



# Brent

## Cabinet

**Monday 15 July 2019 at 4.00 pm**

Boardrooms 3 - 5 - Brent Civic Centre, Engineers Way,  
Wembley, HA9 0FJ

### Membership:

#### Lead Member Councillors:

#### Portfolio

M Butt (Chair)	Leader of the Council
McLennan (Vice-Chair)	Deputy Leader of the Council and Lead Member for Resources
Agha	Lead Member for Schools, Employment and Skills
Farah	Lead Member for Adult Social Care
Hirani	Lead Member for Public Health, Culture & Leisure
Miller	Lead Member for Community Safety & Engagement
M Patel	Lead Member for Children's Safeguarding, Early Help and Social Care
Krupa Sheth	Lead Member for Environment
Southwood	Lead Member for Housing & Welfare Reform
Tatler	Lead Member for Regeneration, Property & Planning

**For further information contact:** Thomas Cattermole, Head of Executive and Member Services, Tel: 020 8937 5446; Email: [thomas.cattermole@brent.gov.uk](mailto:thomas.cattermole@brent.gov.uk)

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit: [democracy.brent.gov.uk](http://democracy.brent.gov.uk)

**The press and public are welcome to attend this meeting**

## **Notes for Members - Declarations of Interest:**

If a Member is aware they have a Disclosable Pecuniary Interest\* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest\*\* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

### **\*Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

### **\*\*Personal Interests:**

The business relates to or affects:

(a) Anybody of which you are a member or in a position of general control or management, and:

- To which you are appointed by the council;
- which exercises functions of a public nature;
- which is directed is to charitable purposes;
- whose principal purposes include the influence of public opinion or policy (including a political party of trade union).

(b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.

# Agenda

Introductions, if appropriate.

**Item** **Page**

**1 Apologies for Absence**

**2 Declarations of Interest**

Members are invited to declare at this stage of the meeting, the nature and existence of any relevant disclosable pecuniary or personal interests in the items on this agenda and to specify the item(s) to which they relate.

**3 Minutes of the Previous Meeting** 1 - 8

To approve the minutes of the previous meeting held on Monday 17 June 2019 as a correct record.

**4 Matters Arising (if any)**

To consider any matters arising from the minutes of the previous meeting.

**5 Petitions (if any)**

To discuss any petitions from members of the public, in accordance with Standing Order 66.

**6 Reference of item considered by Scrutiny Committees (if any)**

To consider any reference reports from any of the Council's three Scrutiny Committees.

## Regeneration and Environment reports

**7 Resident Ballot in South Kilburn** 9 - 26

This report details proposal to support a resident ballot in relation to regeneration of the South Kilburn area, in line with GLA guidelines.

**Ward Affected:**  
Kilburn

**Lead Member:** Lead Member for Regeneration,  
Property & Planning (Councillor Shama Tatler)

**Contact Officer:** Emma Sweeney, Senior  
Project Manager, Estate Regeneration

Tel: 020 8937 1650

[emma.sweeney@brent.gov.uk](mailto:emma.sweeney@brent.gov.uk)

This report seeks permission to enter into a contract in respect of the acquisition of new Council homes consisting of two freehold housing blocks known as Gloucester & Durham within the South Kilburn regeneration master plan area.

**Ward Affected:**  
Kilburn

**Lead Member:** Lead Member for Regeneration, Property & Planning (Councillor Shama Tatler)  
**Contact Officer:** Nick Ljustina, Director of Property & Assets  
020 8937 5025  
nick.ljustina@brent.gov.uk

### Chief Executive's reports

#### 9 **Financing the Development, United Colleges Wembley Site**

41 - 50

This report considers how the Council can help facilitate the enhancement of post 16 educational provision and development in Brent by the provision of a loan of up to £50m to United Colleges Group ("United Colleges") given their wish to develop modern newly constructed facilities in Wembley Park. This loan is required as "bridging" finance with the report detailing the risks alongside the social and economic benefits that facilitating the development would be expected to bring.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader (Councillor Margaret McLennan)  
**Contact Officer:** Minesh Patel, Interim Finance Director  
Tel: 020 8937 4043  
minesh.patel@brent.gov.uk

#### 10 **Voluntary Sector Initiative Fund – Local Grants 2019 - 2020**

51 - 54

This report seeks agreement for the approach to the Voluntary Sector Initiative Fund – Local Grants funding stream 2019-2020.

**Ward Affected:**  
All Wards

**Lead Member:** Lead Member for Community Safety & Engagement (Councillor Tom Miller)  
**Contact Officer:** Jacqueline Barry-Pursell, Senior Policy and Scrutiny Officer  
Tel: 020 8937 1958  
Jacqueline.Barry-Pursell@brent.gov.uk

#### 11 **July Finance Review**

55 - 76

This report sets out the overall financial position facing the Council and highlights the significant issues, risks and uncertainties. It also sets out

the proposed budget setting strategy for 2020/21 and beyond in order to maximise the period of consultation with residents, businesses and other key stakeholders.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader (Councillor Margaret McLennan)  
**Contact Officer:** Minesh Patel, Interim Finance Director  
Tel: 020 8937 4043  
minesh.patel@brent.gov.uk

## 12 Financial Outturn Report 2018/19

77 - 88

This report sets out the 2018/19 outturn position against the revenue budget.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader (Councillor Margaret McLennan)  
**Contact Officer:** Minesh Patel, Interim Finance Director  
Tel: 020 8937 4043  
Minesh.patel@brent.gov.uk

## 13 Quarter 1 Financial Report 2019/20

89 - 104

This report sets out the current forecasts of income and expenditure against the budget for 2019/20 and other key financial data.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader (Councillor Margaret McLennan)  
**Contact Officer:** Minesh Patel, Interim Finance Director  
Tel: 020 8937 4043  
minesh.patel@brent.gov.uk

## Community Well-being reports

### 14 London Borough of Culture (LBOC) 2020 – proposal to administer the LBOC 2020 Culture Fund 105 - 112

This report sets out the process for administering the London Borough of Culture (LBOC 2020) Culture Fund in support of community organisations being able to bid for grants to run their own projects as part of the Brent LBOC 2020 programme. The report provides details on the bids which have been identified through the first funding round and recommended for approval.

**Ward Affected:**  
All Wards

**Lead Member:** Lead Member for Public Health, Culture and Leisure (Councillor Krupesh Hirani)

**Contact Officer:** Lois Stonock, Artistic Director,  
London Borough of Culture  
020 89372571  
lois.stonock@brent.gov.uk

## **15 Exclusion of Press and Public**

The following items are not for publication as they relate to the following category of exempt information as specified under paragraph 3, Part 1 of Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"

Item 8: Acquisition of Gloucester & Durham Blocks, South Kilburn:  
Appendix 1 – Investment Appraisal

## **16 Any other urgent business**

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or his representative before the meeting. Any decisions taken urgently under this heading must comply with the provisions outlined in paragraphs 12 and 36-38 of the Council's Access to Information Rules (part 2 of the Constitution).

**Date of the next meeting: Wednesday 14 August 2019**



- Please remember to set your mobile phone to silent during the meeting.
- The meeting room is accessible by lift and seats will be provided for members of the public.



## LONDON BOROUGH OF BRENT

### MINUTES OF THE CABINET Monday 17 June 2019 at 4.00 pm

PRESENT: Councillor M Butt (Chair), Councillor McLennan (Vice-Chair) and Councillors Agha, Farah, Hirani, Miller, M Patel, Krupa Sheth, Southwood and Tatler

Also present: Councillors Afzal, Chohan, Hylton, Kabir, Long and W Mitchell Murray

1. **Apologies for Absence**

No apologies for absence were received.

2. **Declarations of Interest**

There were no declarations of interest.

3. **Minutes of the Previous Meeting**

RESOLVED:

that the minutes of the previous meeting held on 29 May 2019 be approved as an accurate record of the meeting.

4. **Matters Arising (if any)**

None.

5. **Petitions (if any)**

None.

6. **Reference of item considered by Scrutiny Committees (if any)**

6.1 **Service Provision on Estates in Brent: Overview and Scrutiny Task Group**

Councillor Muhammed Butt, Leader of the Council, welcomed Councillor Janice Long to the meeting as former Chair of the Housing Scrutiny Committee. Councillor Long introduced the report providing Cabinet Members with an update on the recommendations arising from the Service Provision on Estates task group which were agreed by the Housing Scrutiny Committee.

Councillor Long stated that the report was presented to the Housing Scrutiny Committee on 25 April 2019 and the recommendations for Cabinet are as outlined in the report.

Councillor Long informed Cabinet that one of the main recommendations relates to a *Brent Standard*. The task group recommends that the council should establish a Brent Standard so that residents know the level and quality of service they can expect from Registered Providers and Brent Housing and the council's contractors in terms of the services featured in this report.

Councillor Long stated that the Brent Standard should be supported by a Residents' Charter setting out how service requests can be made and detailing response times for all key services delivered. This will help ensure that Registered Providers are accountable to and subject to scrutiny from residents. Residents should be able to report on how well their landlord is fulfilling the commitments. The results should be available to the public.

Councillor Ellie Southwood, Cabinet Member for Housing and Welfare Reform, thanked Councillor Long for all her work chairing the Task Group. Furthermore, Councillor Southwood thanked the other members of the Group - Councillor Aden, Councillor Choudhary, Councillor Mitchell Murray, Councillor Stephens and Karin Jaeger (co-optee).

RESOLVED:

- i. That the report, and recommendations detailed therein, of the Overview and Scrutiny Task Group on Service Provision on Estates in Brent, be noted.

## 6.2 Contextual Safeguarding: Task Group Report

Councillor Muhammed Butt, Leader of the Council, welcomed Councillor Orleen Hylton to the meeting. Councillor Hylton introduced the report and presented Cabinet with the recommendations from the members' overview and scrutiny task group which was set up to review contextual safeguarding.

Councillor Hylton stated that Contextual safeguarding is a commitment in the Borough Plan 2019-2023, and safeguarding was felt to be a highly relevant area for a scrutiny review in terms of corporate priorities as well as meeting concerns of the borough's residents.

Councillor Muhammed Butt thanked the other members of the Task Group - Councillor Patterson and Councillor Donnelly-Jackson and Councillor Hylton for chairing the group.

Councillor Tom Miller, Cabinet Member for Community Safety, thanked Councillor Hylton for her presentation and welcomed in particular recommendations 1 and 4. It was agreed to share the report with key strategic partners across the Borough and to submit the report to a future meeting of the Safer Brent Partnership for discussion.

RESOLVED:

- i. That the report and five recommendations contained therein, of the Overview and Scrutiny Task Group on Contextual Safeguarding, be noted.

## 7. **Roe Green Strathcona Consultation Report**

Councillor Muhammed Butt, Leader of the Council, introduced the item by informing the meeting that he had received a number of requests to speak on item 7.

Councillor Muhammed Butt welcomed Liz McLaren, Deputy Head, to the meeting. Ms McLaren raised concerns about the consultation process. She stated that the report contained a number of inaccuracies and that some figures were inconsistent. She questioned whether a new primary school in Wembley was justifiable given the potential closure of Roe Green Infant School.

Councillor Muhammed Butt welcomed Ms Gloria Amadi, Chair of Governors, to the meeting. Ms Amadi stated that the phased closure of the school was not the answer. Results in the school, she stated, had been consistently good. She stated that a phased closure would affect staff and pupil morale and that many staff members would leave.

A parent of a pupil at the school, Ms Sylvia Webster, stated that the school provided an excellent education and setting for learning for all the children and that children's needs should determine whether a school remains open or not.

Ms Nicole Lobo, Roe Green Executive Head, reminded members of the Cabinet that the school had opened initially at the request of Brent Council. She informed Cabinet that results had been good and that Ofsted had rated the school to be *Outstanding*.

Lesley Goldbourne, speaking on behalf of NEU members, stated that the NEU was dealing with employment issues related to the potential closure. She stated that if formal consultation results in closure of the school, redundancies will be inevitable. She asked that the Cabinet takes note of the consultation responses and considers alternative solutions.

Councillor Ihtesham Afzal, Preston Ward, recognised the difficult position that the Council is in and the financial boundaries that the Council is operating in. He stated that the Council cannot be seen to limit ambition and options for children.

Councillor Anita Thakkar, Preston Ward, asked the Cabinet how staffing issues will be addressed. She asked what measures would be in place to support parents and children if the closure goes ahead.

Councillor Muhammed Butt, Leader of the Council, thanked all the speakers for their contributions.

Councillor Amer Agha, Cabinet Members for Schools, Employment and Skills, introduced the report providing Cabinet with a summary of the informal consultation undertaken between 20 March 2019 and 7 May 2019 on a change in the age range of Roe Green Infant School and the closure of primary provision on the Roe Green Strathcona site from September 2020.

He stated that the report recommends a move to formal consultation, through publication of a statutory notice, on a change in the age range of Roe Green Infant School from 3-11 to 3-7, a reduction in the school's Published Admission Number (PAN) from 150 to 120 and a phased closure of provision on the Roe Green Strathcona site.

Councillor Agha stated that, in response to concerns raised during informal consultation and to minimise the impact on children attending the Strathcona site, a phased closure of the provision is proposed such that no new admissions would be made into any Reception cohort from September 2020 and the school would be fully closed at the end of July 2022. He stated that this would allow all children on the school roll in 2019/20 to remain at the school for 3 years and allow the majority to complete their current key stage before the provision was closed.

In response to a question from Councillor Shama Tatler, Gail Tolley, Strategic Director, Children and Young People, stated that Ark Somerville school has gained indicative planning permission but no opening date is confirmed.

Gail Tolley, Strategic Director, Children and Young People, reassured Members of the cabinet that the local authority would work with staff to support them during any period of change.

RESOLVED:

- i. That a period of formal consultation be approved, through publication of a statutory notice, on proposals to:
  - change the age range of Roe Green Infant School from 3-11 to 3-7
  - reduce the school's Published Admission Number (PAN) from 150 to 120 for September 2020
  - implement a phased closure of the provision on the Roe Green Infant School Strathcona site.

## **8. Multi-agency safeguarding children arrangements in Brent - 2019 onwards**

Councillor Mili Patel, Cabinet Member for Children's Safeguarding, Early Help and Social Care, introduced the report presenting the proposed partnership safeguarding oversight arrangements for Brent's children and young people.

Councillor M Patel stated that the paper summarises the national context and the proposed model to be implemented by 29 September 2019.

RESOLVED:

- i. That the partnership safeguarding oversight arrangements as detailed in the report from the Strategic Director, Children and young People, be agreed.

## **9. Allocations Policy**

Councillor Ellie Southwood, Cabinet Member for Housing and Welfare Reform, introduced the report stating that the council is statutorily obliged to have a scheme for allocating the limited amount of social housing that we have access to.

Councillor Southwood stated that this report recommends changes to that scheme following formal consultation with members, residents and interested organisations and council departments.

Councillor Southwood noted that it is important to note that changes to the allocations scheme do nothing to increase the supply of affordable housing so the intention here is simply to make sure we are making best possible use of what we do have.

RESOLVED:

- i. That the following amendments to the Allocations Scheme, as detailed in the report from the Strategic Director Community Wellbeing, be approved:
  - a) Amendment 3 - Local Lettings Policy – New Accommodation on their current estate as set out in paragraphs 5.29 to 5.37 of the report.
  - b) Amendment 4 - Local Lettings Policy – Regeneration Areas as set out in paragraphs 5.38 to 5.44 below;
  - c) Amendment 5 - Revising Quotas as set out in paragraphs 5.45 to 5.53
  - d) Amendment 7 - Give appropriate priority for social housing to victims of domestic abuse who are currently living in a refuge or other form of temporary accommodation as set out in paragraphs 5.63 to 5.65;
  - e) Amendment 8 - Policy for Displaced Tenants and Leaseholders in Regeneration Schemes as set out in paragraphs 5.66. to 5.69
  - f) Appendix 5 to the report to be added as an appendix to the Council's Allocations Scheme.
- ii. That the following amendment not be approved but be reviewed in six months to enable officers to research further into how this proposal would work in practice and examine intended and possible unintended consequences:
  - a) Amendment 1: Allow for the future introduction of a new nominations agreement with Registered Providers with reasonable rents as set out in paragraphs 5.2 to 5.17 of the report from the Strategic Director Community Wellbeing
- iii. That the following amendment not be approved but reviewed in two years to understand the impact of the wider activity to increase the supply of other forms of affordable housing:
  - a) Amendment 2 - Allowing households currently in Band D to retain the waiting time they accrued when in a higher band if they become homeless and are placed in TA as set out in paragraphs 5.18 to 5.28 of the report from the Strategic Director Community Wellbeing;
- iv. That the following amendment not be approved:
  - a) Amendment 6 -Prioritise Unaffordability as set out in paragraphs 5.54 to 5.61 of the report from the Strategic Director Community Wellbeing;
- v. That, having given due regard to the content of the Equalities Impact Assessments in Appendix 4 of the report from the Strategic Director Community Wellbeing, these be noted.

- vi. That authority be delegated to the Strategic Director Community Wellbeing to implement the proposed changes to the Council's Allocation Scheme as set out in resolution i) above.

## 10. **Brent Community Lottery**

Councillor Krupesh Hirani, Cabinet Member for Public Health, Culture & Leisure, introduced the report setting out plans to introduce a Community Lottery in Brent to raise funds to support local Good Causes in the Borough.

Councillor Hirani stated that it also seeks to further our commitment to work with the Voluntary and Community Sector to support it to access alternative sources of funding. This approach is central to the achievement of the overall vision for the borough as set out in the Borough Plan 2019 – 2023.

Councillor Mili Patel, Cabinet Member for Children's Safeguarding, Early Help and Social Care, asked that safeguarding be included in the annual review.

RESOLVED:

- i. That a local authority run Lottery called the Brent Community Lottery based on the preferred option be established;
- ii. That the criteria for registering organisations as beneficiaries as detailed in the report from the Assistant Chief Executive be approved;
- iii. That it be noted that the purpose of the lottery is to raise funds for Brent's Voluntary and Community Sector (VSC).
- iv. That the requirement of Contract Standing Orders to seek quotes be waived and Gatherwell Ltd. be appointed by way of a direct award as an external lottery manager (ELM) to run the lottery on behalf of the council for a period of 5 years, subject to annual review.
- v. That authority be delegated to the Assistant Chief Executive following consultation with the Portfolio Holder for Public Health, Culture & Leisure (given their remit in relation to Voluntary Sector Liaison and Development), to agree the policies and procedures necessary and/or desirable to fulfil the conditions for obtaining a licence from the Gambling Commission and the process for the allocation of the lottery central fund income.
- vi. That two senior managers – (Assistant Chief Executive and the Head of Strategy and Partnerships) be nominated to hold the Gambling Commission licence on behalf of the local authority.
- vii. That it be noted that the set up costs would be taken from the Strategy and Partnerships approved budget for 2019/20.

## 11. **Q4 2018/19 Corporate Performance Report**

Councillor Margaret McLennan, Deputy Leader of the Council, introduced the report and the performance scorecard (Appendix A) setting out the position on the Council's performance in the fourth quarter of 2018/19.

The content and format of the report and scorecard is focussed on the five themed Brent 2020 priorities; Employment and Skills, Regeneration; Business and Housing Growth; Demand Management; Raising Income and then on the Borough Plan priorities. This report will also present 2018/19 measures under the themes agreed

in the new Borough Plan earlier this year. This provides Cabinet with a 'closure report' and corporate overview of Council performance under the old Borough Plan 2015 – 2019.

Councillor McLennan stated that the report and scorecard also summarises Council performance indicatively under the new Borough Plan priorities for 2019-2023. (Building a Better Brent). It is an indicative summary at this point in time as a new suite of measures for quarterly performance reporting for 2019/20 is being finalised as part of the annual service planning process.

RESOLVED:

i. That the performance information contained in this report be noted.

12. **Exclusion of Press and Public**

The press and public were not excluded from the meeting.


13. **Any other urgent business**

There was no urgent business.

The meeting ended at 5.27 pm

COUNCILLOR MUHAMMED BUTT  
Chair

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 <b>Brent</b>	<b>Cabinet</b> <b>15<sup>th</sup> July 2019</b>
	<b>Report from Amar Dave, Strategic Director of Regeneration &amp; Environment</b>
<b>Ballot Proposals for South Kilburn Estate</b>	

Wards Affected:	Kilburn
Key or Non-Key Decision:	Yes
Open or Part/Fully Exempt:	Open
No. of Appendices:	Two Appendix 1: Eligible Residents Appendix 2: Draft Landlord Offer
Background Papers:	None
Contact Officers:	<p>Emma Sweeney, Senior Project Manager, South Kilburn Estate Regeneration <a href="mailto:Emma.Sweeney@brent.gov.uk">Emma.Sweeney@brent.gov.uk</a> 020 8937 1650</p> <p>Matt Jacobs, Project Officer, South Kilburn Estate Regeneration <a href="mailto:Matthew.Jacobs@brent.gov.uk">Matthew.Jacobs@brent.gov.uk</a> 0208 937 2570</p>

## 1. Purpose

- 1.1. In line with the GLA guidelines, Brent Council supports resident ballots in areas of regeneration, in this case South Kilburn. The development in South Kilburn has been ongoing since 2004, and has several more years remaining on the programme.
- 1.2. This paper proposes the following question to be put to residents of South Kilburn via a ballot:

***Are you in favour of the proposal to continue with the regeneration of South Kilburn?***

**YES / NO**

- 1.3. 17 remaining blocks due to be demolished are included within the ballot. There are circa 1,000 eligible voters within these blocks. More information on eligible voters is set out in section 5.1-5.4.
- 1.4. The ballot must take place within six months of the Landlord Offer being published.

**2. Recommendations**

- 2.1. Cabinet agree that a ballot in South Kilburn will take place.
- 2.2. Cabinet agree that the voters in the South Kilburn ballot are the circa 1,000 residents from the remaining 17 blocks due for demolition, that also meet the eligibility criteria set by the GLA.
- 2.3. Cabinet agree the following ballot question, subject to written approval from the Independent Body, Electoral Reform Services;

***Are you in favour of the proposal to continue with the regeneration of South Kilburn?***

**YES / NO**

- 2.4. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree and finalise the question if not agreed at paragraph 2.3 above or if not approved in writing as set out in paragraph 2.3 by the Independent Body, Electoral Reform Services.
- 2.5. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to finalise, circulate and publish to eligible resident voters the Landlord Offer document which will be the subject of the South Kilburn ballot.
- 2.6. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree the dates of the ballot. The intention is for the ballot to take place 3 months following the effective date of Cabinet approval.

- 2.7. Cabinet agree to delegate authority to the Chief Executive in consultation with the Lead Member for Regeneration, Property and Planning and the Lead Member for Housing and Welfare Reform to agree the voting methods for the ballot.

### **3. Details of the Ballot**

- 3.1. In accordance with the GLA's Affordable Housing Capital Funding Guide, local authorities must ask all residents whose homes will be demolished for their approval to re-develop an area of council housing. This will take place in the form of a resident ballot of South Kilburn, where residents will be directly asked whether they want to continue the regeneration of the area.
- 3.2. Officers have worked with the GLA, who support Brent Council's plans for the ballot.
- 3.3. In order to ensure the ballot is conducted in a fair and democratic way, the Council have engaged the Electoral Reform Services (ERS) to oversee the process. They have provided expert guidance and examples of best practice to ensure this ballot is carried out in the correct manner and the ERS have been consulted at every key milestone.

### **4. Timings of the Ballot**

- 4.1. The ballot will run over a three-week period. The three-week period is a requirement from the GLA in order to receive grant funding, and must take place within six months of the Landlord Offer being published.
- 4.2. Communications with residents will begin following the effective date of Cabinet approval of the ballot.
- 4.3. The intention is for the ballot to take place 3 months from that time.

### **5. Voter Eligibility**

- 5.1. Eligible residents for voting in the ballot are:
  - 5.1.1. Council Tenants. This includes those with secure, assured, flexible or introductory tenancies named as a tenant on a tenant agreement, dated on or before the date the Landlord Offer is published. There are 742 (71%) council tenants eligible to vote.
  - 5.1.2. Households in Temporary Accommodation. There are 235 Households in Temporary Accommodation, making up 23% of the estate.
  - 5.1.3. Leaseholder Occupiers. Those who have been living in their properties as their only or principle home for at least one year prior to the Landlord Offer is published and are named on the lease title for their property. There is a total of 56 (5%) Leaseholder Occupiers on the estate.

- 5.1.4. Leaseholder Investors Tenants. The occupying tenants will be able to vote in the ballot if they are on the Council Housing Waiting List. There are currently 10 (1%).
- 5.1.5. For the purposes of the ballot if a tenancy or lease title is in more than 1 name, all will be eligible to vote.
- 5.2. There are circa 1,000 eligible voters within the proposed ballot area. The proposed residential blocks included within this ballot are detailed in **Appendix 1**. There are 17 remaining blocks in South Kilburn that are due to be demolished and redeveloped. All will be balloted.
- 5.3. Following discussions with the GLA, the following sites are exempt as they have already secured planning permission; Gloucester & Durham, Peel, Cullen House/Queens Park and Chippenham Gardens.

## **6. Landlord offer**

- 6.1. The Landlord Offer document sets out the Council's commitment to tenants and leaseholders in South Kilburn. It covers the housing needs assessment process, compensation packages, housing options as well as overall delivery objectives for South Kilburn. The GLA's Affordable Housing Capital Funding Guide sets out the detail as to what the landlord document should contain, including the following as a minimum:
- The question that will be put to eligible residents in the ballot
  - The timing of the ballot
  - The different ways in which eligible residents may cast their vote in the ballot details of when the results of the ballot will be announced
  - Details of how the ballot will be undertaken by an Independent Body and
  - Contact details for further advice and guidance on any issues related to the strategic estate regeneration project and/or the ballot.

Some detail on the Housing Options is set out as below:

## **6.2. Council Tenant and Temporary Accommodation Rehousing options:**

Council Tenants, and those in temporary accommodation, will be offered:

- A new home on the estate, or a move to another council home elsewhere if preferred
- A £6,800 home loss and disturbance payment when they move
- Removals and other reasonable moving expenses
- A home that is the right size for their needs
- A home adapted to their needs if they have a disability
- Choice of kitchen fittings and floorings plus wall paint colour.
- Safe and secure, meeting all current building regulations
- Well insulated and easy to heat

Officers will contact these residents to carry out a needs assessment to confirm any medical needs, change in circumstances, or other preferences. This will occur a year before any scheduled move.

Most residents will only have to move once, although a small number of short term temporary moves may be required for some households. To date, only 3% of tenants from the South Kilburn estate have had to move twice. We will minimise numbers of households affected and length of short-term move, with all having a guarantee of a right to return.

### 6.3. **Leaseholder options**

Leaseholders will be offered:

- The choice of either selling their home back to the Council and leaving the estate, or buying a new property on the estate, usually on a shared equity basis.
- At least market value for the home purchase plus;
- 10% home loss payment (owner occupiers), or 7.5% home loss payment (owner investors)
- Solicitors and survey fees and other reasonable moving expenses.

In some cases, it may be impossible for the Council to acquire all property interests by agreement in the projected timeframe or at a reasonable cost. The Council may therefore make a Compulsory Purchase Order via the courts in parallel with negotiations to ensure that the regeneration timetable can be met so the Council can continue to deliver much needed new homes.

There are a number of Housing options for leaseholders which will vary in availability dependent on the timing of their move. They include;

Shared Equity: The leaseholder own part of the property, and the Council owns the remaining share. There is no rent to pay.

Existing Council Property Swap: This enables the leaseholder to 'transfer' equity into a void Council social rented unit that is not due for demolition. Any difference in value could be made up by the council.

Shared Ownership: The leaseholder owns part of the property, and pays rent to a housing association on the remaining share.

The leaseholder can increase their ownership percentage over time if desired.

- 6.4. The draft Landlord Offer is attached in full as **Appendix 2**, and will be finalised and formally published after the Cabinet decision.

## 7. **Ballot Question and Voting Methods**

- 7.1. ERS advise that the question on the ballot paper is preceded by an introductory pre-amble, followed by a non-leading question with a clear and unambiguous meaning.
- 7.2. ERS have agreed orally that the proposed ballot question is framed in a format as set out below;

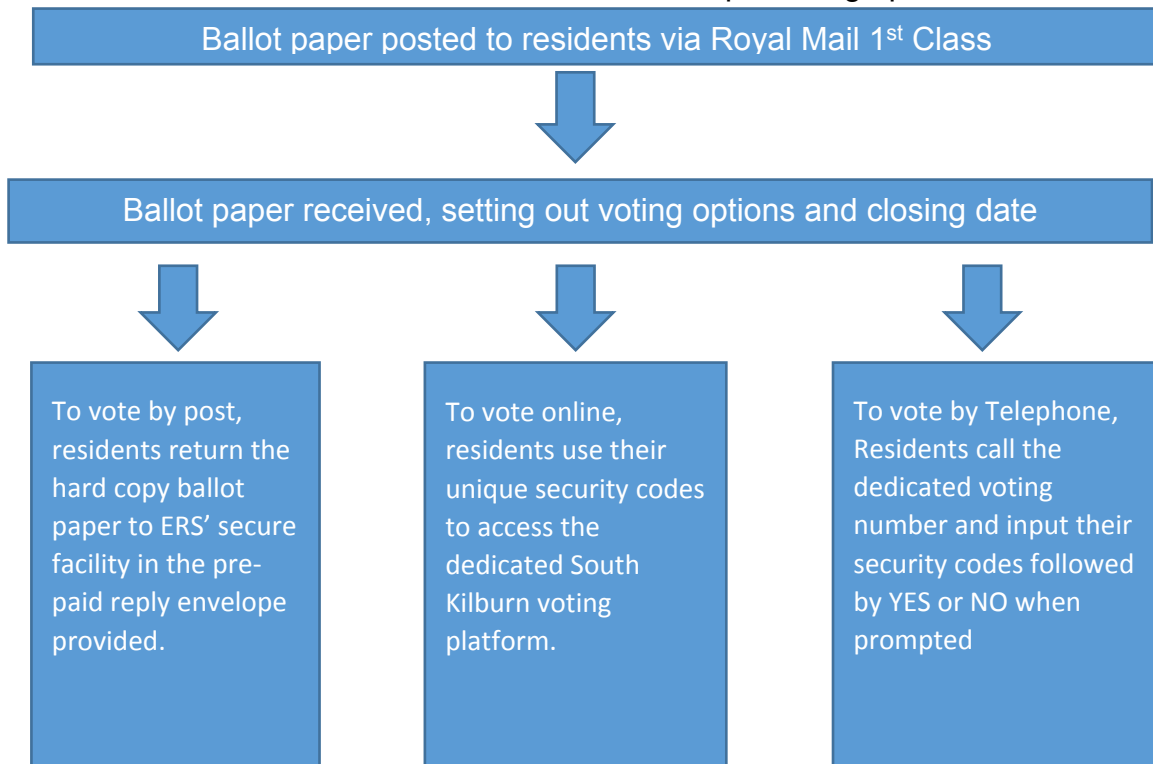
***The London Borough of Brent has asked Electoral Reform Services Ltd to conduct this ballot. You should have received a Landlord Offer document recently which provides details of the proposal for the South Kilburn Estate.***

***It is this proposal you are being asked to vote on below.***

***Are you in favour of the proposal to continue with the regeneration of South Kilburn?***

**YES / NO**

- 7.3. ERS provide multiple options for those eligible to vote: in person, phone/text, postal, and online.
- 7.4. The below from ERS describe how these multiple voting options will work:



- 7.5. Details of the voting methods to be used for eligible voters will be determined at the same time the ballot dates are announced.

**8. Communications Strategy**

- 8.1. A comprehensive communications and engagement plan has been developed, to ensure all residents have the required information before the ballot.
- 8.2. Awareness raising will begin from the announcement of the Cabinet's decision, followed by direct engagement. This would begin at an appropriate stage before the ballot, once the dates are confirmed.
- 8.3. As well as Brent's own consultation events, ERS will make contact with residents' mid-way through the ballot as a way to increase engagement.

## **9. Legal Comments**

- 9.1. The Mayor of London gave his approval on 18 July 2018 to introduce the funding condition in relation to the Resident Ballot Requirement by updating the GLA's Affordable Housing Capital Funding Guide, which contains the rules and procedures for GLA investment partners that use funding from the GLA to provide affordable housing. The funding condition requires resident ballots to be undertaken in strategic estate regeneration projects involving any demolition where GLA funding is sought. It also states that any GLA funding that is used in significant estate regeneration projects involving any demolition should be conditional on recipients of funding providing evidence that a positive vote through a ballot of eligible residents has been secured. The Mayor for London has confirmed that some aspects of the funding condition will require the GLA to exercise discretion, including when considering applications for exemption from the Resident Ballot Requirement for estate regeneration projects. The GLA will determine whether to apply exemptions on a case-by-case basis with reference to the guidance set out in the funding condition. The guidance sets out five exemptions, which include securing planning permission on or before 18 July 2018.
- 9.2. Details regarding arranging a ballot on proposed estate regeneration projects are set out in section 8 of the GLA's Affordable Housing Capital Funding Guide ("the GLA Guide"). The GLA's Guide states that where the Resident Ballot Requirement applies, "investment partners" (which refers to the Council in the context of the South Kilburn regeneration) are required to:
  - Identify residents that are eligible to vote in the ballot
  - Appoint an Independent Body to undertake the ballot
  - Ensure the principles of resident ballots set out in the guidance are adhered to
  - Produce and publish a Landlord Offer document for residents
  - Prior to claiming grant, complete the GLA Resident Ballot Compliance Checklist in a form satisfactory to the GLA
  - Provide residents and the GLA with regular reports detailing progress they are making towards delivering the Landlord Offer

- 9.3. Section 8 of the GLA's Guide also states what needs to be set out in the Landlord Offer document(s). The GLA's Guide also states that the ballot period must end within six months of the date the Landlord Offer was published. Officers propose that the finalised Landlord Offer should be published pursuant to the recommendation in paragraph 2.5 of this report.
- 9.4. Section 8 of the GLA's Guide also states that the question posed in a ballot must be as unambiguous and direct as possible and compliance with this requirement will be confirmed through the completion of the GLA Resident Ballot Compliance Checklist, which must be signed by the Independent Body, which is Electoral Reform Services.
- 9.5. The proposal for those persons who are currently in temporary accommodation with non-secure tenancies in the proposed ballot area in South Kilburn to bid for a new build property in the South Kilburn programme was subject to consultation as part of the Allocations Scheme review and the Cabinet has made a decision on the revised Allocations Scheme and the changes to the same in July 2019.
- 9.6. The Localism Act 2011 devolved the housing and regeneration functions of the Homes and Communities Agency (now known as Homes England) in Greater London to the Greater London Authority (GLA), including responsibility for housing investment programmes. The GLA is empowered in the Greater London Authority Act 1999, amongst other things, to make grants available for the development and provision of affordable housing. The GLA has power to provide and recover grant funding and where legislation requires, according to such terms and conditions as the GLA considers appropriate and/or principles determined by the GLA. The main types of grant funding are: (i) Financial Assistance payable under section 19(3) of the Housing and Regeneration Act 2008 and (ii) Social Housing Assistance payable under section 19(6) of the Housing and Regeneration Act 2008;

## **10. Finance Comments**

- 10.1. The requirement for a resident ballot (on projects involving delivery of 150 or more new homes where GLA funding is provided) came into effect from 18th July 2018. The Council is committed to following the Mayor of London's requirements, however this potentially causes some complications at South Kilburn due to the presence of a large number of Temporary Accommodation residents (TA) occupying various homes on the estate.
- 10.2. On the basis that any future Temporary Accommodation offer is on a par with the offer to existing social tenants (e.g. guaranteed social housing on the South Kilburn estate) the council would need to build approximately 230 additional social housing units and potentially match this with another 200 private units to assist affordability and viability of the South Kilburn Programme.

- 10.3. This offer will require a substantial capital contribution and could significantly alter the financial model for South Kilburn which up until now has been self-financing within the funding envelope generated from on-going land receipts which are reinvested back into the site, to enable the rolling programme of regeneration.
- 10.4. A budget of £100,000 has been allocated for the ballot, coming from the Estate Regeneration revenue reserves.
- 10.5. This amount is being used for various communications strands, resident engagement material, extra internal resourcing, and use of the Electoral Reform Service (ERS) to independently oversee this ballot.
- 10.6. There has been initial commitment of resource from communications, procurement, finance and legal. There will be additional resource needed at the consultation stages comprising a cross departmental project team from Estate Regeneration, Democratic Services, Housing and Communications with other staff added as and when required.

**Report sign off:**

**Amar Dave**

Strategic Director of Regeneration  
and Environment.

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## Appendix 1

The eligible voters for the South Kilburn ballot are residents from the 17 remaining original blocks, that are due to be demolished. These blocks are listed below and shown in the map overleaf:

- Masefield House
- Wordsworth House
- Hereford House
- Exeter Court
- Neville House
- Winterleys
- Carlton House 113 – 128
- Carlton 97 – 112
- Blake Court
- Austen House
- Craik Court
- Crone Court
- Zangwill House
- Dickens House
- John Ratcliffe House
- William Saville House
- William Dunbar House

There is a small number of residents that have been moved off estate that hold the right to return, and as such are eligible voters.

# South Kilburn – Ballot Sites

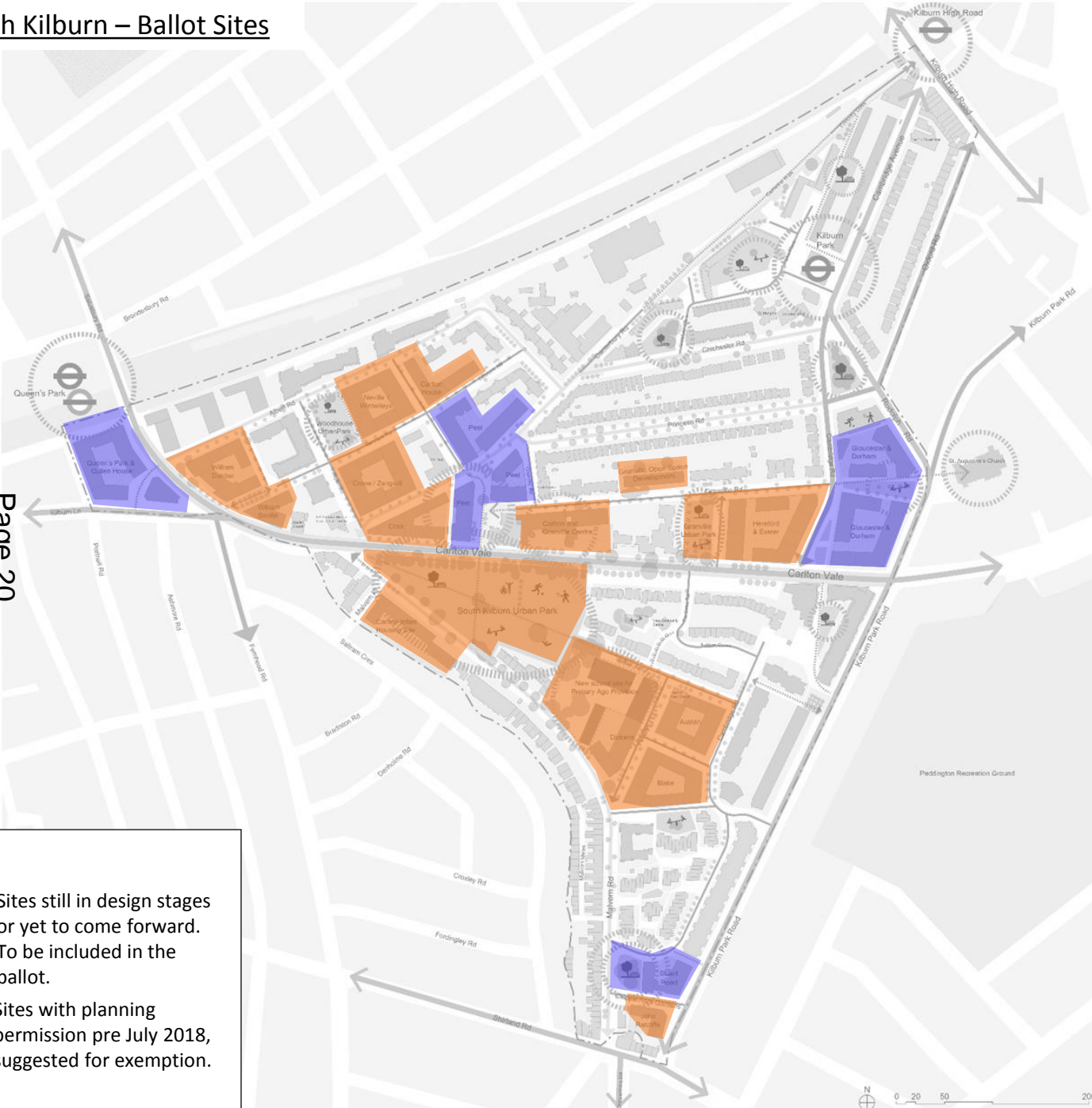
Page 20

**Key**

- Sites still in design stages or yet to come forward. To be included in the ballot.
- Sites with planning permission pre July 2018, suggested for exemption.

**Key:**

- Future Buildings part of the Masterplan
- Realised Buildings part of the Masterplan
- New Infant and Junior School
- Carlton and Granville Centres
- Primary Street - Tree Lined Boulevard
- Primary Street
- Primary Street
- Secondary Street
- Tertiary Street
- Pedestrian and cycles only
- Public Parks / Green Spaces
- Gated Green associated with the Development
- Public Realm
- Trees
- Community spots
- Public transport stations
- Public accessible green spaces



## Appendix 2

### Draft South Kilburn Landlord Offer

1. There is going to be a residents' ballot in South Kilburn. This is to make sure that residents and the community support our plans to continue the regeneration.

2. Residents ballot

2.1. This section explains how the ballot will work, when you can vote and who is in charge. We will be holding a series of information events and drop in sessions before, during and after the ballot. You can also contact us to ask a question at any time.

2.2. Who is in charge of the ballot?

We have appointed Electoral Reform Services (ERS) as an independent body to organise and run the ballot. ERS has been managing ballots for organisations including the NHS, trade unions and other local authorities since 1988. The organisation evolved out of the Electoral Reform Society, which has an interest in promoting electoral good practice. This will be a closed ballot and ERS will not tell Brent Council, or anyone else, how residents have voted. If you would like to speak to Electoral Reform Services about the ballot, please call 020 8889 9203 or email [customerservices@electoralreform.co.uk](mailto:customerservices@electoralreform.co.uk)

2.3. How do I vote?

2.4. Within three months you will receive a voting pack containing a voting paper and a pre-paid reply envelope from ERS, with instructions on how you can vote. You will be able to vote by:

- Post
- Online
- Telephone.

2.5. What is the question?

'Are you in favour of the proposal to continue the regeneration of South Kilburn?'

You can vote either YES or NO.

2.6. What does the question mean?

If we continue the regeneration of South Kilburn, the affected blocks (listed) will be demolished and rebuilt on a phased basis.

Our landlord offer to you is explained in this booklet for existing council tenants and households in temporary accommodation and leaseholders.

The design of new homes will be developed on a site by site basis, in consultation with you.

## 2.7 When can I vote, and when is the last day to vote?

You can vote as soon as you receive your ballot paper. There will be a 21-day voting period.

## 2.8 When will I find out the result?

Within X days of the end of the voting period, we will send a letter to all residents on the estate to confirm the result.

## 3. Staying in touch

3.1. It is important that you have plenty of opportunities to be involved in the future regeneration of South Kilburn, and to have your say.

3.2. Before the ballot, we will get in touch with you to explain the process. There will also be lots of chances to talk with council officers, face to face.

3.3. We will continue listening to and speaking with you, as we have done since the start of this programme.

3.4. The community have been at the heart of the process to create new homes in South Kilburn. To create the type of place that you want to live, it was established that completely redeveloping South Kilburn would be necessary.

Since the start of the programme we have:

- Invited you to public meetings, so you can have your say
- Encouraged you to complete surveys, to let us know your opinions
- Invited you to design workshops with architects, so you can help develop the plans
- Organised study trips, to visit other similar schemes
- Invited you to exhibitions, to see the final designs
- Sent you information by post, to keep you up to date
- Provided work and training opportunities, for local people.

3.5.1 We will continue to work with you in this way for all future phases of the proposed redevelopment.

## 4. What's happening in South Kilburn?

4.1. The award-winning regeneration programme is approximately half way through. And it has already started to transform the area into a great place to live.

4.2. Once the regeneration programme is complete, we will have created 2,400 new homes – 1,200 of which will make sure all existing council tenants, and

households living in temporary accommodation, can stay living in South Kilburn.

4.3. We are also creating other community facilities to help make South Kilburn a friendly, inclusive and safe place to live:

- More new parks and open spaces
- New Primary School building
- New Health Centre, part of the Peel development
- New shops
- Improved Granville Plus Nursery School
- Improved community and enterprise spaces
- Better connected streets
- Better cycling facilities, including lanes, parking and hire
- Electric car charging points
- Lower energy bills in new homes.

5. Council Tenants and households living in Temporary Accommodation

5.1. If we continue the regeneration of South Kilburn, council tenants, and people living in temporary accommodation, will get:

- A new home on the estate, or the option to move to another council home elsewhere if you prefer
- A £6,800 home loss and disturbance payment when you move
- Removals, and other reasonable moving expenses, paid for
- A home that is the right size for your needs
- A home adapted to your needs, if you have a disability
- Choice of kitchen fittings and flooring, plus wall paint colour
- A safe and secure home, meeting all current building regulations
- A well-insulated and easy to heat home.

5.2. The South Kilburn Rehousing Team will contact you around one year before you are scheduled to move. They will carry out a visit and complete a Housing Needs Assessment which will confirm any:

- Changes in your circumstances
- Medical and other needs
- Other preferences (we will try to meet your preferences but cannot guarantee this in all cases).

5.3. The size of your new home will be determined in line with the council's Housing Allocation Policy. Copies of the policy can be found online at: [www.brent.gov.uk](http://www.brent.gov.uk)

5.4. You will receive one offer of accommodation that meets, or at the discretion of the council, exceeds the housing need of your household. Your offer will be either:

- A permanent move within South Kilburn to a new home
- A permanent move within South Kilburn to an existing council property

- A permanent move outside South Kilburn, if this is your preference.
- 5.5. Most households will only have to move once. However, a small number of short term temporary moves may be required for some households, to provide timely vacation of sites.
- 5.6. We will make sure this only affects a small number of households and to minimise the length of any short-term move. Any household that is required to temporarily move will have a guaranteed right to return.
- 5.7. If you want to move off the estate, we will try to relocate you to your area of choice. However, this will be dependent on suitable homes to match your needs being available.
- 5.8. If a suitable sized family home is not available in the development, larger families with children over 18 may be offered an alternative solution.
- 5.9. There will be a small increase in rent for new homes. Living in South Kilburn will still be excellent value for money.
- 5.10. If there is a change in your circumstances, you must confirm these changes in person or in writing to the South Kilburn Re-Housing Team and provide all relevant documentation. Final verifications will be made by the council and the Registered Providers at the time that the new homes are ready to be allocated to you, to ensure that your circumstances remain the same. Fraudulent claims will be taken very seriously. If it is discovered that your current accommodation with the council is not your main or principal home, or that you have another tenancy elsewhere, this will be checked and verified by the fraud team. It could result in you losing your current tenancy and/or being prosecuted.

## 6. Leaseholders

- 6.1. If we continue the regeneration of South Kilburn, as a leaseholder you will get:
- The choice of either selling your home back to us and leaving the estate, or buying a new property on the estate on a shared equity basis.
  - Market value for your home plus;
  - 10% home loss payment (owner occupiers), or 7.5% home loss payment (owner investors)
  - Solicitors fees, survey fees and other reasonable moving expenses paid.
- 6.2. In some cases, it may be impossible for the council to acquire all property interests by agreement in the projected timeframe or at a reasonable cost. We may therefore make a Compulsory Purchase Order via the courts in parallel with negotiations. This is to ensure that the regeneration timetable can be met and that we can continue to deliver much needed new homes.

6.3. There are a number of Housing options for leaseholders. Which are available to you will depend on the timing of when you move. They include:

6.4. Shared Equity; You will own a share of the property, with the council owning the remaining share. You will not have to pay rent.

6.5. Existing Council Property Swap; This enables you, as a leaseholder, to 'transfer' your equity into a void Council social rented unit that is not due for demolition. Any difference in value could be made up by the council.

6.6. Shared Ownership; You own a share of the property, and pay rent to a housing association on the remaining share. You can increase your ownership percentage over time, if you wish to.

## 7. Moving Home

7.1. The moving out timeline for existing South Kilburn tenants is shown below. (insert phasing map) Where possible, tenants may be able to move out of sequence to available properties.

7.2. The next sites to finish will be the former Gloucester & Durham blocks. Planning decisions have been submitted for each of Neville, Winterleys & Carlton and Peel. We will continue to keep you up to date with the latest news about each future scheme.

7.3. The above dates are correct as of July 2019. However, the schedule may change over time.

## 8. Community projects

8.1. Each stage of the South Kilburn regeneration has created new employment opportunities for local people. We will work with developers to make sure that all future phases of the regeneration will continue to create new jobs and training opportunities for local people.

8.2. The regeneration of South Kilburn has been captured by a local artist, Amelia Lancaster. She has hosted workshops and exhibitions alongside the community. Follow @southkilburn on Instagram to find out more.

8.3. Local young people worked together to create a short film and music video. The projects showcased the talent within the community, and also gave them a platform to share their views on the regeneration. You can watching the videos at [www.brent.gov.uk/southkilburn](http://www.brent.gov.uk/southkilburn)

## 9. Additional Support


9.1. Communities First work with the council and community in South Kilburn. They provide free independent advice on the regeneration proposals to council tenants, households living in temporary accommodation and leaseholders. If you need any support on your rehousing options, or rights

relating to the regeneration or compensation issues, they will provide confidential independent advice.

9.2. To request this booklet in other languages, translation services or in large-print, please contact [ERSK@brent.gov.uk](mailto:ERSK@brent.gov.uk)

9.3. When moving into your new home, your landlord will work with you to resolve any initial problems. We monitor each new building closely and are working closely with the Housing Associations to make sure any issues are resolved as quickly as possible. For further support, please contact [HousingPartnerships@brent.gov.uk](mailto:HousingPartnerships@brent.gov.uk)

9.4. If you would like further information, please contact the Brent Council Estate Regeneration Team.

 <b>Brent</b>	<b>Cabinet</b> <b>15 July 2019</b>
<b>Report from the Strategic Director of Regeneration, Environment and Property</b>	
<b>Acquisition of Gloucester &amp; Durham Blocks, South Kilburn</b>	

<b>Wards Affected:</b>	Kilburn
<b>Key or Non-Key Decision:</b>	Key Decision
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”
<b>No. of Appendices:</b>	Four Appendix 1: Investment appraisal (contains exempt information) Appendix 2: Site Image Appendix 3: Site Image Appendix 4: Site Image
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Nick Ljustina, Operational Director of Property & Assets Tel: 020 8937 5025 Email: Nick.Ljustina@brent.gov.uk

## 1.0 Purpose of the Report

1.1 This report seeks permission to enter into a contract in respect of the acquisition of new Council homes consisting of two freehold housing blocks known as Gloucester & Durham from Telford Homes PLC (Telford Homes) and Notting Hill Genesis (NHG) totalling 235 units in the South Kilburn regeneration master plan area. See images (Appendices 2-4).

## 2.0 Recommendation(s)

That Cabinet:

- 2.1 Delegate authority to the Strategic Director of Regeneration & Environment in consultation with the Lead Member for Regeneration, Highways, Planning to negotiate and agree the terms and thereafter enter into a contract in respect of the purchase of the leasehold interest in two housing blocks known as Gloucester & Durham from Telford Homes and NHG as set out in Appendix 1.
- 2.2 Terminate the existing long leases in respect of the housing blocks known as Gloucester & Durham granted to Telford Homes and NHG upon acquisition and merge the leasehold title into the freehold interest to be retained by the Landlord.
- 2.3 Approve the acceptance of grant from the Greater London Authority (GLA) as set out in Appendix 1 and delegate authority to the Strategic Director of Community Wellbeing in consultation with the Lead Member for Housing & Welfare Reform to agree the terms on which the GLA will contribute to the purchase of the housing blocks known as Gloucester & Durham as detailed in clause 3.4.

### **3.0 Detail**

- 3.1 In May 2019 the Council was made aware that the housing developer, Telford Homes, was looking to sell their leasehold interest in the housing block which contains 133 units, or alternatively Telford Homes would look at changing their strategy to renting each unit at market rent as opposed to their previously proposed strategy of selling the units individually.
- 3.2 In addition, the Council was also made aware that the registered provider partner, NHG, owner of 102 units on the site, would be willing to sell their leasehold interest in the housing block to the Council.
- 3.3 In an effort to provide additional Council housing in the borough, the Council has been negotiating with Telford Homes and NHG with a view to acquiring the blocks at Gloucester and Durham.
- 3.4 With all 235 units under Council ownership and able to be counted for new affordable housing starts by the GLA, the Council has been able to secure an offer of a significant contribution from the GLA towards this purchase as detailed in Appendix 1. The terms of the grant will be contained within the GLA's standard Funding Agreement in respect of the Building Council Homes for Londoners programme.
- 3.5 The proposed purchase of the Gloucester & Durham blocks will necessitate instructing a range of professional services. These will consist of Low and Medium Value Contracts for which quotes or tenders will be sought.

### **4.0 Financial Implications**

- 4.1 The cost of purchasing the 235 units is set out in Appendix 1 and includes all the estimated acquisition costs. The acquisition cost is offset by external grant and the arising net capital outlay could be funded by HRA borrowing, which is now possible following the removal of the HRA debt cap. The new units, if let at London Affordable rent levels should generate sufficient income to pay back the investment within c50 years.

- 4.2 In order to deliver the South Kilburn masterplan the Council has already incurred costs for site mobilisation, acquisition, professional fees etc, and by varying the deal in this way the Council effectively forgoes a potential capital receipt. This is because the original development agreement included provisions for the Council to receive an overage payment, providing the level of private sales on the site exceeded a pre-determined threshold.
- 4.3 As the Council is now acquiring the units directly this overage payment will no longer apply, however with sluggish house prices in London at present, it is unlikely that this threshold would be met, hence the overage payment would not be triggered.
- 4.4 If terms are agreed this purchase can be funded from existing budget provision for in borough property acquisitions included within the existing 3-year capital programme.

## **5.0 Legal Implications**

- 5.1 Section 120 of the Local Government Act 1972 provides that

For the purposes of —

- (a) any of their functions under this or any other enactment, or
- (b) the benefit, improvement or development of their area.

The Council may acquire by agreement any land, whether situated inside or outside their area.

- 5.2 Details concerning the financial arrangements for the proposed purchase of the blocks at Gloucester and Durham are set out in Appendix 1. As detailed in paragraph 3.4, the GLA have offered a funding contribution. This will be under a Building Council Homes for Londoners Programme grant. The provisions of the grant are standard for all authorities, including repayment provisions if there is failure to use grant monies in accordance with its terms. Delegated authority is sought for the Strategic Director of Community Wellbeing in consultation with the Lead Member for Housing & Welfare Reform to agree the full terms of the GLA funding.
- 5.3 As detailed in paragraph 3.6, the support services contracts to be procured in support of the proposed purchase are a combination of Low Value and Medium Value Contracts. For the Low Value Contracts, these are below the threshold for application of the Public Contracts Regulations 2015 (the EU Regulations) and will be procured using a quote process in accordance with the Council's Contract Standing Orders. For Medium Value Contracts, the EU Regulations will apply in full and the contracts will be procured in accordance with Contract Standing Orders and EU Regulations.
- 5.4 For both Low Value and Medium Value Contracts, the relevant Operational Director has delegated authority to authorise the procurement of such contracts and award the contracts.

## **6.0 Equality Implications**

- 6.1 The proposals in this report have been subject to screening and officers

believe that there are no equality implications.

## **7.0 Consultation with Ward Members and Stakeholders**

7.1 The paper will be circulated to all Ward Members.

## **8.0 Human Resources/Property Implications (if appropriate)**

8.1 No additional resources are required to deliver this scheme.

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

9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental wellbeing of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Officers will have regard to considerations contained in the Social Value Act in relation to the proposed procurements and where appropriate, include reference to social value being 10% of the evaluation score.

**Report sign off:**

**AMAR DAVE**

Strategic Director of Regeneration &  
Environment.

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

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	<p><b>Cabinet</b> <b>15<sup>th</sup> July 2019</b></p>
	<p><b>Report of the Interim Finance Director</b></p>
<p><b>Financing the development United Colleges' Wembley site</b></p>	

<b>Wards Affected:</b>	Wembley, Willesden Green
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p>Minesh Patel Interim Finance Director Email: <a href="mailto:minesh.patel@brent.gov.uk">minesh.patel@brent.gov.uk</a> Tel: 020 8937 4043</p> <p>Olga Bennet Head of Finance Email: <a href="mailto:olga.bennet@brent.gov.uk">olga.bennet@brent.gov.uk</a> Tel: 020 8937 3337</p>

## 1.0 Purpose of the Report

- 1.1. This report considers how the Council can help facilitate the enhancement of post 16 educational provision and development in Brent by the provision of a loan of up to £50m to United Colleges Group ("United Colleges") given their wish to develop modern newly constructed facilities in Wembley Park. This loan is required as "bridging" finance to enable the project to proceed. The expectation would be that all of the Council's principal loan plus interest would be recovered. As with any project, there are also risks which should be considered, and it might be possible to share these risks by attracting finance from other parties such as Homes England. The remaining risk to the Council ought to be considered alongside the significant social and economic benefits that facilitating the development would be expected to bring.

- 1.2. The background to the report sets out the benefits of the proposal more fully, but in summary providing the loan, on properly commercial terms, would enable a series of developments to proceed at Wembley Park and Willesden. The end result of these developments would see United Colleges moving into modern newly constructed facilities on the site currently occupied by Network Homes, enabling it to deliver more post 16 academic and vocational education places in the borough. This would also substantially enhance Wembley Park as a place, providing greater mix to the current offer as well as a significant boost to the local economy.
- 1.3. The council's Borough Plan sets out ambitions to create 'A future built for everyone, an economy fit for all'. This includes the need to improve the skills and opportunities available to the residents of the borough in order to access higher value jobs and incomes.
- 1.4. Approximately 1,500 new homes would be provided at Willesden Green, with a further 250 at Wembley Park, contributing significantly to the supply in the borough and so alleviating the housing pressures generally that many residents face and providing a much-needed way of reducing the number of families in temporary accommodation or other acute housing need. The planning process would be used to determine the proportion of these that would be affordable.
- 1.5. The development will also create substantial employment opportunities and ancillary financial benefits for the Council by way of CIL receipts. It is therefore clear that the development would not just be consistent with the Council's overall aims and objectives, as set out in the borough plan, but would make a substantial contribution towards their achievement.
- 1.6. In general terms (and as set out in more detail throughout the report) the scheme is planned mainly to be financed from the receipts from Quintain's purchase of United Colleges' land for private housing.
- 1.7. United Colleges have approached the Council for financial support in the form of a bridging loan of up to £50m. The reason for this is that some of the costs will be incurred before the anticipated sale receipts, and that temporary loans or 'bridging' finance will therefore be required.
- 1.8. United Colleges has not been able to secure funding from commercial sources because it is seeking a loan agreement further in advance than standard terms. United Colleges are seeking assurance that they will have access to the necessary funding before entering into binding commitments with Quintain.
- 1.9. It is within the Council's legal powers to make such a loan, and the possibility of it was envisaged within the budget set on 25 February 2019 (see Appendix E of that report). However, the Council must of course consider not just the many positive benefits anticipated from the scheme but what might happen if, having provided a loan, the development did not proceed according to plan. The Council must be satisfied that it has appropriately managed the risk that it would not be able to recover all of the money loaned. It is impossible in such a transaction completely to eliminate this risk, and so in order to proceed the

Council would need to be satisfied that whatever residual risk remains is worth taking in order to deliver the benefits that should flow from a successful development.

- 1.10. This report therefore sets out the structure of the proposed development and details the benefits expected to flow from it before turning to the risks and how these can reasonably be mitigated. It then details the overall financial considerations and concludes that, provided that the key conditions set out in paragraphs 4.3 and 4.4 are met by it would be reasonable to provide the loans on the terms set out in the report. However, it will seek to mitigate risks by working with United Colleges to secure finance from other parties such as Homes England.
- 1.11. For the avoidance of doubt, this report proposes the granting of a loan facility of up to £50m to United Colleges. No amounts would actually be loaned until the conditions set out in this report were satisfied.

## **2.0 Recommendation(s)**

- 2.1. To agree to provide a loan facility of up to £50m to United Colleges on the general terms set out throughout this report.
- 2.2. To agree that the loan shall only be provided subject to the conditions set out in paragraphs 4.3 and 4.4 of the report being discharged.
- 2.3. To delegate to the Chief Executive, in consultation with the Deputy Leader, authority to determine whether the conditions set out above have been discharged.
- 2.4. To delegate to the Director of Finance, in consultation with the Deputy Leader, authority to set the interest rate and other terms of the loan.
- 2.5. To delegate to the Director of Finance, in consultation with the Deputy Leader, authority to conclude and execute the loan transaction or transactions referred to above, whether acting independently or with other lenders, including to make such minor adjustments to the precise terms as prove necessary.
- 2.6. To note and carefully consider the potential benefits of the scheme alongside the inherent risks and how these risks are proposed to be mitigated.

## **3.0 Background**

- 3.1. United Colleges was formed through the merger of the former College of North West London and Westminster College. It provides high quality post 16 education, including traditional A levels and a wide range of vocational education. It currently provides services from the (somewhat run down) former CNWL site on Wembley Park and from two other sites. The first of these is the modern, completed facility at Paddington Green, and the second is at Willesden.

- 3.2. Further education expansion in Wembley Park will help to facilitate the place making of the area, with the addition of students in higher numbers who will spend time in the area, helping to bring it to life alongside new accommodation, retail, hospitality and commercial space.
- 3.3. The council's Borough Plan sets out ambitions to create 'A future built for everyone, an economy fit for all'. This includes the need to improve the skills of the borough in order to access higher value jobs and incomes. This is in the context of Brent having the 3rd lowest household incomes of all London boroughs, with 8% of the population having no recognised qualification, only 55% of the population qualified to NVQ Level 3 (GCSEs or equivalent), and with less than 40% of the population being degree qualified compared with over 50% for London on average.
- 3.4. To achieve the ambitions of the Borough Plan, a strong Further Education offer to the most vulnerable adolescence in the borough is key. This would include an offer for a strong alternative to traditional further education. The Borough already has high quality infrastructure for the provision of traditional further education through secondary schools but the provision for vocational education is relatively poor. Investment in this form of setting is key to redress the imbalance.
- 3.5. A new state of the art college facility in Brent is an opportunity to raise the aspirations for young people and adults alike in Brent, by creating an inspiring learning environment. Both of the existing sites are tired and don't offer an optimal learning environment for Brent residents. The College of North West London supports 1,000 young people aged 16-18 and 3,000 adults (aged 19+).
- 3.6. The new facility will support a range of skills and sectors that are important to Brent and that are the mainstay of the existing CNWL facilities in Wembley Park and Willesden, including construction, engineering, manufacturing, health, care, and business support.
- 3.7. The new facility will enable the growth of provision that will support digital technologies, arts, media, and creative industries, sectors that are growing in London and creating higher value job opportunities. This includes expansion of apprenticeship delivery, particularly in digital technologies (including computing and digital and creative media). This includes the delivery of degree apprenticeships to enable skills and pay progression. Additional construction jobs would be supported through the development, and in the service and post 16 education sectors once completed, as well as a (difficult to quantify) boost to the economy through the spending of students in the local area.
- 3.8. The above is merely a summary, but it clearly demonstrates that the proposed redevelopment will bring substantial potential benefits to the borough and to its residents. Subject to the financial risks being appropriately managed and mitigated there is therefore a good social reason for the Council wishing to facilitate the development.

## 4.0 The development

4.1. In order to consider the loan transaction being proposed this report now sets out the essential features of the overall transaction. In summary:

- United Colleges would swap the former CNWL site at Wembley with Quintain for the site currently occupied by Network Homes. This latter site would in turn be redeveloped to provide the long-term, and substantially enhanced educational facilities for United Colleges, and the former CNWL site for housing, in line with the existing masterplan for Wembley Park.
- The current Willesden site would be developed to provide new housing, including affordable housing. This would happen in stages, so that there would be continuity of educational provision during the development.
- United Colleges would use the proceeds from the sale of their Willesden site to fund the development of what is currently the Network Homes site. Since this will, be before the whole of Willesden is sold, United Colleges need the bridging finance set out in this report.
- On agreement of the terms between United Colleges and Quintain the development would commence, with the approximate expectation that the permanent facilities in Wembley Park (the current Network Homes site) would open in July 2023 and the two stages of the Willesden site would complete in July 2020 and July 2023. The former CNWL site in Wembley Park would be developed by Quintain by after it is vacated by United Colleges in July 2023.
- In order for United Colleges to be able to sign their contracts 'and any other agreements with Quintain they would need to be sure that they had access to a loan facility to enable them to fulfil their construction contract (i.e. to develop the college facilities at Wembley Park). They therefore require reasonable certainty from a lender that these funds will be available. This report proposes that the Council provide such a facility.

4.2. For the avoidance of doubt, this means that United Colleges would, on conclusion of the contracts, have the right to require the Council to provide the loan on terms as set out below, and the Council would have the obligation to loan the funds, provided that the following 'conditions precedent' were met. (Conditions precedent simply mean things that must be completed before the rights and obligations set out above would exist in contract).

4.3. Firstly, United Colleges must submit a satisfactory planning application, which is then approved by the Council in its role as the statutory planning authority. Fairly self-evidently, if there is not an agreed planning application then the development would not proceed, and under those circumstances the Council would not be obliged to loan the funds (nor would United Colleges require them).

- 4.4. Secondly, the Council must complete satisfactory due diligence on United Colleges and its proposals. This work is underway, but cannot be completed as at the date of this report. For example, part of due diligence would involve, as a responsible lender, reviewing the detailed cost plans for the project and confirming that they include, for example, reasonable levels of contingency and other normal assumptions, confirming that any external funding anticipated for the project is confirmed, that adequate security is available and so on. United Colleges have the initial high level cost plans that one would expect for a project at this stage of its development, but alongside the planning application would develop these into more detailed proposals.
- 4.5. It is difficult to succinctly list all of the detailed areas for investigation as part of the due diligence work, nor to provide an exhaustive list of issues that might mean the outcome is not satisfactory. Instead due diligence will help understand the proposals and the associated risks 'in the round' and enable an informed judgement to be made.
- 4.6. Given risk cannot be eliminated, in addition work is required to determine whether it is possible to share the remaining risk with another lender, such as Homes England. Initial discussions with Homes for England have been encouraging, given the amount of housing that this proposal would provide, but will require further work to determine if finance can be provided and so reduce the risk for the Council.
- 4.7. Given the detail involved in these considerations it is therefore appropriate to delegate confirmation that these due diligence steps have been satisfactorily completed, and this report proposes that this delegation should be to the Chief Executive, in consultation with the deputy Leader. More detailed "heads of terms" have been shared with United Colleges, confirming the points on which the Council, as a responsible lender, would require subsequent confirmation, and of course the Council would not unreasonably withhold its confirmation. If approved specific terms of the loan and its execution, delegation would be to the Director of Finance, in consultation with the deputy Leader.
- 4.8. However, as is common in any such transactions, there are risks. Construction costs may rise beyond the current estimates, for example, or sales receipts be less than anticipated, as well as the related risks arising from the contract between United Colleges and Quintain. Whilst those risks do not sit directly with the Council it is important that the Council considers its position, as lender, should those risks crystallise to a material degree, as in the worst-case scenario the Council may not be able to recover its loan, or not recover it within a reasonable timeframe.

## **5.0 Risks and mitigation**

- 5.1. At this stage there, inevitably, significant uncertainty on what the scheme will finally cost, and the contingency, at 2% is low for this stage of development, although this is being reviewed. The due diligence process will test this as potential designs become better worked up and hence costs become more certain. This therefore provides a reasonable basis for mitigation of this risk,

since the Council is not obliged to provide the loan until such time as the due diligence has been completed.

- 5.2. Once the design is confirmed and a planning application approved (assuming it is approved) United Colleges will let their construction contract. There is a risk, as with all construction contracts, that at that point costs begin to rise beyond those budgeted. Good project management would mitigate these risks, and it is also proposed that the Council should have “step in” rights in such a situation (essentially, the right to nominate an appropriate officer to assist in the contract management to help improve the position).
- 5.3. As additional mitigation, the Council will place a charge on United Colleges properties. Further charges could be placed on the Paddington site, although in that case United Colleges’ banker already has a first charge on the property.
- 5.4. In any event, these charges only provide a degree of mitigation. The project plans assume that the Willesden site is sold and the proceeds used to finance the development. Having a charge over the site therefore ensures that this does indeed happen, but does not cover the situation if construction costs rise significantly after the contract is let. Similarly, the charge over the Paddington site can only be realised immediately by forcing a sale of the site, thus ending the educational provision there, which the Council, it is assumed, would not want to do. Control over costs will therefore be essential and the Council will work with United Colleges to identify ways to ensure that this is as robust as possible.
- 5.5. Therefore, although charges over property are available as security for the loan, these charges (subject to valuation) may not be sufficient to cover the total amount of the loan, and in any event may not provide the level of security that ideally would be desired.
- 5.6. If United Colleges doesn’t receive the full land payment for the second part of the Willesden site, there would be a shortfall, meaning that the Council as lender cannot recoup its loan immediately on conclusion of the project. Appropriate contingencies are an important part of managing this, as is the due diligence process to ensure that before any amounts are actually lent the Council is as confident as is reasonably possible that the risks and not unreasonably high.
- 5.7. It is also important to bear in mind that these risks fall to United Colleges. What is most important to the Council as lender is our ability to recover the loans in the event that these risks materialise. As discussed above, the security over property provides only a degree of comfort in this respect.
- 5.8. United Colleges could also repay any shortfall over time, but clearly their ability to do so depends on their ability to generate surpluses in future years. They may be able to manage this, but like other parts of the public sector face their own funding challenges, and hence this cannot be assumed to be certain.
- 5.9. For the sake of example, if the shortfall at this point was £1m, then United Colleges could be required to pay, say, £100,000 per year for ten years, plus

interest, in order for the Council to recover its loan. Provided that the loans were repaid over a reasonable time period this would not damage the Council's long-term ability to support its capital programme. It is true that the shortfall would mean that some capital finance was tied up in the loan but the Council has considerable borrowing headroom and so this may not be a significant constraint. Self-evidently, the more substantial any shortfall the more challenging it may be for United Colleges to repay it over any reasonable period of time.

5.9.1. On 15 January 2018, Cabinet approved a framework that enables loans to be made to private capital projects that support the Council's aims. The loans framework includes delegated authority to the Chief Finance Officer (now the Director of Finance) in consultation with the Deputy Leader of the Council, where a proposed loan meets certain criteria. While this route is proposed for the detailed aspects of the loan, it is proposed that the Chief Executive, in consultation with the Deputy Leader, is granted authority to determine whether the conditions set out above have been discharged.

5.9.2. In this case, it is likely the proposed loan will not meet all of the criteria set out in the framework, meaning Cabinet approval is required. Specific criteria that may not be met include:

- The borrower having a minimum credit rating of A minus. United Colleges does not have a credit rating. However, the college has made a loss in the last two years, partly due to costs associated with the recent merger.
- A first charge to the value of the loan.

5.10. In summary, there are financial risks to proceeding, which must be set against the wider social benefits anticipated from successful delivery of the development.

## **6.0. Financial Implications**

6.1. The report has set out the social benefits anticipated from the scheme, and also the financial risks associated with it. The Council is not proposing that it proceeds with the scheme in order to generate financial benefits, but there are nonetheless ancillary financial benefits that should be taken into account in considering the proposal.

6.2. Overall CIL receipts of approximately £5m are anticipated from the entire development. As the presumption is that the development would not proceed without Council support it is relevant to take these expected receipts into account. (Separately, the Council has already budgeted for its capital contribution to the scheme of £6.5m.)

6.3. The Council would lend money to United Colleges at a rate to be determined. This would of course have to be compliant with State Aid legislation, including arrangement fees and similar commercial terms. The Council's intention would be to set the rate at a level that complies with this legislation but not to seek to do so at a rate designed to maximise its surplus on the on-lending. This is in

excess of the Council's rate for new borrowing, and so would represent an ancillary surplus to the Council.

- 6.4. State Aid advice would be required, and as this cannot be concluded until other matters are also concluded, such as the precise terms of United Colleges' contract with the developer, it is proposed that the decision to set the interest rate is delegated to the Director of Finance, in consultation with the Deputy Leader.
- 6.5. The Council will seek a security package that adequately protects the Council in the event of a default by the college. For example, by obtaining first charge land security.

## **8.0 Legal Implications**


- 8.1 The Council has power to make loans under the General Power of Competence in Section 1 of the Localism Act 2011. This power is used to supplement a specific power to invest under Section 12 of the Local Government Act 2003.
- 8.2 The proposed loan to United Colleges falls outside the criteria approved by Cabinet in January 2018 when establishing the Council's loan framework for in-borough capital projects and as a result specific Cabinet approval to any loan is required.
- 8.3 It is proposed that Cabinet be asked to agree to provide the loan facility to United Colleges. However, due to ongoing due diligence and negotiations with United Colleges and the suggested conditions precedent, it is necessary to seek a series of delegations to the Director of Finance in consultation with the Deputy Leader.
- 8.4 As indicated in paragraphs 6.3 and 6.4, there is a potential for the loan to constitute State Aid and specialist external legal advice has been sought regarding this aspect. There are a number of approaches which the council could potentially rely upon when lending to avoid suggestions that the loan constitutes State Aid. The favoured approach is reliance on the Market Economy Investor Principle by the provision of a loan on market terms. As stated in paragraph 6.3, advice on State Aid cannot be concluded until other elements of the proposed loan are agreed and therefore it is recommended to delegate the decision to set interest rates to the Director of Finance to ensure the interest rate agreed upon will be regarded as State Aid compliant.
- 8.5 The Council should take steps to protect its loan. Various steps are detailed in Section 5, to include "step in" rights and securing the loan against the United Colleges assets. Such steps will help to protect the Council should United Colleges be unable to repay the loan in full and also assist the Council to show it is acting in line with the Market Economy Investor Principle thus avoiding State Aid issues. Whilst United Colleges have agreed to any loan being secured on its assets, as detailed in paragraph 5.4, there would be issues with the Council enforcing any security given the educational use of the buildings that may be charged. Further, the Technical and Further Education Act 2017 introduced a new insolvency regime for further education and FE colleges in England and Wales known as education administration, the objective of which is avoiding or minimising disruption to the studies of existing students of an

insolvent FE college. This regime would impact on steps the Council could take if United Colleges were unable to repay the loan.

**Report sign off:**

***Minesh Patel***

Interim Finance Director

 <p><b>Brent</b></p>	<p><b>Cabinet</b> 15 July 2019</p>
<p><b>Report from the Assistant Chief Executive</b></p>	
<p><b>Voluntary Sector Initiative Fund – Local Grants 2019 - 2020</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p>Jackie Barry-Pursell – Partnerships and Engagement Manager 020 8937 1958 <a href="mailto:Jacqueline.barry-pursell@brent.gov.uk">Jacqueline.barry-pursell@brent.gov.uk</a></p> <p>Pascoe Sawyers – Head of Strategy and Partnerships 020 8937 1045 <a href="mailto:Pascoe.sawyers@brent.gov.uk">Pascoe.sawyers@brent.gov.uk</a></p>

## 1.0 Purpose of the Report

1.1 This report seeks agreement for the approach to the Voluntary Sector Initiative Fund – Local Grants funding stream 2019-2020.

## 2.0 Recommendation(s)

### Cabinet are asked to:

2.1 agree to the continuation of the Voluntary Sector Initiative Fund – Local Grants funding for 2019 – 2020.

2.2 agree the approach set out in a-e for the Local Grants Programme which consists of:

- a) aligning the priorities of the Local Grants Programme to the priorities of the Borough Plan for 2019-2023.
- b) retaining the current geographical priority areas.
- c) agreeing that the term of grant funding will be one year.

- d) maintaining the maximum grant available at £25k per year, per project.
- e) maintaining the grant condition that all staff funded through the Local Grants Programme are paid the London Living Wage.

### 3.0 Detail

- 3.1 The Voluntary Sector Initiative Fund (VSIF) – Local Grants Programme was created in 2012 from the previous Main Programme Grant and Advice budgets and was the result of extensive public consultation with voluntary sector organisations. The 2016-2018 funding stream was aligned to the previous borough plan. The budget for 2019/20 is £232k as presented at the 15 April 2019 Cabinet. It is proposed that the term of grant funding is 1 year a maximum grant available of £25k per project. It is recommended that this maximum amount is maintained. If this amount is increased the number of organisations who are able to access the funding will be decreased. If the amount is reduced the ability of organisations to deliver meaningful projects will be decreased. The average grant given out to date for this fund was £21,525 per funded group.

It is also proposed that the grant condition of paying all staff funded through the grant the London Living wage continues. This is in line with Brent's London Living Wage Accreditation ethos.

### Alignment to the Borough Plan

- 3.2 The Building a Better Brent vision for 2023 is to make Brent a borough of culture, empathy and shared prosperity. The priorities for the VSIF Local Grants will align to the Borough Plan 2019 -2023 priorities. All grant documentation, guidance and publicity will be updated to reflect this.
- 3.3 The Borough Plan sets out five strategic themes, each of which include a number of high-level desired outcomes:

**Every opportunity to succeed** – working in partnership to support children and young people's educational attainment and training.

**A future built for everyone, an economy fit for all** – regenerating our borough to grow the local economy and provide the jobs, homes and transport that people need.

**A cleaner, more considerate Brent** – improving air quality and keeping our environment clean and pleasant.

**A borough where we can all feel safe, secure, happy and healthy** – building stronger, safer and healthier communities, with opportunities to enjoy Brent's unique cultural heritage, and support for vulnerable children and adults to be as independent as possible.

**Strong foundations** – ensuring that the council and its partners are structured and equipped to secure the best possible outcomes for local people, within a context of diminishing resources.

It is also proposed that the current geographical priority areas are retained as these areas continue to be priorities for the council and its partners:

- Chalkhill
- Church End and Roundwood

- Harlesden
- South Kilburn
- St Raphael's
- Stonebridge

### **Brent's Community Hub model**

- 3.4 The roll-out of Brent's Community Hub model will play an increasingly key role in ensuring that local services are effectively coordinated and delivered across the borough. By April 2020 there will be a Hub in all five of Brent's localities, each with a service offer that is tailored to local needs and is jointly delivered by council officers and partner organisations.
- 3.5 The hub model recognises the important role of local community and voluntary organisations in ensuring people can access information and advice and the support they need to help themselves. The Voluntary Sector Initiative Fund – Local Grants 2019-2020 is open to the voluntary and community sector and this includes local community and voluntary organisations that operate from the Hubs.

### **Timetable for VSIF Local Grants 2019-2020**

- 3.6 The timetable outlines how the Local Grants Programme will be approached:
- **September 2019** – Local Grants Programme (and fund) 2019 launched and advertised.
  - **October 2019** – Grant appraisals and approvals undertaken.
  - **November 2019** – Grants awarded and contracts signed.
  - **December 2019** – Projects commence.

### **4.0 Financial Implications**

- 4.1 The Local Grants Programme budget was presented to Cabinet on 15 April 2019. By aligning with the new Borough Plan, the project priorities delivery will be focused on the areas that matter most to local people. The budget for 2019/20 is £232k.

### **5.0 Legal Implications**

- 5.1 The Council is a Best Value Authority in accordance with s 1(1) of the Local Government Act 1999. It is required to make "arrangements to secure continuous improvement in the way it exercises its functions, having regard to a combination of economy, efficiency and effectiveness pursuant to s3 of the Local Government Act 1999. In accordance with the duty of best value, the Council should consider overall value, including environmental and social value when reviewing service provision. Pursuant to 3(2) of the Local Government Act 1999, and before deciding how to fulfil their best value duty, local authorities are required to consult a wide range of local persons, including voluntary and community organisations.
- 5.2 Pursuant to s1 of the Localism Act 2011, the Council has the power to do anything which an individual can do unless it is expressly prohibited (the power of general competence).

- 5.3 The giving of grants to community or voluntary organisation is a discretionary power which must be exercised reasonably taking into account all relevant considerations and ignoring irrelevant considerations. Further legal advice will be sought as and when required as the grant process progresses.
- 5.4 The Council must have due regard under section 149 of the Equality Act 2010 (also known as the Public Sector Equality Duty) to the need to:  
**(a)** eliminate discrimination, harassment or other conduct prohibited by or under the Equality Act 2010 (“the 2010 Act”),  
**(b)** advance equality of opportunity between persons who share a protected characteristic under the 2010 Act and persons who do not share it, and  
**(c)** foster good relations between persons who share a protected characteristic and persons who do not share it.
- 5.5 The s149, Public Sector Equality Duty (outlined above) covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

## **6.0 Equality Implications**

- 6.1 Brent is committed to equality, diversity and inclusion; the council is determined to be an exemplar of good practice in equality, diversity and human rights and it is our policy to treat everyone fairly and with respect. We aim to ensure that all our current and future residents, staff and stakeholders are treated fairly and receive appropriate, accessible services, and fair and equal opportunities.
- 6.2 This commitment requires that equality considerations play a key role in our decision-making processes and that our policies are fully compliant with the duties placed on us as a public sector body by the Equality Act 2010. Equality Analyses (EAs) ensure that we follow through on our commitment to equality and they provide a method for clearly demonstrating the necessary legal compliance.
- 6.3 The council has undertaken an Equality Analysis for this local grants programme and no adverse impacts have been identified.

## **7.0 Consultation with Ward Members and Stakeholders**


- 7.1 The local grants programme was presented to Cabinet on 15 April 2019 as part of the VCS review report. The Lead Member has been consulted on the approach outlined in this paper.

## **8.0 Human Resources/Property Implications (if appropriate)**

- 8.1 The programme does not have human resources/property implications.

**Report sign off:**

**PETER GADSDON**  
Assistant Chief Executive

 <p><b>Brent</b></p>	<p><b>Cabinet</b> 15 July 2019</p> <hr/> <p><b>Report from the Interim Director of Finance</b></p>
<p><b>July Finance Review</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	One Appendix A: Summary of savings 2019/20 – 2020/21
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p>Minesh Patel Interim Director of Finance Email: <a href="mailto:minesh.patel@brent.gov.uk">minesh.patel@brent.gov.uk</a> Tel: 020 8937 4043</p> <p>Ravinder Jassar Head of Finance Email: <a href="mailto:ravinder.jassar@brent.gov.uk">ravinder.jassar@brent.gov.uk</a> Tel: 020 8937 1487</p>

## 1.0 Purpose of the Report

- 1.1. This report sets out the overall financial position facing the Council and highlights the significant risks, issues and uncertainties. It also sets out the proposed budget setting strategy for 2020/21 and beyond in order to maximise the period of consultation with residents, businesses and other key stakeholders.
- 1.2. The budget for 2019/20 was set in February 2019, and on another report on this agenda the first forecasts against that budget are reported. In February

2019 Council also agreed the business plans for 2020/21. In February 2020 it would be open to Council, subject to all the usual planning uncertainties and caveats, simply to re-confirm the proposals set out a year earlier, which would result in a balanced budget for the 2020/21 financial year. For the avoidance of doubt, achieving this would mean continuing with the previously planned 3.99% increase to council tax for 2020/21.

- 1.3. Brent therefore, by design, has time to work out how it should approach its budgeting for the 2021/22 year and beyond. This will need to take into account the ongoing need to find efficiencies and cost savings in service delivery that any well managed organisation would want to deliver year on year. This report does not set out the detailed process or timetable for this; rather it introduces the considerations that will need to be taken into account in that process, in order to ensure that there is some space to take views into account before starting to identify detailed new proposals.
- 1.4. Based on what is currently known, or can reasonably be assumed, about future funding settlements further substantial reductions in expenditure will be required. The Council will need to take difficult decisions about which services to prioritise and protect and which to reduce in order to continue to deliver affordable and sustainable budgets.
- 1.5. However, this report goes beyond the simple estimation of the pressures that would need to be managed in that process. It sets out the changes to the local authority finance regime in its various components – the spending review, fair funding review, business rates retention, and so on – and, where known, the strategic consequences of these for Brent. It must be stressed at this stage that there is a relatively high degree of political uncertainty following the Conservative leadership election and Brexit negotiations that are currently occupying parliamentary time, and so forecasting the timing of funding and policy decisions that will affect local government is difficult; and forecasting their impact much more so.
- 1.6. This report is structured as follows:
  - Recommendations for cabinet to approve;
  - Strategic overview of Local Government finance;
  - Future budget assumptions;
  - Proposed budget setting process for 2020/21;
  - Overall summary and conclusion.

## **2.0 Recommendation(s)**

- 2.1 That Cabinet agrees the budget setting process for 2020/21, including the approach to consultation and scrutiny, as set out in section seven of this report.
- 2.2 That Cabinet confirm their intention, as previously announced and subject to consultation and any other material changes to circumstances, to increase council tax by 3.99% in 2020/21, on the basis that this means that no new savings proposals need to be developed.

- 2.3 That Cabinet note the Capital budgets and agree the proposed 2018/19 capital budget carry forwards and capital virements set out in section six of this report.
- 2.4 That Cabinet note that on current funding assumptions savings of at least £20m will be required in order to agree balanced budgets for 2021/22 and 2022/23.

### **3.0 Strategic Overview**

- 3.1 Local government funding is at a crossroads, with three major reforms to the finance system (the Fair Funding Review, 75% Business Rates Retention and a reset of the business rates baseline) due to be implemented in April 2020, and the overall amount of funding in the system from 2020 onwards to be determined at the Spending Review in the autumn.
- 3.2 At the date of dispatch of this report this cliff edge is less than ten months away and no detailed information has been made available for Council's to conduct any meaningful financial planning and analysis. This places Council's in a precarious financial situation following a decade of austerity in which a wider range of services has had to be delivered to more people while overall resources have fallen.
- 3.3 Each of the three reform strands will require a significant volume of technical developments, formal consultations and detailed modelling. Each of the reforms could individually have a potentially significant financial implication for a local authority which could include:
- An increase or decrease in the size of baseline need set for an authority;
  - A change in the current percentage share of local business rates income after 2020/21 compared to the current share;
  - A change in the levels of financial reward or loss arising from shares of business rates, including those arising from the impact of appeals and the potential and design for any future business rates pooling; and
  - An increase or decrease in the size of the business rates baseline which would affect the levels of gain or loss at 75% retention.
- 3.4 What transitional arrangements are put in place and whether these arrangements relate to just one or more of the reforms will also have a significant impact upon the rate of financial impact for an authority and the size of any cliff edge that may arise.
- 3.5 The Ministry of Housing, Communities and Local Government (MHCLG) have indicated that they intend to publish a further consultation on the proposed reforms in advance of the 2019 Provisional Settlement (expected in December 2019); and that in addition there could be further technical consultations including on the potential working of a simplified system of business rates retention. However, they have also indicated that their plans will be affected by uncertainties over the timing (and length) of the Spending Review.
- 3.6 At the national level the debate over Brexit is likely to dominate political proceedings. Whilst there is much informed, and ill-informed, speculation about what sort of deal might be negotiated and what its national and local

consequences might be the reality is that it is too soon to be able to make any sort of reliable estimate of the consequences for local government. What is reasonably certain is that the Brexit negotiations will surely take up a significant proportion of government resources, such that other legislative programmes (such as the three major Local Government reforms) may be subject to delay or other lack of certainty. This is particularly true of the much anticipated social care green paper which has been delayed five times since the beginning of 2018.

- 3.7 In addition to this, no steer from Government has been received regarding how it plans to take its fair funding ambitions forward following the consultations that ran last year. When these do emerge they are likely to be quite late in the medium term budget planning process. One possible outcome could be a delay in implementing the fair funding review in order to iron out any unintended consequences and allow authorities time to prepare and manage this significant transition.
- 3.8 It is clear that the way in which previous assessments of funding need have happened between government departments have not taken a holistic view of the needs of local government. The failure to adequately fund adult social care over the current Spending Review period is clear evidence that the process of assessing needs has not been sufficiently robust. This was further recognised in the 2018 National Audit Office report into the financial sustainability of local authorities, which concluded that the Government does not have a long-term funding plan for local authorities, and that the current funding landscape has been characterised by one-off and short-term funding initiatives<sup>1</sup>.
- 3.9 The scale of the funding crises in Adult Social Care in recent years has required a number of major policy interventions in the last three years. Had the Government provided an appropriate level of funding to begin with, the emergency measures may not have been required, and councils could have spent the funding in a much more strategic and effective way. The key features of the funding settlement should therefore be to prioritise the sector-wide funding pressures in children's services, adult social care and the costs of homelessness so as to avoid having to repeat the emergency funding interventions that were required over the last four years.
- 3.10 Since 2010 the Council has delivered against a series of challenging financial targets, through a combination of effective financial management and cost control and more innovative approaches to investment and demand management. This approach has been very effective where Brent has managed its finances well by adopting a forward-looking financial strategy based on taking difficult decisions early, allowing time for implementation, and has led to total savings of £164 million being delivered since 2010 and a further £20.9 million planned between 2019/20 and 2020/21.

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<sup>1</sup> National Audit Office, "Financial sustainability of local authorities 2018", 8 MARCH 2018, paragraph 20, pg10.

#### 4.0 The Council's current year revenue budget and forecasts

4.1 At this point in time, the Council is expecting to overspend against the overall revenue budget by £2.6m, with a £0.2m overspend against the main general fund budget, a £0.4m overspend against the Housing Revenue Account (HRA) and a £2m overspend against the Dedicated Schools Grant (DSG). This is set out in the table below and further details are set out in the Q1 Financial Forecast Report on the same agenda.

	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Forecast Overspend/ (Underspend) £m</b>
Children and Young People	43.4	43.4	0.0
Community and Well-Being	133.6	133.8	0.2
Performance, Policy & Partnerships	9.8	9.8	0.0
Regeneration & Environment	32.9	32.9	0.0
Resources	38.8	38.8	0.0
<b>Subtotal Service Area Budgets</b>	<b>258.5</b>	<b>258.7</b>	<b>0.2</b>
Other Expenditure	6.4	6.4	0.0
Business Rates, Council Tax and Specific Grants	(264.9)	(264.9)	0.0
<b>Total General Fund</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>
DSG Funded Activity	0.0	2.0	2.0
Housing Revenue Account (HRA)	0.0	0.4	0.4
<b>Overall Position</b>	<b>0.0</b>	<b>2.6</b>	<b>2.6</b>

#### 5.0 Future Revenue Funding Position

5.1 As reported to Council in February 2019, officers' best estimate of the budget gap was £40m over the next four years and Council agreed a package of savings of £20.9m between 2019/20 and 2020/21 in order to set a balanced budget over this period. Nonetheless, the exact gap is inherently uncertain, simply because of the number of variables to be estimated and the difficulty of doing so over longer periods of time. This is further compounded by the significant changes to local government funding proposed from April 2020. The actual figure required will not be known until the local government finance reforms are further forward and further updates will be brought to Cabinet once the financial position becomes clearer.

## **Council Tax**

- 5.2 With regards to Council Tax, an increase of 4% per annum has been assumed, which is in line with recent government policy, and is made up of 2% for general council funding and 2% for Adult Social Care. Council Tax in 2019/20 increased by 5%, as in 2018/19, but the policy from 2020/21 is currently unknown. The adult social care precept does not exist after 2019/20, but it is expected that the legislation will be extended, and it is also unknown if a referendum limit will be imposed. Should the Council decide to increase Council Tax by a further 1% in 2020/21, a further £1.2m of recurring income could be generated and therefore, based on current funding assumptions and referendum limit being the same as the previous year, reduce the amount of savings required in that year.
- 5.3 The calculation of the tax base is one of the technical stages in the process of setting the council tax. The Local Government Finance Act requires Local Authorities formally to calculate the Council Tax Base for 2020/21 and pass this information to the Greater London Authority by 31 January 2020. Brent, like all Local Authorities, has to work out how much next year's band D council tax should be so that the total tax that will be collected equals the budget required to pay for its services. In effect, the tax base represents the aggregate taxable value of all residential property in Brent. Recent analysis of the tax base suggests that the rate of housebuilding growth in the borough is slowing down. However, the data from the council's planning department shows a large number of consented schemes likely to complete in 2019/20, and this general trend is also supported by new council tax registrations that are currently awaiting banding by the Valuation Office Agency. This will be reviewed during 2019/20 and if the new properties have at that time come on stream at a slower rate than expected then it may be prudent to adopt a lower rate of growth for 2020/21 to keep the collection fund in balance. Should the tax base for budget setting purposes be less than the prevailing tax base in the borough a deficit on the collection fund will have to be declared resulting in the need to either increase the level of Council Tax in subsequent years or reduce the tax base for budget setting purposes which would have the effect of increasing the overall budget gap.

## **Business Rates**

- 5.4 Brent is again part of the pan London Business Rates pilot pool in 2019/20, operating on the basis of 75% rates retention as opposed to 100% in 2018/19. In 2018/19 the pool is expected to generate a direct one-off benefit for Brent of c£6m. The exact figure will only be known once the final figures are confirmed for the year, expected in summer 2019. At 75% retention the pool will be less beneficial. Nonetheless, assuming that business rates grow in 2019/20 at the same rate that they did in 2018/19 and taking into account preliminary modelling of the 2019/20 pilot would indicate a direct one-off benefit of around £3.4m, expected to be confirmed in summer 2020. As the additional income is one-off, it has not been built into the Council's long term financial planning assumptions and the national position on how business rates will impact Local Government funding is expected to be clarified as part of the Fair Funding Review. It is also important to note that while business rates growth will be retained by the local

authorities in the pool, the cost of a fall in total business rates will also be borne by those authorities.

### Improved Better Care Fund

- 5.5 The Council is due to receive £11.6m in 2019/20 through the Improved Better Care Fund (IBCF) grant. This funding has conditions attached with regards to ensuring it is spent on adult social care needs, supporting the local care market and that it relieves pressure on the NHS, particularly with respect to delayed transfers of care. A further condition is that spending plans must be agreed with local Clinical Commissioning Groups.
- 5.6 This grant represents a significant investment in social care in the short term, but when it was announced the government explicitly did not build them into the long term funding baseline. Therefore, in theory, Brent's allocation in 2020/21 is nil, like all other local authorities. This outcome has been reported as being highly unlikely given the substantial investment since 2017 and the current pressures being experienced within the NHS. As part of the 2017/18 budget £1.8m was built in to the Council's future budget assumptions in respect of the IBCF grant and a further £6.0m was assumed as part of the budget agreed in February 2019 to continue to help address spending pressures arising from the increased demands and costs of providing adult social care.

### Overall Summary of Funding Assumptions

- 5.7 The table below summarises the income projections set out above as well as other assumptions within the budget agreed by Council in February 2019.

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
Revenue Support Grant	24.5	21.2	18.4	16.0
Specific Grants (e.g. Public Health)	34.0	32.5	31.7	30.9
<b>Total Central Government Funding</b>	<b>58.5</b>	<b>53.7</b>	<b>50.1</b>	<b>46.9</b>
Council Tax	122.0	130.0	138.6	147.7
Retained Business Rates	95.5	97.5	99.6	101.7
<b>Total Funding from residents and businesses</b>	<b>217.5</b>	<b>227.5</b>	<b>238.1</b>	<b>249.4</b>
<b>Total Funding</b>	<b>276.0</b>	<b>281.3</b>	<b>288.3</b>	<b>296.3</b>

## Growth assumptions

- 5.8 Critical to understanding the overall budget gap are the annual growth assumptions that are built in to the budget modelling process. These are set out in the table below for 2020/21 and the amounts can be regarded as reliable.

<b>Assumption</b>	<b>Extra cost per annum (£m)</b>	<b>Description</b>
Demography	3.5	Adult Social Care (£2m), Housing (£0.5m), Children's Social Care (£0.5m), Public Realm (£0.3m), Other (£0.2m)
Payroll	2.1	Based on 2% pay award and new pay spines
London Living Wage	1.0	Assumed average annual cost of making more contracts LLW compliant
Contracts	5.9	Primarily based on 2% inflation or known contractual commitments
Transport	1.3	Freedom passes and transporting children with Special Educational Needs
Technical	0.9	Pensions, levies (e.g. WLWA) and other technical items
Allowance for uncertainty	1.0	Need to have some insurance against non-delivery of savings
Capital financing	1.0	Interest and debt repayment costs for capital programme
<b>Total Growth</b>	<b>16.7</b>	

- 5.9 The overall budget, agreed by Council in February 2019, is set out in the table below. That said, until the Spending Review is published and until the direction of the Fair Funding review is clearer the estimate of the overall funding gap in future years will be subject to considerable change or at least uncertainty. Further work will be done over the summer, where possible, to examine each of the budget assumptions, with a view to bringing an updated report to Cabinet in October.

	2019/20	2020/21	2021/22	2022/23
	£m	£m	£m	£m
<b>Expenditure</b>				
Assumed budget b/f before in year growth and savings	267.9	276.0	281.3	288.3
Demographic Growth	3.5	3.5	3.5	3.5
Other Growth	14.4	13.2	13.5	14.5
Technical budget adjustments	(0.3)	0	0	0
<b>Total Expenditure</b>	<b>285.5</b>	<b>292.7</b>	<b>298.3</b>	<b>306.3</b>
<b>Income</b>				
Revenue Support Grant	24.5	21.3	18.4	16.0
Specific Grants	34.0	32.5	31.7	30.9
<b>Total Central Government Funding</b>	<b>58.5</b>	<b>53.8</b>	<b>50.1</b>	<b>46.9</b>
Council Tax	122.0	130.0	138.6	147.7
Business Rates	95.5	97.5	99.6	101.7
<b>Total funding from residents and businesses</b>	<b>217.5</b>	<b>227.5</b>	<b>238.2</b>	<b>249.4</b>
<b>Total Income</b>	<b>276.0</b>	<b>281.3</b>	<b>288.3</b>	<b>296.3</b>
<b>Savings agreed in February 2019</b>	<b>9.5</b>	<b>11.4</b>	<b>0</b>	<b>0</b>
<b>Savings required</b>	<b>0</b>	<b>0</b>	<b>10.0</b>	<b>10.0</b>

- 5.10 The budget agreed by Council in February 2019, set a balanced budget for both 2019/20 and 2020/21. This included agreeing that the budget should be constructed on the basis of a council tax increase of 4.99% in 2019/20 and 3.99% in 2020/21. In addition, a range of savings proposals were agreed of £9.5m in 2019/20 and £11.4m in 2020/21 meaning that, subject to consultation and any other material changes to circumstances, no new savings proposals need to be developed to achieve a balanced budget in 2020/21. For the avoidance of doubt, all of the proposals were set out for Council in February 2019, together with the results of the statutory consultation, scrutiny and equalities processes carried out leading up to that.

## 6.0 The Council's current year capital budget

- 6.1 In 2018/19 the capital programme achieved a total spend of £151.2m (2017/18 £181.2m). This position represents 92% of planned delivery and is a continuation of the progress made in 2017/18. This trend is expected to continue in 2019/20 and beyond as existing schemes are completed and the capital pipeline proposals are developed into firm schemes.

**Table 1**  
**2018/19 Outturn Position**

<b>Portfolio/Programme</b>	<b>Budget £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>
Corporate Landlord	6.5	5.7	0.8
Regeneration	9.8	8.0	1.8
Housing Care Investment	82.3	85.9	(3.6)
Schools	24.3	22.7	1.6
South Kilburn	18.9	10.2	8.7
Public Realm	21.5	18.5	3.0
<b>Total</b>	<b>163.3</b>	<b>151.1</b>	<b>12.2</b>

### **2019/20 Capital Budget Position**

- 6.2 The capital programme currently has a revised budget of £296.7m for 2019/20. The original Budget of £257.6m was approved at full Council in February (See Table 2). The largest budget is Housing which includes allocations for property acquisitions and private rented sector initiatives as well as several NAIL schemes.
- 6.3 The 2019/20 net forecast outturn position is currently to budget, however it is worth noting that at the end of 2018/19 c£12m of the capital budget was required to be brought forward (mostly relating to programme slippage and underspends). It is therefore proposed that this sum is re-profiled into 2019/20 and later in some cases, except for those schemes that reached final completion in 2018/19.
- 6.4 The position is summarised table 2 below and further details on the 2019/20 forecast position is contained within the Financial Forecast report also on the agenda. Table 2 shows the impact of the proposed 2018/19 carry forwards and other adjustments, however the main adjustments include:
- £0.5m Civic Centre works
  - £4.1m North End Road and Two Way Working
  - £11.5m New Affordable Housing funded by RTB
  - £6.8m i4B PRS acquisitions
  - £0.8m Schools capital funding (special provision grant)
  - (£2.6m) South Kilburn re-profiled schemes
  - £5m Footways capital investment

**Table 2**

<b>Portfolio/ Programme</b>	<b>Budget £m</b>	<b>B/Fwd £m</b>	<b>Virement £m</b>	<b>Other £m</b>	<b>Revised Budget £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>
Corporate Landlord	52.2	0.8	0.0	0.9	<b>53.9</b>	53.1	(0.8)
Regeneration	2.6	1.9	(0.1)	3.7	<b>8.0</b>	7.4	(0.6)
Housing Care Investment	157.9	(5.0)	0.0	12.0	<b>164.9</b>	163.5	(1.4)
I4B	21.6	1.4	0.0	6.8	<b>29.7</b>	31.1	1.4
Schools	7.2	1.6	0.0	0.8	<b>9.6</b>	11.8	2.2
South Kilburn	3.9	8.6	(2.6)	0.0	<b>9.9</b>	10.4	0.5
Public Realm	12.3	3.0	5.0	0.4	<b>20.6</b>	18.6	(2.0)
<b>Total</b>	<b>257.6</b>	<b>12.3</b>	<b>2.3</b>	<b>24.5</b>	<b>296.7</b>	<b>295.9</b>	<b>(0.8)</b>

### **Pipeline**

6.5 The programme agreed by Council in February included £925m for pipeline schemes. In evaluating the investment pipeline proposals several factors were considered. These included statutory requirements, demonstrable linkages to corporate priorities, the ability for proposals to generate revenue savings and, to a slightly lesser extent, their potential to generate future capital receipts or other financial returns.

6.6 In total, schemes amounting to £392m were promoted from the pipeline and added to the main programme 2019/20 – 2023/24.

6.7 When the opportunity presents itself the residual schemes will be brought forward, once they have been further refined and subject to detailed business cases and Cabinet approval where necessary.

### **7.0 Proposed budget setting process 2020/21**

7.1 The council's minimum legal duty in February 2020 will be to set a budget and council tax for 2020/21. As set out in this report, provided the decision on increasing Council Tax is endorsed by members, the service budget for 2020/21 can be set on the basis of savings proposals which have already been consulted on extensively, subject to the results of the local government settlement and any other material changes in the financial position.

7.2 For clarity, these are the proposals set out in Appendix A. These were agreed in February 2019, following consultation at each Brent Connects meeting, four pop up events and a well-publicised campaign on the council's website which attracted a record number of responses.

7.3 Clearly, as part of the consultation process, it will be open for respondents to raise issues about these proposals if they so choose. However, on the basis that they have already been consulted on extensively, and agreed to go forward when other budget proposals were explicitly rejected through that process, the reasonable working assumption is that these proposals will proceed unchanged.

7.4 Therefore, the proposed budget setting process following this Cabinet meeting is as follows:

- Cabinet 14 October 2019. This report will update the position on the core estimates that drive the council's budget position, to enable Members to assess the approach to the business planning and budgeting cycle;
- The proposals, together with any changes made by Cabinet, will form the basis of consultation between November 2019 and January 2020 with local residents, businesses and other key stakeholders;
- The Scrutiny Committees will review the budget proposals and report accordingly;
- The General Purposes Committee will review the calculation of the Council Tax base in December 2019.
- After consultation, a budget paper will be presented for Cabinet to recommend a final budget and council tax to the February 2020 Council meeting. In February 2020 it would be open to Council, subject to all the usual planning uncertainties and caveats, simply to re-confirm the proposals set out a year earlier, which would result in a balanced budget for the 2020/21 financial year.

## **8.0 Overall summary and conclusion**

8.1 Local government continues to face an extremely challenging financial outlook following a prolonged period of austerity as well as disproportionate growth in demand for services. There is a growing level of uncertainty as the cliff edge of 2020 approaches – marking the end of the current Spending Review period and start of the new 75% business rates retention scheme.

8.2 Since 2010 the council has agreed expenditure reductions of £185m. This has been delivered through a combination of effective financial management, cost control and more innovative approaches to investment and demand management.

8.3 Officers' expectation is that savings of £40m will be needed over the lifetime of this Administration. The profile of these is broadly balanced, and so a further £20m of savings will be required between 2021/22 and 2022/23, on top of the £20.9m savings already agreed between 2019/20 and 2020/21, in order to deliver a balanced budget. However, it is important to note that, on the current funding estimates, significant further savings will need to be agreed at the

Council meeting of February 2021. As a result, the current working assumption is that anything not agreed as part of the 2019/20 and 2020/21 budget setting round may need to be considered again at the point in time, and further options identified.

8.4 The core estimates that drive the Council's budget position will be revised and updated over the summer to take account of, where possible, the national policy direction on local government finance and other local specific factors with a view to reporting back to Cabinet on the longer term financial position in October.

8.5 Critical to the review of key financial assumptions will be the factors set out below.

- **Demography.** The extent to which changing demographic trends will vary from those previously assumed, and so increase or decrease the assumed cost of providing services.
- **Macro-economic conditions.** The effect of changes to forecast rates on inflation, interest rates and economic growth, as a longitudinal proxy measure of earnings and employment and hence a determinant of deprivation and need for services.
- **Local (and local government) specific factors.** The cost of providing pensions will feature significantly, which in turn will be affected by discount rates, investment performance and longer-term actuarial assumptions. This will become clearer after the summer following the outcome of the 2019 Triennial valuation of the Pension Fund.
- **National policy.** The key issues and developments in national policy (so far as the impact on local government finance can be discussed with any reasonable certainty) have been set out in this report. On the face of it additional funding for adult social care and homelessness prevention has been allocated, but the lack of longer-term commitments to this by government make planning at the local level difficult, and it is as yet too early to forecast accurately how service interventions and innovations funded from these will impact on the council's cost base.
- **Local policy.** Local choices to prioritise some services or policies over others is at the core of local government democracy and accountability, and the impact of possible policy initiatives will need to be factored into the planning process

## 9.0 Financial Implications

9.1 The financial implications are set out throughout the report.

## 10.0 Legal Implications

10.1 Standing Order 24 sets out the process that applies within the council for developing budget and capital proposals for 2019/20. There is a duty to consult

representatives of non-domestic ratepayers on the Council's expenditure plans before each annual budget under Section 65 of the Local Government Finance Act 1992. The council also has a general duty to consult representatives of council tax payers, service users and others under Section 3 (2) Local Government Act 1999.

## **11.0 Equality Implications**

11.1 Under the Public Sector Equality Duty (PSED) in the Equality Act 2010, Brent Council is required to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between different protected groups when making decisions. The groups protected by law, also known as protected characteristics, are age, disability, gender, race, religion or belief, pregnancy and maternity, marriage and civil partnership, sexual orientation and gender reassignment. Although socio-economic status (people on low income, young and adult carers, people living in deprived areas, groups suffering multiple disadvantage, etc.) is not a characteristic protected by the Equality Act 2010, Brent Council is committed to considering the impact on socio-economic groups.

11.2 The PSED does not prevent decision makers from making difficult decisions in the context of the requirement to achieve a significant level of savings across all operations. It supports the Council to make robust decisions in a fair, transparent and accountable way that considers the diverse needs of all our local communities and workforce. Consideration of the duty should precede and inform decision making. It is important that decision makers have regard to the statutory grounds in the light of all available material, including relevant equality analyses and consultation findings. If there are significant negative equality impacts arising from a specific proposal, then decision makers may decide to amend, defer for further consideration or reject a proposal after balancing all of the information available to them.

## **12.0 Consultation with Ward Members and Stakeholders**

12.1 The detailed approach to the statutory consultation process will be set out as part of the budget report to be presented to Cabinet in October 2019.

**Report sign off:**

***Minesh Patel***

Interim Director of Finance

**Appendix A: Summary of savings 2019/20 – 2020/21**

<b><u>Community Wellbeing</u></b>				
<b>Index</b>	<b>Reference</b>	<b>2019/20 (£000)</b>	<b>2020/21 (£000)</b>	<b>Description</b>
CWB001	Public Health re-commissioning	100	150	Additional efficiencies made through public health re-commissioning
CWB002	Public Health re-commissioning		500	Recommission Children’s Centres and Health Visiting as a single contract
CWB003	Public Health re-commissioning	125	125	Cease untargeted smoking cessation. Retain only a service for mental health service users and pregnant women
CWB007	Housing – extended selective licensing	100	70	Proportion of the increase in License income to fund corporate overhead charge
CWB008	Additional Housing Reform: Single homelessness & supporting people	400		Reduction in the cost of the Single Homelessness Team and supporting people budget, by using New Burdens and Flexible Homelessness Support Grant
CWB009	Additional Housing Reform: Phase 2 Temporary Accommodation reform plan		600	Increased acquisition of private sector accommodation through I4B to meet demand from homeless households and thereby avoiding cost of future TA provision
CWB010	Additional Housing Reform: First Wave Housing		250	Increased income generation through an investment in Private Sector accommodation by First Wave, let at market rates
CWB012	Supporting People savings	250		Additional efficiencies within the service
CWB013	New Accommodation for Independent Living		2,000	Increasing NAIL provision to support more users, but also developing provision to support higher need users and support some users who would have gone into nursing care
CWB014	Continuing Health Care	400		Continuing Health Care – Continue to challenge decisions regarding

				CHC assessments at every point of referral
CWB015/16/17/18	Adult Social Care re-commissioning	1,200	250	Review of homecare and placement packages, re-commissioning day care
CWB021	Housing Association Lease Scheme	300	300	Proposed to introduce a Reasonable Rents policy
<b>Community Wellbeing Subtotal:</b>		<b>2,875</b>	<b>4,245</b>	
<b>Community Wellbeing Grand Total</b>		<b>7,120</b>		

### **Regeneration & Environment**

<b>Index</b>	<b>Reference</b>	<b>2019/20 (£000)</b>	<b>2020/21 (£000)</b>	<b>Description</b>
R&E001	Dimming street lights		100	The LED Street Lighting CMS provides the Council with the ability to adjust LED lighting output to create additional savings (£100k) by further reducing both energy costs and carbon emissions
R&E002A & B	Public Realm	250		Review of litter picking services
R&E003	Parks maintenance	200		A review of spend by the parks service to remove off-contract spend
R&E004	Building control	176	35	The generation of additional income by the Building Control team. £100k is adjusting the budget to match current workload, with the remainder to come from out-of-borough associate work
R&E005	Employment/START	380		This saving would be generated through a combination of efficiencies, rationalising staffing and the generation of additional income from a combination of external grant funding and fee income.
R&E006	Littering enforcement	200		The saving comes from the expansion of litter patrol activity - income is generated through additional fines

R&E007	Planning enforcement	60		Additional income generated by the Planning Enforcement team
R&E008	Wembley licensing		50	Potential increase in revenue arising from increased activity in Wembley
R&E009	Planning fees	350		Increased income from a 20% uplift in Planning Fees - this is a Central Government initiative
R&E010A	Recycling service	60		General efficiencies within the service
R&E018	Regeneration & Environment staffing efficiencies	1,524	450	Review of staffing model in Regeneration & Environment
R&E022/22A	Met Patrol plus service		400	End Met Patrol Plus funding
<b>Regeneration &amp; Environment Subtotal</b>		<b>3,200</b>	<b>1,035</b>	
<b>Regeneration &amp; Environment Grand Total</b>		<b>4,235</b>		

### **Children & Young People**

<b>Index</b>	<b>Reference</b>	<b>2019/20 (£000)</b>	<b>2020/21 (£000)</b>	<b>Description</b>
CYP001	DSG Contribution	250		Work within amended regulations to fund some statutory education functions from DSG. Requires annual approval from Schools Forum
CYP002	Care leaver benefits	150		Ensure care leavers access Housing Benefit when entitled, to reduce interim support from Children's services
CYP003	WLA Placement commissioning	150		Reduce placement costs through the West London Alliance (WLA) Dynamic Purchasing System and use of block contracts
CYP004	WLA Shared Fostering Service		100	Develop a shared fostering service with other WLA boroughs, resulting in staffing efficiencies
CYP005	Create new alternative education provision	250		Transform the site to an educational setting with community activities. End delivery of council

	with wrap around youth services from the Roundwood site			run youth services from Roundwood, creating a different model of community and voluntary provision
CYP006	Early Help service reduction	250		Reduce support levels to early years providers. Efficiency measures across Early Help including restructure of the Education Welfare Service
CYP007	Non case holding staff	250		A reduction of 5 FTE from non-case holding staff and management posts, primarily by smarter use of technology.
CYP008	Children's centres		1,491	Develop family hubs from children's centres
CYP009A	Connexions	100		Recommissioning of contracted service and targeted projects
<b>Children &amp; Young People Subtotal</b>		<b>1,400</b>	<b>1,591</b>	
<b>Children &amp; Young People Grand Total</b>		<b>2,991</b>		

### **Performance, Policy & Partnerships**

<b>Index</b>	<b>Reference</b>	<b>2019/20 (£000)</b>	<b>2020/21 (£000)</b>	<b>Description</b>
PPP001	Reducing voluntary sector grants	102	158	Proposed to reduce grants provided to three voluntary sector bodies
PPP002	Deletion of one policy officer	60		It is proposed to delete one policy officer from the Strategy and Partnerships department. Overall, the work undertaken by the team would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate.
PPP003	Restructure of communications department		100	It is proposed to restructure the Communications function in 2020/21 which is likely to result in reductions in staff and the level of

				support offered by corporate communications.
PPP005	PPP Redesign	450		It is proposed to reduce the overall management of the service by aligning specialism across the department. This will include looking at how policy, scrutiny, performance, transformation and communications interrelate. Overall, the work undertaken by the department would need to be prioritised to focus on statutory requirements and strategic objectives, and lower-priority areas reduced as appropriate
PPP007	Reduce scrutiny committees to two	60		This saving represents reducing scrutiny committees from three to two. In 2017 a third scrutiny committee was established to give a focus on BHP coming back to the Council's control. It is expected that by 2019 the scrutiny of housing could revert back to the Community and Wellbeing Scrutiny Committee
PPP008	Stop catering at all Member meetings	38		This saving can be generated by not providing catering and refreshment services at member meetings
PPP009	More efficient translation services	28		Following a review of translation service usage across the Council it has been found that utilisation can be improved while reducing costs by approximately 12%. This includes better use of skype/conference call capabilities facilitated by the new telephony contract


PPP011	Restructure Executive Support Team	45		Restructure and re-grading of the Executive Support Team. In order to ensure all Departments are supported appropriately, team members will be cross trained to enable them to cover all required areas, which will enhance continuity during times of absence
PPP012	Proposed staffing changes in political offices	37		Review of support to political groups
<b>Performance, Policy &amp; Partnerships Subtotal</b>		<b>820</b>	<b>258</b>	
<b>Performance, Policy &amp; Partnerships Grand Total</b>		<b>1,078</b>		

### **Resources**

<b>Index</b>	<b>Reference</b>	<b>2019/20 (£000)</b>	<b>2020/21 (£000)</b>	<b>Description</b>
RES001	Legal savings - Demand management	50	50	Savings to recognise the impact of the Impower demand management review, income generation and bringing more work in house which will lead to less spend on external legal counsel
RES002	Insurance savings	100		Savings to be achieved following a review of insurance provision and risk management
RES003/ 04/05	Customer services	275	425	Service modernisation- more digital services and demand management revised operating model for managing access for all services, streamlining of structures following return of Council Tax in house.
RES006	Oracle & hosting	270		Savings in relation to hosting One Oracle (£150k) and income from other boroughs within the One Oracle partnership (£120)
RES007	IT sales	74	326	Income from selling IT Services to another Council/external companies and/or another partner within the current shared service

				model (£330k). Income from selling IT services to Air France (£74k)
RES008	Reduce printing and no more colour printing	100		Savings from reductions in print volumes (10%) and removing the option for colour printing
RES009	Application support	100		Staff savings as result of consolidation of application support teams within the shared service
RES010	Resources directorate savings	200		Savings to be delivered from within the Resources directorate budget and other smaller budget items
RES011	Review of Council tax support scheme		3,300	Estimated 15% reduction in total expenditure
RES012	Property		200	It is proposed to review all existing leases and other income raised with a view to generating additional income
<b>Resources Subtotal</b>		<b>1,169</b>	<b>4,301</b>	
<b>Resources Grand Total</b>		<b>5,470</b>		
<b>Total</b>		<b>9,464</b>	<b>11,430</b>	
<b>Grand Total</b>		<b>20,894</b>		

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 <b>Brent</b>	<b>Cabinet</b> 15 July 2019  <b>Report of the Interim Finance Director</b>
<b>Outturn Financial Report 2018/19</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Minesh Patel Interim Director of Finance 020 8937 4043 <a href="mailto:Minesh.Patel@brent.gov.uk">Minesh.Patel@brent.gov.uk</a>  Ben Ainsworth, Head of Finance 020 8937 1731 <a href="mailto:Ben.Ainsworth@brent.gov.uk">Ben.Ainsworth@brent.gov.uk</a>

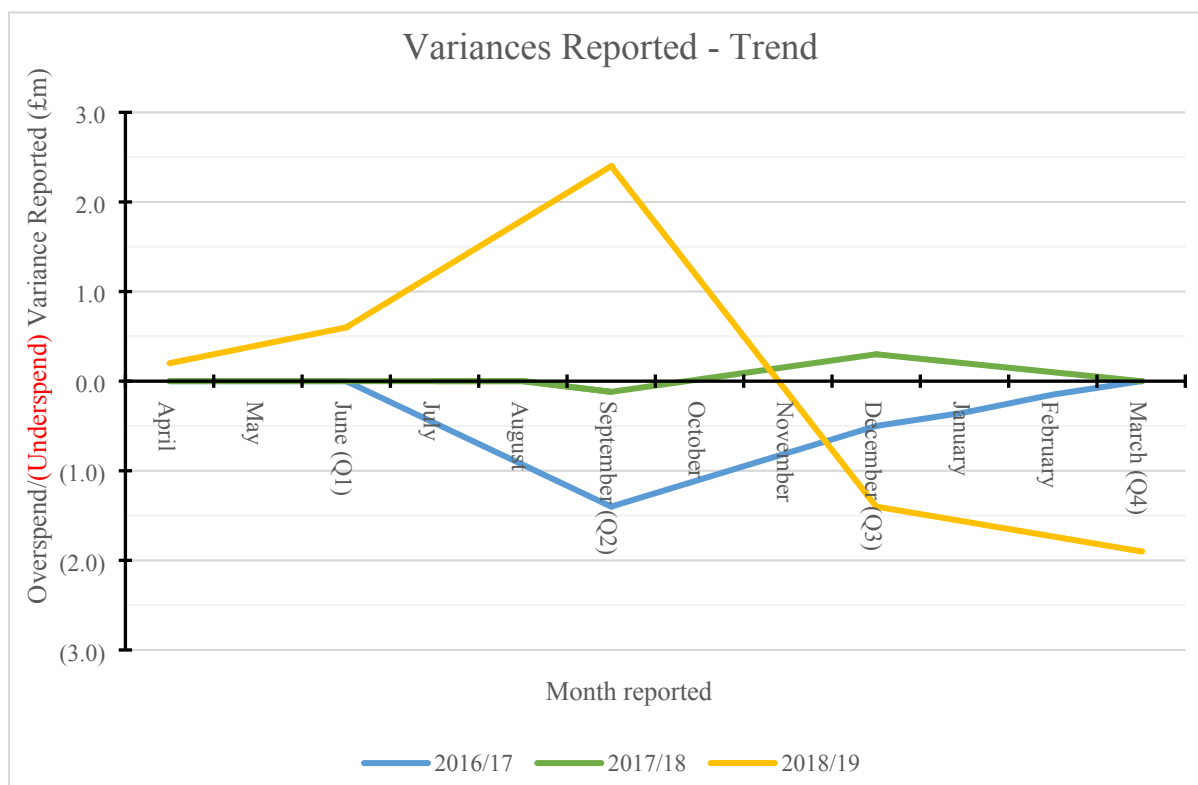
## 1.0. Summary

- 1.1. This report sets out the 2018/19 outturn position against the revenue budget.
- 1.2. Overall the Council underspend against the main general fund revenue budget by £2.0m. There is an overspend of £1.7m in Children & Young People (CYP), however this will be met by contingency funds within the CYP reserves as detailed in paragraph 3.2. There is also a small overspend of £0.2m within Community Wellbeing as set out in paragraph 3.12. Offsetting these are an underspend of £3.8m in Regeneration and Environment, of which £2.7m is proposed to be set aside the 2019/20 projects as set out in paragraph 3.18 of the report.
- 1.3. Table One summarises the overall position. The report then sets out more detail on a department by department basis.

**Table One: Overall revenue financial position 2018/19**

<b>Operational Directorate</b>	<b>Budget</b>	<b>Outturn</b>	<b>Overspend/ (Underspend)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Children & Young People	41.4	43.1	1.7
Community Wellbeing	127.1	127.3	0.2
Performance, Policy & Partnerships	10.2	10.3	0.1
Regeneration & Environment	37.6	33.8	(3.8)
Resources	38.7	38.5	(0.2)
<b>Total General Fund</b>	<b>255.0</b>	<b>253.1</b>	<b>(2.0)</b>
DSG funded activity	3.3	3.3	0.0
HRA funded activity	2.5	2.3	(0.2)
<b>Overall position</b>	<b>260.8</b>	<b>258.7</b>	<b>(2.2)</b>

- 1.4. The graph below shows the outturn position of £2.0m on the general fund underspend which is an improvement on the position forecasted in previous periods and the position in previous years. This outturn highlights the effective management action taken to address the pressures throughout the year.



**Table Two: Overall capital programme position 2018/19**  
*Net capital outturn is over 90% of the budget.*

Portfolio/Programme	Budget £m	Outturn £m	Overspend/ (Underspend) £m
Corporate Landlord	6.5	5.7	(0.8)
Regeneration	9.8	8.0	(1.8)
Housing Care Investment	82.3	85.9	3.6
Schools	24.3	22.7	(1.6)
South Kilburn	18.9	10.2	(8.7)
Public Realm	21.5	18.5	(3.0)
<b>Total</b>	<b>163.3</b>	<b>151.1</b>	<b>(12.2)</b>

1.5. The Capital Programme underspent by £12.2m, the main reason for this is due to delays in the South Kilburn programme caused by the GLA requirement for a ballot on estate regeneration schemes. Further details on the underspend can be found in paragraph 3.35. The capital outturn is over 92% of the budget, this is an improvement to the 2017/18 position of 86%.

## 2.0. Recommendation

2.1. To note the overall financial outturn.

## 3.0. Detail

### ***Children and Young People (General Fund)***

## 3.1

Service Area	Budget (£m)	Expected Outturn (£m)	Overspend/ (Underspend) (£m)
Central Management	(0.9)	(0.9)	0.0
Early Help	5.7	5.1	(0.6)
Inclusion	2.3	1.8	(0.5)
Localities	10.3	11.5	1.2
LAC and Permanency	5.8	6.9	1.1
Partnership, Planning and Performance (CYP PPP)	16.2	17.1	0.9
Safeguarding, Quality Assurance	1.8	1.5	(0.3)
Settings and School Effectiveness	0.2	0.1	(0.1)
<b>Total</b>	<b>41.4</b>	<b>43.1</b>	<b>1.7</b>

- 3.2 The Children and Young People department overspent by £1.7m, which was in line with previous forecasts. This compares to a broadly balanced budget position in 2017/18. The overspend was mainly caused by a spike in demand for Children's Social Care in the first half of the year. There are three main demand led areas of overspend in 2018/19; higher numbers of cases in the Localities service, higher spending on supporting children in care and care leavers in need, and increased numbers of placements for non-UASC children and young people. These three areas of demand all caused a pressure of approx. £1m each, with the department able to mitigate over £1m of the underlying overspend. The remaining overspend of £1.7m has been covered by drawing down on CYP reserves previously earmarked as contingency funds.
- 3.3 The total number of cases of individual children referred to and supported by the Localities teams, excluding Children with Disabilities (CWD), rose from 1,250 in October 2017 to a peak of 1,600 in the summer of 2018. The Ofsted inspection report 2018 stated that the service 'makes good decisions about level of risk and need', but it recognised that partner agencies should be completing more early help assessments. CYP have since worked with partners to reduce the number of statutory assessments taking place. In addition, work has been undertaken at the Brent Family Front door to improve processes to make sure only appropriate cases progress through to assessment and statutory intervention. As a result, case numbers have fallen in the second half of the year and are now at a level which can be supported by the budgeted staffing establishment. Following the social work realignment which committed to safe social work case-loads, the budgeted establishment can support 1,350 cases (excluding CWD).
- 3.4. In the second half of the year the Localities Service did take some action to safely reduce the number of agency social workers whilst maintaining the commitment to safe caseloads. However, at times this year the service has had to run at up to 20 FTE over establishment, with up to a third of case holding staff being agency workers. The full year impact of 20 additional FTE equates

to the majority of the £1.3m overspend. In the second half of the year the number of additional agency social workers has been reduced down to 14 by year end. The service is planning to operate within budget in 2019/20. This plan requires careful and flexible case load management, a continued lower referral rate than that experienced in the first half of 2018/19, and the allocation of additional resources from the social care grant allocated by central government in response to the increased levels of demand nationwide.

- 3.5. The proportion of social workers employed via agency contract was 29% at quarter three in 2018/19 compared to 32% in 2017/18. The proportion of front line agency social workers in the Localities service is higher than this at 42% at the end of February 2019. Use of agency staff elsewhere also contributed to financial pressures across CYP. Management monitored this and took action to contain costs by ensuring that Agency staff took holidays, limited the length of handover periods, and ensured rates paid are within approved levels. From October all requests for recruitment required Operational Director approval in order to proceed.
- 3.6. Spending by the LAC and Permanency service on supporting children in care and care leavers in the first half of 2018/19 increased compared to the same period last year and this resulted in an over spend. Some of this is emergency spending on supporting clients, but other support is discretionary. An in-year review of entitlements for LAC and Care leavers resulted in reduced spend on client support from October onwards, averaging at £85k per month. The budget has therefore been rebased at this realistic yet challenging level of £85k per month which will assist service managers in managing spending in 2019/20. For context the review showed that these budgets supported an average of 288 clients each month from April to December 2018.
- 3.7. The total number of cases held within the LAC and Permanency service is now within the safe thresholds recommended by Ofsted which meant the service ran under establishment in the last quarter of the year to mitigate other pressures. In the medium term the number of care leavers is forecast to rise, as 80 of the current LAC population will turn 18 before 31<sup>st</sup> March 2020. This budget will remain under review in 2019/20, and the service will make use of specific demographic budget increases and section 31 grants. The overall position for the LAC and Permanency service in 2018/19 is £1.2m overspent.
- 3.8. The CYP PPP budget is mainly made up of placements costs. Whilst LAC numbers remain low at approximately 300, (42 per 10,000 compared to a national average of 60 per 10,000), the placements budget also covers adoption allowances and care leavers in semi-independent or staying put placements. The Brent LAC population has an older age profile than the national average, and older children frequently have more complex needs that require specialist placements. The total number of placements supported mid-year was 640, rising to 650 by year end. This compares to an average of 635 in 2017/18, meaning that despite the low numbers of LAC the number of placements has increased. An increase in costs of £0.5m compared to 2017/18 has arisen as a result of accommodating increasing numbers of care leavers in semi-independent placements (from an average of 55 placements to 80 placements). In 2018/19, a small number of placements in very high cost semi-independent units has resulted in an increase of £350k. The very high cost

residential home placements and residential school placements have shown increase in costs of £300k. The costs of children placed on remand has reduced by £300k compared to 2017/18.

- 3.9. The most significant change to the previous year's placement budget is that there were fewer UASC children within the LAC cohort, which means that fewer of the placements were supported by the government's UASC grant, which reduced by £0.7m compared to the previous year. The overspend on placements for 2018/19 is £0.9m.
- 3.10. In the medium term it is expected that suppliers on the West London Alliance framework will hold their prices over the next two years, and there is evidence which shows that placements procured through this framework are cheaper than those which are spot purchased. Adhering to the framework is therefore important to achieving a balanced budget on placements in 2019/20.
- 3.11. Mitigating underspends were found across all other service areas following management action. The underspend on Early Help resulted from an enhanced public health contribution to reflect the contribution the Early Help service makes towards 0-19 public health targets.

#### **Community Well-Being (General Fund)**

<b>Department</b>	<b>Budget (£m)</b>	<b>Outturn (£m)</b>	<b>Overspend/ (Underspend) (£m)</b>
Housing General Fund	2.6	2.7	0.1
Public Health	21.7	21.7	0.0
Culture	5.2	5.2	0.0
Adult Social Care	97.5	97.6	0.1
<b>Total</b>	<b>127.1</b>	<b>127.3</b>	<b>0.2</b>

- 3.12. The Flexible Homelessness Support Grant (FHSG) of £7.8m was able to cover ongoing needs within the year, with £4.8m of this grant moving into reserves. There was a modest overspend on Housing Partnerships (PFI), however action was taken during the year to convert many of these properties from Temporary Accommodation to Affordable Rent/Discounted Market Rent which generates higher income. Increased financial pressures are anticipated in future years. The FHSG is being reduced to £5.2m in 2019/20 and there is no guarantee funding will continue in subsequent years.
- 3.13. Public Health spend was in-line with budget. The core grant from Public Health England has been reduced from £21.4m to £20.8m in 2019/20 which is expected to lead to increased budgetary pressures in future years.
- 3.14. Culture spend was in-line with budget. This relates to the core spending on libraries and sports centre. The London Borough of Culture is being managed separately.

- 3.15. The Adult Social Care outturn for 2018/19 was £0.1m over budget. Adult Social Care was expected to make £2.4m of savings in 2018/19. Most of these savings (£1.9m) were expected to be delivered through the New Accommodation for Independent Living (NAIL) programme. There were delays in 18/19 in the private market delivering NAIL schemes which led to further delays to the Council to mobilise these schemes but these schemes started to be mobilised during the latter period of 18-19 and this will continue in this financial year. The total planned NAIL savings are still expected to be delivered, but later in the programme life. The NAIL programme is being monitored through monthly meetings encompassing senior officers from Finance, Housing and Adult Social Care.
- 3.16. The other planned saving of £0.4m of additional Continuing Healthcare (CHC) Funding was not fully achieved and is the main contributor of the overspend in 2018/19. There has been a reduction in funding for jointly funded packages where it has been determined that these packages no longer have the same level of ongoing health requirements as when the packages were previously assessed. There is a further planned £0.4m saving of additional CHC Funding to be achieved in 19/20 which will be highly challenging to achieve and ASC DMT are considering other savings proposals as mitigation should it not be possible to deliver this saving.

### ***Performance, Policy and Partnerships***

- 3.17. Overall the Performance, Policy and Partnerships department has broadly spent to budget.

### ***Regeneration & Environment***

<b>Services</b>	<b>Budget (£m)</b>	<b>Outturn (£m)</b>	<b>Overspend/ (Underspend) (£m)</b>
Environmental Services & Directorate	35.2	33.2	(2.0)
Regeneration Services	2.4	0.6	(1.8)
<b>Total</b>	<b>37.6</b>	<b>33.8</b>	<b>(3.8)</b>

- 3.18. The Regeneration and Environment department underspent by £3.8m of which £2m is within the Environment and the Directorate Services and Regeneration Services has underspent by £1.8m. As well as additional income generated by the service to achieve this position, this underspend has also arisen as a result of staffing efficiencies, streamlining of processes and team realignments to deliver services in line with corporate priorities. £2.7m of this underspend has been transferred to the departmental reserve to fund a contribution to the planned investment in improving the condition of the roads and pavements and transformational project work to improve the department's ability to generate future income.
- 3.19. Of the £3.8m underspend: £1.6m of the underspend is as a result of in-year staff vacancies across the department and additional income generated within services such as Planning and Licensing, Environmental Health and Estate Regeneration. £1.2m has arisen from the early delivery of the 2019-20 agreed

savings which include the impact of additional planning income generated as a result of a 20% increase in planning application fees which came into effect in January 2018, Parks Maintenance savings, Employment and Skills efficiencies, staffing efficiencies and income generated from Enforcement. £1.0m underspend also occurred due to monies earmarked for works on potholes not being utilised as additional government funds were received and one off items, such as a rebate from the West London Waste Authority following an adjustment to its accounts.

- 3.20. The department however mitigated pressures which include; £0.7m in the Parking and Street lighting service which is an increase compared to the quarter 3 forecast's position of a £0.3m pressure. The pressure in this service area is due to a shortfall in income from parking permit sales, pay & display usage and the delay in approving the introduction of the diesel car permit surcharge. The Brent Transport service is also overspent by £0.2m mainly due to the impact of SEN demand increases as well as the impact of the National Minimum Wage having not been factored into the 2018/19 growth bid.

### **Resources**

- 3.21. Overall the Resources department has broadly spent to budget.

### **Central items - Collection Fund**

- 3.22. The budgeted net collectible amount for Council Tax for 2018/19 (after exemptions, discounts and Council Tax support) was £143.2m (of which £115m is attributable to Brent and £28.2m attributable to the GLA). The actual net collectible amount as at 31 March 2019 was £140.6m. After allowing for accounting adjustments, this has resulted in an in-year deficit of £2.4m on the Collection Fund for Council Tax. This shortfall is contained within the Collection Fund is forecast to be eliminated over the timeframe of the medium term financial plan. The main driver of this shortfall is the growth in number of properties becoming liable for Council Tax being lower than that which was forecast as part of the 2018/19 budget setting process. However, the data from the council's planning department shows a large number of consented schemes likely to complete in 2019/20, and this general trend is also supported by new council tax registrations that are currently awaiting banding by the Valuation Office Agency. This will be reviewed during 2019/20 and if the new properties have at that time come on stream at a slower rate than expected then it may be prudent to adopt a lower rate of growth for 2020/21 to keep the collection fund in balance. The in-year collection rate for Council Tax was 96.1%, compared to 95.74% in 2017/18.
- 3.23. The budgeted net collectible amount for Business Rates (after exemptions, reliefs, discounts and business rates supplement) was £130.6m. The actual net collectible amount as at 31 March 2018 was £134.0m. After allowing for accounting adjustments, this has resulted in an in-year surplus of £3.5m on the Collection Fund for Business Rates. This position has fluctuated considerably during the year due to amendments to the rate able values of properties (including new and deleted properties) as well as ratepayers being entitled to reliefs such as charity and small business relief. The in-year collection rate for Business Rates was 99.1%, compared to 98.57% in 2017/18.

### **Central items - Capital financing and other central items**

- 3.24. The capital financing budget for 2018/19 is £23.0m, the outturn is as per below. There is zero variance to the budget.

	£m
Interest Payable	23.5
Interest Receivable	(13.3)
Capital Financing and Minimum Revenue Provision	12.8
<b>Total</b>	<b>23.0</b>

### **Dedicated Schools Grant**

- 3.25. The Dedicated Schools Grant (DSG) expenditure budget totals £315m which is supported by £312m of grant income and £3m of DSG reserves released in consultation with Schools Forum as one off funding. The £315m represents the total cost of funding education to early years and school age pupils in the borough before recoupment of funds by the Department for Education to fund the borough's Academies. In addition, £3.5m of sixth form funding is received and passed onto maintained schools which have sixth form provision. Overall the DSG overspent by £1.3m but within this there were large variations on the High Needs block and the pupil growth fund. The overspend can be met from DSG reserves in 2018/19, but the growing cost of High Needs provision is a serious concern for future years, and may deplete reserves by the end of 2019/20.
- 3.26. There was little variance in the net position of the funds allocated to schools (£229m), as the funding formula was set to budget for 2018/19 and in-year academy conversions have had little net impact.
- 3.27. The Early Years Block budget is £24m. The position of the block's income and expenditure is broadly balanced as 95% of funding received for each child is passed on to fund providers, with 5% (£1.2m) funding centralised early years support. The number of children in provision has again fallen in line with demographic trends, so the income and expenditure outturn is marginally lower than the £24m budgeted.
- 3.28. The Central Block of the DSG (£2.4m) funds central services for schools and spent to budget.
- 3.29. There are variances to budget in the High Needs Block (£54m), and the growth budget which is funded from the main schools' block. The High Needs block underspent in recent years but is now experiencing growing demand led pressures. The block supports high needs pupils in specialist provision, in mainstream settings, and provides specialist support services. Although there has been an increase in the amount of in-borough places, which are less costly than places out of borough, the increase in number of High Needs children and

increased severity of need means there is a forecast overspend of £3m on the total cost of these placements.

- 3.30. The rise in demand includes increased numbers of post 16 places where approx. 180 young people are now supported compared to 150 in the previous year, a rise of 20% which is well in excess of demographic growth. The number of Education Health and Care Plans (EHCPs) is approximately 2,200, compared to 1,600 statements 3 years ago. Many of these plans are for children in mainstream settings, and additional funding is allocated to the schools according to need. This is an additional pressure on the High Needs Block. Work is continuing with a Schools Forum sub-group on addressing the pressures for the 2019/20 budget and beyond.
- 3.31. There were compensating underspends against the growth contingency budgets. These budgets are prudently set aside for localised primary growth, for the demographic bulge in secondary phase pupil numbers, and for supporting the CAFAI projects supporting newly arrived pupils from overseas. The budget underspend by £1.3m in 2018/19, and has been rebased for 2019/20.
- 3.32. The underspend on growth budgets partially compensates for the overspend on high needs, with DSG reserves meeting the balance of the High Needs pressures. This leaves DSG reserves of £2.5m to carry forward into the next year, but £1.5m has been allocated to support the High Needs budget in 2019/20 and the remainder will need to be held against the risk of a repeated overspend in 2019/20. The blocks will continue to be monitored and reported to Schools Forum in addition to Cabinet.

### **Housing Revenue Account**

- 3.33. The 2018-19 outturn was £2.3m, a slight underspend of £0.2m against a net budget of £2.5m. The outturn includes an accrual of £0.4m for redundancies. Budgetary pressures in year have been mitigated by a combination of debt financing being lower than budgeted and repair costs being below budgeted figures. The reduction in debt financing was due to borrowing being lower than anticipated in regards to meeting the Right to Buy (RTB) spend target, this is because the council has successfully started to utilise RTB receipts in the form of grant funding to Registered Providers within the borough to deliver affordable housing.

### **Capital – Overall**

- 3.34. The Brent capital program spent £151m for 2018/2019 and was under budget by £12.2m or 7%.

<b>Portfolio/Programme</b>	<b>Budget £m</b>	<b>Outturn £m</b>	<b>Variance £m</b>
Corporate Landlord	6.5	5.7	(0.8)
Regeneration	9.8	8.0	(1.8)
Housing Care Investment	82.3	85.9	3.6
Schools	24.3	22.7	(1.6)
South Kilburn	18.9	10.2	(8.7)
Public Realm	21.5	18.5	(3.0)
<b>Total</b>	<b>163.3</b>	<b>151.1</b>	<b>(12.2)</b>

- 3.35. The South Kilburn Programme accounts for the majority of this underspend at c£9m. This is due to a number of outstanding conditions precedent in relation to the Queens Park joint venture contract. In addition to this, the GLA requirement for a ballot on estate regeneration schemes has delayed the progress of projects through cabinet.
- 3.36. Public Realm is also projecting to be underspent by £3 million, primarily due to delays in S106 Schemes in Highways & Infrastructure and South Kilburn. There will also be slippage in the landscaping and park schemes, as expected work is yet to be undertaken.
- 3.37. The Housing Care Investment board has spent to budget for the year. The £3.6m reflected above relates to a grant to Peabody for the acquisition of Alperton House to support the provision of Affordable Housing. In Aug 2015 Cabinet agreed that a minimum of £11m should be committed to provide new affordable housing with the support of Right to Buy receipts during the period 2016-19.
- 3.38. This commitment was accelerated towards the end of FY 18-19 in order to ensure the Council would continue to meet the stringent rules that accompany the use of Right to Buy receipts. This grant spend has therefore effectively been brought forward from 2019-20, hence next year's budget will be reduced accordingly. The adjustment could not be reflected in March 19 as virements and other budget changes were prohibited in period 12.

## **Conclusion**

- 3.39. The outturn shows that the revenue financial position for the Council general fund in 2018/19 was £2.0m under spend to budget.
- 3.40. The capital outturn is £12.2m underspend against a budget of £163.3m

## **4. Financial Implications**

- 4.1. This report is about the council's financial position in 2018/19, but there are no direct financial implications in agreeing the report.

## **5. Legal Implications**

- 5.1. Managing public money responsibly is a key legal duty, but there are no direct legal implications in agreeing the report.


## **6. Equality Implications**

- 6.1. There are no direct equality implications in agreeing the report.

### **Report Sign Off**

***Minesh Patel***

Interim Director of Finance

 <b>Brent</b>	<b>Cabinet</b> 15 July 2019
	<b>Report from the Interim Finance Director</b>
<b>Quarter 1 Financial Report 2019/20</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
<b>No. of Appendices:</b>	One Appendix 1: Reserve Movements & Virements
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> (Name, Title, Contact Details)	Minesh Patel, Interim Director of Finance 020 8937 4043 <a href="mailto:Minesh.patel@brent.gov.uk">Minesh.patel@brent.gov.uk</a>  Ben Ainsworth, Head of Finance 020 8937 1731 <a href="mailto:Ben.ainsworth@brent.gov.uk">Ben.ainsworth@brent.gov.uk</a>

## 1.0. Summary

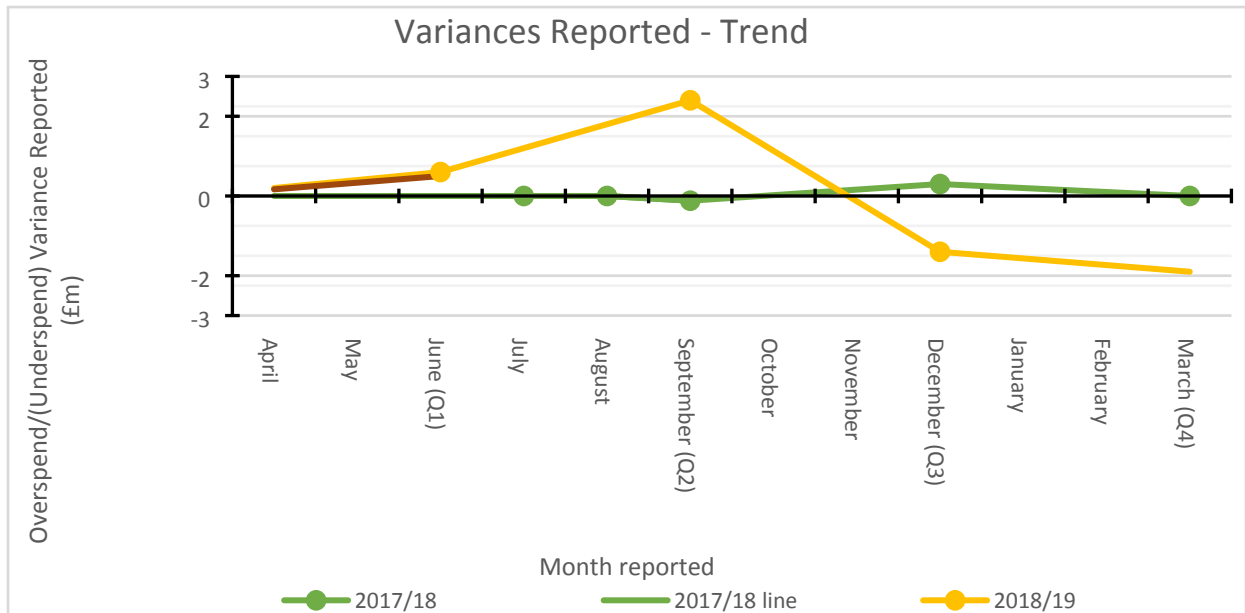
- 1.1. This report sets out the current forecasts of income and expenditure against the budget for 2019/20 and other key financial data.
- 1.2. Overall the Council is expecting to overspend against the main general fund revenue budget by £0.2m. The £0.2m overspend relates to historic care costs within Adult Social Services as set out in paragraph 3.2.3. All other departments within the General Fund are forecasting to spend to budget.
- 1.3. Overspend of £0.4m is forecasted within the Housing Revenue Account (HRA) relating to delays in implementing the CRM system as set out in paragraph 3.9.1.

- 1.4. Additionally, Children and Young People (DSG) is forecasted to overspend by £2m relating to increase demand within High Needs Education as set out in paragraph 3.8.1.
- 1.5. Table One summarises the overall revenue position. The report then sets out more detail on a department by department basis.

**Table One: Overall revenue financial position 2019/20**

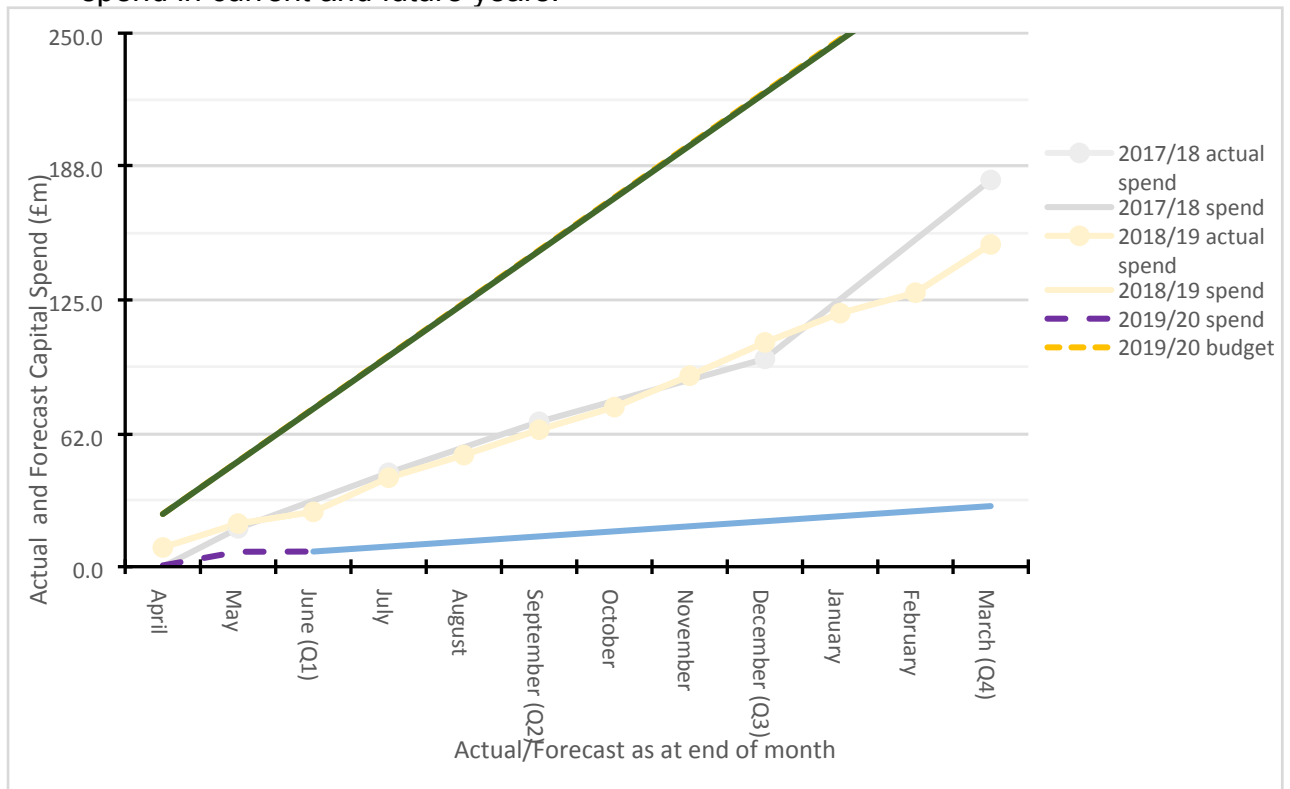
	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Forecast Overspend/ (Underspend) £m</b>
Children and Young People	43.4	43.4	0.0
Community and Well-Being	133.6	133.8	0.2
Performance, Policy & Partnerships	9.8	9.8	0.0
Regeneration & Environment	32.9	32.9	0.0
Resources	38.8	38.8	0.0
<b>Subtotal Service Area Budgets</b>	<b>258.5</b>	<b>258.7</b>	<b>0.2</b>
Other Expenditure	6.4	6.4	0.0
Business Rates, Council Tax and Specific Grants	(264.9)	(264.9)	0.0
<b>Total General Fund</b>	<b>0.0</b>	<b>0.2</b>	<b>0.2</b>
DSG Funded Activity	0.0	2.0	2.0
Housing Revenue Account (HRA)	0.0	0.4	0.4
<b>Overall Position</b>	<b>0.0</b>	<b>2.6</b>	<b>2.6</b>

- 1.6. Any reserve movements or virements to budget are set out in Appendix 1.
- 1.7. The graph below shows the General Fund Qtr1 forecast in comparison to previous years. This is a slightly more favorable position than Qtr1 in 2018/19.



1.8. The Capital programme is currently forecasted to underspend by £0.8m. Key variances to budget include £2.0m underspend in Public Realm due to delays in delivery as set out in paragraph 4.1 and £2.2m overspend in Schools due to contractual issues as set out in paragraph 4.5. Minor variances to budget are forecasted across the other programmes, further details are set out in section 4 below.

1.9. As shown in the graph below, expenditure in to date has started slowly, however in the coming weeks the capital programmes will be re-profiled to reflect the expected spend in current and future years.



## 2. Recommendation

- 2.1 To note the overall financial position and the actions being taken to manage the issue arising.

## 3. Revenue Detail

### 3.1. Children and Young People (GF)

CYP Department	Budget (£m)	Forecast (£m)	Forecast Overspend/(Under spend) (£m)
Central Management	1.6	1.6	0
Early Help	5.7	5.7	0
Inclusion	1.6	1.6	0
Localities	9.8	9.8	0
LAC & Permanency	6.2	6.2	0
Partnership Planning and Performance	16.6	16.6	0
Safeguarding and Quality Assurance	1.7	1.7	0
Settings and School Effectiveness	0.2	0.2	0
<b>Total General Fund</b>	<b>43.4</b>	<b>43.4</b>	<b>0</b>

- 3.1.1. The Children and Young People department is forecasting a break even position on the General Fund following a £1.7m overspend in 2018/19. £1.4m of additional social care funding has been added to the budget for 2019/20, and management action is being taken to control spending on agency social workers and client support spending.
- 3.1.2. There are a number of pressures within the budget which present a financial risk. There is a clear risk of spending more on agency social workers to cover increases in the total number of cases. The council is committed to maintaining safe case-loads per social worker, so a sharp increase in cases as experienced in the first half of 2018/19, will cause an overspend on the Localities' budget. To mitigate this the Early Help service works with partner organisations to prevent cases unnecessarily escalating to the Localities service. Management will also monitor use of agency workers and continue to recruit permanent staff.
- 3.1.3. The other main risk is the volatility of demand for social care placements for Looked after Children and Care Leavers (CYP Partnership Planning and Performance service budget). New placements may have to be found at short

notice and can be extremely expensive when a secure accommodation or residential placement is needed. The risk is mitigated if the rate of LAC in Brent can be kept at comparatively low levels, though this in turn may create a pressure from higher case-loads in the Early Help service. Also at risk is the cost of placements. Brent's cohort of LAC contains an increasing number of adolescents and there is an increasing number of care leavers. There are signs of increased unit costs for semi-independent placements for care leavers particularly for more complex cases. CYP management are using the West London Alliance commissioning arrangements to limit increases to these costs and ensure value for money.

3.1.4. Other service areas which contain financial risks are the Inclusion service which will not be able to complete the Council budget saving on the Roundwood Centre in full in 2019/20, and the Early Help service where a balanced budget is reliant on an increased number of successful claims for the Troubled Families reward payments. Services are monitoring their positions and will seek to find compensating underspends as appropriate.

3.1.5. The forecasts include some key assumptions and the table below highlights a number of these assumptions.

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
That total case-loads in the Localities and LAC & Permanency service remain within budgeted levels of c. 2,500	The commitment to safe case-loads per caseholder means that if the total number of cases increased by 15% for the majority of the year, there would be up to £1m additional spend on social work staff.	Up to one third of caseholding staff in front line teams are agency. If caseloads reduced spend could be brought down.	Caseloads are being monitored across the service to allow management of social work resources.
The current mix of 600 LAC and Care Leaver placements remains broadly stable throughout the year. Unit costs remain stable.	This is potentially a volatile budget. Any new individual high cost residential/secure placement can cost up to £0.3m per annum. A net increase of 10 placements with Independent Foster Agency (IFA) carers at a cost of £850 per week would cost an additional £0.4m.	If demand drops then spending will fall in line with this. i.e. 10 fewer IFA placements saves £0.4m per annum.	Brent has a track record of maintaining stable and relatively low numbers of LAC. WLA commissioning function is being used to control unit costs.

### 3.2. Community Well-Being (General Fund)

Community Well-Being (General Fund)	Budget (£m)	Forecast (£m)	Forecast Overspend/ (Underspend) (£m)
Housing (GF)	8.8	8.8	0.0
Public Health	21.4	21.4	0.0
Culture	5.1	5.1	0.0
Adult Social Care	98.3	98.5	0.2
<b>Total</b>	<b>133.6</b>	<b>133.8</b>	<b>0.2</b>

- 3.2.1. Key risks to the Housing GF relate to reduced grant funding (with grant income reduced by £2.9m from 2018/19 levels) and increased cost pressures. Additional costs have arisen on the Housing Association Leasing Scheme, with Notting Hill Group requiring an additional £260k payment on existing leases and a further £503k on leases renewing before February 2020 (in addition to the £70/week/household fee currently paid). This is an additional cost of around £20/week/household. Work is ongoing to compare the cost of renewing the leases compared to expanding other forms of Temporary Accommodation such as Annexes, to identify the most cost effective solution.
- 3.2.2. Recent steps taken to mitigate risks include the conversion of PFI properties from Temporary Accommodation to Discounted Market Rent/Affordable Rent is generating higher income and the utilisation of council assets awaiting redevelopment such as Honeypot Lane and Prout Grove are being used to provide additional Temporary Accommodation.
- 3.2.3. It is projected that Adult Social Care will overspend by £0.3m in 2019/20. This forecasted overspend is due to two Ordinarily Resident cases where there has been a disagreement regarding which authority is responsible for funding the social care costs. For both of these cases, the Secretary of State has determined that Brent Council is responsible for the paying the care costs for these clients including backdated historic costs at a cost of £0.5m. Part of the overspend (£0.3m) will be funded out of reserves resulting in a net overspend within Adult Social Care of £0.2m.
- 3.2.4. There is a significant risk that the £0.4m Continuing Health Care (CHC) saving will not be achieved. However, in order to be able to challenge health more robustly when the Council considers that social care packages should be jointly funded a dedicated CHC social worker has been recruited.
- 3.2.5. There has been a delay in the Homecare and Day Care tenders which means that £650k of savings may not be achieved until next year. To offset against this non-delivery, it is expected that the supporting people savings will exceed the savings target, there is a programme in place to claw back excess direct payment

balances and all high value social care packages will need to be signed off by the Operational Director for Adult Social Care.

3.2.6. The Better Care Fund is a recurrent grant which is part of the base Adult Social Care budget whereas the improved Better Care Fund is a three year grant which is currently only in place until this financial year. There has been a delay in finalising the Better Care Fund allocation for 19-20. Although the planning guidance was published by DoH and MHCLG in April 2019, the allocation to Brent has still yet to be confirmed. The Adult Social Care budget has been set based upon an assumption that the Better Care Fund allocation will be the same as last year with an inflationary uplift of £150k, and there is a risk that this uplift will not be provided.

3.2.7. The forecasts include a key assumption and the table below highlights this.

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
New Nominations agreement reached with Registered providers, allowing properties procured using a Reasonable Rent to end the main homelessness duty	Higher management fees. Dependent on a favourable decision from the Rent Officer.	Potential saving of £1.8m per annum.	Using additional locations for Temporary Accommodation to reduce reliance on B&B/annexes
The current mix of 1,750 community based packages grows in line with the demographic growth provided of an additional 50 packages. Unit costs remain stable.	Every ten packages above the budgeted growth would result in a cost pressure of £120k per annum.	If the actual growth in placements is below budget then not all of the budgeted growth would be required.	The Commissioning function is reviewing the most expensive community packages to see if they can be reduced as well as looking at the smallest homecare packages to ascertain if these packages are actually needed.
The current mix of 1,170 accommodation based packages grows in line with the demographic growth provided of an additional 40 packages. Unit costs remain stable.	Every ten placements above the budgeted growth would result in a cost pressure of £0.4m per annum.	If the actual growth in placements is below budget then not all of the budgeted growth would be required.	There is a social work team embedded within the Commissioning function which is looking to make savings on accommodation based placements by moving clients from high cost residential and nursing packages to supported living NAIL schemes.

### 3.3. Performance, Policy and Partnerships

3.3.1. Performance, Policy and Partnerships is forecast to breakeven overall.

### 3.4. Regeneration & Environment

<b>Regeneration and Environment</b>	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Forecast Overspend/ (Underspend) (£m)</b>
Environmental Services & Directorate	32.7	32.7	0.0
Regeneration Services	0.2	0.2	0.0
<b>Total</b>	<b>32.9</b>	<b>32.9</b>	<b>0.0</b>

3.4.1. The table above reflects the budgets and the projected outturn for each of the services within R&E. At this stage in the financial year, the department is currently reflecting a breakeven position.

3.4.2. Although the department is reflecting an overall breakeven position, there is a potential pressure to be monitored in the Parking and Street lighting service, based on the service's prior year's outturn position of a £0.7m shortfall in income, and initial forecasts indicate that there could be a shortfall in income against residential permits which assumes no growth in the number of sales. However the service would continue to undertake management action to mitigate the shortfall which would include enhancing debt recovery processes, installation of additional moving traffic enforcement cameras etc.

3.4.3. Brent Transport service (BTS) has anticipated growth of 10%-15% for 2019/20. The service has accordingly been allocated growth funding in this financial year to mitigate this assumed increase in passenger numbers. This area will be monitored closely throughout the year to maintain accurate forecasts.

3.4.4. There are a number of services within the department funded by income generation which can be volatile such as Parking, Building Control, Planning etc. There are models in place to support the forecasts but demand may vary from the forecasts. These would also continue to be monitored closely.

3.4.5. The forecasts include some key assumptions and the table below highlights a number of these assumptions.

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
Parking Service – Diesel surcharge on residential permits commencing June 2019 assumes sales to 10,000 vehicles and generating income of £0.5m	If the forecast diesel permit sales are not achieved. This would lead to a shortfall in income.	Increased income generated if more than 10,000 diesel vehicles require a permit.	Improved income collection for outstanding debt by improving appeal outcomes, enhancing the debt recovery processes and sustaining PCN cases at tribunals.
The growth in parking permit sales will be sufficient to achieve the break-even position in 2019/20.	If parking enforcement activity does not meet expectations, for example due to adverse winter weather, the growth in parking permit sales will be less than anticipated and could cause a shortfall in income of up to £0.7m.	If parking contraventions increase and are successfully enforced, the growth in parking permit income could be higher than anticipated.	As above <i>and</i> Continue installation of additional moving traffic enforcement cameras <i>and</i> Work with SERCO to increase Civil Enforcement Officer productivity.
BTS - net passenger growth during 2019/20 will be similar to 18/19, at 90 passengers per year, and the average cost per passenger will remain at £7.3k per annum.	Net passenger growth could fluctuate adversely and result in up to £0.250m additional spend.	Spend could potentially be reduced by £0.150m if the net passenger growth is less than anticipated.	Savings benefits from newly negotiated Harrow vehicle hire contract.
Income generating services to achieve income targets built into the 2019/20 budgets.	Shortfalls in income would create overspends which would need to be contained.	Some income generated over and above the target could be applied as a mitigating factor to pressures which could arise in the service.	Management action to ensure that any outstanding income is pursued.

### 3.5. Resources

3.5.1. Resources is forecast to breakeven overall.

### 3.6. Central items - Collection Fund

3.6.1. The budgeted net collectible amount for Council Tax (after exemptions, discounts and Council Tax support) is £153.0m. The actual net collectible amount as at April 2019 was £151.2m. This is expected to increase further during the year as more properties are built in the borough and recorded with the Valuation Office Agency. This is being closely monitored, and the shortfall is forecast to be eliminated over the timeframe of the medium term financial plan. For context, the tax base would need to increase by 1,135 Band D equivalent properties during the year in order to reach the budgeted net collectible debit. This is considered reasonable following an analysis of data from the council's planning department that shows a large number of consented schemes likely to complete in 2019/20, and this general trend is also supported by new council tax registrations that are currently awaiting banding by the Valuation Office Agency. As at the end of April 2019 the amount collected was 0.5% higher than the in-year target, an improvement compared to the previous year by 0.5%.

3.6.2. The budgeted net collectible amounts for Business Rates (after exemptions, reliefs and discounts) is £135.0m. The actual net collectible amount as at April 2019 is £134.9m. This figure can vary during the year due to amendments to the rateable values of properties (including new and deleted properties) as well as ratepayers being entitled to reliefs such as charity and small business relief. As at the end of April 2019 the amount collected was 0.5% higher than the in-year target, which is 1.6% higher compared to the previous year.

### 3.7. Central items - Capital financing and other central items

3.7.1. The capital financing budget for 2019/20 is £23.3m, this is currently forecast to be spend as below. Zero variance on this is being forecast.

	£m
Interest Payable	23.5
Interest Receivable	(13.3)
Capital Financing and Minimum Revenue Provision	13.1
<b>Total</b>	<b>23.3</b>

### 3.8 Children and Young People (DSG)

Funding Blocks	DSG Funding (£m)	Forecast (£m)	Forecast Overspend/(Underspend) (£m)
Schools Block	234.5	233.4	(1.1)
High Needs Block	56.1	59.3	3.2
Early Years Block	23.4	23.4	0
Central Block	2.4	2.3	(0.1)
<b>Total DSG</b>	<b>316.4</b>	<b>318.4</b>	<b>2.0</b>

3.8.1. It is likely that the DSG will overspend by £2m against grant funding due to demand for High Needs education support for the increasing number of children with EHCPs (Education Health Care Plans), and increasing numbers of young people with EHCPs staying in post-16 education.

3.8.2 The EHCPs specify the amount and type of support an SEND pupil requires and so dictates the cost. There is a national trend whereby the number of children assessed as meeting the threshold for support has increased sharply since the introduction of EHCPs in 2016. The rate of increase for High Needs exceeds the growth in overall pupil numbers, but High Needs funding has not increased in line with this, creating financial pressures. In Brent the number of EHCPs increased by 200 in 2018/19 starting at 2,000 and increasing to 2,200, equating to a 10% increase, despite no real change to the total pupil population for 4 to 16 year olds. It is noted that there is particular growth in the numbers of young people remaining in education in post-16 who have EHCPs and are supported from the High Needs block. The average cost of funding the services required by an EHCP is £20k, and can range from £11k for support in a mainstream school, to £63k in more specialist out of borough settings. These unit costs are under inflationary pressure from increase in staffing costs.

3.8.3. The High Needs forecast of £59.3m is indicative, based on a 5% increase in the number of EHCPs. Detailed forecasts will be more accurate at the start of the academic year. This overspend is partially offset by a £1m contribution from the Schools block agreed during budget setting by the Schools Forum. The remaining forecast overspend will nearly deplete the DSG reserve of £2.5m.

### 3.9. HRA

HRA	Budget (£m)	Forecast (£m)	Forecast Overspend/ (Underspend) (£m)
HRA	0.0	0.4	0.4
<b>Total</b>	<b>0.0</b>	<b>0.4</b>	<b>0.4</b>

3.9.1. The HRA has a balanced budget set for 2019-20. There is currently an unbudgeted pressure of £400k in relation to CRM system implementation. This is as a result of four months delay incurred to complete the programme due to external dependencies. The Council has obtained a capped price from Infosys to complete the development for Housing Management in July 2019, by doubling the size of the Infosys team. The department will be considering options to mitigate this one off budget pressure.

3.9.2. The estate cleaning service provided by Wettons will be brought in-house from the 15th of September 2019. There is a short term risk that the uplift on service charges for 2019-20 may not be sufficient to fully cover the initial transition costs from staffing transfers and mobilisation in year. Once quantified, the service charges for future years will be profiled to recover this cost over the next three years.

### Capital Detail

The table below summarises the overall capital position. The report then sets out more detail on a programme by programme basis.

Portfolio/ Programme	Budget (£m)	Forecast (£m)	Forecast Overspend / (Underspend) £m
Public Realm	20.6	18.6	(2.0)
South Kilburn	9.9	10.4	0.5
St Raphael's Estate Regeneration	1.0	1.0	0.0
Regeneration	7.0	6.4	(0.6)
Housing Care Investment	194.7	194.6	(0.1)
Schools	9.6	11.8	2.2
Corporate Landlord	53.9	53.1	(0.8)
<b>Total</b>	<b>296.7</b>	<b>295.9</b>	<b>(0.8)</b>

- 2.1. The Public Realm budget reflects the 19/20 provision for Highways improvements and includes an additional contribution for major investment towards footways works across the borough. There is a predicted underspend of £2.0m overall which is the cumulative effect of a number of small underspends across the programme, in particular in relation to expected delays in implementing S106 funded schemes.
- 2.2. At South Kilburn the uncertainty caused by implications of the GLA funding conditions and mandatory ballot is impacting on the programme overall. Despite this the team continue to progress schemes in design and expect to be able to progress up to four projects to planning by the Autumn of 2019. The formal council decision on triggering the Ballot process as well as adoption of a new Housing Allocation Scheme (confirming the offer to households in TA) will allow progress to be maintained on the programme.
- 2.3. The Regeneration programme is predicting a small under spend for the year of £0.6m mainly due to delays in the project resulting from the ongoing litigation on the Bridge Park Regeneration scheme.
- 2.4. The Housing Care Investment budget for 2019-20 includes a new provision for in borough acquisitions (partly prompted by the new GLA ballot stipulations) recently promoted from the capital pipeline. At this stage the programme is expected to come in on budget.
- 2.5. The schools programme is currently forecasting an over spend of £2.2m due to contractual issues at a couple of schools. At Uxendon Manor the contractor failed to complete works and has gone into administration. The council is seeking to recover costs through a parent company guarantee (and appoint an alternative contractor) although the estimated costs may exceed the proposed settlement figure. Whilst officers have made best efforts to estimate the likely additional costs due to complete the works, there is a risk that additional items may have been overlooked as they are currently unknown. The works have been stopped mid-way through the contract and not at an obvious sectional completion point. Hence, there is a considerable task to clarify exactly what works have been done and not done, the extent of remedial works and the usual assessment of any defects that may occur
- 2.6. The Corporate Landlord budget includes a new provision for a number of strategic property/asset acquisition initiatives, including a DMS (Discounted Market Sale) scheme and a proposed capital contribution to the College of North West London education quarter (new Wembley campus).
- 2.7. The ICT Laptop/Thin Client/Mobile Phone Refresh exceed budget by approximately £0.3m as the scope of the programme has increased in response to changing business needs, however this has been offset by underspends elsewhere in the programme. The Corporate Landlord programme is currently reporting a £0.8m underspend for the year.
- 2.8. The overall forecast of £0.8m under budget, includes a number of spend positions that still need to be confirmed for 19/20. In the coming weeks these schemes will

need to be re-profiled to reflect the expected spend in current and future years and to set the revised baseline for 19/20.

## **5. Conclusion**

- 5.1. Currently, the forecast shows that the revenue financial position for the Council in 2019/20 is of a forecast £250k overspend relating to one off historical cost.
- 5.2. Capital forecast shows a position of £0.8m underspend, however the schemes are due to be re-profiled to reflect expected spend shortly.

### **Financial Implications**

- 6.1. This report is about the Council's financial position in 2019/20, but there are no direct financial implications in agreeing the report.

### **Legal Implications**

- 7.1. Managing public money responsibly is key legal duty, but there are no direct legal implications in agreeing the report.

### **Equality Implications**

- 8.1. There are no direct equality implications in agreeing the report.

**Report sign off:**

***Minesh Patel***

Interim Director of Finance

## Appendix 1: Reserve movements and Virements

<b>Directorate</b>	<b>Original budget (£m)</b>	<b>New Reserve movements (£m)</b>	<b>New virements (£m)</b>	<b>Total Budget (£m)</b>
CYP (GF)	42.9	0.5	0	43.4
Adult Social Care	98.0	0.3	0	98.3

### Explanation of Reserve movements


#### **CYP(GF)**

1. The remaining balance of Troubled Families reward payments (£0.2m) has been drawn down to support the Working With Families budget in the final year of the programme.
2. £0.3m of the SEND reform grant reserve has been drawn down from reserves to support the work of the SEN team in meeting the demand for Education Health Care plans in 2019/20.

#### **Adult Social Care**

1. The determination by the Secretary of State to award costs (including backdated historic costs) for 2 Ordinary Resident cases has resulted in the burden falling upon Brent Council. Part of these costs, totaling £0.3m will be met from reserves.

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	<p align="center"><b>Cabinet</b> 15 July 2019</p>
	<p align="center"><b>Report from the Strategic Director Community Wellbeing</b></p>
<p align="center"><b>Administration of the London Borough of Culture (LBOC) 2020 Culture Fund</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>No. of Appendices:</b>	One: Appendix 1 - LBOC 2020 Culture Fund Round 1 recommended r applicants
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	<p><b>Lois Stonock</b>, Artistic Director 020 8937 2571 <a href="mailto:Lois.Stonock@brent.gov.uk">Lois.Stonock@brent.gov.uk</a></p> <p><b>Titania Altius</b>, Community Engagement Manager, 020 8937 1718 <a href="mailto:Titania.Altius@brent.gov.uk">Titania.Altius@brent.gov.uk</a></p>

## 1.0 Purpose of the Report

- 1.1 This report reaffirms the importance of the Brent' s London Borough of Culture (LBOC 2020) Culture Fund in giving the Community an opportunity to run their own projects in 2020 as part of the LBOC 2020 programme celebrating and exploring Brent's heritage and culture.
- 1.2 The focus of the report is the plan for administering the LBOC 2020 Culture Fund. It sets out the process by which successful applicants to the LBOC 2020 Culture Fund are awarded grants of up to £10,000 to deliver projects as part of

the Brent LBOC 2020 programme and the selection process undertaken in line with established criteria to deliver projects as part of the Brent LBOC 2020 programme.

- 1.3 It also provides an overview of the bids which have been identified from the first funding round. These bids have been through the process described in the report and are recommended for funding.

## **2.0 Recommendation(s)**

- 2.1 That Cabinet delegates authority to the Strategic Director Community Wellbeing, in consultation with the Lead Member for Public Health, Culture & Leisure, to be authorised to award grants up to a maximum value of £10,000 to organisations and £3,000 to individuals, to deliver approved projects as part of the Brent London Borough of Culture 2020 programme, using funds from the LBOC 2020 Culture Fund to make such grants.

## **3.0 Background**

- 3.1 Brent's London Borough of Culture 2020 (LBOC 2020) programme will explore the stories and heritage of Brent as London's longest-running demonstration of diversity and celebrate all that comes from it. The London Borough of Culture 2020 programme is an opportunity for Brent to tell the world about its culture and heritage. We will use this opportunity to improve the lives of Brent residents, make them proud of where they live and put Brent on the cultural map.
- 3.2 One of the main objectives of Brent's LBOC 2020 programme is collaboration with the community. We made a commitment to co-design, co-produce and involve communities in the development of the programme. The LBOC 2020 Culture Fund will ensure that residents and community groups can lead and take forward their own projects as part of Brent's Year of Cultures.
- 3.3 The LBOC 2020 Culture Fund is a £500,000 grants scheme to support cultural projects, events and activities rooted in and inspired by Brent to take place as part of the LBOC 2020 programme. The purpose of the Culture Fund is to ensure that the community can access the funds coming into the borough as a result of Brent being the London Borough of Culture 2020. It will generate around 50 additional projects which will form a significant part of the overall programme.
- 3.4 Individuals, community groups, voluntary and not-for-profit organisations can apply for the LBOC 2020 Culture Fund. Applicants are not required to live or work in Brent, but must be working in partnership with local artists, community groups or organisations and be able to provide evidence for this. Individuals can apply for grants of up to £3,000 and organisations can apply for grants up to £10,000.
- 3.5 The grant budget for each of the three funding rounds is approximately £167,000. If the full budget isn't allocated, any unallocated funding will be rolled over to the next grant round.

- 3.6 Brent Council reserves the right to offer a lower grant than applied for. A lower grant may be offered if the assessment panel find that budgeted items can be provided at a lower cost, or if they can be sourced or provided in-kind, or if they are not considered core to the delivery of the activity applied for. The grant awarded needs only to be enough to enable the activity to go ahead, subject to the grant limits mentioned above.
- 3.7 The LBOC 2020 Culture Fund will support arts and cultural activities at locations across Brent in 2020 including events, performances, workshops, exhibitions, talks, walks, installations, festivals, carnivals, screenings and participatory projects of all shapes and sizes and across all art forms.
- 3.8 All activities will need to meet the following criteria to be eligible for funding:
- ☐ Be creative and cultural activities and involve artists
  - ☐ Be open to the public
  - ☐ Take place in Brent during 2020
  - ☐ Create opportunities for people from different generations or backgrounds to come together
  - ☐ Involve opportunities for local participation and volunteering
  - ☐ Provide young people with roles and opportunities within the leadership of the project
  - ☐ Respond to one or more of the four LBOC 2020 curatorial questions
- 3.9 In addition, a fair geographical spread of projects across the borough is sought, to enable events to be accessible to all residents. Applications for activities in the north of the borough, which has less cultural provision, is particularly encouraged. The geographical location of projects and events will therefore also be taken into account in the assessment process.
- 3.10 The LBOC 2020 Culture Fund will not support projects that are for private gain, or result in a profit. The activities must not be focused on the promotion of a particular political or religious view. Sporting projects cannot be funded. Projects where activities are not considered open for all to engage with, or have content that is considered offensive, will also not be funded.

#### **4.0 The application and decision making process**

- 4.1 An overarching timescale has been set out and publicised for all three rounds of funding. Each round is then individually advertised, and funding skills workshops are held for applicants who want to know more, need support with grant applications, or those who would like to improve their bid writing skills. The workshops will cover refining ideas, planning a project, identifying what the funder is interested in; how to demonstrate and measure the success of a project; writing a budget and how to avoid common mistakes.
- 4.2 Following the closing date for each round, the LBOC team shortlist all of the applications and score each one against the Fund's published criteria. The initial shortlisting process also includes a session with representatives from the Council's Strategy and Partnerships team to advise on any applications that

might not meet the LBOC 2020 Culture Fund criteria but might meet other grant funds the council operate such as Neighbourhood Community Infrastructure Levy (NCIL). During feedback applicants will be advised of this and directed to the appropriate grant as appropriate.

- 4.3 The shortlist is then taken to the LBOC 2020 Culture Fund selection panel. The LBOC 2020 Culture Fund selection panel consists of Community Advisors and Young Ambassadors who convene over a day and is facilitated by the LBOC Community Engagement Manager who also acts as chair. At the selection panel the LBOC 2020 Artistic Director will give an overview of all the applications. Each application will be introduced and summarised by the Artistic Director before the panel make their final decisions against the selection criteria.
- 4.4 The projects nominated for funding by the LBOC 2020 Culture Fund selection panel will then be presented to the Strategic Director of Community Wellbeing and the Lead Member for Public Health, Culture & Leisure and recommended for a grant award from the LBOC 2020 Culture Fund. The first round of this process has been completed and a summary of the recommended applicants are attached at Appendix 1.
- 4.5 Successful applicants are then sent an offer letter confirming the amount awarded, the terms of the grant, the payment process, steps for project delivery during 2020 and a project impact form. It is expected that the grant will be paid in two instalments of 80% and 20%. The first payment of 80% will be made once signed acceptance of the offer form has been received and grant recipients have met the conditions of the grant offer, or (subject to the foregoing) 12 weeks before the start date, or at an earlier date by agreement to be decided on a case-by-case basis. The final 20% will be paid on receipt of the project impact form once the project has ended.
- 4.6 The LBOC team will work with successful applicants to support and develop them through workshops and training sessions with both internal and external speakers covering a variety of areas including marketing, building relationships and engaging with the community and audiences. A 'buddy system' will be operated where LBOC 2020 Culture Fund recipients are paired or grouped with each other so that they can share knowledge and expertise. Successful applicants will also have access to the LBOC volunteering programme to support their projects in liaison with the Community Engagement Manager.

## **5.0 Evaluation and monitoring overview**

- 5.1 As part of the ongoing Communications and Marketing strategy, LBOC 2020 Culture Fund projects will be mapped onto the LBOC events timeline and programme. The projects and artists will be profiled on LBOC communication channels including the website, social media channels and Brent Council communications (e.g. The Brent Magazine and website).
- 5.2 The LBOC Community Engagement Manager will meet with all grant recipients to discuss their project, progress and monitoring procedures. The LBOC team plan to see all projects in action and will attend all significant events that occur as part of grant recipients' projects. Where projects do not involve a significant

event, the LBOC Community Engagement Manager will visit recipients to monitor how the grant is being spent and what is being achieved with it.

- 5.3 In order to measure the impact of programmes funded by the LBOC 2020 Culture Fund, grant recipients will be required to complete an impact form which needs to be completed within one month of the project ending. Grant recipients will be expected to keep a record of all expenditure and provide copies of receipts and invoices for expenditure over £50 upon request. Organisations will also need to provide copies of their annual accounts and a copy of their annual report for the period in which they receive the grant. This will all feed into the wider evaluation of the LBOC 2020.

## **6.0 Financial Implications**

- 6.1 The LBOC 2020 Culture Fund has a total budget of £0.5m and is contained within the overall London Borough of Culture budget of £4.6m.

- 6.2 There will be three funding rounds, each with an initial approximate budget of £167k. Any unallocated funding from each of the rounds will be rolled over to the next round of grant funding.

## **7.0 Legal Implications**

- 7.1 The Brent Constitution provides that Strategic Directors have delegated power to make grants but only in certain circumstances. These are set out in the table at section 9 of paragraph 9.5 of Part 3 of the Constitution. According to these delegations, the Strategic Director Community Wellbeing only has authority to award grants of up to £5,000.

- 7.2 Therefore, while the Strategic Director Community Wellbeing is already possessed of the requisite authority to award grants from the LBOC 2020 Culture Fund to individuals up to £3,000 and to organisations up to £5,000 (subject to the other conditions in section 9 of paragraph 9.5 of Part 3 of the Constitution), Cabinet approval delegating authority to the Strategic Director Community Wellbeing to award grants greater than £5,000 is necessary.

- 7.3 With respect to the decision to award the grants, under the Constitution the Strategic Director Community Wellbeing is responsible for awarding these grants. However, there is no issue with the Strategic Director making a formal decision to award (or not award) grants following recommendations from the Community Panel, as proposed. In making a decision to award or not award grants, the Strategic Director should have regard to the grant award criteria together with matters such as the council's best value duties under s3(1) of the Local Government Act 1999 as well as the public sector equality duty under s149 of the Equality Act 2010.

## **8.0 Equality Implications**

- 8.1 This report refers to the purely procedural matter of approving grants which exceed the current threshold of £5,000 and therefore there are no equality implications arising directly from the Recommendation.

## 9.0 Staffing/Accommodation Implications (if appropriate)

9.1 There are no implications for council staff or accommodation arising from the Recommendation.

### Related Documents:

- Cabinet report 13.11.2017 – Bid to become London Borough of Culture 2020
- Cabinet report 12.09.18 – Funding London Borough of Culture 2020
- Community and Wellbeing Scrutiny Committee report 21.11.2018 – London Borough of Culture 2020 programme
- Report from Strategic Director Community Wellbeing to Policy Co-Ordination Group April 2019
- Report from the Strategic Director of Community Wellbeing - London Borough of Culture 2020 – proposal to establish a Charitable Trust 14.01.19

**Report sign off:**

**PHIL PORTER**

Strategic Director of Community Wellbeing

## Appendix 1

Applicant name	Org name	Org./ Ind./ Charity/CIC Other/	Attended 1:1 (Y/N)	Project Name	Summary	Project Date	Location	Amount
R.M.	n/a	I	Y	The Harlesden and Willesden Photography Archive	A comprehensive, unseen 30-year-old archive of photographs to be gifted to the Brent 2020 Festival. Was originally made as part of a documentary project in Harlesden and Willesden from 1989 to 1993. The images are all of local people who lived and worked in the area during this period and includes street portraits and photographs of people in their homes and places of worship. This is a project about their history and of a moment in the history of Brent. Will go through the archive, rescan the negatives to a suitable quality and print and frame these images to show at the Gallery at Willesden Green.	Feb	The College of NW London & Willesden Library	£2,980.25
Ms J.W.		I	Y	A life times work	Project photographing local businesses to celebrate family businesses and entrepreneurship in Brent. The project will aim to focus on multigenerational businesses that have been established in Brent for 20 years and over, recounting and celebrating their personal story, how they began and why Brent was the place for them to be based in and what it has meant to them and their families to have played such a vital role within their communities.	Feb 2020	Instagram	£2,995.00
Mr D.B.	n/a	I	Y	Memory Bank	Showing old archived films in empty shops. Will project collection of vintage, amateur home movies. This would be a space where people would pop in, watch films, have a cup of tea, chat about the olden days, bond over vintage film equipment and escape for a short while to more innocent times that they still remember fondly.	March-April	TBC	£3,000.00
M.Y.	DanceWest	C	Y	Bolder Not Older	Free dance programme for 65+ tea dance and workshops and dance classes in Brent's sheltered accommodation, care homes and community centres.	Jan- Dec	Kensal Rise, Cricklewood, Kensal Green, Wembley	£8,335.00
H.A.	The United Synagogue	C	Y	House of Life	Commission for one single artist or a group of artists to respond to what they discover when they immerse themselves in this 21-acre preserve in the heart of Willesden Green. The commission will create a medium, a forum, through which others in turn can question, understand, value and grapple with the place, its stories and its many meanings.	Feb	Willesden	£10,000.00
A.G.	Crisis UK	C	Y	Culture Click	Culture Click is a bespoke arts-based project, tailored to the needs of homeless and vulnerably-housed residents in Brent. Will engage and document the local community via photography via a series of photography workshops for beneficiaries at Skylight Brent. As a precursor to the delivery of these workshops, will host a consultation event in a local school, offering young people the opportunity to discuss and debate the four 2020 culture questions. We'll use their responses to shape influence the photography sessions and our exhibition outcome. The 20 workshops will be delivered by Skylight Brent's Arts Coordinator Gabriel Parfitt, who is a local Brent artist.	June- July	Harlesden	£10,000.00

P.M	Phoenix Rising	C	Y	Mass Steel Orchestra & Grey Panthers of Pan	Intergenerational and performance of steel pan. Participants learn to play Steel Pan and then befriend the community through community performances, in local parks, at community centres, residential care homes and day centres for Older People and people with disabilities.	August	Roundwood/ Harlesden	£10,000.00
J.D.	SABA (Grange)	C	N	Brent UK Unsigned Festival	culture Festival - Each performance genre will be encouraged to perform a piece that describes how their community's story of how they came to be established in Brent.	April	TBC	£10,000.00
LEAP London CIC	Caroline D'Souza	CIC	Y	LEAP intergenerational arts	Each intergenerational LEAP project, will work with two primary schools, two local day care centres and two participatory artists over six, one -hour workshops. These will culminate in the co-production of a creative outcome, which could include an exhibition, a performance, dance, recordings, or music/song/ etc. Each project will showcase its 'creation' to the participating schools and older people's centres. Further, we hope to showcase the outcome with the wider Brent community at the BBOC Street Party.	April	Elders Voice Kensal	£10,000.00
J.P.	Kiln Theatre Limited	O	y	Mapping Brent	Mapping Brent Festival on stage at the Kiln. Mapping Brent is a community outreach project working with young people from hard to reach areas across Brent. In 2020 we will work with 45 children and young people ranging from 12 to 25 years old. Throughout the academic year, two youth theatres (up to 18 years old) and one young company (19-25 years) will create unique pieces of theatre by and for young people.	Jan-August	Kilburn	£10,000.00
Y.W.	The Culture Laboratory	O	Y	Queer Film Festival	LGBTQ Film Festival with the Lexi focusing on marginalised Asian communities	Feb 2020	Kensal Rise	£10,000.00
C.T.F	The Poetry Society	O	Y	Slam for Brent	Spoken word artist development programme for young people. It will offer young people across the borough an opportunity to spend time with professional slam poets, to learn from them, and ultimately to write their own slam poetry inspired by what Brent means to them, and perform it in front of an audience.	Feb 2020	Kiln & The Yellow	£10,000.00
I.E	Bang Media	O	Y	20:20 Youth Radio	Radio show on the beat led by young people for 2020. Youth Radio will be a two-hour fortnightly variety radio programme led by young people throughout the Borough. The fortnightly programme will be researched, produced and presented entirely by young people in Brent under the tutelage and close supervision of Bang Media staff.	over 2020	Harlesden and Brent wide	£10,000.00
T.S.	Karakoram Films	O	y	Film Brent	Brent Film Festival - The project we are proposing is a curated programme of 18-20 film events that will take place in the first half of 2020. The programme would concentrate on showcasing and celebrating the works of filmmakers of colour as well as films that speak to the experience of communities within Brent.	Jan- May	Wembley Park	£10,000.00