, the council will need to be satisfied that BHP's purchase of other properties and managing them as the landlord will not affect the service which BHP provides to the council as the managing agent of the council's housing stock. It may be necessary to review and revisit the content of the Management Agreement between the council and BHP, when it expires on 30 September 2012. BHP has been gradually developing its role as a provider of housing in addition to being a housing management organisation and it is effectively becoming a social landlord in its own right on a piecemeal basis. This has been developing gradually without the Executive yet making any strategic decisions regarding the future direction of BHP and whether BHP should continue its development role as a social landlord in its own right and/or whether BHP should just continue to be the Council's ALMO and managing the Council's housing stock. These issues will need to be addressed when the Executive makes a decision regarding the future of BHP before the BHP Management Agreement expires on 30 September 2012.

6. Diversity Implications

- 6.1 An Impact Needs Requirement Assessment (INRA) was carried out on the scheme which concluded that the Temporary to Permanent Scheme element of the project did not have an adverse impact on a particular group as the focus was increasing the supply of longer term affordable housing.

7. Staffing/Accommodation Implications

- 7.1 There are no staffing or accommodation implications.

Background papers

ALMO Scheme File

GLA SHI Scheme Bid File & Guidance Notes

ALMO SHI Scheme Reports (June 2007 and February 2008)

Reports to Executive

Contact Officers

Manjul Shah, Head of Affordable Housing Development,
7th floor, Mahatma Gandhi House, 34 Wembley Hill Road, Wembley,
Middlesex, HA9 8AD. Tel 020 8937 2523 Fax 020 8937 2185
Email manjul2.shah@brent.gov.uk

Martin Cheeseman

Director of Housing and Community Care

Appendix 3 Risk Map

Description of risk	Detail	Impact	Control mechanisms	Risk Rating	
				Probability	Impact
Business case is not approved	Abortive costs	Scheme does not proceed Costs written-off	BHP to provide Independent legal and financial advice to prepare robust business case for Council's review. Council Executive approval to consider officer recommendations.	Low	Med
Failure to secure loan funding	Unable to fund acquisition costs	Scheme does not proceed	BHP to pursue soft market testing for private loans. Discuss whether contribution from BHP reserves can support small programme.	Low	High
Reduced loan to value ratios	Shortfall in funding	Funding gap to be met from other sources	Mixed funding approach and use of prudential borrowing Grant funding Contribution from BHP reserves	High	Med
Housing Corporation grant not approved	Shortfall in funding	Scheme does not proceed Costs written-off	Council or BHP to consider alternative funding sources to deliver programme.	Low	Med
Rise in loan interest rates	Increase in loan debt	Extends loan repayment period Impacts on crossover and/or units acquired	Financial modelling Prudential borrowing to be obtained at fixed rate	High	Low

Description of risk	Detail	Impact	Control mechanisms	Risk Probability	Rating Impact
SOS consent to financial support not given	Scheme funding delayed	Acquisitions dependant on private finance and grant	Council to prioritise securing SOS consents. Complies with HCA grant requirements and CLG Homelessness Strategy Objectives.	Low	Med
Rise in property values	Increases acquisition costs	Restricts volume of acquisitions	Modelling allows for moderate price increases	Med	Low
Insufficient properties available	Unable to acquire properties	Delays acquisition programme	Pipeline of properties identified within existing managed estates RTB buy backs in first 5years Initial acquisitions completed Possible funding Link to Granville New Homes bid . Target availability of 'off the shelf' new build.	Low	High
Demand for temporary accommodation falls	Void rent loss	Reduction in income to repay loan debt	Accurate forecast of housing demand Rents set below market level Let voids via other referral routes and agencies	Low	Med
Delay in letting after handover	Management arrangements to be set up	Void rent loss Reduction in income to repay loan debt	Nominations agreement with the Council protects against void rent loss ASTenancy agreement approved BHP Management structure and procedures in place	Low	Med
Default on loan agreement	Risk on asset ownership	Charge over the assets called upon	Audit accuracy of forecasting to predict income stream . Council holds first charge over the assets Robust balance sheet	Low	Med

Description of risk	Detail	Impact	Control mechanisms	Risk Probability	Rating Impact
Market rents not met by HB	LHA's set maximum levels for HB	Rents reduced and impacts on the loan repayment profile	Rents set below LHA level	Low	Med
Tenants eligibility for HB ends	Household status changes	Triggers earlier crossover or rehousing	Rehousing criteria agreed with Council Nominations agreement in place Properties relet to new nominee	Med	Med
Tenancies are not sustainable	Crossover from temp to perm	Increase in turnover Void rent loss Delayed crossover	Housing support systems in place Allocation criteria agreed with Council	Low	Low
ALMO status changes	ALMO ceases to exist	BHP assets return to the Council as 'parent'	Council will own the assets and will decide on management, refinancing or sale options	Low	High

Key: High = Scheme viability

Med = Impacts cash flow

Low = Managed

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of the Local Government Act 1972.

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of the Local Government Act 1972.

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**Executive
18 January 2010**

**Report from the Director of Housing
& Community Care**

Wards affected:
ALL

Allocation of HRA Rooftop Telecommunication Income

Forward Plan Ref: H&CC-09/10-09

1.0 Summary

1.1 There has been a substantial accrual of income in the Housing Revenue Account (HRA) over the years arising from the telecommunications equipment rental situated on 13 housing tower blocks around the borough which stood at £1.195 million (excluding Watling Gardens) at March 2009. Following the introduction of the Corporate Manslaughter and Corporate Homicide Act 2007 and the recent fire at Lakanal House in Camberwell, Brent Housing Partnership (BHP) has had to review its health & safety procedures in order to ensure that all blocks are compliant with health and safety legislation. Given the substantial cost of the new Health and Safety initiatives, the funds that have accrued should be used to finance Health and safety improvements and other works on the Council's stock borough wide.

2.0 Recommendations

2.1 That Members agree in principle to rescind the decision made by the Housing Committee in 1996 to allocate the telecommunication income to the Area Housing Boards for communal repairs and improvements and to grant delegated authority to the Director of Housing and Community Care in consultation with the Lead Member, to make a final decision on this issue following the outcome of consultation with the Area Housing Boards.

- 2.2 That Members agree in principle that historic telecommunication rental income generated from masts located on Housing Revenue Account (HRA) tower blocks (excluding Watling Gardens) should be used to support expenditure on the Council's housing stock borough wide and to grant delegated authority to the Director of Housing and Community Care in consultation with the Lead Member, to make a final decision on this issue following the outcome of consultation with the Area Housing Boards.
- 2.3 That Members agree in principle that the future telecommunication rental income generated from masts located on Housing Revenue Account (HRA) tower blocks should be used to support expenditure on the Council's housing stock borough wide and to grant delegated authority to the Director of Housing and Community Care in consultation with the Lead Member, to make a final decision on this issue following the outcome of consultation with the Area Housing Boards.
- 2.4 In relation to the in principle decisions set out in paragraphs 2.1, 2.2 and 2.3 above, Members agree to grant the Director of Housing and Community Care in consultation with the Lead member, discretion to refer the in principle decisions back to the Executive for a final decision if he considers it prudent to do so following the outcome of the consultation with the Area Housing Boards.
- 2.5 That Members agree, subject to Paragraph 2.2 above, that the accrued income of £1.195m from Housing Tower Blocks Rooftop Telecommunication Masts (excluding Watling Gardens and which is held in the Housing Revenue Account), be allocated to be spent on the Council's housing stock borough wide.
- 2.6 That Members agree to the budget virements for the HRA Budget for 2009-10 as set out in paragraph 4.3.

3.0 Details

- 3.1 On 16th December 1996 the Housing Committee resolved to allocate the income received from existing and future telecommunication agreements to the Area Housing Boards for repairs and improvements in order allow them to determine the expenditure on repairs and improvements of the properties on which the telecommunication equipment was sited.
- 3.2 However over the years, there has been a considerable accrual of revenue which has not been utilised for this purpose due to the Tenants/Residents Associations failing to make decisions about the expenditure of this income or due to the lack of consultation or interest by active Tenant/Resident Associations.

- 3.3 Some expenditure has been made on refurbishment works, CCTV & intercoms to a handful of blocks and only Watling Gardens TMO appear to have utilised funds from this telecoms revenue for the year ending 2008. To date no further applications for the use of these funds have been received from any Tenant/Resident Associations. It should be noted that the legal status of the Watling Gardens Tenancy Management Organisation allows them to operate independently under their own management agreement in order to carry out the management duties that are delegated to them.
- 3.4. As a result, there has been an accrual of funds in the sum of £1.195m at March 2009 (excluding Watling Gardens) which has not been fully utilised to the benefit of tenants and residents at these blocks, whilst at the same time annual administration fees ranging of 15% have been deducted (the balance of the accrued telecommunications income from Watling Gardens stands at £71k as of the end of 2008/9 and the projected income for the current year is expected to be approximately £30k).
- 3.5 In order to rectify this situation, Members are being asked to consider in principle a new resolution which is that all HRA telecommunication income, including existing (but excluding that from Watling Gardens) and all future income be allocated within the HRA account for works on the Council's housing stock.
- 3.6 If the recommendations in paragraphs 2.1, 2.2 and 2.3 above are approved and implemented, although the residents and tenants associations may no longer be able to apply for funding from the telecommunication income in the future, they will substantially benefit from the works to the Council's housing stock.
- 3.7 Under the recommendation set out in paragraph 2.2 above, it is proposed that Watling Gardens TMO will still be allowed to continue to apply to the Council/BHP for funds for repairs and improvements to their estate from their accrued telecommunications income to March 2009.
- 3.8 BHP will consult with the Area Housing Boards subject to Members agreeing in principle to the recommendations set out in paragraphs 2.1 2.2 and 2.3 above before the Director of Housing and Community Care, in consultation with the Lead Member, makes a final decision regarding these recommendations.

4.0 Financial Implications

- 4.1 The annual income from masts located on Housing Revenue Account (HRA) tower blocks is credited to the Council's HRA, in line with the Local Government and Housing Act 1989.

- 4.2 Since 1997, the Council has built up an Earmarked Reserve within the Housing Revenue Account in relation to telecommunication income. The following table summarises the key movements on this reserve over the last 3 years:-

	2006-07 £000	2007-08 £000	2008-09 £000
Opening Balance	716	924	1,083
Addition	297	221	190
Used	-89	-62	-7
Closing Balance	924	1,083	1,266

The closing balance at March 2009 of £1.266m includes accrued income from Watling Gardens of £71k. Therefore the accrued income at March 2009 excluding Watling Gardens is £1.195m.

- 4.3 In line with the decision by the Housing Committee in 1996, the income from telecommunication masts is being held to be spent at the direction of the Area Housing Boards. This report is now seeking agreement from Members in principle that this balance of £1.195m instead be spent on works associated with the Council's Housing stock.
- 4.4 The estimated future annual revenue from Rooftop Telecommunications in the Housing Revenue Account is expected to be in the region of £150k in 2009-10. If Members agree in principle to the recommendations in this report, subject to the provisos set out in paragraphs 2.1 to 2.3 above, then this income can be used for works associated with the Council's housing stock. If the recommendations in this report are agreed, it would be necessary to amend the HRA budget for 2009-10 as follows:-

Budget Line	Current Budget £000	Virement £000	Revised Budget £000
Rent Income	-45,675	-150	-45,825
Housing Repairs	13,158	150	13,308

- 4.5 In future years, this specific additional expenditure will need to be kept in line with the telecommunications income – for example, if the income from telecommunication reduces, then the expenditure budget will need to reduce accordingly.

5.0 Staffing Implications

- 5.1 There are no specific staffing implications arising out of this report.

6.0 Legal Implications

- 6.1 There are no legal restrictions in relation to the Council's Executive passing a new resolution dealing with the significant sum of

telecommunication money which is not being expended, and to ensure that Brent Council retains the benefit of future telecommunication income.

- 6.2 On 16 December 1996, the Housing Committee decided that the income arising from individual rooftop telecommunication agreements be allocated to the Area Housing Boards. In paragraph 6.2 of that report to that Housing Committee, it was suggested that through the Area Housing Boards and representatives of blocks where the masts are situated, the rental income accruing from the masts on the tower blocks be used for repairs and improvements.
- 6.3 The Housing Revenue Account was established by the Local Government Housing Act 1989. ("The 1989 Act"). Under section 74 of the 1989 Act, the Council is required to keep a separate Housing Revenue Account (HRA) of sums falling to be credited or debited in respect of its housing stock. Sections 75 and 76 of the 1989 Act set out the rules for establishing and maintaining that account. Under section 76 of the 1989 Act, the Council is required to formulate in January and February of each year proposals for the HRA for the following year which satisfy the requirements of that section and which relate to income, expenditure and any other matters which the Secretary of state has directed shall be included.
- 6.4 The rental income from the telecommunications masts will have no affect on the amount of subsidy which the Council receives from central Government in relation to the HRA. The rental income will be credited to the HRA under the heading of "Gross Rental Income" (Statutory Credit Item 1). The expenditure for Health and Safety purposes will be debited under "Expenditure on repairs, maintenance and management" (Statutory Debit Item 1) unless it is deemed to be capital expenditure and in that case, it will be debited it as "Expenditure for capital purposes" (Statutory Debit Item 2). Brent has not exercised the power under section 77 of the 1989 Act to operate a Housing Repairs Account.
- 6.5 Under section 1 of the Corporate Manslaughter and Corporate Homicide Act 2007, an organisation (which includes local authorities) is guilty of an offence if the way in which its activities are managed or organised causes a person's death and amounts to a gross duty of a relevant duty of care owed by the organisation to the deceased. A "relevant duty of care" includes a number of duties owed by an organisation under the laws of negligence including the duty owed by a landowner to occupier of premises. An organisation that is guilty of corporate manslaughter or corporate homicide is liable on conviction on indictment to a fine.

7.0 Diversity Implications

- 7.1 There are no direct implications although the additional income for

repairs and improvements will benefit all of our residents living in Council housing stock.


8.0 Background Papers

- Report to the Housing Committee, 16th December 1996

Contact Officers

Eamonn McCarroll
Assistant Director – Finance & Resources
5th Floor, Mahatma Gandhi House
34 Wembley Hill Road
Wembley, Middlesex, HA9 8AD
Telephone No: 0208 937 2468
e-mail: Eamonn.McCarroll@brent.gov.uk

Martin Cheeseman
Director of Housing & Community Care

	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources</p>
Wards affected: ALL	
Annual Audit Letter 2008/09	

Forward Plan Ref: F&CR-09/10-16

1. SUMMARY

- 1.1 This report accompanies the Annual Audit Letter for 2008/09. The Letter is issued by the Audit Commission.

2. RECOMMENDATIONS

- 2.1 Members are recommended to note its contents and that the Audit Committee will monitor progress against the main features highlighted and delivery of the Action Plan.

3. DETAIL

- 3.1 This report summarises the findings from the Audit Commission's 2008/09 audit. It includes details from the audit of the financial statements, arrangements to secure value for money and the use of resources judgement.
- 3.2 The document constitutes the detail and a representative from the Audit Commission will be at the meeting.
- 3.3 The Letter will be sent to all Members of the Council and be made available to residents in each Library and on the internet.
- 3.4 In 2007/08 The Audit Commission produced an Annual Audit and Inspection Letter which included detail about the council's performance under the Comprehensive Performance Assessment (CPA). With the transfer to CAA (Comprehensive Area Assessment) the Letter now only contains information as set out in paragraph 3.1.
- 3.5 The Audit Commission have produced a more detailed report on both Use of Resources and the 2008/09 Statement of Accounts. These were considered by the Audit Committee on 17th December 2009.

4. FINANCIAL IMPLICATIONS

- 4.1 The Audit Letter is directly linked to the financial performance and management of the Council.

5. LEGAL IMPLICATIONS

- 5.1 None specific.

6. DIVERSITY IMPLICATIONS

- 6.1 The proposals in the report have been subject to screening and officers believe that there are no specific diversity implications arising from it.

7. STAFFING IMPLICATIONS

- 7.1 The Letter addresses the overall financial health of the Authority and is therefore of great significance to all managers.

8. BACKGROUND INFORMATION

1. Background information is contained in the Letter appended to this report.
2. Audit Committee – Report and Agenda 17th December 2009.

9. CONTACT OFFICERS

Duncan McLeod, Director of Finance and Corporate Resources, Brent Town Hall, Forty Lane, Wembley, Middlesex HA9 9HD, Tel. 020 8937 1424.

DUNCAN McLEOD
Director of Finance and Corporate Resources



23 December 2009

Mr Gareth Daniel
Chief Executive
London Borough of Brent
Forty Lane
Wembley
Middlesex
HA9 9HD

BRENT COUNCIL
CHIEF EXECUTIVE'S OFFICE

24 DEC 2009

GD
CT/PN/DMC

Dear Gareth

2008/09 Annual Audit Letter

Please find attached my final Annual Audit Letter which summarises the findings from our 2008/09 audit.

I would be grateful if you could ensure that the Annual Audit Letter is:

- copied to all Members for consideration. With this in mind I also enclose a covering letter from me to be circulated with the Letter;
- published by the Council on its external website; and
- made available for purchase by any person upon payment of such sum as the Council may reasonably require.

Please note that all Annual Audit Letters will be published by the Commission on its external website after 31 December 2009.

I would like to take this opportunity to thank you and your staff once again for assisting us during the course of the audit.

Yours sincerely

Andrea White
District Auditor

cc Duncan McLeod - Director of Finance

23 December 2009

Council Members
London Borough of Brent
c/o Chief Executive's Office
Brent Town Hall
Forty Lane
Wembley
Middlesex HA9 9HD

Dear Council Member

Annual Audit Letter

As your external auditors we give an independent assessment of how the Council is discharging its stewardship of public money. We do this by following the Audit Commission's Code of Audit Practice.

This Annual Letter summarises the significant issues that have arisen from the audit for the attention of Members. Our objective is to provide a high standard of work which makes a practical and positive contribution to the work of the Council.

Our audit of the accounts for the year ended 31 March 2009 is complete and I am pleased to report that I have issued an unqualified audit opinion on the Council's financial statements. In addition, I have also issued an unqualified value for money conclusion for the year ended 31 March 2009.

May I also take this opportunity to express my thanks for the help and support received from Members and your officers during the course of our audit.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Andrea White'.

Andrea White
District Auditor

Audit Commission, 1st Floor, Millbank Tower, Millbank, London, SW1P 4HQ
T 0844 798 1212 F 0844 798 6187 www.audit-commission.gov.uk

Annual Audit Letter

London Borough of Brent

Audit 2008/09

December 2009



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Status of our reports

The Statement of Responsibilities of Auditors and Audited Bodies issued by the Audit Commission explains the respective responsibilities of auditors and of the audited body. Reports prepared by appointed auditors are addressed to non-executive directors/ members or officers. They are prepared for the sole use of the audited body. Auditors accept no responsibility to:

- any director/member or officer in their individual capacity; or
 - any third party.
-

Key messages

This report summarises the findings from our 2008/09 audit. It includes messages arising from the audit of your financial statements and the results of the work I have undertaken to assess your arrangements to secure value for money in your use of resources.

Audit opinion

- 1 I gave an unqualified audit opinion on the Council's financial statements and on the pension fund financial statements on 29 September 2009.
- 2 I gave an unqualified opinion on the Pension Fund annual report on 26 November 2009.
- 3 I cannot formally conclude and close the 2008/09 audit due to outstanding legal proceedings. I am satisfied that these matters do not have a material effect on the 2008/09 financial statements.

Financial Statements

- 4 The draft financial statements were submitted for audit on 30 June 2009 in accordance with the agreed timetable. These financial statements were complete but contained errors which have been amended in the final version.
- 5 My audit identified one material change to the main financial statements. This related to the accounting treatment of a downward revaluation of fixed assets.
- 6 The Pension Fund accounts and notes submitted for audit were complete. A good audit trail was provided to support the financial statements. There were some minor disclosure errors identified during the course of the audit which were subsequently amended by management.

Value for money

- 7 I am satisfied that the Council, having regard to the criteria specified by the Audit Commission, have made proper arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2009. I issued an unqualified value for money conclusion on 30 September 2009.

Local risk work

- 8 In addition to my work on use of resources and to support the value for money conclusion, I also commenced a review of Health Inequalities. This is being performed in two stages. The first stage of my review found that there was a clear strategic commitment from both the PCT and Brent Council to tackle health inequalities. Stage 2 of the review is currently underway.

Table 1 Audit fees

	Actual £	Proposed £	Variance £
Audit (excluding Pension Fund)	476,500	441,500	35,000
Pension Fund	38,000	38,000	0
Total audit fees	515,500	479,500	35,000

-
- 9 Additional audit fee has been charged due to additional work being undertaken on disclosure in respect of Icelandic banks, debt restructure and devolved nature of the financial ledger system.
- 10 In addition to the main audit fee, I am in the process of auditing eleven government grants and returns and the estimated fee for these is £85,000 (2007/03 £149,000).

Actions

- 11 Recommendations are shown within the body of this report and have been agreed with the audited body.

Independence

- 12 I can confirm that the audit has been carried out in accordance with the Audit Commission's policies on integrity, objectivity and independence.

Financial statements and annual governance statement

The Council's financial statements and annual governance statement are an important means by which the Council accounts for its stewardship of public funds.

Significant issues arising from the audit

- 13 The financial statements presented for audit were generally of a good standard requiring few amendments. There was one significant issue arising from the audit of the Council's financial statements. During 2008/09 the Council obtained a valuation of certain leisure and educational land and building operational assets as part of its five-year rolling programme. The valuation reported an upward valuation of some assets by £34.43 million and a downward valuation of some assets by £19.97 million. The Council's treatment in the draft financial statements was not correct as the downward revaluation should have been recognised through the Income and Expenditure account. The impact of this amendment is to increase the revaluation reserve by £19.97 million with a corresponding adjustment to the Statement of Total Recognised Gains and Losses. This was reported in our Annual Governance Report to the Audit Committee on 24 September 2009.
- 14 My audit of the Pension Fund identified one material error which the Council adjusted. This related to the valuation of a private equity investment. This was reported in detail in our Pension Fund Annual Governance Report to the Audit Committee on 24 September 2009.

Recommendation

R1 Account for fixed asset valuations in accordance with the Local Government Statement of Recommended Practice.

Material weaknesses in internal control

- 15 The Council reported weakness in its internal control arrangements for foundation schools. These matters were set out in the Council's Annual Governance Statement. I did not identify any additional significant weaknesses in your internal control arrangements.

Accounting practice and financial reporting

- 16 I considered the qualitative aspects of your financial reporting. The quality of the working papers supporting the main financial statements improved this year. The audit process is protracted by the Council operating a number of different ledger systems by departments and the devolved nature of finance. We recognise that the Council has a phased plan for the introduction of a single accounting system, scheduled for completion by March 2010, which should lead to more efficient financial reporting arrangements.
- 17 The balance on the Council's Collection Fund account reserve has a deficit of £1.5 million. This balance is being recovered as part of the 2009/10 budget. The Council has a statutory duty to review collections rates for Council Tax annually, as part of the budget process, and agree that any estimated deficit is recovered in the following year.

International Financial Reporting Standards (IFRS)

- 18 The Council is required to prepare their financial statements under IFRS from 2010/11. The main impact of this is likely to be on the accounting treatment of fixed assets, leases, Private Finance Initiatives (PFI) and employee benefits. Some aspects of IFRSs relating to PFI, need to be implemented from 2009/10.
- 19 The introduction of IFRS is challenging. The aspects relating to the Council's four PFI schemes are complex as the schemes need to have their accounting treatment revised retrospectively from the date that the original agreements were signed. Officers have produced a project plan. This will be reported to Members on the impact of the introduction of IFRS at the beginning of 2010. The Council will need to make sure that appropriate resources are available in order that the financial statements are prepared accurately, meeting statutory deadlines and in line with IFRS.

Recommendation	
R2	Report to Members on matters relating to the introduction of IFRS and to ensure that appropriate resources are made available to meet the deadlines.

Value for money and use of resources

I consider how well the Council is managing and using its resources to deliver value for money and better and sustainable outcomes for local people, and give a scored use of resources judgement. I also assess whether the Council put in place adequate corporate arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the value for money (VFM) conclusion.

Use of resources judgements

- 20 In forming my scored use of resources judgements, I have used the methodology set out in the use of resources framework. Judgements have been made for each key line of enquiry (KLOE) using the Audit Commission's current four point scale from 1 to 4, with 4 being the highest. Level 1 represents a failure to meet the minimum requirements at level 2.
- 21 I have also taken into account, where appropriate, findings from previous use of resources assessments (updating these for any changes or improvements) and any other relevant audit work. The Council's use of resources theme scores, and underlying KLOE scores are shown in Table 2 below.

Table 2 Use of resources theme scores

Use of resources theme and KLOE	Scored judgement
Managing finances	3
• Financial planning	3
• Understanding costs and achieving efficiencies	3
• Financial reporting	2
Governing the business	2
• Commissioning and procurement	2
• Data quality and use of information	2
• Good governance	2
• Risk management and internal control	2
Managing resources	2
• Use of natural resources	2
• Strategic asset management	3

Managing finances

- 22 The Council clearly integrates its financial planning with strategic and service planning on a long term basis. Medium term financial plans are approved each year alongside the budget in addition the Council produces a 30-year plan. The Council has a good record of delivering on its annual budget plans. Reserves are maintained at the level determined by Members.
- 23 The Council has adequate Treasury management arrangements in place. The Council's treasury management policy complied with the CIPFA Code of Practice on Treasury Management and investments were made in accordance with its investment management strategy. The Council took swift action to review its Treasury Management Strategy in light of the bank collapse and subsequently moved to a more risk adverse strategy in October 2008. The Council has taken a number of actions to the issues reported in its Treasury Management Strategy review eg reduction of risk profile, review of capacity and training, updates to Members, and responded to the Audit Commission Risk and Reward report. The Council's expected return of the original investment in Icelandic banks is currently estimated as a minimum of 87 per cent (this is subject to priority creditor status being retained for deposits in Glitnir).
- 24 Benchmarking has been used to identify high cost areas. Overall costs compare well with other services and the Council has taken targeted actions to reduce costs in high spend areas with some successes eg transformation programmes in adult and children services. However there remain areas such as waste services where costs are comparatively high. The Council has a clear efficiency programme in place and has continued to exceed its efficiency targets, despite increased demand for services. Cost and improved outcomes are clear factors in decision making with recognition of whole life costs and the wider impact on the community. Service reviews are used well to review the efficiency and effectiveness of services. However, further work is needed to demonstrate how each service review results in more efficient services and better outcomes for the recipients of services. The Council planned and secured efficiency savings of £9.6 million in 2008/09.
- 25 The Council has a robust budget monitoring process in place which delivers timely monitoring reports for all departments. Key variances are identified quickly, enabling timely intervention and forward planning. However, there is further scope for more flexible reporting during the year and for information to be accessible at any time. The financial statements were prepared in line with the timetable and there was one material error identified in the main financial statements. There was a material error in a note disclosure to the Pension fund financial statements which were subsequently adjusted by the Council. The Council has a detailed closedown plan, but it does not currently facilitate an early and efficient accounts closure. The plan needs to better consider the different systems resulting from the current, devolved structure.

Governing the business

- 26 Overall the council has a clear vision of what it wants to achieve based on comprehensive needs analysis. The Council does not currently have an overall strategic approach to commissioning and there is variability in procurement processes and practices across the Council, particularly in relation to market management and involvement of the community and service users. There are however, some examples of effective joint procurement achieving value for money. Examples include the use of e-procurement resulting in reduced IT costs, joint procurement of IA, and the Council's energy framework agreement.
- 27 The Council has a robust framework to oversee and improve the quality of the data upon which it relies and an agreed data quality strategy that clearly sets out roles and responsibilities. The Council agreed its Data Quality Strategy in 2007 and subsequently widened it to include partnerships. The Council relies on data from a number of external organisations and partnerships - the procedures to ensure the completeness, timeliness and verification of data from these parties can be improved.
- 28 The Council has officer/Member protocols in place which sets out expectations regarding working relationships which are identified as working well. The Council promotes its ethical framework and culture throughout the organisation, with management competencies outlining the role of managers in delivering on the ethical agenda. The Council actively manages complaints, an annual review of complaints takes place and lessons learnt are built into service improvements. Member conduct is reported to the Standards Committee. There were two investigations in 2008/09 which is lower than the national average. All Members allowances and expenses are published promptly after the year end.
- 29 The Council has a risk management strategy in place. Council and Executive reports consider risks as part of their decision making role on corporate policies, including budget setting, major policy decisions, and major projects. Risks and responses are reported to executive on a regular basis. In spite of the above embedded process for risk management the Council had one failure in governance arrangements at a Foundation School. The Council acted swiftly and it is the subject of an ongoing investigation by the Council. The Council has subsequently reviewed and strengthened governance arrangements at all Foundation Schools.
- 30 The Council has a clear anti-fraud and corruption framework in place and the annual anti fraud internal audit programme looks proactively at potential fraud risk areas. There is a well resourced investigations team in place who have undertaken a number of investigations as well as running 70 seminars for all Members and staff to raise fraud awareness. The Council has appropriate standing orders, financial regulations and internal controls in place. The operation of financial systems could be strengthened as the number of fundamental systems receiving limited assurance opinions from internal audit increased in the year. This includes strengthening control account reconciliations.

Managing resources

- 31 The Council has a strong commitment to reducing its impact on the environment, supported by the sustainability action plan. The Council has systems and processes in place to manage energy, water, waste and biodiversity. This includes the use of solar panels, low energy lighting, building energy management systems, thermal insulation, reduction in water used by parks (from 30,000m³ pa to 20,000m³ pa), office recycling, and biodiversity planting schemes. The Council has worked with its ALMO on a programme of works in social housing that has increased their average SAP rating from 47 to 66 as a result of fitting energy efficient condensing boilers, double glazing and roof insulation. The Council performs sustainability impact appraisals for all major projects - this required the new Civic Centre to be designed to achieve an environmental BREEAM rating of at least 'excellent'. Schemes at the new Wembley Primary School, Willesden Leisure Centre and the recently agreed housing PFI all comply with sustainability guidance built into the Council's supplementary planning guidance. The Council is revising its carbon reduction strategy in consultation with the Carbon Trust. The Council should ensure that there is reliable information available to monitor its performance and reduce consumption of natural resources in line with the targets it has set itself. This should be achieved across all parts of the organisation, including schools. In order to achieve this, the Council will need to work effectively with partners in developing, implementing and monitoring plans. The Council should also communicate the performance against planned targets to the public, stakeholders and staff and engage with them.
- 32 The Council's capital strategy and asset management plan guides effectively the Council's asset management. Strategic asset management is leading to good outcomes in terms of using assets to meet corporate priorities. Whilst the overarching strategy for assets relates to the development of a new Civic centre, the Council has used its corporate leadership on asset management to evaluate whole life costs of assets and to develop multiple use of assets to better meet the needs of the community whilst achieving VFM. Work on joint use of assets with partners and voluntary sector groups is well progressed.

Recommendations	
R3	Expand the use of comparative information about costs and performance, in particular make greater usage of benchmarking.
R4	Develop a strategic approach to commissioning and procurement and identify how commissioning and procurement will help to improve the delivery of and better outcomes for those who use local services.
R5	Implement the revised carbon reduction strategy to reduce the Council's environmental impact and consumption of natural resources across all areas of the organisation in line with targets that it has set itself.

Value for money and use of resources

VFM conclusion

- 33 I assessed your arrangements to secure economy, efficiency and effectiveness in your use of resources against criteria specified by the Audit Commission. From 2008/09, the Audit Commission specify each year, which of the use of resources KLOE are the relevant criteria for the VFM conclusion at each type of audited body.
 - 34 I issued an unqualified conclusion stating that the Council had adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.
-

Local risk work

- 35 In addition to my work on use of resources and to support the value for money conclusion, I also commenced a review of Health Inequalities in the area. This is being performed in two stages.
 - 36 The first stage of my review found that there was a clear strategic commitment from both the PCT and Brent Council to tackle health inequalities. An interim report setting out our initial findings was issued in June 2009. Stage 2 of the review is currently underway.
-

Government grants

- 37 The Council have submitted 11 claims and returns that require auditing in 2008/09. I have currently completed the audit of 10 of the claims. While there are no major issues to report, of these 10 claims, 4 required a qualification letter and 8 required minor amendments from the original claims submitted.
-

Current financial issues

- 38 The economic downturn and banking crisis is having a significant impact on public finances and the bodies that manage them. The impact on treasury management strategies has been immediate, but there are wider and more fundamental impacts on the ability of public sector bodies to fund service delivery and capital programmes, including pressures on income streams. There are further challenges for policy priorities where patterns of demand for services are changing.
- 39 The in year financial position for the first three months showed that General Fund services could overspend by approximately £4.9 million. The main cost pressures are from children's placements (£2 million), children's disability budget (£0.6 million), parking income (£1 million). However, action has been taken to control this, which has seen the latest forecast return to a breakeven position. Any net overspending at 31 March 2010 would impact adversely on the overall financial position, and may require additional budget provision.

- 40 The Council is undertaking an ambitious change programme set out in its new Improvement and Efficiency Strategy. The change programme is structured around three themes.
- Making the 'One Council' approach a reality
 - Development of the organisational infrastructure and establishment of a Business Transformation department to integrate critical support functions.
 - Raising performance and maximising efficiency
 - Service reviews run by cross-council teams to develop and implement more customer-focused and effective service delivery models.
 - Delivering on major projects
 - Delivering large capital schemes notably the Civic Centre, the expansion programme for schools, regeneration of Wembley and South Kilburn and the North Circular Road project.
- 41 With the current economic outlook likely to result in tough financial settlements in the coming years and the demand for some services likely to increase, Council finances need to be kept under close review, both in the current year and over its medium term financial strategy.

Recommendation
R6 Monitor the financial position closely and take appropriate action to meet expenditure constraints.

Closing remarks

- 42 I have discussed and agreed this letter with the Chief Executive, the Director of Policy and Regeneration and the Director of Finance and Corporate Resources. I will present this letter at the Executive on 18 January 2009 and will provide copies to all Members.
- 43 Further detailed findings, conclusions and recommendations in the areas covered by our audit are included in the reports issued to the Council during the year.

Table 3 Reports issued

Report	Date issued
Audit and inspection plan	May 2008
Opinion plan	March 2009
Pension opinion plan	March 2009
Health Inequalities report	June 2009
Use of Resources	November 2009 (draft)
Audit opinion and value for money conclusion	September 2009
Opinion memorandum	November 2009 (draft)

-
- 44 The Council has taken a positive and constructive approach to our audit. I wish to thank Members and staff for their support and co-operation during the audit.

Andrea White
District Auditor
December 2009

Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
5	R1 Account for fixed asset valuations in accordance with the LG SORP.	3	Deputy Director of Finance & Corporate Resources	Yes	Our review of the closedown process will include a focus on fixed assets. We have commenced our planning for the 2009/10 accounts, as part of the implementation of IFRS, and will continue to liaise with the Audit Commission to ensure our systems and processes comply with the new arrangements.	31/03/10
6	R2 Report to Members on matters relating to the introduction of IFRS and to ensure that appropriate resources are made available to meet the deadlines.	3	Deputy Director of Finance & Corporate Resources	Yes	Project plan will be updated once CIPFA guidance finalised and reported to Audit Committee.	31/03/10
10	R3 Expand the use of comparative information about costs and performance, in particular make greater usage of benchmarking.	3	CMT and project leads	Yes	All projects in the improvement and efficiency action plan require benchmarking of current service provision.	31/03/11
10	R4 Develop a strategic approach to commissioning and procurement which will help to improve the delivery of services and provide better outcomes for those who use local services.	3	Head of Procurement	Yes	Procurement gold project will address this issue.	31/03/11
10	R5 Implement the revised carbon reduction strategy to reduce the Council's environmental impact and consumption of natural resources across all areas of the organisation in line with targets that it has set itself.	3	Director of Environment & Culture	Yes	Projects to deliver on targets agreed at Executive on 19 October 2009.	31/12/11

Appendix 1 – Action plan

Page no.	Recommendation	Priority 1 = Low 2 = Med 3 = High	Responsibility	Agreed	Comments	Date
12	R6 Monitor the financial position closely and take appropriate action to meet expenditure constraints.	3	Director of Finance and Corporate Resources	Yes	The position will be monitored closely through departmental monitoring, reports to SFG and CMT and Performance and Finance reports to members. Actions are still being implemented to deal with budgetary pressures that arise.	31/03/10

The Audit Commission

The Audit Commission is an independent watchdog, driving economy, efficiency and effectiveness in local public services to deliver better outcomes for everyone.

Our work across local government, health, housing, community safety and fire and rescue services means that we have a unique perspective. We promote value for money for taxpayers, auditing the £200 billion spent by 11,000 local public bodies.

As a force for improvement, we work in partnership to assess local public services and make practical recommendations for promoting a better quality of life for local people.

Copies of this report

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Audit Commission, 1st Floor, Millbank Tower, Millbank, London SW1P 4HQ

Tel: 0844 798 1212 Fax: 0844 798 2945 Textphone (minicom): 0844 798 2946

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Executive
18 January 2010

**Report from the Director of
Finance and Corporate Resources**

Wards affected:
ALL

Proposal to tender Revenue and IT services

Forward Plan Ref: F&CR-09/10-17

1.0 Summary

1.1 This report seeks authority to invite suitable providers to tender for the provision of Revenue collection and Information Technology (IT) services, following the expiry of the existing Capita contract on 30 April 2011. The current contract includes the collection of revenues for Council Tax and National Non Domestic Rates (NNDR) and the provision and maintenance of IT systems specific to both Revenues and Benefits services.

2.0 Recommendations

2.1 The Executive to approve that future service provision from 1st May 2011 for the Revenues Service plus associated information technology support be secured through a retender exercise.

2.2 The Executive to approve the pre tender considerations and the proposed criteria to be used to evaluate the tenders for the Revenues Service and IT support as set out in Appendix 1 of this report.

2.3 The Executive to give approval for officers to invite tenders as referred to in paragraph 2.2 above and evaluate them in accordance with the evaluation criteria set out in Appendix 1 of this report.

3.0 Background

3.1 The current contract for Revenues and IT services is due to expire in April 2011. The existing contract began in 2003 and includes the collection of Council Tax from 109,000 domestic properties, NNDR from 8,000 businesses in the borough and the provision of IT specific to the Revenues and Benefits service. It was a 5 year contract with

provision for extension by a further 3 years, so the extension period has been fully utilised.

- 3.2 The existing contract scope excludes the provision of front line customer services relating to Council Tax as these are currently provided through the Council's One Stop Service. The contract with Capita does however incorporate responsibility for phone enquiries relating to Business Rates and a facility to handle overflow calls relating to Council Tax during times of peak demand.
- 3.3 The proposal outlined in this report has been discussed with the lead member for Finance and Corporate Resources and brought to the Performance Finance and Select Committee in December 2009 for discussion. Both had no in principle objections to the proposals, as part of the discussions Performance Finance and Select Committee wanted some clarification around the evaluation of likely cost against collection performance.

4. Form of Future Service Provision

- 4.1. The main objectives for any future service provision arrangements will be to continue to improve Council Tax and NNDR collection whilst seeking to improve efficiency and reduce collection costs. The recommendation to tender the service is being made following an options appraisal which was undertaken in the autumn of 2009. This review took account of these objectives and evaluated the potential risks, advantages and disadvantages of the various options available for delivering the service in the future. The report from the options appraisal is attached at Appendix 2, which was also considered by the Performance and Finance Select Committee.
- 4.2 There are three main service delivery options open to the Council to consider.
 - Providing the service in house
 - Shared service with another Council (in-house or externalised)
 - Retender of the contract with the same or a revised scope

The full options appraisal is attached to this report as Appendix 2.

- 4.3 The options appraisal included the outcome of research into service delivery models in other Authorities and collection performance for each of these models. Research has also been undertaken to establish potential market interest in a Brent contract in the event that a competitive market tender was sought. The findings from this research are also contained in appendix 2.

5.0 Options for future service delivery – Options Considered and Conclusions

5.1 In House Service

There are both advantages and disadvantages of in house service provision. In overall terms the key deciding factors for this option relate to likely cost and risk to the Council. The transfer of staff and the need for harmonisation of terms and conditions, including pension provisions, mean that this is unlikely to be the most cost effective solution. There is also a potential loss of key management and specialist support resources in relation to NNDR, IT and Valuation Team, as these staff currently form part of Capita's business centre in Bromley and may not TUPE transfer because they do not only work on Brent contracts. This potential loss would make it necessary to recruit appropriate Brent resources and induct them into new roles, in time for the transfer of the service to Brent. Contractors have the advantage of having access to a wider pool of resources, which can help to facilitate a smoother transfer.

Risks associated with Council Tax and NNDR collection would be borne wholly by the Council in the case of in house service provision. These risks can be shared in an outsourced contract, where there is provision for including financial incentives and deductions linked to performance and financial losses.

Estimates of the likely cost of an in house Revenues and IT service indicate that this would involve some increase to cost and potentially increased risk to the Council at this stage as well as ongoing investment. Although these risks could be managed and mitigated, the likely cost of in house provision makes this option less desirable.

5.2 Shared Services

There is little prospect of successfully negotiating a shared service agreement by early 2011 as the service does not already have a potential Local Authority partner with which it shares synergy of requirements and an established working relationship. Indeed, benchmarking across authorities has shown little current interest in developing shared Revenues and Benefits services in the next two years. This timescale would bring us to the end of the existing contract term and would mean that it would be necessary to bring the service in house prior to embarking on a shared service arrangement. Should this occur, the uncertainty of future arrangements would be likely to have a great impact on the staff that would transfer to Brent and subsequently to a shared service from the current contractor. There may therefore be risks to Council Tax collection performance during the implementation of these.

The success of a partnership approach of this type depends on the ability of the authorities involved to agree in advance on the arrangements for service provision. There are currently no known established examples of shared service for London or Metropolitan boroughs in relation to Council Tax service provision. This means that the business case for shared Revenue services is not yet proven and as such requires a willingness to accept unknown risk. This is compounded further by the resource requirement necessary to devote to implementation. This typically takes up to two years to achieve with

no guarantee of success. Where this has been done, it has been between smaller district councils who, when merged, often have a customer base that does not exceed that of a London borough.

5.3 Re-Tendering the Service

In any decision to outsource a service, the Council must be satisfied that this option offers Brent residents good value for money and a good standard of service delivery. In order to satisfy those criteria, there are a number of factors that need to be met. These include but are not limited to the following:

- The service must be suitable to operate effectively through a formal contractual arrangement. Very complex services or services that are subject to frequent change can prove difficult to manage in a contractual arrangement as they require onerous negotiations to ensure that the specified requirements remain up to date.

The Revenues and IT contract does lend itself well to outsourced arrangements and this had been demonstrated over a long period of time in both Brent and the wider outsourced market for such services.

- In order to achieve a competitive tender process there needs to be an active market for such services and sufficient interest from potential suppliers to engage in any tendering process.

Soft market testing of the Revenues and IT market was carried out as part of the options appraisal and has demonstrated that there is both an active market for these services and sufficient interest in a potential Brent tender exercise (subject to other Local Authority contracts that may be subject to tender at the same time) to achieve a competitive process.

- The outsourced arrangement must be capable of achieving good standards of service delivery and improving these, where required.

There is evidence that both in house and outsourced arrangements can deliver improvements and the latter has been achieved through the existing contract with Capita, with year on year improvements to in year collection since 2003. Comparisons in collection across London Boroughs between 2006-07 and 2008-09 show an average increase of 0.43% for authorities that have Council Tax collection in house and 0.69% for those that have collection with contractors. Notwithstanding this, it is fair to say that the scope for improvement will vary greatly between Authorities and will be directly affected by the demographics and past performance of the service. However, it is clear that it is possible to improve collection under both in house and outsourced arrangements.

- Outsourced arrangements must offer the Council the potential to deliver the service efficiently and offer good value for money to Brent residents.

The options appraisal has included some indicative financial modelling for both outsourced and potential in house provision. This indicates that at this stage outsourcing has the potential to offer service delivery at a lower cost than with in-house arrangements, with the added attraction of shared risk with the contractor through a system of financial incentives and penalties.

5.4 Conclusion

A review of service performance across London Boroughs has shown higher average collection rates for authorities who have contracted out their Revenues collection service. The benchmarking process has also shown higher than average collection rates for those Authorities that have Revenues staff dealing with customer service enquiries as opposed to more generic customer service staff.

An in-house service is unlikely to be the most cost effective solution. The potential for the loss of key management and specialist support resources and the loss of shared risk mean this is not the preferred option for the future of the service.

There is little prospect of success for a shared service partnership within the timescales available. The service does not already have a potential Local Authority partner in mind and the benchmarking process across Authorities has shown little current interest in sharing Revenues and Benefits services in the next 2 years. As a result, this is not the recommended option for the service.

Retendering the service is likely to prove to be the most cost effective option. The meetings with current contractors who provide Revenues collection services to Local Authorities has shown that there is evidence of sufficient market interest to ensure that Brent is likely to be successful in securing a competitive procurement environment that provides value for money for Brent. As a result the recommendation is that the contract is retendered.

6.0 Pre Tender Considerations

6.1 It will be critical to ensure careful specification and scoping for any new contract, in order to successfully meet the objectives of the Council. Within the current contract, a clear focus on improvements and the sharing of risk has assisted in ensuring that the Council has seen improvements in Revenues collection. However, the scale of improvement is now slowing down and indicates that the scope and specification of the current contract needs to be reviewed. An amended scope is also likely to provide increased reassurance to contractors of the potential for improvements and efficiencies within the contract lifetime.

6.2 A reviewed scope could include either an increase or decrease in services provided within the contract scope and consideration has therefore been given as to whether Revenues and IT provision could be split into two contracts, with differing arrangements applying to the IT and Revenues elements. This option is considered to be high risk as collection performance is dependent on effective IT provision and

any separation could significantly dilute the Council's ability to hold a contractor liable for poor performance.

- 6.3 Additionally, if a decision was made to tender only IT or Revenues on their own, it is likely that the size of the contract would greatly reduce the number of contractors who would be interested in bidding, as the value of the contract would be significantly reduced. IT provision needs to directly support the delivery of service objectives and this would be harder to achieve where the specification was wholly IT based and not directly linked to service provision.
- 6.4 Options for increasing the scope of the current contract have also been considered. Any increase in scope is likely to attract greater market interest and could increase the scope for identifying efficiencies. The review of customer service provision for Revenues referred to in Appendix 2 page 3 of this report has meant that the inclusion of customer service in the contract scope is an area that has been considered in this review. Findings at this juncture are that it is likely that any new contract will include some responsibility for customer service provision by specialist Revenues staff. The extent of this responsibility has not yet been fully decided and may be dependent on proposals received during the tender exercise, before a final decision is made. It is clear however that the existing service model does need to be changed to support further improvements to collection performance.
- 6.5 Any new specification should also include a revision of the current financial incentive and deduction schemes, collection targets for arrears and key service measurements. Also within the new IT specification will be the provision to consider options for and implementation of a replacement for the current document management system.
- 6.6 A review of the proposed contract duration has also been undertaken. The recommended contract duration would be similar to the current contract which is 5 years with an option to extend for a further 3 years.
- 6.7 In accordance with Contract Standing orders 88 and 89, pre-tender considerations have been set out in Appendix 1 for the approval of the Executive

7.0 Financial Implications

- 7.1 The Council's Contract Standing Orders require that contracts for supplies and services exceeding £0.5M or works contracts exceeding £1M shall be referred to the Executive for approval to invite tenders, and in respect of other matters identified in standing order 89.
- 7.2 It is anticipated that the cost of this contract and the cost of the tender process including procurement and legal fees will be met from existing budgetary provisions.

8.0 Legal Implications

- 8.1 The Council's powers to enter into this contract derive from section 70 of the Deregulation and Contracting Out Act 1994. In accordance with regulations made under Page 248 the Council is able to delegate the

performance of its Tax Billing, Collection and Enforcement functions to a third party. Under the 1994 Act, it is the entire statutory function that can be delivered by a third party; with most Council contracts the Council retains responsibility for performing the statutory function while the contractor simply performs a service to further the delivery of the statutory function. As a result of the 1994 Act applying, the Council can therefore delegate the function of assessing tax as well as the service of simply collecting it. When a further report is presented to the Executive to award the contract, it will also be necessary to include a formal delegation of function to the recommended provider.

- 8.2 The value of the contract over its lifetime is in excess of £0.5M. Therefore, the procurement and award of the contract is subject to the Council's Contract Standing Orders and financial regulations, in respect of high-value contracts.
- 8.3 The service falls within Part A of Schedule 3 of the Public Contracts Regulations 2006. The tendering of the service is therefore governed in full by the European public procurement regulations of 2006.
- 8.4 Once the tendering process has progressed sufficiently, officers will report back to the Executive in accordance with contract standing orders.
- 8.5 As this procurement is subject to the full application of the EU Regulations, the council must observe the requirements of the minimum 10 calendar day standstill period imposed by the EU Regulations before the contract can be awarded. The standstill period provides an unsuccessful tenderer with the opportunity to challenge the Council's award decision if they wish.
- 8.6 Employees of the current service provider (i.e. Capita Business Services Ltd) will potentially transfer to a new supplier under the Transfer of Undertakings (Protection of Employment) Regulations 2006 in the event that Capita is unsuccessful. Current L B Brent employees may also TUPE transfer to a new supplier should the contract scope be extended to include some or all of the customer service work currently carried out in-house as outlined earlier in this report.
- 8.7 Officers will also need to ensure that the requirements of the Best Value Authorities Staff Transfers (Pensions) Direction 2007 are met. This requires the council to ensure that the contract provides protection of the pension rights of current Council staff, transferring to a contractor under TUPE as a result, of an outsourcing process. It also requires the council to ensure the protection of the pension rights of former council staff, previously transferred to a contractor under TUPE as a result of an outsourcing process, who are TUPE transferred from that contractor to a new contractor as a result of the retendering of the contract. Current council policy is that in either situation the successor organisation must provide access to a pension scheme that is either the same as, broadly comparable to or better than the pension scheme offered by the outgoing organisation.. Council policy also provides that in either situation, except in exceptional circumstances, the council will take steps to ensure that the protection of the accrued pension benefits of

transferring staff where they decide to transfer those benefits to the successor organisation's pension scheme.

- 8.8 It is also necessary to consider the impact of the Code of Practice on Workforce Matters in Local Authority Service Contracts, where it relates to additional non-TUPE staff recruited by a new contractor to work on the Brent contract. The Code requires the successful tenderer who recruits new staff to work on a local authority contract alongside former local authority staff (whether those staff transferred to the tenderer as a result of an outsourcing or a retendering) to offer those recruited new staff fair and reasonable terms and conditions (excluding pensions) which are overall no less favourable than those of the former local government staff. A further requirement of the code is that the successful tenderer makes certain pension arrangements for the recruited new staff. The Code further requires the Council to make these requirements legally binding on the contractor through contractual terms. Should the Executive give approval to the invitation of tenders then it will be necessary for the officers conducting the procurement exercise to decide whether to apply the Code by making some or all of these requirements legally binding on the successful tenderer. In coming to this decision it will be necessary for those officers to consider in respect of each of these requirements the respective costs and benefits of making that requirement legally binding on the successful tenderer.

9.0 Diversity Implications

- 9.1 The proposals in this report have been subject to screening and officers believe that there are no diversity implications. If a decision is made to include within the service to be tendered some customer service work which is currently carried out in-house, then an Equalities Impact Assessment will be carried out in relation to that decision.

10.0 Staffing/Accommodation Implications (if appropriate)

- 10.1 The administration of the Council Tax collection service currently operates from Brent House, with the NNDR service operating from Capita's Bromley office and the IT service operating from West Malling.
- 10.2 The location of the service will be impacted on by the plans to vacate Brent House in 2013. If the current contractor does not retain the contract, the NNDR and IT service may be delivered from a different location from 2011. However the customer service element will need to be retained within Brent and it is anticipated that Council premises will be made available to tenderers for this contract, initially at Brent House and then at the new Civic Centre.
- 10.3 Council policy concerning the protection of accrued and future pension rights of ex-council employees and current council employees (dependant on the contract scope) transferring to a private sector employer will need to be followed in the tendering process (see section 8.0 Legal implications)

Background Papers

Current Council tax and Business Rate Specification

Contact Officers

Margaret Read - Head of Revenues and Benefits

Paula Buckley - Head of Client

Duncan McLeod

Director of Finance and Corporate Resources

Appendix 1 - Pre-tender considerations

Ref	Requirement	Response																										
(i)	The nature of the service	The administration and collection of Council Tax from domestic properties and NNDR (National Non Domestic Rates) from businesses in the Borough (together know as the Revenues Service), including dealing with customer enquiries, along with the provision of IT specific to Revenues and Benefits for the Revenues and Benefits service.																										
(ii)	The future estimated value of all contracts:	£3.5m to £3.9m per annum (range dependant on the extent of the inclusion of customer services)																										
(iii)	The contract term	5 years with an option to extend for 3 years																										
(iv)	The tender procedure to be adopted:	Restricted (two-stage) Procedure in compliance with the EU public procurement rules																										
(v)	Procurement timetable	<table border="1"> <thead> <tr> <th>Indicative dates are:</th> <th></th> </tr> </thead> <tbody> <tr> <td>Adverts placed</td> <td>February 2010</td> </tr> <tr> <td>Expressions of interest /Pre-Qualification Questionnaire returned</td> <td>March 2010</td> </tr> <tr> <td>Shortlist drawn up in accordance with the council's approved criteria</td> <td>April 2010</td> </tr> <tr> <td>Invite to Tender</td> <td>June 2010</td> </tr> <tr> <td>Deadline for tender submissions</td> <td>August 2010</td> </tr> <tr> <td>Site Visits</td> <td>August 2010</td> </tr> <tr> <td>Panel evaluation and Interviews/presentations</td> <td>September 2010</td> </tr> <tr> <td>Panel Decision</td> <td>End Oct 2010</td> </tr> <tr> <td>Report recommending contract award circulated internally for comment</td> <td>Nov 2010</td> </tr> <tr> <td>Executive approval</td> <td>Dec 2010</td> </tr> <tr> <td>Contract award</td> <td>End Dec 2011</td> </tr> <tr> <td>Contract start date</td> <td>1st May 2011</td> </tr> </tbody> </table>	Indicative dates are:		Adverts placed	February 2010	Expressions of interest /Pre-Qualification Questionnaire returned	March 2010	Shortlist drawn up in accordance with the council's approved criteria	April 2010	Invite to Tender	June 2010	Deadline for tender submissions	August 2010	Site Visits	August 2010	Panel evaluation and Interviews/presentations	September 2010	Panel Decision	End Oct 2010	Report recommending contract award circulated internally for comment	Nov 2010	Executive approval	Dec 2010	Contract award	End Dec 2011	Contract start date	1 st May 2011
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Contract start date	1 st May 2011																											

(vi)	The evaluation criteria and process.	<p>Shortlists of those to be invited to tender are to be drawn up in accordance with the Council's Contract Management and Procurement Guidelines namely the pre qualification questionnaire (PQQ) and thereby meeting the Council's minimum standards of financial standing, technical capacity and professional and technical expertise.</p> <p>The panel will evaluate the tenders against the following criteria supported by relevant sub criteria</p> <p>Price</p> <p>Quality consisting of:</p> <ul style="list-style-type: none"> • Ability to deliver Continuous Improvement • Proposed methods of service delivery • Risk Sharing and Risk Management • Added Value and innovation • Approach to working in partnership with the Council. <p>The split between price and quality will be ascertained following detailed financial modelling of the impact of different ratios</p>
(vii)	Any business risks associated with entering the contract.	<p>Financial stability of suppliers in the current economic climate</p> <p>Reputation of the Council may be affected by poor performance or conduct, especially as the contractor will have responsibility for delivering the Council's statutory functions</p> <p>Financial and Legal Services have been consulted concerning this contract</p>
(viii)	Any staffing implications, including TUPE and pensions	See sections 8, and 10 below
(ix)	The Council's Value for Money considerations.	This procurement process and on-going contractual requirement will ensure that the Council's Best Value obligations are met.
(x)	The relevant financial, legal and other considerations.	See sections 7, 8, 9 and 10 below.

2011 - Options for Revenues and IT delivery

Background

The current contract for Revenues and IT is due to expire on 30 April 2011. The contract which began in 2003 includes the collection of Council Tax from 109,000 domestic properties and NNDR from 8,000 businesses in the Borough along with the provision and maintenance of IT for the Revenues and Benefits service.

This Appendix contains details of the current contract including scope alongside a review of performance. Also included is the outcome of benchmarking across London Boroughs with a summary of those who have contracted out the service and those who deliver the service in house. Findings from research into shared services and the potential contract market are also incorporated within the document.

Current Contract Scope

The scope of the current contract includes the administration and management of Revenues collection for Council Tax and NNDR, along with the provision and maintenance of IT systems that support Revenues collection and the administration of Benefits.

Face to face and telephone enquiries for Council Tax are dealt with by customer service staff within the One Stop Service and all written correspondence including emails is dealt with by Capita staff. The Capita contract does however incorporate responsibility for phone enquiries relating to Business Rates and a call overflow facility for Council Tax during peak periods.

Until November 2008, all calls from customers were dealt with by customer service staff. In November 2008 a pilot study was undertaken whereby customers who had arrears across multiple years were transferred to Capita staff after speaking to a customer service officer, in order to discuss payment arrangements. This study was undertaken in order to evaluate whether or not it would provide an increased opportunity to reach a payment arrangement that was suitable to the Council and the customer. Initial results from the study in April 2009 showed that 85% of those who spoke to Capita recovery staff agreed an arrangement for their arrears with 56% having arrears for more than 1 year.

This proportion increased to 91% agreeing an arrangement by the end of October 2009 of which 66% had debts for more than 1 year. As a result, this study has recently been extended to enable customers with arrears to contact Capita recovery staff directly without the need to first contact customer service staff to agree a payment arrangement.

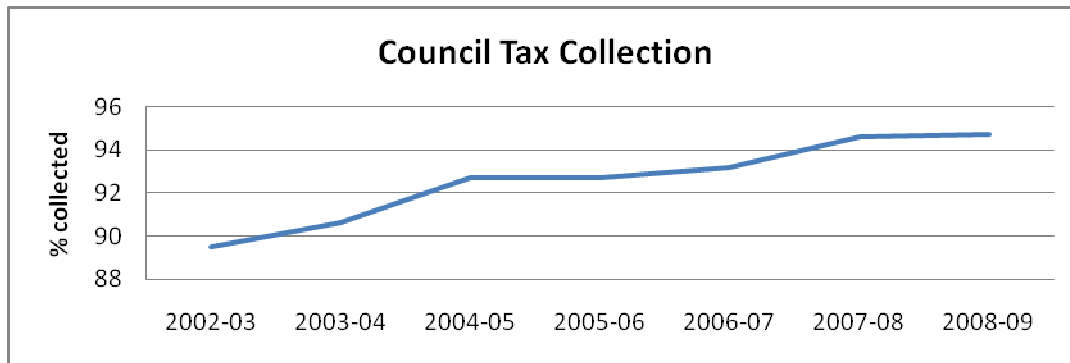
Preliminary findings from the study suggest that specialist recovery officers provide a greater opportunity for achieving payment arrangements across multiple years and effectively monitoring compliance with the agreement that over time should result in increased collection of income.

All customer service enquiries for NNDR are dealt with by staff within the Capita NNDR team.

Performance Current Contract

Between 2003 and 2009 we have generally seen year on year improvement in revenues collection which has resulted in improvements to Brent's position in the league tables when compared to other London boroughs.

Table 1 – Council Tax Collection

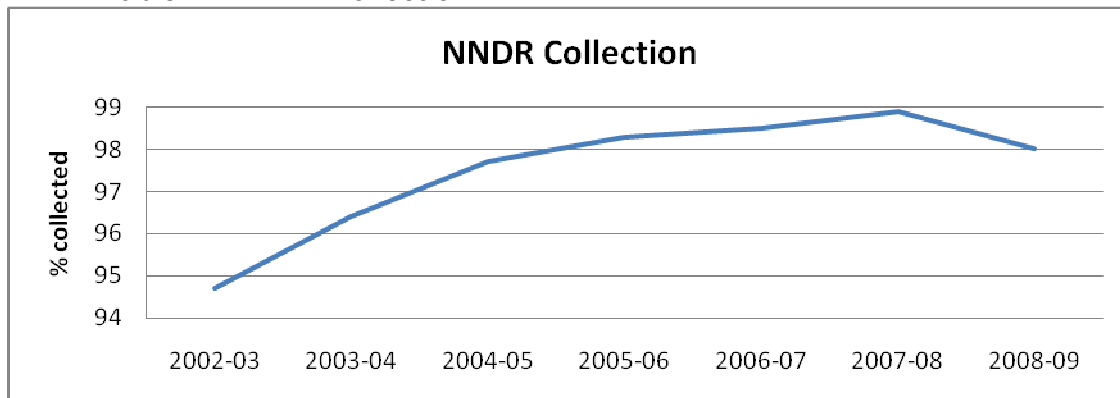


Council Tax collection (Table 1) rose by 5% between 2003 and 2009 and NNDR (National Non Domestic Rates) (Table 2) by 3% for the same period.

In 2003 Brent was 31 out of 33 London boroughs for Council Tax collection this has improved to 23 out of 33 in 2009.

NNDR collection was at 32 out of 33 across London in 2003 this has improved in 2009 to 15 out of 33.

Table 2 – NNDR Collection



The provision of IT has remained stable throughout the contract with the exception of issues experienced at the beginning of the contract which led to systems availability being severely affected for 2 weeks; this had a major impact on the service at the time.

Analysis of current methods of Service Delivery across other authorities

Revenues Delivery in other London Authorities

20 London Boroughs provided information to support the benchmarking exercise that was undertaken to establish method and success of service delivery for Revenues collection.

12 of the 20 London Boroughs who responded (i.e. 60%) have a completely in-house Revenues & Benefit service although it is unknown as to why this model has been continued and its relative benefits.

The remaining 8 Local Authorities that chose to contract out their service stated their reasons as being the achievement of value for money and greater efficiency. For example, one London Borough considered bringing their service back in-house but a feasibility study conducted in 2005 advised against it stating that re-tendering was the “only viable way to ensure a cost effective, value for money service”.

Seven of the eight Local Authorities that chose to contract out all or part of their Revenues service included customer service for Revenues as part of the contract package. The one remaining authority has not at the time of writing fully contracted out their revenues service but rather secured the services of a contractor to undertake some off-site processing for Council Tax and NNDR.

Of those who have contracted out their service, the contract duration varies up to a maximum of 14 years in one instance where an option to extend was contractually provided for.

The median contract length across the 7 London Authorities is 10 years.

Comparing collection performance for 2008-09 across the London Authorities that responded to the benchmarking survey; average Council Tax collection for Authorities that have retained services in house is 95.2% and is below the average for all London Authorities of 95.4%, with those that have contracted out their Revenues collection being just above the average at 95.5%.

Customer Service Delivery

21 London Authorities responded to the benchmarking survey for customer service arrangements. Of those, 11 (i.e. 52%) have Revenues staff dealing with Revenues customer service enquiries and 10 have corporate customer service staff dealing with enquiries from Revenues customers.

When comparing collection rates across the 21 Authorities, those that had Revenues staff dealing with customer enquires appeared to attain higher average collection rates (i.e. 95.41%) for 2008-09 in comparison to the Authorities that had customer service staff dealing with Revenues enquiries and achieved 95.24% on average.

However, it should be noted that the configuration of customer service teams differs between authority, particularly in the use of generic and specialist officers and their roles in face to face and telephone contact. It should also be noted that the above results may be influenced by local area demographics and baseline service performance prior to the service being outsourced and therefore a direct correlation between outsourcing and collection performance should not be assumed.

Shared Services across London

Included in the benchmarking undertaken across London Authorities was a review of appetite for shared service provision across London Revenues departments. Responses suggest that there is more of an interest than necessarily an appetite for shared services amongst respondents. Currently, only two Local Authorities in London are known to be sharing their Revenues service and that is limited to NNDR at present. Published results for 2008/9 show the collection rate achieved by the two Local Authorities concerned being below those of the previous year. However, this may be explained by the national introduction of an empty property charge at 100% for most empty business premises although the average drop in collection performance across London was 1.25% (Brent 1.1%) in comparison to the 2.2% and 3.2% reductions shown for each of the Authorities concerned.

Three London Authorities detailed below have entered into discussions/negotiations for shared services but subsequently decided not to proceed further for various reasons. Details of these are contained in the table below.

Local Authority	Reason for Breakdown
Authority 1	Looked at tendering for a new shared system with another London authority. Authority 1 indicated that there were too many variables to agree on:

	<p>*what to include/ exclude in system *what each LA needed. Plus there were tight timescales and both parties suggested that the shared tender presented unacceptable levels of risk.</p>
Authority 2	<p>Authority 2, along with another 2 London Authorities considered sharing NNDR services.</p> <p>Authority 2 withdrew from the proposed arrangement as they were unable to identify sufficient savings to be made from sharing services with other Local Authorities. The remaining 2 London Authorities have not yet entered into a shared service agreement</p>
Authority 3	<p>Authority 3 was approached by another Authority to share NNDR collection. This did not progress as Authority 3 did not wish to migrate to the other Authority's IT system, which they believed was not as effective as the one they currently used. .</p>

A number of Authorities have either discussed options internally or researched shared services but have not yet taken progressed any further. Currently, 53% of respondents have indicated that they would consider a shared service at some point in the future (most cite around two years time).

Key Shared Service issues identified from benchmarking:

1. It is not easy to enter into successful shared service arrangements – particularly ensuring risk is evenly spread, and benefits between authorities are aligned.
2. It is important to be specific about benefits and areas that are to be shared and to have measurable outcomes of success.
3. There appears to be little appetite for shared Revenues and Benefits services in the immediate future within London.
4. The agreement of governance arrangements

Contract Market Analysis

Between March and October 2009, meetings have taken place with 7 contractors to establish the extent of current competition in the market place and potential interest in a Brent contract, particularly as Lambeth and Bromley are also likely to be retendering their services in 2010. The companies we have met with are Capita, Liberata, Vertex, Mouchel, Avato, Fujitsu and Northgate.

Key factors raised in supplier meetings to date have been contract scope and duration, with suppliers generally indicating that if these were appropriate, they would be interested in tendering for any future service contract. In relation to contract duration, 4 out of the 7 contractors provided details of their preferred duration giving timescales between 7-10 years as their preference followed by an option for extension, Of the remainder, 2 stated that duration would be dependent on the investment required at the outset of the contract with the remaining supplier not specifically having a complete Revenues service contract.

Of the 6 contractors that currently have Revenues contracts, they indicated that they would be interested in a larger contract, 5 agreed they were likely to bid for a contract with the current scope with 1 stating that they would not bid in those circumstances. Of the 5 who indicated they would be interested in a contract with the current scope, 1 stated if the same package was to be retendered, suppliers may perceive that many of the efficiencies that could be achieved from the contract would already have been obtained by EDS and Capita.

Areas that suppliers stated they would view favourably in a future contract included:

- Customer Service
- Corporate Debt
- Council wide IT and Desktop Support
- Accounts payable and receivable
- HR transactions and Payroll
- Property
- Procurement

Having met with these suppliers it is evident that there is interest in a contract with Brent, subject to other contracts that may be tendered at the same time. Indications from the responses received are that should we decide to tender a contract it is likely that the tender process will be sufficiently competitive to secure value for money for the council.

Options for future Service Delivery Considered and Conclusions

In House Service

Consideration has been given to bringing the service back in house and the potential this would bring for improving collection and increasing the efficiency of the service. Initial analysis shows that an in house cost for ongoing service provision is likely to be greater than that of the current contract price with additional costs being incurred specifically for transition and set up. A return to in house provision would facilitate direct control of operational arrangements and could as such support improved collection. However, there would also be a number of risks that would need to be managed in the event of a return to in house provision including:

- The transition of the service, involving both the transfer of IT, TUPE of staff and assignment of leases, etc
- Assimilation of staff under TUPE to Brent terms and conditions and the potential organisational restructure that may be necessary to achieve this. The existing Capita organisational structure would not meet the needs of an in house service.
- Recruitment of staff and managers and a review of resourcing across the various functional areas.
- Service development requirements, including IT system changes and the investment necessary to support this.
- IT provision arrangements as these would be incorporated into the Council's ITU unit but would need detailed service level agreements to facilitate service continuity
- Training needs analysis and training of staff and their induction into Brent
- Implementation of Brent performance management arrangements and service planning/ budgetary frameworks

Advantages of an In House Service

- The Council would have day to day management of the service which should improve the speed of making decisions and implementing change
- The ability to build more robust relationships with key departments may assist with information sharing, however this can be facilitated by the client team on the contractor's behalf.
- Client monitoring overheads would not be necessary

- The location of the service in Brent would potentially support the provision of local employment (the majority of the Council Tax staff are based in Brent House with the exception of IT, NNDR and Valuation staff).

Risks and Disadvantages of an In House Service

- The estimated cost of this service model is unlikely to demonstrate the best value for money.
- Staffing costs are likely to increase because the Council pension scheme incorporates higher employer contributions than most private sector pension schemes.
- There would be risk of disruption to IT support which may arise during the transition or afterwards. It is likely that ITU would need to obtain additional resources to support Revenues and Benefits IT support as there is a very low likelihood of any expertise or resource transferring at the end of the contract. Given the Council's wider transformation programme and the critical role that ITU will play in supporting this, the transfer of Revenue and Benefit systems over the next 18 months may impact on their ability to prioritise this and will inevitably create capacity issues for them.
- The lack of recent in house operational management experience may impact on performance; it would be necessary to recruit NNDR and Valuation team staff as they are currently based in the Capita Bromley office and are unlikely to transfer to the Council under TUPE.
- There is a risk of the loss of service management and technical expertise as key staffing resources may not TUPE. This would also apply to the alternative contractor scenario although in that case the new contractor would be responsible for managing the set up and the associated risks with this. It is also likely that another contractor would have a larger pool of experienced managers from which they could identify suitable expertise.
- The Council would bear the full risk of collection shortfalls and costs incurred

Summary

The transfer of staff leading to the harmonisation of terms and conditions along with pension and other employee related costs mean that this is unlikely to be the most cost effective solution. The potential for the loss of key management and specialist support resources for NNDR, IT and Valuation Team work would mean that it is necessary to recruit that resource for Brent as unlike another contractor, there is not a pool of experienced staff available that could be utilised to support the transfer and to oversee the service.

There is a provision for financial deductions within the contract associated with the loss of, or failure to achieve an agreed standard of IT service which assists in reducing the risk to the Council and ensuring that any potential issues are dealt with quickly. The use of financial incentives and deductions within other areas of the contract provides for shared risk should collection targets not be met. This shared risk would not exist for in house arrangements.

A return to in house service provision would involve some increase to cost and potentially increased risk to the Council and although these risks could be managed and mitigated, the likely cost of in house provision makes this option less desirable.

Shared Services

The Council could consider a new service model for Revenues and IT, involving either a shared service with another Authority or shared procurement for a new contract. This option is a longer term option and would require the service to be brought back as an in house service initially, whilst shared arrangements were negotiated with a relevant partner.

There is little current experience of shared services in London. However, those developed outside London between smaller District Councils have typically taken 18 to 24 months to set up and become operational. As part of this review, senior Client staff from Brent met with counterparts from Harrow and Lambeth to discuss any potential for the future sharing of services or contracts. Lambeth was selected as they plan to go out to tender at a similar time to Brent. Both Lambeth and Harrow use the same Revenue and Benefits IT system as Brent and this aspect therefore lends itself more towards the potential for a shared service arrangement.

Lambeth are currently reviewing their contract scope and at this point in time are unlikely to consider shared services with another Authority. Harrow is currently exploring a joint managed service solution by Northgate (their IT software provider) for their IT provision with Croydon and another London Borough. However, this is at a very early stage and would separate IT provision from service delivery. Findings from the benchmarking across London authorities show that some Authorities would consider shared services in the future, but are unlikely to do so within the next 2 years.

Advantages of Shared Services

- There could be economies of scale in joint provision, with rationalisation of location, systems, management and staffing. This has not yet however been proven for larger London Authorities where experience of shared services has not yet developed.

Risks and Disadvantages of Shared Services

- This option has not been proven as capable of delivering efficiency and improvement for Revenues services as there is little experience of this within London or larger Metropolitan Authorities. The most difficult part of forming a partnership or consortium is gaining the agreement of all the parties to the approaches and methods of working that should be adopted. Unless there are clear agreements about roles, decision-making, service location etc, there are potential conflicts. There is a real risk that time and resource could be expended on a long term project to achieve this, with implementation either being delayed or aborted because agreements cannot be reached.
- It is unlikely that another Authority will be willing as part of a shared service agreement to take on shared risks in relation to collection and other service targets
- Where there is a need to reduce resource input, it may prove difficult to decide which Council should reduce it's staffing and how any resultant costs should be funded.
- Any efficiencies are unlikely to be realised until later in the partnership when the investment payback period has elapsed.
- There is a risk of performance declining during transition to new arrangements and the resulting costs arising from this to clear backlogs of work

Summary

There is little prospect of successfully negotiating a shared service agreement by early 2011 as the service does not already have a potential local authority partner with which it shares synergy of requirements and an established relationship. Indeed the benchmarking across authorities has shown little interest from London Authorities to share Revenues and Benefits services within the next two years. This would bring us to the end of the existing contract term and would mean that it is necessary to bring the service in house prior to embarking on any shared service provision. Should this happen, the uncertainty of future projects is likely to greatly impact on

employees that would transfer to Brent and subsequently to a shared service from the current contractor. There may therefore be risks to Council Tax collection performance as the service undergoes a number of significant changes and loses key personnel.

The success of a partnership approach of this type depends on the ability of the Authorities to agree on service provision. There are no currently known examples of shared service for London or Metropolitan Boroughs in relation to Council Tax provision. Where this has been achieved, it has been with smaller District Councils who, when merged, have a customer base that does not generally exceed that of a London Borough.

One of the key risks with a shared service agreement is that a lack of clarity at the outset of the service can lead to difficulties arising later on. Also, the loss of the sharing of risk could impact on the Council's ability to ensure the best possible outcome is achieved if the Council is not leading in the provision of the shared service.

Re-Tendering the Service

The Council could choose to retender the service to secure a competitive price for the future provision of the service. This would require an active supplier market and interest in tendering for the Brent contract. The contract with Capita has delivered improvements to both Council Tax and Business Rate collection and IT service provision has been very stable throughout the contract (apart from initial problems which arose during the transition of the service from EDS). Revenues and IT services can and have been provided successfully by a large number of Authorities and do lend themselves well to outsourced arrangements. As with all options open to the Council, retendering is not without risk and formal contractual arrangements can make it more difficult to make changes to service delivery quickly and flexibly. There are additional overheads for outsourced services arising from the need to manage and monitor the contract.

If the Revenues service is retendered then decisions will need to be made about the overall scope of the contract. The current contract does not incorporate responsibility for handling customer contacts and this can result in a "disconnect" between back office functions and front line service delivery. One Stop Service staff have been trained and empowered to resolve a range of Council Tax enquiries and this has facilitated resolution of queries at the first point of contact. However Customer Services provision is currently responsive and geared to dealing with customers on a one off basis and not maintaining ongoing contact. This means there is little capacity for outward bound calling and that enquiries can be dealt with in isolation to the overall management of arrears owed by the customer. Benchmarking across London Authorities shows that Authorities who have Revenues staff dealing directly with customers enjoy a higher collection rate on average when compared with those who have corporate customer service staff dealing with customers. Improvements have been realised in the current contract but concerns are that these are unlikely to be built on with the current separation of the Revenues staff from customers. The service model in terms of customer handling and back office configurations will need to be resolved whatever option is decided upon. A review of the advantages and disadvantages of re-tendering the service are detailed below.

Advantages

- The exposure of the service to competitive pressure will facilitate value for money, provided that there is active market interest. The options appraisal evaluation included a soft market testing of a potential retender of the service and this found that there is sufficient market interest to support a competitive process.
- There are benefits that can be gained through outsourcing by having access to private sector expertise and investment. For established suppliers, there is the

added benefit of experience of operating different models of delivery and change management.

- Outsourcing may offer scope for gaining economies of scale or discounts on purchases for example items such as printing etc.
- Outsourcing provides the opportunity to share risk on both price and service delivery and can reduce the impact of financial risk to the council. Although contractors price in some cover for risk, the competitive nature of the tender processes means that this has to be minimised to achieve a competitive price.
- Experience of outsourcing of Revenues and IT over the past 8 years has shown that this can deliver improvements and work well. There is potential to build on the improvements put in place during the current contract if the specification and scope of a new contract support that.
- The Council has an experienced Client Management Team

Risks and Disadvantages

- It is difficult to tightly specify all requirements for the life of a contract and in any event requirements will inevitably change. Contract variations can lead to price creep and protracted contract negotiations, depending on the overall framework of the contract and the Council's relations with the contractor. An open book accounting approach to the finances surrounding the contract can mitigate this and these arrangements have worked well during the Capita contract.
- Improvements need to be specified and costed at the outset of the contract but can be difficult to predict accurately when the scale of improvement isn't easily quantifiable.
- Suppliers may be sceptical about bidding for a contract where there is an existing supplier running the service. This is because they may consider any service efficiencies have already been realised or that the existing supplier holds an advantage in any tender process. The soft market testing carried out during the options appraisal, indicated that the Council's approach to any tender exercise and clarity about the objectives for retender (particularly interest in genuinely considering other options) would be key to securing competitive competition. Work currently being carried out reviewing existing end to end service delivery arrangements using Lean System thinking methodology, will also help to identify the scale for further efficiency, beyond the life of the Capita contract.
- The added overhead of client management arrangements
- The transfer of services to another supplier could increase the risk to service provision during the transfer window and early in any new contract

Summary

Comparisons in collection across London Boroughs between 2006-07 and 2008-09 show an average increase of 0.43% for Authorities that have Council Tax collection in house and 0.69% for those that have collection with contractors. Notwithstanding this, it is fair to say that the scope for improvement will vary greatly between Authorities and will be directly affected by the demographics and past performance of the service. It is clear that it is possible to improve collection under both in house and outsourced arrangements. To establish the vehicle for future service provision we need to evaluate the potential value for money that can be offered by all options and the relative risk to the Council of each. Taking all of these factors into account, a retender of the existing service does seem to offer the most appropriate solution for the Council at this stage.

Careful drafting of the specification will be key to any new contract to successfully meet the objectives of the Council. Within the current contract, a clear focus on improvements and the sharing of risk has assisted in ensuring that the Council has seen improvements in Revenues collection. However, the scale of improvement is slowing down and indicates that the scope and specification of the current contract needs to be reviewed. An amended scope is also likely to provide increased reassurance to contractors of the potential for improvements and efficiencies within the contract lifetime.

A reviewed scope could include an increase or decrease in services provided within the contract. A potential to decrease the scope could be the removal of IT provision and maintenance from the contract, leaving Revenues collection only. However, this would impact on the ability of the council to hold the contractor responsible for shortfalls in collection should there be a link to IT performance,

If a decision was made to tender only IT, it is likely that the size of the contract would greatly reduce the number of contractors who would be interested in tendering as the value of the contract would be significantly reduced. IT provision needs to directly support the delivery of service objectives and this would be harder to achieve where the specification was wholly IT based and not directly linked to service provision.

An option has also been considered to increase the scope of the current contract to include other areas; this is likely to increase contractor interest as this could increase the scope for identifying efficiencies. The review of customer service provision for revenues referred to in page 3 of this Appendix has meant that the inclusion of customer service in the contract is an area that has been considered in this review. Findings at this juncture are that it is likely that the inclusion of customer service provision by specialist Revenues staff is likely to increase the opportunity for the Revenues service to meet its objectives and be sufficiently attractive to market suppliers to maximise competition.

Conclusion

A review of service performance across London Boroughs has shown higher average collection rates for Authorities that have contracted out their Revenues collection service. The benchmarking has also shown higher average collection rates for those Authorities that have Revenues staff dealing with customer service enquiries as opposed to customer service staff. Whilst this does not in itself indicate that outsourcing correlates with increased service performance, it does suggest that continuous improvement can be obtained whether in house or through a Contractor and subject to the right conditions.

The current contract has been successful in meeting the objectives that were in place at the beginning and during the life of the contract. Brent has successfully increased Council Tax and NNDR collection during the contract term. However, in order to build on those improvements, it is now considered appropriate to review objectives and whether the current contract specification will achieve their attainment.

An in-house service is unlikely to be the most cost effective solution. The potential for the loss of key management and specialist support resources and the loss of shared risk means this is not the preferred option for the future of the service.

There is little prospect of success for a shared service partnership within the timescales available. The service does not already have a potential Local Authority partner in mind and the benchmarking across authorities has shown little current interest from Authorities to share Revenues and benefits services in the next 2 years. As a result, this is not the recommended option for the service.

Retendering the service is likely to prove to be the most cost effective option with the greatest likelihood for success if the specification includes some (or all) provision of customer service for Revenues. Meetings with current market suppliers that provide Revenues collection services to Local Authorities has shown that there is likely to be sufficient market interest to ensure that Brent is successful in securing a competitive procurement environment that provides value for money for Brent Council Tax Payers and residents.

As a result, the recommendation is that the current contract is retendered. A review of duration and scope is recommended with further recommendations to consider increasing the scope so as to include provision of all or part of the customer

service for Council Tax or reconfigure existing arrangements with the One Stop Service to make them more effective.

Any new specification should also include a revision of financial incentive and deduction schemes, performance targets for arrears collection and key service measurements. The recommended duration would be similar to the current contract which is 5 years with an option to extend for a further 3 years.

2011 - Options for Revenues and IT delivery

Background

The current contract for Revenues and IT is due to expire on 30 April 2011. The contract which began in 2003 includes the collection of Council Tax from 109,000 domestic properties and NNDR from 8,000 businesses in the Borough along with the provision and maintenance of IT for the Revenues and Benefits service.

This Appendix contains details of the current contract including scope alongside a review of performance. Also included is the outcome of benchmarking across London Boroughs with a summary of those who have contracted out the service and those who deliver the service in house. Findings from research into shared services and the potential contract market are also incorporated within the document.

Current Contract Scope

The scope of the current contract includes the administration and management of Revenues collection for Council Tax and NNDR, along with the provision and maintenance of IT systems that support Revenues collection and the administration of Benefits.

Face to face and telephone enquiries for Council Tax are dealt with by customer service staff within the One Stop Service and all written correspondence including emails is dealt with by Capita staff. The Capita contract does however incorporate responsibility for phone enquiries relating to Business Rates and a call overflow facility for Council Tax during peak periods.

Until November 2008, all calls from customers were dealt with by customer service staff. In November 2008 a pilot study was undertaken whereby customers who had arrears across multiple years were transferred to Capita staff after speaking to a customer service officer, in order to discuss payment arrangements. This study was undertaken in order to evaluate whether or not it would provide an increased opportunity to reach a payment arrangement that was suitable to the Council and the customer. Initial results from the study in April 2009 showed that 85% of those who spoke to Capita recovery staff agreed an arrangement for their arrears with 56% having arrears for more than 1 year.

This proportion increased to 91% agreeing an arrangement by the end of October 2009 of which 66% had debts for more than 1 year. As a result, this study has recently been extended to enable customers with arrears to contact Capita recovery staff directly without the need to first contact customer service staff to agree a payment arrangement.

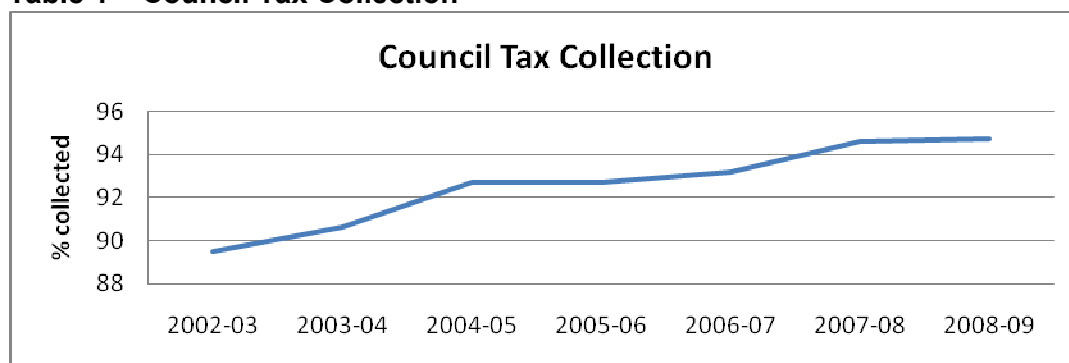
Preliminary findings from the study suggest that specialist recovery officers provide a greater opportunity for achieving payment arrangements across multiple years and effectively monitoring compliance with the agreement that over time should result in increased collection of income.

All customer service enquiries for NNDR are dealt with by staff within the Capita NNDR team.

Performance Current Contract

Between 2003 and 2009 we have generally seen year on year improvement in revenues collection which has resulted in improvements to Brent’s position in the league tables when compared to other London boroughs.

Table 1 – Council Tax Collection

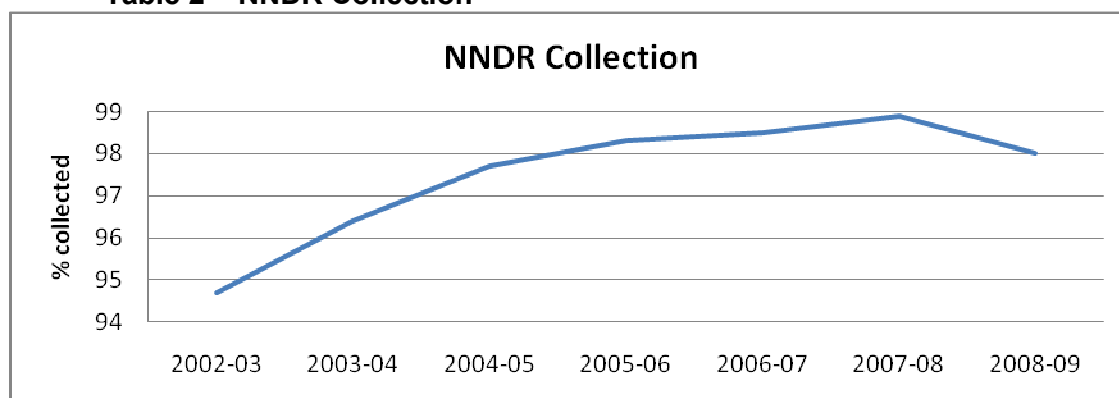


Council Tax collection (Table 1) rose by 5% between 2003 and 2009 and NNDR (National Non Domestic Rates) (Table 2) by 3% for the same period.

In 2003 Brent was 31 out of 33 London boroughs for Council Tax collection this has improved to 23 out of 33 in 2009.

NNDR collection was at 32 out of 33 across London in 2003 this has improved in 2009 to 15 out of 33.

Table 2 – NNDR Collection



The provision of IT has remained stable throughout the contract with the exception of issues experienced at the beginning of the contract which led to systems availability being severely affected for 2 weeks; this had a major impact on the service at the time.

Analysis of current methods of Service Delivery across other authorities

Revenues Delivery in other London Authorities

20 London Boroughs provided information to support the benchmarking exercise that was undertaken to establish method and success of service delivery for Revenues collection.

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12 of the 20 London Boroughs who responded (i.e. 60%) have a completely in-house Revenues & Benefit service although it is unknown as to why this model has been continued and its relative benefits.

The remaining 8 Local Authorities that chose to contract out their service stated their reasons as being the achievement of value for money and greater efficiency. For example, one London Borough considered bringing their service back in-house but a feasibility study conducted in 2005 advised against it stating that re-tendering was the “only viable way to ensure a cost effective, value for money service”.

Seven of the eight Local Authorities that chose to contract out all or part of their Revenues service included customer service for Revenues as part of the contract package. The one remaining authority has not at the time of writing fully contracted out their revenues service but rather secured the services of a contractor to undertake some off-site processing for Council Tax and NNDR.

Of those who have contracted out their service, the contract duration varies up to a maximum of 14 years in one instance where an option to extend was contractually provided for.

The median contract length across the 7 London Authorities is 10 years.

Comparing collection performance for 2008-09 across the London Authorities that responded to the benchmarking survey; average Council Tax collection for Authorities that have retained services in house is 95.2% and is below the average for all London Authorities of 95.4%, with those that have contracted out their Revenues collection being just above the average at 95.5%.

Customer Service Delivery

21 London Authorities responded to the benchmarking survey for customer service arrangements. Of those, 11 (i.e. 52%) have Revenues staff dealing with Revenues customer service enquiries and 10 have corporate customer service staff dealing with enquiries from Revenues customers.

When comparing collection rates across the 21 Authorities, those that had Revenues staff dealing with customer enquires appeared to attain higher average collection rates (i.e. 95.41%) for 2008-09 in comparison to the Authorities that had customer service staff dealing with Revenues enquiries and achieved 95.24% on average.

However, it should be noted that the configuration of customer service teams differs between authority, particularly in the use of generic and specialist officers and their roles in face to face and telephone contact. It should also be noted that the above results may be influenced by local area demographics and baseline service performance prior to the service being outsourced and therefore a direct correlation between outsourcing and collection performance should not be assumed.

Shared Services across London

Included in the benchmarking undertaken across London Authorities was a review of appetite for shared service provision across London Revenues departments. Responses suggest that there is more of an interest than necessarily an appetite for shared services amongst respondents. Currently, only two Local Authorities in London are known to be

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sharing their Revenues service and that is limited to NNDR at present. Published results for 2008/9 show the collection rate achieved by the two Local Authorities concerned being below those of the previous year. However, this may be explained by the national introduction of an empty property charge at 100% for most empty business premises although the average drop in collection performance across London was 1.25% (Brent 1.1%) in comparison to the 2.2% and 3.2% reductions shown for each of the Authorities concerned.

Three London Authorities detailed below have entered into discussions/negotiations for shared services but subsequently decided not to proceed further for various reasons. Details of these are contained in the table below.

Local Authority	Reason for Breakdown
Authority 1	<p>Looked at tendering for a new shared system with another London authority. Authority 1 indicated that there were too many variables to agree on:</p> <ul style="list-style-type: none"> *what to include/ exclude in system *what each LA needed. <p>Plus there were tight timescales and both parties suggested that the shared tender presented unacceptable levels of risk.</p>
Authority 2	<p>Authority 2, along with another 2 London Authorities considered sharing NNDR services.</p> <p>Authority 2 withdrew from the proposed arrangement as they were unable to identify sufficient savings to be made from sharing services with other Local Authorities. The remaining 2 London Authorities have not yet entered into a shared service agreement</p>
Authority 3	<p>Authority 3 was approached by another Authority to share NNDR collection. This did not progress as Authority 3 did not wish to migrate to the other Authority's IT system, which they believed was not as effective as the one they currently used. .</p>

A number of Authorities have either discussed options internally or researched shared services but have not yet taken progressed any further. Currently, 53% of respondents have indicated that they would consider a shared service at some point in the future (most cite around two years time).

Key Shared Service issues identified from benchmarking:

1. It is not easy to enter into successful shared service arrangements – particularly ensuring risk is evenly spread, and benefits between authorities are aligned.
2. It is important to be specific about benefits and areas that are to be shared and to have measurable outcomes of success.
3. There appears to be little appetite for shared Revenues and Benefits services in the immediate future within London.
4. The agreement of governance arrangements

Contract Market Analysis

Between March and October 2009, meetings have taken place with 7 contractors to establish the extent of current competition in the market place and potential interest in a Brent contract, particularly as Lambeth and Bromley are also likely to be retendering their services in 2010. The companies we have met with are Capita, Liberata, Vertex, Mouchel, Avato, Fujitsu and Northgate.

Key factors raised in supplier meetings to date have been contract scope and duration, with suppliers generally indicating that if these were appropriate, they would be interested in tendering for any future service contract. In relation to contract duration, 4 out of the 7 contractors provided details of their preferred duration giving timescales between 7-10 years as their preference followed by an option for extension, Of the remainder, 2 stated that duration would be dependent on the investment required at the outset of the contract with the remaining supplier not specifically having a complete Revenues service contract.

Of the 6 contractors that currently have Revenues contracts, they indicated that they would be interested in a larger contract, 5 agreed they were likely to bid for a contract with the current scope with 1 stating that they would not bid in those circumstances. Of the 5 who indicated they would be interested in a contract with the current scope, 1 stated if the same package was to be retendered, suppliers may perceive that many of the efficiencies that could be achieved from the contract would already have been obtained by EDS and Capita.

Areas that suppliers stated they would view favourably in a future contract included:

- Customer Service
- Corporate Debt
- Council wide IT and Desktop Support
- Accounts payable and receivable
- HR transactions and Payroll
- Property
- Procurement

Having met with these suppliers it is evident that there is interest in a contract with Brent, subject to other contracts that may be tendered at the same time. Indications from the responses received are that should we decide to tender a contract it is likely that the tender process will be sufficiently competitive to secure value for money for the council.

Options for future Service Delivery Considered and Conclusions

In House Service

Consideration has been given to bringing the service back in house and the potential this would bring for improving collection and increasing the efficiency of the service. Initial analysis shows that an in house cost for ongoing service provision is likely to be 4.5% greater than that of the current contract price with additional costs being incurred specifically for transition and set up. A return to in house provision would facilitate direct control of operational arrangements and could as such support improved collection. However, there would also be a number of risks that would need to be managed in the event of a return to in house provision including:

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- The transition of the service, involving both the transfer of IT, TUPE of staff and assignment of leases, etc
- Assimilation of staff under TUPE to Brent terms and conditions and the potential organisational restructure that may be necessary to achieve this. The existing Capita organisational structure would not meet the needs of an in house service.
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- The Council would have day to day management of the service which should improve the speed of making decisions and implementing change
- The ability to build more robust relationships with key departments may assist with information sharing, however this can be facilitated by the client team on the contractor's behalf.
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- The location of the service in Brent would potentially support the provision of local employment (the majority of the Council Tax staff are based in Brent House with the exception of IT, NNDR and Valuation staff).

Risks and Disadvantages of an In House Service

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- Staffing costs are likely to increase because the Council pension scheme incorporates higher employer contributions than most private sector pension schemes.
- There would be risk of disruption to IT support which may arise during the transition or afterwards. It is likely that ITU would need to obtain additional resources to support Revenues and Benefits IT support as there is a very low likelihood of any expertise or resource transferring at the end of the contract. Given the Council's wider transformation programme and the critical role that ITU will play in supporting this, the transfer of Revenue and Benefit systems over the next 18 months may impact on their ability to prioritise this and will inevitably create capacity issues for them.
- The lack of recent in house operational management experience may impact on performance; it would be necessary to recruit NNDR and Valuation team staff as they are currently based in the Capita Bromley office and are unlikely to transfer to the Council under TUPE.
- There is a risk of the loss of service management and technical expertise as key staffing resources may not TUPE. This would also apply to the alternative contractor scenario although in that case the new contractor would be responsible for managing the set up and the associated risks with this. It is also likely that another contractor would have a larger pool of experienced managers from which they could identify suitable expertise.

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- The Council would bear the full risk of collection shortfalls and costs incurred

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The transfer of staff leading to the harmonisation of terms and conditions along with pension and other employee related costs mean that this is unlikely to be the most cost effective solution. The potential for the loss of key management and specialist support resources for NNDR, IT and Valuation Team work would mean that it is necessary to recruit that resource for Brent as unlike another contractor, there is not a pool of experienced staff available that could be utilised to support the transfer and to oversee the service.

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- There could be economies of scale in joint provision, with rationalisation of location, systems, management and staffing. This has not yet however been proven for larger London Authorities where experience of shared services has not yet developed.

Risks and Disadvantages of Shared Services

- This option has not been proven as capable of delivering efficiency and improvement for Revenues services as there is little experience of this within London or larger Metropolitan Authorities. The most difficult part of forming a partnership or consortium is gaining the agreement of all the parties to the approaches and methods of working that should be adopted. Unless there are clear agreements about roles, decision-making, service location etc, there are potential conflicts. There is a real risk that time and resource could be expended on a long term project to achieve this, with implementation either being delayed or aborted because agreements cannot be reached.
- It is unlikely that another Authority will be willing as part of a shared service agreement to take on shared risks in relation to collection and other service targets
- Where there is a need to reduce resource input, it may prove difficult to decide which Council should reduce it's staffing and how any resultant costs should be funded.
- Any efficiencies are unlikely to be realised until later in the partnership when the investment payback period has elapsed.
- There is a risk of performance declining during transition to new arrangements and the resulting costs arising from this to clear backlogs of work

Summary

There is little prospect of successfully negotiating a shared service agreement by early 2011 as the service does not already have a potential local authority partner with which it shares synergy of requirements and an established relationship. Indeed the benchmarking across authorities has shown little interest from London Authorities to share Revenues and Benefits services within the next two years. This would bring us to the end of the existing contract term and would mean that it is necessary to bring the service in house prior to embarking on any shared service provision. Should this happen, the uncertainty of future prospects is likely to greatly impact on employees that would transfer to Brent and subsequently to a shared service from the current contractor. There may therefore be risks to Council Tax collection performance as the service undergoes a number of significant changes and loses key personnel.

The success of a partnership approach of this type depends on the ability of the Authorities to agree on service provision. There are no currently known examples of shared service for London or Metropolitan Boroughs in relation to Council Tax provision. Where this has been achieved, it has been with smaller District Councils who, when merged, have a customer base that does not generally exceed that of a London Borough.

One of the key risks with a shared service agreement is that a lack of clarity at the outset of the service can lead to difficulties arising later on. Also, the loss of the sharing of risk could impact on the Council's ability to ensure the best possible outcome is achieved if the Council is not leading in the provision of the shared service.

Re-Tendering the Service

The Council could choose to retender the service to secure a competitive price for the future provision of the service. This would require an active supplier market and interest in tendering for the Brent contract. The contract with Capita has delivered improvements to

Appendix A – Executive Committee – January 2010

both Council Tax and Business Rate collection and IT service provision has been very stable throughout the contract (apart from initial problems which arose during the transition of the service from EDS). Revenues and IT services can and have been provided successfully by a large number of Authorities and do lend themselves well to outsourced arrangements. As with all options open to the Council, retendering is not without risk and formal contractual arrangements can make it more difficult to make changes to service delivery quickly and flexibly. There are additional overheads for outsourced services arising from the need to manage and monitor the contract.

If the Revenues service is retendered then decisions will need to be made about the overall scope of the contract. The current contract does not incorporate responsibility for handling customer contacts and this can result in a “disconnect” between back office functions and front line service delivery. One Stop Service staff have been trained and empowered to resolve a range of Council Tax enquiries and this has facilitated resolution of queries at the first point of contact. However Customer Services provision is currently responsive and geared to dealing with customers on a one off basis and not maintaining ongoing contact. This means there is little capacity for outward bound calling and that enquiries can be dealt with in isolation to the overall management of arrears owed by the customer. Benchmarking across London Authorities shows that Authorities who have Revenues staff dealing directly with customers enjoy a higher collection rate on average when compared with those who have corporate customer service staff dealing with customers. Improvements have been realised in the current contract but concerns are that these are unlikely to be built on with the current separation of the Revenues staff from customers. The service model in terms of customer handling and back office configurations will need to be resolved whatever option is decided upon. A review of the advantages and disadvantages of re-tendering the service are detailed below.

Advantages

- The exposure of the service to competitive pressure will facilitate value for money, provided that there is active market interest. The options appraisal evaluation included a soft market testing of a potential tenderer of the service and this found that there is sufficient market interest to support a competitive process.
- There are benefits that can be gained through outsourcing by having access to private sector expertise and investment. For established suppliers, there is the added benefit of experience of operating different models of delivery and change management.
- Outsourcing may offer scope for gaining economies of scale or discounts on purchases for example items such as printing etc.
- Outsourcing provides the opportunity to share risk on both price and service delivery and can reduce the impact of financial risk to the council. Although contractors price in some cover for risk, the competitive nature of the tender processes means that this has to be minimised to achieve a competitive price.
- Experience of outsourcing of Revenues and IT over the past 8 years has shown that this can deliver improvements and work well. There is potential to build on the improvements put in place during the current contract if the specification and scope of a new contract support that.
- The Council has an experienced Client Management Team

Risks and Disadvantages

- It is difficult to tightly specify all requirements for the life of a contract and in any event requirements will inevitably change. Contract variations can lead to price creep and protracted contract negotiations, depending on the overall framework of the contract and the Council's relations with the contractor. An open book accounting approach to the finances surrounding the contract can mitigate this and these arrangements have worked well during the Capita contract.

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- Improvements need to be specified and costed at the outset of the contract but can be difficult to predict accurately when the scale of improvement isn't easily quantifiable.
- Suppliers may be sceptical about bidding for a contract where there is an existing supplier running the service. This is because they may consider any service efficiencies have already been realised or that the existing supplier holds an advantage in any tender process. The soft market testing carried out during the options appraisal, indicated that the Council's approach to any tender exercise and clarity about the objectives for retender (particularly interest in genuinely considering other options) would be key to securing competitive competition. Work currently being carried out reviewing existing end to end service delivery arrangements using Lean System thinking methodology, will also help to identify the scale for further efficiency, beyond the life of the Capita contract.
- The added overhead of client management arrangements
- The transfer of services to another supplier could increase the risk to service provision during the transfer window and early in any new contract

Summary

Comparisons in collection across London Boroughs between 2006-07 and 2008-09 show an average increase of 0.43% for Authorities that have Council Tax collection in house and 0.69% for those that have collection with contractors. Notwithstanding this, it is fair to say that the scope for improvement will vary greatly between Authorities and will be directly affected by the demographics and past performance of the service. It is clear that it is possible to improve collection under both in house and outsourced arrangements. To establish the vehicle for future service provision we need to evaluate the potential value for money that can be offered by all options and the relative risk to the Council of each. Taking all of these factors into account, a retender of the existing service does seem to offer the most appropriate solution for the Council at this stage.

Careful drafting of the specification will be key to any new contract to successfully meet the objectives of the Council. Within the current contract, a clear focus on improvements and the sharing of risk has assisted in ensuring that the Council has seen improvements in Revenues collection. However, the scale of improvement is slowing down and indicates that the scope and specification of the current contract needs to be reviewed. An amended scope is also likely to provide increased reassurance to contractors of the potential for improvements and efficiencies within the contract lifetime.

A reviewed scope could include an increase or decrease in services provided within the contract. A potential to decrease the scope could be the removal of IT provision and maintenance from the contract, leaving Revenues collection only. However, this would impact on the ability of the council to hold the contractor responsible for shortfalls in collection should there be a link to IT performance,

If a decision was made to tender only IT, it is likely that the size of the contract would greatly reduce the number of contractors who would be interested in tendering as the value of the contract would be significantly reduced. IT provision needs to directly support the delivery of service objectives and this would be harder to achieve where the specification was wholly IT based and not directly linked to service provision.

An option has also been considered to increase the scope of the current contract to include other areas; this is likely to increase contractor interest as this could increase the scope for identifying efficiencies. The review of customer service provision for revenues referred to in page 3 of this Appendix has meant that the inclusion of customer service in the contract is an area that has been considered in this review. Findings at this juncture are that it is likely that the inclusion of customer service provision by specialist Revenues staff is likely to

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increase the opportunity for the Revenues service to meet its objectives and be sufficiently attractive to market suppliers to maximise competition.

Conclusion

A review of service performance across London Boroughs has shown higher average collection rates for Authorities that have contracted out their Revenues collection service. The benchmarking has also shown higher average collection rates for those Authorities that have Revenues staff dealing with customer service enquiries as opposed to customer service staff. Whilst this does not in itself indicate that outsourcing correlates with increased service performance, it does suggest that continuous improvement can be obtained whether in house or through a Contractor and subject to the right conditions.

The current contract has been successful in meeting the objectives that were in place at the beginning and during the life of the contract. Brent has successfully increased Council Tax and NNDR collection during the contract term. However, in order to build on those improvements, it is now considered appropriate to review objectives and whether the current contract specification will achieve their attainment.

An in-house service is unlikely to be the most cost effective solution. The potential for the loss of key management and specialist support resources and the loss of shared risk means this is not the preferred option for the future of the service.


There is little prospect of success for a shared service partnership within the timescales available. The service does not already have a potential Local Authority partner in mind and the benchmarking across authorities has shown little current interest from Authorities to share Revenues and benefits services in the next 2 years. As a result, this is not the recommended option for the service.

Retendering the service is likely to prove to be the most cost effective option with the greatest likelihood for success if the specification includes some (or all) provision of customer service for Revenues. Meetings with current market suppliers that provide Revenues collection services to Local Authorities has shown that there is likely to be sufficient market interest to ensure that Brent is successful in securing a competitive procurement environment that provides value for money for Brent Council Tax Payers and residents.

As a result, the recommendation is that the current contract is retendered. A review of duration and scope is recommended with further recommendations to consider increasing the scope so as to include the provision of all or part of the customer service for Council Tax or reconfigure existing arrangements with the One Stop Service to make them more effective.

Any new specification should also include a revision of financial incentive and deduction schemes, performance targets for arrears collection and key service measurements. The recommended duration would be similar to the current contract which is 5 years with an option to extend for a further 3 years.

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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources and Director of Children and Families</p>
<p style="text-align: right;">Ward Affected: Fryent</p>	
<p>Former Scouts Hall Site, Coniston Gardens, Kingsbury NW9</p>	

Forward Plan Ref: F&CR-09/10-8

Not for publication ('below the line')

Appendix 2 is not for publication

1.0 SUMMARY

- 1.1 This report outlines options for the future use of the former scouts' hut site on 2 Coniston Gardens, NW9 OBB (adjacent to Oliver Goldsmith Primary School) to be either:
- a) Disposed of to a Housing Association to deliver two five bedroom affordable housing units for rent.
 - b) Retained in the council portfolio for use as an extended services facility
- and having considered the options makes recommendations to dispose of the site.
- 1.2 The Council received a petition on 23 January 2008 initiated by the Springfield Estate Residents Association. The petition was supported by 35 signatories and the prayer to the petition signified the opposition of the Association to the proposal to sell the site for re-development and instead proposed a community facility be developed which would be the headquarters for the association and be used to promote/facilitate local youth activities and other community facilities. The feasibility study undertaken by the Director of Children & Families and set out in more detail in the body of this report highlights the cost to the council of providing a community facility on this site and instead

identifies the proposed Kingsbury Intergenerational Centre as a more appropriate and planned initiative to the provision of community space and facilities in this area.

- 1.3 The scout hut site is not needed for future school or community educational purposes. There is a need for extended services generally in the area such as parenting support including family learning and study support, sport and music clubs. However, these will be provided more cost effectively at the new Kingsbury Intergenerational Centre, already funded and due to be completed in Autumn 2010, and a possible adaptation or extension to the existing Oliver Goldsmith school; the school can bid for grant of up to £25,000 from a DCSF fund of £816,000 available for bids from all schools in the Borough. In any case, there are no available capital resources for a freestanding community education building on the scout hut site. Further the proposed minimum size of the building for viability is considered to be out of scale with surrounding housing and would be an overdevelopment of the site. The Kingsbury Intergenerational Centre will provide for children, young people and the wider community.

2.0 RECOMMENDATIONS

- 2.1 That this site is disposed to a Housing Association on the terms set out in this report and on such other terms (including price) as considered appropriate by the Head of Property & Asset Management.

3.0 DETAIL

3.1 The Site

- 3.1.1 The site is situated at the junction of Coniston Gardens and Kenton Road and is shown on the attached location plan edged red.
- 3.1.2 A strip of land running along Kenton Lane has been designated for the potential future widening of Kenton Road. The proposals contained in this report preserves that potential.
- 3.1.3 The site is currently occupied by a hut that was formerly used by the Scouts Association. The Association vacated this site in 2007. The hut is in a derelict state and is beyond repair. The remainder of the site is overgrown with brambles, sycamore trees and weeds.
- 3.1.4 At the request of officers a Housing Association has obtained a topographical survey on the basis that they would pay for this and would be reimbursed if the Council should decide not to proceed with the sale of the site to them. As the site is banked in two directions this survey would be required whatever future development use of the site is determined by the Council.

3.2 Option A - The Proposals for Housing Development

- 3.2.1 The Housing Association's architects and Planning Services have reviewed a number of scheme proposals including apartment blocks of various scales. The Planning Service's recommendation is that a pair of semi-detached houses best replicates the form of the street and can be supported by suitable parking arrangements within the site.
- 3.2.2 The proposed scheme comprises 2 five bed roomed houses that can accommodate up to 9 persons each. There will be off-street parking and each house will have a private rear garden. The properties will be let on to Council nominees under an assured tenancy at affordable rents, which are regulated by the Tenants Services Authority.
- 3.2.3 The provision of two large family homes for rent is positively welcomed given the shortage of this type and size of accommodation in the borough. At present the Council has over 200 households registered on its waiting list that require five bedroom accommodation or larger, of which 18 households have an urgent or priority need for rehousing into suitable accommodation. Under the Council's current development programme, housing association partners are only expected to develop 2 newly built five bedroom homes over the next two years. The number of void properties available for reletting is also expected to reduce as the new supply of family housing diminishes. Given this, the provision of these two new large family units could assist the council create further voids in order to increase the number of households that can be rehoused into suitable accommodation.

3.3 The Disposal Process

- 3.3.1 Officers consider that if this option was pursued, the optimum means of ensuring that the Council receives best value consideration for the land is that sale contracts should be exchanged with the Housing Association which proposes to purchase the land on the basis of estimated costs and Social Housing Grant. Following the grant and issuing of planning consent, the Housing Association in question can undertake a tendering exercise to find a building contractor and the actual level of SHG can be confirmed by the HCA. The resulting residual land value can then be calculated accurately.
- 3.3.2 This process de-risks the planning process, which the Housing Association will need to finance, both architect's and planning fees. It de-risks the construction and related fees etc costs estimation as these can be obtained when the proposals have been fully developed. As a result the housing association will not need to allow any other than a very modest level of contingency pricing, thus maximising the value of the land.
- 3.3.3. As well as the land receipt, the S106 contributions set out below are likely to be payable. Details of the estimated land receipt are set out in Appendix 2.

3.4 s106 Requirements

- 3.4.1 It is anticipated that in determining the planning application for the development the Council will apply its standard affordable housing charge of £2,400 per bedroom to be expended on a range of works and initiatives that has still to be determined by planning officers. This contribution will total £24,400.
- 3.4.2 Planning policy does not support the loss of community facilities generally but has accepted their loss where compensatory provision is made either on site or elsewhere. The site does not lend itself to a mixed development and therefore a contribution towards replacement or improvement of other community facilities would be required. This could for example include a contribution towards improvements to school facilities but it could be used on other projects that provided or improved community facilities, usually in the local area. The council disposed of another former scouts hut site at Morland Gardens to a housing association. The specific community purposes s106 contribution resulting from this was £50,000 and although the other site was bigger and was able to accommodate a larger housing scheme, officers are working on the assumption that the same level of contribution will be required from this site.

3.5 Scheme Delivery

- 3.5.1 A Housing Association which is interested in taking forward the development has advised that following the Council's agreement to proceed with the disposal to them that their architect will need 4 weeks to produce the planning drawings, a further 4 to 6 weeks of finalising the drawings in conjunction with planning officers, 13 weeks to obtain a resolution to grant permission and 4 weeks to conclude a s106 agreement and for the planning consent to be issued. There will then be the 12 week period for any objector to seek a judicial review of the issuing of the planning consent. Once this period has expired and assuming that no judicial review commences the housing association will be able to complete the sale agreement. This adds up to 36 weeks, which means that the disposal will fall outside of the current financial year.
- 3.5.2 Confirming SHG, tendering the scheme and finalising the land value with the Council will all occur during the judicial review 10 week window.
- 3.5.3 Following the expiry of the judicial review "window" a Housing Association will be able to place a building contract with the successful tenderer. It is likely that the contractor will require 52 weeks to set up the site, obtain building supplies and commence and complete the works and landscaping.

3.6 Option B – The Proposals for Extended Services Use

Background

- 3.6.1 Oliver Goldsmith Primary School have voiced their preference for the subject site to be retained by the Council for education/ community facility, such as extended services/school use. This preference was reiterated in a letter dated 28 July 2009 from the school to the Director of Finance. This report demonstrates that this preference has been further explored by the Children and Families Department to consider first the feasibility of providing such a facility on the site and second how extended services could be provided for the community within the existing school facilities. It is considered that this feasibility study
- 3.6.2 In terms of statutory education, the school currently has two forms of entry and has no plan to expand pupil numbers. The current pressure for additional school places is not in the Kingsbury area.
- 3.6.3 This report focuses on the provision of Extended Services from this site. The Department for Children, Schools and Families (DCSF) expects all schools to provide the Extended Services Core Offer by 2010. Schools are not expected to provide these services alone, or necessarily to deliver them on site. Instead, they should work in partnership with other schools and agencies, including voluntary and community organisations, signposting existing services where appropriate. The core offer is made up of five elements:
- childcare (in primary and special schools)
 - a varied menu of activities including study support, sport and music clubs
 - swift and easy access to targeted and specialist services
 - parenting support including family learning, and
 - community access to facilities including adult and family learning, ICT and sports facilities.
- 3.6.4 The Kingsbury Locality Partnership Board has identified leisure opportunities for young people and support for parents to raise young people's attainment as priorities for the locality. In the Fryent ward, where Oliver Goldsmith School is located, there are currently no static, regular youth clubs or sports clubs for children and young people. There is a need for additional facilities for extended services across the locality; primarily for parenting support including family learning, and for a varied menu of activities including study support, sport and music clubs. A development at Oliver Goldsmith Primary School could support improved community access to facilities including adult and family learning and ICT, subject to the school ensuring that these facilities are made available and accessed by parents and young people beyond their school population.

- 3.6.5 The Kingsbury Intergenerational Centre due to be developed on the site of Kingsbury High School (approved by the Executive in January 2009 as part of the phase 3 Children's Centre programme) is due to be completed in Autumn 2010 and will provide significant additional facilities for this locality with opportunities to develop many, if not all, of these activities.

Proposal

- 3.6.6 A feasibility study of the Coniston Gardens site carried out with the school shows that the required accommodation for a new extended services facility would take up 75% of the site area and leave a small external area. The building foot print generated would be larger than the existing scout hall and the architects view is that it is likely to be considered to be out of scale with the surrounding housing and represent an over development of the site. The estimated total cost of the proposal to create a new build extended services facility is £725,000. The facility would provide a hall, training room, kitchen, small office and WCs. This is not recommended as an option as without additional sources of capital funding from the school it is not economically feasible.
- 3.6.7 All of the schools in Kingsbury are fully extended core offer schools, however there is still the need for improved opportunities to access recreational activities, childcare and parent support for young people and their families across Kingsbury. A new build extended services facility would enable a full and varied menu of activities for young people to take place including sports, dance, art and drama, and community groups such as brownies and scouts. It would provide a facility for parenting groups, adult education and family learning. The facility would also allow increased capacity of before and after-school, and holiday childcare provision if staffing and resources were in place for increased delivery. It is proposed that the school would manage the building as part of the school site and would manage the use of it, working with the Locality Co-ordinator and other partners in the locality, to ensure that service providers use the facility to meet the needs of local young people and their families. This would require the school having the significant operational resources required to ensure that the facility was available before, during and after school, during the evenings, at weekends and through school holidays. The school would also require the capacity to seek out and forge partnerships with the third sector to ensure the full potential and added value of the facility was reached. A full business case has not been prepared. In the event that the building was not used to capacity it could be used by the school for a range of other curriculum-led activities. The building could be available for community use throughout the week and in particular at evenings and weekends; subject to the school having the resources to ensure that it was utilised.

3.6.8 An options appraisal has also been undertaken to review how additional extended services could be provided within the existing school facilities. The first option covers adaptations to an existing room to create a designated training/parents room with additional kitchenette facility. This space could be used for training courses for parents and staff, parenting groups and cook and eat sessions as well as for the existing range of school based activities such as governors meetings, reading volunteers and school council meetings. This provision for parents is a key part of the extended services offer and the locality would benefit from increased opportunities for parent support. This option is estimated to cost £45,000. The second option is to provide a new build extension in the courtyard including a training room, small consultation room, kitchen and WC. Once parents have entered the building this would be a relatively self contained space so access and security would be easier to manage. This option is estimated to cost £210,000. This option allows for the same services to be provided as option one but has less impact on the school and allows the existing meeting room to be retained additionally for school use. Again, the accessibility for parents from the school, and from the wider community, will be subject to the school having the operational resources to make the facility available, and the links with the local community to encourage them to utilise the facility.

Conclusion

Following an evaluation of the scheme, officers concluded that a stand alone development on this site would not represent best value for money. In arriving at this assessment officers considered the sheer scale of the proposed building together with the associated construction costs (£725,000) when set against other potential solutions in this locality such as the Kingsbury Inter-generational Centre and a possible extension of the existing Oliver Goldsmith Primary School.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The capital receipt derived from the sale of the land will contribute towards achieving the Council's overall disposals programme target and will therefore provide resources to the Council's capital programme.
- 4.2 In respect of the extended services proposal, the local authority has a capital grant from DCSF to support the provision of extended services. In 2009-2011 this grant totals £816,677. This funding could be used to support any of the options for extended services provision described above. However, all schools were invited to express an interest in receiving a grant from this allocation to support their provision of extended services. Bids were received from 29 schools before the deadline of 27th November 2009. The bids totalled £941,909 and the majority of these bids met the eligibility criteria. In addition to this total,

three bids were received from Oliver Goldsmith; one for £25,000, one for £200,000 and one for £700,000.

5.0 LEGAL IMPLICATIONS

5.1 The Council has the power under Section 123 of the Local Government Act 1972 to dispose of land in its ownership. However, when it disposes of a freehold interest, it must do so for the best consideration reasonably obtainable unless it obtains the consent of the Secretary of State to a disposal at a lesser value. However, in this case the Head of Property and Asset Management is satisfied that a disposal to a registered social landlord for the construction of affordable housing, will achieve the best consideration reasonably obtainable, since in current market conditions, a disposal for open market housing would not generate a higher receipt.

6.0 DIVERSITY IMPLICATIONS

6.1 None.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

7.1 None.

8.0 BACKGROUND PAPERS

8.1 Location Plan attached at appendix 1.

Contact Officers


Richard Barrett, Head of Property & Asset Management
Cheryl Painting, Capital Projects Manager, Children's Centres

Duncan McLeod
Director of Finance and Corporate
Resources

John Christie
Director of Children and Families




Scout Hut, Coniston Gardens



**PREPARED BY PROPERTY
& ASSET MANAGEMENT**
"Unlocking the Potential"

1:500

NORTH




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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Report from the Director of Finance and Corporate Resources</p>
<p style="text-align: right;">Ward Affected: Brondesbury Park</p>	
<p style="text-align: center;">Proposed Freehold Disposal of former Bryan Avenue Stores, Bryan Avenue, Willesden, NW10 2AS</p>	

Forward Plan Ref: F&CR-09/10-14

Not for publication ('below the line')

Appendix 2 is not for publication as it includes commercially sensitive information relating to the disposal of Council-owned land.

1.0 SUMMARY

- 1.1 This report seeks Executive approval to the freehold disposal of the former Bryan Avenue Stores and adjacent land by the Council to Family Mosaic Housing Association.
- 1.2 The benefit of disposing of this redundant premises are two fold. It will raise a capital receipt and social housing will be created.

2.0 RECOMMENDATIONS

- 2.1 The Executive authorise the Head of Property and Asset Management to dispose of the property and adjacent land with vacant possession to Family Mosaic Housing Association for such consideration as is the best that can reasonably be obtained in the opinion of the Head of Property and Asset Management and otherwise in accordance with the proposed terms outlined below. And such other terms as he considers to be in the best interests of the Council

3.0 DETAIL

- 3.1 Bryan Avenue Stores is owned freehold by the Council. The building is a warehouse with a mezzanine floor constructed in the mid to late 1950's. The disposal site is shown on the attached plan with the boundary outlined in black.

- 3.2 The property was formerly used as stores by the Council's occupational health unit. The property became redundant when the contract for providing therapy equipment was tendered out to Millbrook Healthcare who now provide the service from their own site.
- 3.3 In addition to the stores there is a parcel of adjoining land which is also recommended for sale by the Council to the Family Mosaic Housing Association. This is shown hatched and cross hatched on the plan. All of the land comprising the proposed disposal site are owned freehold by the Council.
- 3.3.2 The land cross hatched on the plan is owned freehold by the Council for housing amenity purposes. Consultation will be undertaken with the Council's tenants and leaseholders at Grange House regarding the incorporation of this area for car parking purposes.
- 3.4 The site is 1,207 m sq (0.298 acres) and detailed proposals for an acceptable scheme have now been worked up with the Planning Department and the Housing Association. The proposal provides the following mix of residential units for social housing:
2 x four bed, seven person house
1 x three bed five person house
4 x two bed, five person flat
1 x four bed, five person flat
The Council will have 100% nomination rights for the occupancy of these flats.

4.0 FINANCIAL IMPLICATIONS

- 4.1 The net capital receipt derived from the sale of the property and associated land packages will contribute towards achieving the Council's overall disposals programme target and will therefore provide resources to the Council's capital programme.
- 4.2 Provision shall be made from the sale proceeds for the disposal costs, including energy performance certificate if necessary, legal costs, and the administrative costs of Property and Asset Management.
- 4.3 The sale will be negotiated on the basis that the best consideration for the asset will be achieved.

5.0 LEGAL IMPLICATIONS

- 5.1 The value of this property is in excess of the value of properties which can be sold under the delegated authority of the Head of Property and Asset Management. As such the Executive needs to agree to this disposal before the project can be progressed to completion.

- 5.2 Under Section 123 of the Local Government Act 1972 the Council has a general power to dispose of properties including by way of the sale of the freehold or the grant of a lease. The essential condition is that the Council obtain (unless it is a lease for 7 years or less) the best consideration that is reasonably obtainable.
- 5.3 The Head of Property and Asset Management considers that obtaining open market value from a registered social landlord for 41 people within 8 homes will satisfy the requirement to obtain the best consideration that is reasonably obtainable. The price negotiated by the Head of Property & Asset Management will be independently confirmed by an external, suitably qualified, independent surveyor.
- 5.4 Insofar as any land comprised in the disposal site is held by the Council for housing purposes consent is required from the Secretary of State for the disposal. However, the proposed terms of sale will be consistent with and within the scope of the General Consent 2005 issued by the Secretary of State under Section 32-34 of the Housing Act 1985

6.0 DIVERSITY IMPLICATIONS

- 6.1 The property is currently vacant, and therefore no diversity implications are considered to apply to the disposal process. Although, of course the creation of new accommodation available for social housing will contribute toward the provision of stock available to the Council's housing waiting list.

7.0 STAFFING/ACCOMMODATION IMPLICATIONS

- 7.1 As the property is currently vacant there are no staffing or accommodation implications at this time.

8.0 BACKGROUND PAPERS

- 8.1 Property Files of the Head of Property and Asset Management, Finance and Corporate Resources Department.

9.0 CONTACT OFFICERS

- 9.1 James Young, Deputy Head of Property & Asset Management, Room 1A, Town Hall Annexe, Forty Lane, Wembley HA9 9HD.
Any person wishing to inspect the above papers should contact the above officer on tel: 020 8937 1398.

DUNCAN MCLEOD
Director of Finance and Corporate Resources

EXECUTIVE COMMITTEE

Stores, Bryan Avenue, Willesden NW10 2AS.



Premises shown outlined black.
Housing Amenity area shown cross hatched.

Plan for information purposes only.

NORTH




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	<p style="text-align: center;">Executive 18 January 2010</p> <p style="text-align: center;">Joint report from the Directors of Communication and Diversity and Policy and Regeneration</p>
Wards affected: All	
Brent Residents' Attitude Survey 2009	

Forward Plan Ref: Cent-09/10-2

1.0 Summary

- 1.1 This report highlights the key findings of the Residents' Attitude Survey 2009 (RAS) and provides comparative performance information in relation to the previous residents' attitude survey conducted in 2005 and the place survey carried out in 2008.
- 1.2 The objectives of the RAS 2009 were:
- To establish how residents feel about living in Brent.
 - To ascertain their views about Brent Council and the services we provide.
 - To identify issues of local importance to residents
 - To provide the council with an up-to-date and robust evidence base for use in policy development and the service planning process.
- 1.3 The results from the 2009 residents' attitude survey are a 'good news' story for Brent and have provided a rich and robust data set for the Council's evidence base.
- 1.4 The results highlight the clear advantages of the RAS methodology over the place survey methodology. The RAS results demonstrate that respondents are more positive about their local area and the services the council provides than seen in the place survey results.

2.0 Recommendations

- 2.1 Members of the Executive note the report, particularly the issues highlighted in section 4.

2.2 Members of the Executive note that findings from the 2009 Residents' Attitude survey have provided a robust data set which:

- Is invaluable to Council's new service planning framework, which is underpinned by the philosophy of evidence-based decision making.
- Enhances the Council's corporate evidence base to complement the findings of the place survey and the external comprehensive area assessment audit process. .

3.0 Background

3.1 The Council has conducted a residents' attitude survey at least once every three years since 1990. The RAS focuses on measuring residents' perceptions of their local area as well as satisfaction with Brent Council and the services we provide. The methodology involves face-to-face interviews and as such the sample tends to be more representative when compared to our population demographics.

3.2 The place survey was introduced in 2008 as part of the comprehensive area assessment process. It replaced the previous best value performance indicator general survey. All local authorities in England and Wales are legally required to undertake this survey every two years. The place survey focuses on satisfaction with the local area - specifically how well partner agencies (Council, Police, NHS Brent etc.) are perceived to be working together in order to improve local outcomes. The methodology involves a postal survey and as such the sample tends to be less representative of the population. Respondents are self-selecting and response rates are low for younger residents, residents with poor literacy skills and residents whose first language is not English.

3.3 Both surveys were undertaken on behalf of the council by the market research company Ipsos MORI.

4.0 Key Findings from the Residents' Attitude Survey

4.1 Overall satisfaction with the Council

65% of respondents were satisfied overall with the way Brent Council runs things, and this compares favourably to 48% in the 2005 survey and 45% in the 2008 place survey. The level of overall satisfaction with Brent Council, (65%) is the highest recorded since we first conducted the survey in 1990. This result is twenty percentage points above that recorded in the place survey and seventeen percentage points above the figure recorded in 2005 RAS. This positive trend reflects a sustained year on year increase since the year 2000.

4.2 Satisfaction with the local area

83% of respondents were satisfied with the local area as a place to live, which compares favourably to 75% in 2005 and 68% as recorded in the 2008 place survey. Satisfaction levels have consistently remained within the 72% - 75% bracket since 1993.

4.3 Perceptions of the local area

25% of respondents felt that their local area had got better over the past two years, which is comparable to the 2005 result. 23% felt their local area had got worse compared to 27% in 2005, while 40% felt that not much had changed, compared to 37% in 2005.

4.4 Strong sense of community

51% of respondents agreed that there was a strong sense of community cohesion in their local area, which represents an increase of 14% on the 2005 result of 37%.

74% agreed that Brent is a place where people from different backgrounds get on well together, which is marginally above the figure of 72% recorded in 2005.

4.5 Influencing decisions in the local area

Whilst only around 3 in 10 residents (32%) feel they could influence decisions in the local area, this figure represents an increase of 9% since 2005.

However because 49% agree they would like to be more involved in decision-making, this suggests there is further scope for the Council to offer more community engagement opportunities.

4.6 Listening to the views of local people

37% of respondents agree that the Council listens to the views of local people, a 6% increase since 2005. Response rates have consistently increased from 27% in 2000 to 37% in 2009.

The Council is striving to further improve this perception through its consultation programme using the area and service user consultative forums, the Brent citizens' panel and through the Neighbourhood Working team.

4.7 Issues making somewhere a good place to live

The top 5 issues which respondents feel are the most important drivers in making somewhere a good place to live have remained unchanged

since the last RAS in 2005, although importantly the rank order has changed slightly.

RAS 2009			RAS 2005		
Rank	Issue	Response	Rank	Issue	Response
1	Levels of crime	52%	1	Levels of crime	50%
2	Clean streets	41%	2	Public transport	43%
3	Health Services	32%	3	Clean streets	37%
4	Shopping facilities	31%	4	Health services	35%
5	Public transport	31%	5	Shopping facilities	35%

In 2009 a slightly higher proportion of respondents identified clean streets as a key driver, while the proportion identifying health services declined by 3%. Public transport remains in the top 5 but has dropped from a ranking of 2nd in 2005 to a ranking of 5th in 2009.

4.8 What most needs improving in the local area?

The top 5 issues which respondents feel are mostly in need of improvement are also consistent with those listed in RAS 2005, although again the rank order has changed slightly.

RAS 2009			RAS 2005		
Rank	Issue	Response	Rank	Issue	Response
1	Levels of crime	30%	1	Levels of crime	32%
2	Activities for teenagers	25%	2	Clean streets	28%
3	Road/pavement repairs	24%	3	Road/pavement repairs	28%
4	Clean streets	23%	4	Activities for teenagers	22%
5	Traffic congestion levels	17%	5	Traffic congestion levels	18%

4.9 Satisfaction with Council services

Council service satisfaction levels are very positive in RAS 2009, and have increased for 24 out of the 28 services. The highest levels are recorded for refuse collection (86%), street lighting (85%), parks and

open spaces (86%) and recycling facilities (84%). 55% of respondents were satisfied with road and pavement maintenance, road safety and traffic calming and 84% of users were satisfied with the library service,

Services with the largest increases include sports facilities (71% of users compared to 46% in 2005), recycling facilities (84% compared to 81% in 2005) and street cleaning (79% compared to 63% in 2005).

Less than 10% of respondents feel that Council services have deteriorated in the last 12 months and whilst 18% feel they have got better, 63% feel they have remained the same. 59% feel the quality of Council services is good overall, compared to 56% in 2005.

RAS 2009 also reveals increases in the proportion of residents who feel:

- *“the Council is doing a good job for people like me”* (47% agree with this which is an 8% increase since 2005),
- *“feel informed about how the Council spends its money”* (36% agree with this which is a 10% increase over the 2005 figure)
- *“keeps its promises to local people”* (30% agree with this which is a 12% increase over the 2005 figure).
- *“feel informed about the services and benefits provided by the Council”* (49% agree with this which is a 5% increase since 2005)

4.10 Value for money

The question *‘how strongly do you agree or disagree that the Council gives local people good value for money’* was also asked in the place survey. The following table shows how the scores compare:

	RAS 2009	Place Survey 2008	RAS 2005
Q. how strongly do you agree or disagree that the Council gives local people good value for money’	36%	31%	26%

4.11 Information about the Council

The Brent magazine remains both the main and preferred source of information about the council. 56% of respondents confirm they obtain most of their information about the Council via the Brent Magazine. This equates to a 2% increase from 2005 and a 6% increase since 2002 and 41% say it is their preferred source of information.

The proportion of residents who say they receive a copy of the Brent Magazine through their door has nearly doubled from 42% in 1993 to

80% in 2009. Of those who receive the magazine, 42% read all or most of it, 70% believe it contains a lot of useful information and 69% like the design. The popularity of the Brent Magazine in terms of main and preferred source of information about Brent Council is considerably greater than the local press.

4.12 Customer Contact

Half of residents claim to have contacted the Council at least once in the past two years. Of these:

- 78% made contact via the telephone
- 13% made contact in person

The proportion of people using these methods closely matches those naming them as their preferred method of contact – (76% prefer the phone / 12% prefer personal contact)

65% felt it was easy to get hold of the right person compared to 58% in 2005 and 75% felt that Council staff were helpful compared to 73% in 2005.

4.13 Community Safety

39% of respondents said they feel threatened by crime “*a fair amount*” or “*a great deal*”. This represents a decrease of 14% compared to 2005. 88% feel safe walking outside in their local area during daytime, and 43% feel safe after dark.

5.0 Conclusion

5.1 Brent council completed its residents’ attitude survey in September 2009. The council has undertaken a residents’ attitude survey at least once every three years since 1990 and this has been the key mechanism for measuring resident perceptions of the council and the services it provides.

5.2 The data from the 2009 survey forms a key part of the Council’s evidence base. Ward level data and ward profiles using this data combined with MOSAIC data are being developed through the Council’s policy and GIS departments. Findings from the survey have been disseminated to service areas for use in service planning and service improvement programmes.

5.3 Brent is a multicultural, young and vibrant community. More than 55% of our residents are from black and Asian minority ethnic (BAME) groups and the borough has the highest proportion of people born outside the EU. Given these circumstances it’s essential that Brent generates regular research data from a genuinely representative sample of its residents. The reliability and robustness of this data is

crucial to the policy and service development planning process. The postal survey, particularly in the place survey format, is widely recognised to have limitations in relation to the reliability of the data produced and its overall representativeness.

- 5.4 Members can obtain a copy of the Residents' Attitude Survey 2009 full narrative report by downloading it from the Consultation Tracker website: www.brent.gov.uk/consultation or obtain a copy from the Consultation Team, Room 210 Brent Town Hall.

6.0 Financial Implications

- 6.1 The total cost of the 2009 residents' attitude survey was £112k. Survey information was obtained through face to face interviews with 2,100 local residents. The sample number was chosen to collect ward level data from a minimum 100 sample per ward.

7.0 Legal Implications

None.

8.0 Diversity Implications

None.

9.0 Staffing / Accommodation Implications

None.

Contact Officers

Mary Stein

Corporate Policy Manager

Owen Thomson

Head of Consultation

Cathy Tyson

Assistant Director – Policy & Regeneration

Toni McConville

Director Communication & Diversity

Phil Newby

Director of Policy and Regeneration

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