



Cabinet

Thursday 28 May 2020 at 4.00 pm

This will be held as an online virtual meeting

The link to view this online meeting is available by clicking [HERE](#)

Membership:

Lead Member Councillors:

Portfolio

M Butt (Chair)

McLennan (Vice-Chair)

Agha

Farah

Hirani

Miller

M Patel

Krupa Sheth

Southwood

Tatler

Leader of the Council

Deputy Leader of the Council and Lead Member for Resources

Lead Member for Schools, Employment and Skills

Lead Member for Adult Social Care

Lead Member for Public Health, Culture & Leisure

Lead Member for Community Safety and Engagement

Lead Member for Children's Safeguarding, Early Help and Social Care

Lead Member for Environment

Lead Member for Housing & Welfare Reform

Lead Member for Regeneration, Property & Planning

For further information contact: James Kinsella, Governance Manager: Tel: 020 8937 2063; Email: james.kinsella@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

The press and public are welcome to attend this as an online virtual meeting. The link to attend and view the meeting is available [HERE](#)

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
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1	Apologies for Absence	
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2	Declarations of Interest	
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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
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To approve the minutes of the previous meeting held on Monday 20 April 2020 as a correct record.

4	Matters Arising (if any)	
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To consider any matters arising from the minutes of the previous meeting.

5	Petitions (if any)	
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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)	
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There are no reference reports from either of the Council's Scrutiny Committees for consideration at this meeting.

Digital and Customer Services reports

7	National Non-Domestic Rates – Applications for Discretionary Rate Relief	9 - 18
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This report outlines the discretion available to the Council to award rate relief to charities or non-profitmaking bodies. The award of discretionary rate relief is based on agreed policy and criteria, with Cabinet required to consider any new applications for relief pursuant to existing policy. The report details, for consideration, all new applications for relief received since Cabinet last considered such applications in September 2019.

Ward Affected:
All Wards

Lead Member: Deputy Leader (Councillor Margaret McLennan)

Contact Officer: Peter Cosgrove, Head of
Revenues and Debt
Tel: 020 8937 2307
Email: Peter.Cosgrove@brent.gov.uk

Chief Executive's reports

8 Authority to Award Contracts for the Purchase of Gas and Electricity (October 2020 to September 2022) 19 - 40

This report is seeking authority to award contracts for the supply of electricity and gas for two years from the LASER Framework.

Ward Affected:
All Wards

Lead Member: Deputy Leader (Councillor
Margaret McLennan)
Contact Officer: Olga Bennet, Head of Finance
(Commercial and Projects)
Tel: 020 8937 3337
Email: olga.bennet@brent.gov.uk

9 Exclusion of Press and Public

No items have been identified in advance of the meeting that will require exclusion of the press or public.

10 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 paragraph's 12 and 39 of the Council's Access to Information Rules (part 2 of the Constitution).

Date of the next meeting: Monday 15 June 2020



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET Monday 20 April 2020 at 4.00 pm

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

Also present: Councillors (in remote attendance) Kelcher, Nerva & Stephens (for agenda items 15 & 16 only)

1. **Apologies for Absence**

An apology for lateness was received from Councillor Amar Agha.

2. **Declarations of Interest**

None.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous meeting held on Monday 9 March 2020 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)**

None.

7. **Change in Order of Business - Urgent Item: Emergency Planning Response to Covid 19**

Councillor Muhammed Butt (Leader of the Council) advised of a change in the order of the agenda to enable an urgent update to be provided on the emergency planning arrangements introduced in response to the Covid-19 pandemic.

In accordance with the provisions outlined in the Council's Access to Information Rules and Standing Order 60, the Leader of the Council confirmed that he had **AGREED** to the following report being considered as an urgent item. This was on the grounds that it provided the latest update on the Council's emergency planning

response to Covid 19, along with associated resource implications and reflected the pace at which the situation was developing.

Emergency Planning response to COVID-19

Carolyn Downs (Chief Executive) introduced the report providing Cabinet with an overview of the emergency planning arrangements that had been introduced as a response to the Covid-19 pandemic. The report also included an update on the service changes that had been introduced as part of the Council's overall response along with details of those services categorised as critical in terms of business continuity planning for Covid 19. In addition, an update was provided on the current financial impact on the Council as a result of Covid 19, including the estimated loss of income (currently estimated at over £11m) and impact on the ability to achieve the savings agreed as part of the Council's budget for 2020/21.

As a result of the update, Cabinet **RESOLVED**:

- (1) To note the content of the report and update provided in relation to the work that had been undertaken since the emergency planning and GOLD arrangements had been stood up within the Council in response COVID-19, along with the associated resource implication detailed within Appendix 3 of the report.
- (2) To note the main areas of heightened activity across the Council, as detailed in section 3.10 of the report. Specific areas highlighted by Cabinet included:
 - The focus on Adult Social Care in relation to supporting hospital discharges, care homes and domiciliary care;
 - The support and work with the Voluntary and Community Sector and charities in supporting residents across the borough;
 - The focus as a priority on protecting those people who were homeless or at risk of homelessness. Members were advised that whilst fewer individuals were currently presenting for help the numbers requiring provision of suitable accommodation had increased due to the closure of night shelters and welcomed lowering of current thresholds for support, highlighting the true scale of need. In recognising this need, the Council had been proactive in making use of two hotels and accessing self-contained flats for people who were showing symptoms of Covid 19 in order to provide additional accommodation. The logistics and scale of the challenge had been considerable, with Councillor Southwood (as Cabinet Member for Housing & Welfare Reform) specifically thanking the housing needs service and local partners for their efforts. In addition, members were advised of the procedures established to continue essential housing checks and emergency repairs with an assurance provided that Government guidelines in relation to access were being followed;
 - The additional capacity being provided to deal with the increase in benefit and Council tax enquiries and roll out of the Government's Hardship Fund. Members recognised that as a result of the pandemic, applications for Universal Credit had increased, along with applications for Council Tax Support and to the Local Welfare Assistance programme. The Council were ready to assist people in accessing the help needed, including additional financial provision where required, with

the Poverty Commission also continuing its important work in helping to identify how best to assist people experiencing poverty as a result of the current crisis;

- The work with schools to provide guidance and support co-ordination in relation to the childcare commitment for key workers;
- The ongoing enforcement efforts in relation to social distancing within parks and open spaces and work with local businesses regarding support on the small grant scheme and Business Rate relief;

(3) To note the consideration of options in relation to the recovery planning process once the current lockdown arrangements were either partially or totally removed, as detailed in section 4 of the report.

(4) To note the scheduled of service change decisions and critical services identified in Appendix 1 and 2 of the report, which would also be subject to consideration by the Audit & Standards Advisory Committee.

(5) To thank officers for the update provided and their ongoing efforts in developing and delivering the Council's emergency response to Covid 19.

8. Transfer of Network Homes Temporary Accommodation Portfolio

The Cabinet Member for Housing and Welfare Reform, Councillor Eleanor Southwood, introduced the report seeking approval for the Council to take over management of the Network Homes Housing Association Temporary Accommodation Portfolio in Brent.

Cabinet noted the positive impact the transfer would have in terms of addressing the demand for more settled leased temporary accommodation in order to meet demand and in relation to the need to avoid implementation of the Reasonable Rent Scheme.

RESOLVED that Cabinet:

(1) Confirm the decision not to approve the implementation of the Reasonable Rent Scheme, as set out in paragraphs 3.10 to 3.13 of the report.

(2) Agree that the Council enters into a Transfer Agreement with Network Homes Limited for the transfer of the temporary accommodation portfolio to the Council and authorises the Strategic Director of Community Wellbeing to finalise the terms of the Transfer Agreement.

(3) Approve the assignment of the leases currently held by Network Homes for the Temporary Accommodation portfolio in Brent to the Council.

9. Authority to tender contract for procurement and management of the Temporary Accommodation Housing Association Leasing Scheme

The Cabinet Member for Housing and Welfare Reform, Councillor Eleanor Southwood, introduced the report seeking approval to invite tenders in respect of the procurement and management of Temporary Accommodation in support of the Council's Housing Association Leasing Scheme (HALS).

RESOLVED that Cabinet:

- (1) Approve inviting tenders for Procurement and Management of Temporary Accommodation in support of the Council's Housing Association Leasing Scheme (HALS) on the basis of the pre - tender considerations set out in paragraph 3.25 of the report.
- (2) Approve officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph 3.25 of the report.
- (3) Delegate authority to the Strategic Director of Community Wellbeing, in consultation with the Lead Member for Housing & Welfare Reform, to award contracts for Procurement and Management of Temporary Accommodation for an acquisition and management term of 3 years, with an option to extend for up to a further 2 years, and a further management term of 3 years following expiry of the acquisition and management term.

10. **Purchase of 114 Affordable Homes in Alperton**

The Cabinet Member for Housing and Welfare Reform, Councillor Eleanor Southwood, introduced the report seeking approval to purchase the long leasehold interest in 114 affordable homes at the Grand Union site, located in Alperton. Cabinet noted the detailed outlined provided on the development, site and breakdown of the 114 affordable homes which were being made available. It was pointed out these would not only meet the essential housing needs currently identified in terms of the housing register but would also be beneficial in terms of their location.

In addition, Cabinet's attention was drawn to the financial appraisal undertaken which had identified the scheme as financially viable on the basis of the assumptions set out in section 5.7 of the report. In completing her introduction Councillor Southwood also took the opportunity to thank Councillor Tatler (as Cabinet Member for Regeneration, Property & Planning) and officers for their support and efforts in progressing the scheme.

RESOLVED that Cabinet:

- (1) Note the content of the report, including the amendment to the figure in section 6.2 which should read 92 and not 22 affordable homes.
- (2) Approve the proposed purchase of the long leasehold interest in 114 affordable homes within the scheme currently in development for the purchase price of £27m (plus statutory costs), subject to contract and subject to a) clean and marketable title b) financial and legal due diligence and c) vacant possession, with a target exchange of contract in May 2020.
- (3) 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 with the developer for the purchase of the scheme.

11. **Highway Works funded under the HIF Grant in South Kilburn**

The Cabinet Member for Regeneration, Property & Planning, Councillor Shama Tatler, introduced the report seeking approval to vary the Development Agreement with Countryside Properties Ltd to include the construction of adjacent and intersecting highway works at the Peel Site. In considering the report, Cabinet noted the programme synergies of the approach recommended for consideration.

RESOLVED that Cabinet approve that the Development Agreement between the Council and Countryside Properties Limited entered into on 31 July 2018 be modified to include the construction of an adjacent and intersecting highway works at Peel as shown in Appendix A (Peel Highway Works) of the report at an estimated value of three million pounds (£3,000,000)

12. **Capital (CIL) Contribution towards the Provision of Three Medical Centres**

The Cabinet Member for Regeneration, Property & Planning, Councillor Shama Tatler, introduced the report seeking approval for a capital contribution towards the fit out of three medical centres proposed as part of regeneration schemes in growth areas within Wembley Park, South Kilburn and Alperton. Whilst noting the background to the provision of the health centres and funding proposals, members were also keen to recognise that a commitment would need to be secured from the Clinical Commissioning Group (CCG) towards the ongoing revenue funding costs which also took account of their revised financial position following the write-off of historic debt.

On the basis set out above it was **RESOLVED** that Cabinet, subject to confirmation from the CCG that it was committed to the ongoing revenue funding of the proposed new South Kilburn centre, approve a capital contribution from Strategic Community Infrastructure Levy funds of up to £3.472m for use towards the fit out costs of three new medical centres, in Wembley Park, South Kilburn and Alperton.

13. **Social Value and Ethical Policy**

The Deputy Leader, Councillor Margaret McLennan, introduced the report seeking to update Cabinet on the Social Value and Ethical Policy and its alignment with the delivery of Social Value as part of the Borough Plan 2019-2023. Cabinet noted that as well as setting out the principles as to how Social Value would be delivered, the Policy also included an Ethical Policy that set out standards of integrity and professionalism expected from the Council's suppliers.

In expressing their support for the Policy, Cabinet noted the alignment of the social value commitments within the Policy to the Council's strategic themes within the Borough Plan 2019-2023 and aim to focus on securing benefits for all communities within Brent. Members also welcomed the support provided in relation to community wealth building and the reviving of local economies alongside the specific inclusion of reference to a whistleblowing policy for employees and suppliers.

RESOLVED that Cabinet approve the updated Social Value and Ethical Policy and delivery plan set out in appendices A & B of the report.

14. **Authority to Award Contract for Oracle Cloud Subscription Licences**

The Deputy Leader, Councillor Margaret McLennan, introduced the report seeking approval to the award of contracts for Oracle Cloud subscription licences.

RESOLVED that Cabinet approve the award of the contract for Oracle Cloud Subscription licences to Insight Direct UK Limited at an estimated total cost of £4.8 million for a term of up to 10 years.

15. **Executive Response to the recommendations from the Air Quality Scrutiny Task Group and recommendations of the Resources and Public Realm Scrutiny Committee**

The Cabinet Member for Environment, Councillor Krupa Sheth, introduced the report setting out the Executive's response to the recommendations from the Air Quality Scrutiny Task Group.

Councillor Muhammed Butt, Leader of the Council, welcomed Councillor Tom Stephens to the meeting who had requested to speak as Chair of the Air Quality Scrutiny Task Group. Councillor Stephens welcomed the report and positive commitments within the draft Executive response, on which he was keen to ensure progress continued to be monitored. Particular issues highlighted for consideration, once normal business had resumed following the restrictions in relation to Covid 19, included the lobbying for external funding support and to support adoption of the World Health Organisation guidelines; the monitoring of areas outside the Ultra-Low Emission Zones and consideration of the introduction of Low Emission Zones in areas identified as being negatively impacted; the commitment to Healthy Streets being included within the Council's core strategies and transport plans and further roll out of the Schools Streets programme. In summing up Councillor Stephens took the opportunity to thank the Executive for its response, and reiterate his thanks to all the officers, members and others who had contributed to this scrutiny inquiry.

Additional comments were also received from Councillor Nerva who welcomed the report and commitments set out within the draft response, highlighting the importance of air quality in relation to public health especially during the Covid 19 pandemic.

In response to the comments raised Councillor Krupa Sheth thanked all those involved in the Task Group for their effort. The importance of tackling air quality had been recognised as a priority with the measures and commitments outlined within the draft response being co-ordinated alongside the Climate Emergency Action Plan. There would, however, be a need to ensure this was tackled on a partnership basis by all stakeholders across both the public and private sector with the impact on public health also fully recognised as the response was further developed.

Having considered the comments received, Cabinet **RESOLVED** to approve the draft Executive Response to the Air Quality Scrutiny Report and recommendations of the Resources and Public Realm Scrutiny Committee.

16. **Executive response to the Budget Scrutiny Report and recommendations of the Resources and Public Realm Scrutiny Committee**

The Deputy Leader and Cabinet Member for Resources, Councillor Margaret McLennan, introduced the report setting out the Executive's response to the recommendations made by the Scrutiny Budget Task Group.

Councillor Muhammed Butt, Leader of the Council, welcomed Councillor Matt Kelcher to the meeting who had requested to speak as Chair of the Budget Scrutiny Task Group. Councillor Kelcher welcomed the report and draft Executive response. Whilst recognising the impact of Covid 19 on management of the Council's budgetary position, it was felt many of the principles identified within the commitments made remained relevant, particularly in relation to business support; air quality; partnership work with other boroughs, London Councils & Local Government Association and support of the voluntary and community sector.

Additional comments were also received from Councillor Nerva who also welcomed the report and highlighted his support for the approach recommended by the Task Group in relation to aggregating use of Neighbourhood Community Infrastructure Levy (CIL) funds as a means of driving further efficiencies and maximising the community benefits available.

In response to the comments raised, Councillor Margaret McLennan thanked Councillor Kelcher all those involved in the work of the Task Group for their efforts and for recognising the financial impact in relation to Covid 19 and on management of the Council's budgetary position. In terms of the response being developed, Councillor Muhammed Butt, supported by Councillors Shama Tatler (as Cabinet Member for Regeneration, Property & Planning) and Councillor Krupesh Hirani (as Cabinet Member for Public Health, Culture and Leisure) felt it was important to highlight the significant work already being undertaken with London Councils and in terms of working to support the Public Health function, Voluntary & Community Sector and local businesses in the response to the Covid 19 pandemic. The comments made in relation to more co-ordinated targeting of CIL funds were also recognised with continued scrutiny on the budget and response being developed in response to Covid 19 also welcomed.

As no further issues were raised, Cabinet **RESOLVED** to approve the draft Executive Response to the Budget Task Group Scrutiny Report and recommendations of the Resources and Public Realm Scrutiny Committee.

17. **Exclusion of Press and Public**

There were no items that required the exclusion of the press or public.


18. **Any other urgent business**

None, other than considered at the start of the meeting (item 7 above refers).

The meeting ended at 5.04 pm

COUNCILLOR MUHAMMED BUTT
Chair

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 Brent	Cabinet 28 May 2020
	Report from the Strategic Director of Customer and Digital Services
National Non-Domestic Rates – Applications for Discretionary Rate Relief	

Wards Affected:	TBC
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	Two: Appendix 1: Eligibility Criteria for Applications for NNDR Discretionary Relief for Charities & From Non Profit Making Organisations Appendix 2 New Applications for Discretionary Rate Relief – Local Charities – 20% relief
Background Papers:	None
Contact Officer(s):	Peter Cosgrove, Head of Revenue and Debt Peter.Cosgrove@brent.gov.uk Tel: 020 8937 2307

1.0 Purpose of the Report

- 1.1 The Council has the discretion to award rate relief to charities or non-profitmaking bodies. It also has the discretion to remit an individual National Non-Domestic Rate (NNDR) liability in whole or in part on the grounds of hardship. The award of discretionary rate relief is based on policy and criteria agreed by Cabinet on 15 November 2016. New applications for relief are required to be considered by the Cabinet pursuant to the Council's existing policy and criteria for determining entitlement to discretionary rate relief in respect of NNDR.
- 1.2 The report details all new applications for relief received since Cabinet last considered such applications in September 2019 as Appendix 2.

2.0 Recommendation(s)

- 2.1 That the applications for discretionary rate relief in respect of national non-domestic rate liability as set out and detailed in Appendix 2 to this report be approved.

3.0 Detail

- 3.1 Details of the Council's discretion to grant rate relief to charities, registered community amateur sports clubs and non-profit making organisations are contained in the financial and legal implications' sections (4 and 5).
- 3.2 Appendix 1 sets out the criteria and factors to consider for applications for NNDR relief from Charities and non-profit making organisations. This was agreed by Cabinet at its meeting on 15 November 2016.
- 3.3 Appendix 2 lists new applications from local and non-local charities that meet the criteria. These receive 80% mandatory relief, where they meet the criteria the council will award local charities up to 100% discretionary relief in respect of the remaining 20% balance and will award non local charities 25% relief in respect of the remaining 20% balance. It also shows the cost to the Council if discretionary relief is awarded.
- 3.4 The criteria for awarding discretionary rate relief focuses on ensuring that the arrangements are consistent with corporate policies and relief is directed to those organisations providing a recognised valued service to the residents of Brent, particularly the vulnerable and those less able to look after themselves. Further detail is set out in Appendix 1. Should relief be granted entitlement will remain until 31 March 2023 unless there are any changes to the organisation. The scheme will be reviewed in October 2021 when organisations will be required to reapply for relief from April 2023. This means qualifying organisations always have a 12 notice of any changes.
- 3.5 Charities and registered community amateur sports clubs are entitled to at least 80% mandatory rate relief and the council has discretion to grant additional relief up to the 100% maximum
- 3.6 Non-profit making organisations do not receive any mandatory relief, but the Council has the discretion to grant rate relief up to the 100% maximum. However, the council's policy limits relief for these to 25%.

4.0 Financial Implications

- 4.1 From 1 April 2018 the council has been part of a pan London business rates pool whereby a percentage of the income from business rates is retained by the council and the GLA and a single levy payment to is paid to central government. From 1 April 2020 the retained share is 67% with the council picking up 30% of any discretionary rate relief awarded.
- 4.2 The Council, where it has decided to grant relief, has followed a general guideline of granting 100% of the discretionary element to local charities.
- 4.3 Any additional awards of relief will reduce income to the Council by 30% in 2020/21.

- 4.4 The costs therefore of awarding discretionary relief to the charitable organisations detailed in Appendix 2 is £14,404 over the two years, with a £5,352 reduction to the council's projected income from its retained Business Rates income from 2020/21 onwards.

5.0 Legal Implications

Discretionary Rate relief

- 5.1 Under the Local Government Finance Act 1988, charities are only liable to pay 20% of the NNDR that would otherwise be payable where a property is used wholly or mainly for charitable purposes. This award amounts to 80% mandatory relief of the full amount due. For the purposes of the Act, a charity is an organisation or trust established for charitable purposes, registration with the Charity Commission is conclusive evidence of this. Under the Local Government Act 2003, registered Community Amateur Sports Clubs also qualify for 80% mandatory relief.
- 5.2 The Council has discretion to grant relief of up to 100% of the amount otherwise due to charities, Community Amateur Sports Clubs, and non-profit making organisations meeting criteria set out in the legislation. These criteria cover those whose objects are concerned with philanthropy, religion, education, social welfare, science, literature, the fine arts, or recreation. Guidance has been issued in respect of the exercise of this discretion and authorities are advised to have readily understood policies for deciding whether or not to grant relief and for determining the amount of relief. Details of the current policy are contained in Appendix 1.
- 5.3 The Non-Domestic Rating (Discretionary Relief) Regulations 1989 allow the London Borough of Brent to grant the relief for a fixed period. One year's notice is required of any decision to revoke or vary the amount of relief granted, if in the case of a variation, it would result in the amount of rates increasing. The notice must take effect at the end of the financial year.
- 5.4 The operation of blanket decisions to refuse discretionary relief across the board would be susceptible to legal challenge on grounds that the Council could be fettering its discretion. The legal advice provided to officers and Members is that each case should be considered on its merits.

6.0 Equality Implications

- 6.1 Applications have been received from a wide variety of diverse charities and organisations, and an Impact Needs Analysis Requirement Assessment (INRA) as carried out in 2008 when the criteria were originally agreed. As there were no changes made to the criteria in September 2013 an Equality Impact assessment was not required. All ratepayers receive information with the annual rate bill informing them of the availability of discretionary and hardship rate relief.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 None, although ward members support the applications from the applications recommended for approval.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Related documents: Report to Cabinet 15 November 2016 – National Non-Domestic Relief – Review of Discretionary Rate Relief Policy

Report sign off:

Peter Gadsdon

Strategic Director of Customer and
Digital Services

Appendix 1

ELIGIBILITY CRITERIA FOR APPLICATIONS FOR NNDR DISCRETIONARY RELIEF FOR CHARITIES & FROM NON PROFIT MAKING ORGANISATIONS

Introduction

The following details the criteria against which the Local Authority will consider applications from non-profit making organisations. In each case the individual merits of the case will be considered.

- (a) Eligibility criteria**
- (b) Factors to be taken into account**
- (c) Parts of the process.**

(a) Eligibility Criteria

- The applicant must be a charity or exempt from registration as a charity, a non-profit making organisation or registered community amateur sports club (CASC).
- All or part of the property must be occupied for the purpose of one or more institutions or other organisations which are not established or conducted for profit and whose main objects are charitable or otherwise philanthropic or religious or concerned with education, social welfare, science, literature or the fine arts; or
- The property must be wholly or mainly used for the purposes of recreation, and all or part of it is occupied for the purposes of a club, society or other organisation not established or conducted for profit.

(b) Factors to be taken into account

The London Borough of Brent is keen to ensure that any relief awarded is justified and directed to those organisations making a valuable contribution to the well-being of local residents. The following factors will therefore be considered:

- a. The organisation should provide facilities that indirectly relieve the authority of the need to do so, or enhance or supplement those that it does provide
- b. The organisation should provide training or education for its members, with schemes for particular groups to develop skills
- c. It should have facilities provided by self-help or grant aid. Use of self-help and / or grant aid is an indicator that the club is more deserving of relief
- d. The organisation should be able to demonstrate a major local contribution.
- e. The organisation should have a clear policy on equal opportunity.
- f. There should be policies on freedom of access and membership.

- g. It should be clear as to which members of the community benefit from the work of the organisation.
- h. Membership should be open to all sections of the community and the majority of members should be Brent residents
- i. If there is a licensed bar as part of the premises, this must not be the principle activity undertaken and should be a minor function in relation to the services provided by the organisation.
- j. The organisation must be properly run and be able to produce a copy of their constitution and fully audited accounts.
- k. The organisation must not have any unauthorised indebtedness to the London Borough of Brent. Rates are due and payable until a claim for discretionary rate relief is heard

(c) Parts of the process

No Right of Appeal

Once the application has been processed, the ratepayer will be notified in writing of the decision. As this is a discretionary power there is no formal appeal process against the Council's decision. However, we will re-consider our decision in the light of any additional points made. If the application is successful and the organisation is awarded discretionary rate relief, it will be applied to the account and an amended bill will be issued.

Notification of Change of Circumstances

Rate payers are required to notify any change of circumstances which may have an impact on the award of discretionary rate relief.

Duration of award

The new policy will award relief to 31 March 2020. Prior to the end of this period applications will be sent inviting recipients to re-apply, this will ensure the conditions on which relief was previously awarded still apply to their organisation. This will help ensure that the Council's rate records remain accurate.

Withdrawal of relief

One years' notice has to be given by the Council for the withdrawal of relief

Unlawful activities

Should an applicant in receipt of discretionary rate relief be found guilty of unlawful activities for whatever reason, entitlement will be forfeited from the date of conviction.

	Type of Charitable/Non-Profit Making Organisation	Current Policy
		Discretionary Relief Limited to
1	Local charities meeting required conditions (80% mandatory relief will apply)	20% (100% of remaining liability)
2	Local Non-profit-making organisations (not entitled to mandatory relief)	25%
3	Premises occupied by a Community Amateur Sports Club registered with HM Revenue & Customs. (80% mandatory relief will apply)	20% (100% of remaining liability)
4	Non-Local charities (80% mandatory relief will apply)	25% (of remaining liability)
5	Voluntary Aided Schools (80% mandatory relief will apply)	20% (100% of remaining liability)
6	Foundation Schools (80% mandatory relief will apply)	20% (100% of remaining liability)
7	All empty properties	NIL
8	Offices and Shops occupied by national charities	NIL
9	An organisation which is considered by officers to be improperly run, for whatever reason, including unauthorised indebtedness.	NIL
10	The organisation or facility does not primarily benefit residents of Brent.	NIL
11	Registered Social Landlords (as defined and registered by the Housing Corporation). This includes Abbeyfield, Almshouse, Co-operative, Co-ownership, Hostel, Letting / Hostel, or YMCA.	Nil
12	Organisations in receipt of 80% mandatory relief where local exceptional circumstances are deemed to apply.	Up to 20% (100% of remaining liability)

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Appendix 2

New Applications for Discretionary Rate Relief – Local Charities – 80% Mandatory Relief, up to 20% Discretionary Relief.

<i>Reference</i>	<i>Relief awarded to: name of organisation</i>	<i>Charity/Non-Profit Organisation</i>	<i>Annual Charge</i> <i>2019/20</i> <i>2020/21</i>	<i>Balance after MR</i> <i>2019/20</i> <i>2020/21</i>	<i>Amount of discretionary relief</i>	<i>Cost to Brent</i> <i>2019/20</i> <i>2020/21</i>
33145920	South Kilburn Trust	Charity	£66,548 £67,564	£13,310 £13,513	100%	£6,389 £4,054
33152073	Peaceful Solutions Ltd	Charity	£1,935 £0	£1,290 £0	100%	£619 £0
33112753	Westminster Drug Project, New Beginnings WDP Brent	Charity	£21,294 £21,632	£4,259 £4,326	100%	£2,044 £1,298

**Direct cost to Brent at 48% in 2019/20 and 30% in 2020/21*

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	Cabinet 28 May 2020
	Report from the Director of Finance
Authority to Award Contracts for the Purchase of Gas and Electricity (October 2020 to September 2022)	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One Appendix 1: Equality Analysis
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Olga Bennet Head of Finance Tel: 0208 937 3337 E-mail: olga.bennet@brent.gov.uk

1 Purpose of the Report

- 1.1 This report requests authority to award contracts as required by Contract Standing Order 88. This report describes the reasons for the award of those contracts as referred to within paragraphs 2.1, 2.2 and 2.3 of this report, and for the Council's entry into the Access Agreement referred to at paragraph 2.4. The report also summarises the process required to procure and award those contracts.

2 Recommendation(s)

Cabinet is asked to:

- 2.1 approve the award of a contract for the supply of electricity to NPower Limited for two years as from 1st October 2020 via a call-off from LASER Framework Y18003, and
- 2.2 approve the award of a contract for the supply of gas to Total Gas and Power for two years from 1st October 2020 via a call-off from the LASER Framework Y18002; and

- 2.3 that alternatively to the recommendations at paragraphs 2.1 and 2.2, Cabinet approves the award of contracts for gas and electricity to the next ranked Suppliers on Lot 1 of each of the Frameworks referred to at paragraph 5, if NPower Limited or Total Gas and Power cannot, or do not accept the offer of a Council contract. Such award shall be in accordance with the offer and award process described in Section 5 of this report; and
- 2.4 that Cabinet approves the Council's entry into an Access Agreement with Kent County Council referred to in section 5 below, to enable its participation and purchase of gas and electricity from the Frameworks referred to at paragraphs 2.1 and 2.2 above.

3 Summary

- 3.1 Brent Council's current energy contract expires in Sept 2020. Officers are proposing to call off from the LASER framework again, but this time for two rather than four years.
- 3.2 This shorter time frame is in order to give Brent the opportunity to make substantial changes to its purchase of energy sooner. In particular, the Council's energy procurement will be part of the plan to achieve net zero carbon for the Council's own estate and operations by 2030.
- 3.3 The Council's own estate and operations, including Council buildings, street lighting and fleet, makes up 1% of overall borough carbon emissions. The Council is committed to playing its part and leading the way on the climate emergency. We will do everything we can to reduce carbon emissions from our own buildings and fleet.
- 3.4 It is suggested that calling off from the LASER framework again for a short period is preferable to making large changes at this point:
- (i) to provide continuity at a time of global uncertainty due to the coronavirus pandemic and uncertainty in local government funding;
 - (ii) to fit in with the wider work of Brent's Climate and Ecological Emergency; and
 - (iii) to allow time to see the results of the first local authority investments in green Power Purchase Agreements which look promising as a potential way of affordably purchasing green energy.
- 3.5 In these two years, the Council will:
- (i) focus on further reducing its energy usage in order to reduce its carbon footprint, and make it possible to potentially pay higher unit costs for better green credentials at the next reprocurement of energy;
 - (ii) explore innovative ways of reducing our energy's carbon footprint and closely follow developments in the energy market;

- (iii) potentially switch to a Power Purchase Agreement mid-way through the contract (the Laser Framework allows this) once the market is more established.
- 3.6 This staged approach of first focusing on reducing the Council's consumption will support the opportunity to introduce green energy within the next two years, which may be more expensive.
- 3.7 Energy price is not guaranteed, and it is notoriously difficult to compare different supplier energy prices. However, there is evidence that this framework achieves value for money (see section 6). Firstly, the framework providers have won through a thorough competitive procurement process. Secondly, historic data shows that prices have so far been competitive in the market as a whole.

4 Background

- 4.1 The Council has purchased its gas and electricity since 2016 through call off contracts placed under two LASER framework agreements previously established by Kent County Council. Those contracts will expire on 30th September 2020.
- 4.2 New LASER Frameworks Y18002 (Gas Supply and Services) and Y18003 (Electricity Supply and Services) were let by Kent County Council in 2018. Supply of gas and electricity under these Frameworks commences on 1 October 2020 and ends on 20 September 2024.
- 4.3 However, the Council only seeks to order gas and electricity supply and services under these new LASER Frameworks between 1 October 2020 and 30 September 2022 (i.e. for a period of two rather than four years).
- 4.4 The energy market is rapidly changing and the Council is exploring other potential alternative routes for the purchase of gas and the purchase and/generation of electricity and heat in the medium to long-term.
- 4.5 This will allow the Council to explore the alternative routes referred to above, for the purchase of energy from the changed energy market, from 2022 onwards.
- 4.6 The Council will continue to review the arrangements recommended within this report and explore the emerging markets and technology (particularly focusing on Brent Council's carbon neutral commitment). Power Purchase Agreements (PPAs) are a new development in the energy market, which have the potential to help the Council to move towards zero carbon.

Power Purchase agreements come in various forms. A PPA could supply some of the energy requirement directly, from an energy provider such as a solar farm or wind farm owner, which would guarantee green energy supply. Alternatively, PPAs can also encompass the Council's own green generation of its own energy-using infrastructure supplied by an external company that sells the energy

generated to the National Grid or other Customers and the profits are split between the Council and the external Company. There are other forms of PPA.

PPAs are seen as a means to achieve real net zero carbon, since they offer 'additionality', i.e. it is an investment in a new green energy source that would not otherwise be built.

PPAs are currently rare, but seen by nearly all London Boroughs (and many outside of London authorities) as a desirable investment within the next 2-3 years, especially in the public sector.

- 4.7 The City of London Corporation has recently tendered for a PPA, so it is recommended that the Council verify whether that arrangement is successful before considering whether to embark on this route or any other. This and other alternative energy technologies and markets are only just emerging and it is recommended that the Council wait until 2022 when they are better established.

In parallel, Brent Council is participating in the West London Waste Authority-hosted climate partnership, which is considering ways in which West London boroughs can collaborate, with PPAs identified as a possible area for joint working.

- 4.8 The flexibility offered by the LASER Framework Agreement does however allow the Council to benefit from the rapidly changing market, in the form of PPAs, earlier than would otherwise be possible under a conventional two year contract - if this proves to be the best purchasing option for the Council in the next two years.

- 4.9 The award of the Call Off Contracts referred to in this report will help maintain continuity of supply on a procurement-compliant and best value basis for the Council during the next two years, whilst these options are explored and planned.

- 4.10 The main factors that drive the choice of the new LASER Frameworks include:

- a) the benefit of continuity in the short term;
- b) the limited time left until October 2020 for a full standalone tender by the Council and the speed offered by the Framework's ordering processes;
- c) the Procurement Regulations-compliant nature of this consortium procurement process;
- d) the flexibility and benefits of the buying sub-options detailed below;
- e) the benefits offered because of the economies of scale offered from consortium bulk purchasing;
- f) help maximise the beneficial associated services included in the price that enable good practice energy management i.e. to achieve further energy and financial savings, and

- g) help achieve the Councils environmental objectives, including consideration of how to move towards procuring zero carbon energy (to meet Brent's 2030 Climate Emergency zero carbon pledge)
 - h) allow a level of flexibility in terms of energy purchasing which allows the Council to change its purchasing arrangements to benefit from emerging technology in the form of PPAs, if these prove to be the best available option for the Council the next two years, sooner than might otherwise be possible.
- 4.11 The gas and electricity supplied under the new frameworks will serve the Council's corporate buildings, street lighting, and housing properties. Many of Brent's schools also opt in to receive supply under these arrangements.
- 4.12 The receipt of the delegated authority approval referred to at paragraph 9.1 of this report, has enabled implementation of the process set out in the new LASER Frameworks for choosing of Suppliers to each of the contract awards for which approval is sought in paragraphs 2.1 and 2.2 of this report.

5 Description of the LASER Framework

- 5.1 Each Framework Agreement is divided into two Lots (Lots 1 and 2). It is proposed that the Council only purchase gas and electricity under Lot 1 of each of the relevant Framework Agreements.
- 5.2 Therefore, this report seeks approval for the award a contract under Lot 1 of the new LASER electricity Framework Y18003, for flexible procurement and supply of electricity the new Framework Agreements referred to at paragraphs 2.1 and 2.2 of this report for half hourly, non-half hourly metered and unmetered supply electricity with meter operations and additional services. This Lot allows for the purchase of optional additional services in respect of renewable energy, AMR, data aggregation, data collection, demand side response, power purchase agreements, battery storage, electric vehicle facilities and energy services if required.
- 5.3 In respect of gas supply and services, the Council is seeking permission to award a contract under Lot 1 of the LASER gas supply and services framework Y18002 for flexible procurement and supply of gas for daily metered and non-daily metered including product class 1, 2, 3 and 4 with additional services. This Lot allows for the purchase of optional additional services such as green gas, AMR, gas purchase agreements, and energy services, if required.
- 5.4 The Suppliers appointed to Lot 1 of Electricity Framework No Y18003 were NPower, Total GP, and EDF Energy. The Suppliers appointed to Lot 1 of Gas Framework Y18002 were Total GP and Corona Energy.
- 5.5 The new LASER Frameworks allow the Council to enter into contracts with one of the Suppliers on each Lot 1 in one of two ways. The Council can either:-

- a) place a contract directly with one of the multiple Suppliers without holding a mini-competition (“direct award process”) between them.

The direct award procedure requires that the Council first offers a Contract to the Supplier whose tender was judged the most economically advantageous in terms of quality and price criteria and ranked first (amongst all those Bidders who bid for appointment as Supplier to these Framework Agreements) when the new Frameworks were let in 2018.

If that Supplier is unable to accept the Council’s direct offer of a Contract, then, the next-ranked Supplier qualifies for direct award.

or,

- b) a Supplier may be chosen after a mini-tender competition between all of the Suppliers to each Lot for the Council’s contract (“mini-competition”).

5.6 This report proposes the award of contracts using the direct award process.

- a) The direct award route is more expeditious than mini-competition.
- b) As represented in the new Frameworks, it is procurement-compliant.
- c) The suppliers to whom contracts are offered directly first, such as NPower and Total GP, have already proven themselves as the best bidder in terms of quality and price amongst those chosen as supplier for each Lot. If they are unable to accept the offer, the Council is assured that the contract will be offered to the next best-ranked bidder. So price and quality remain factors that govern which supplier is offered the Council’s contracts, even in the absence of competition between the suppliers on each of the Lots that the Council is purchasing from directly.

5.7 If the recommendations in this report are approved, NPower will first be offered a new electricity supply and services contract with the Council and TOTAL GP will first be offered a new gas supply and services contract.

5.8 The next ranked Suppliers on Lot 1 of the new electricity Framework are Total GP, then EDF Energy. The next ranked Supplier on Lot 1 of the new gas Framework is Corona Energy.

5.9 All those offered contracts will receive the Council’s service requirements and will agree the price payable for that service in accordance with the prices set within the new Framework Agreements.

5.10 The estimated total value of the Call Off Contracts for which approval is sought is an estimated £8.6m for electricity, and £1.4m for gas, over the two-year supply period referred to above. A breakdown of the total amount of Council spend in 2019-2020 is shown in paragraph 6.1 below.

5.11 In order to participate in the consortium and framework-buying arrangements referred to in this report; the Council is required to enter into an Access Agreement with Kent County Council acting as LASER. The Access Agreement will permit the Council to access those gas and electricity supplies and services referred to in this report. It also records those obligations that this Council and Kent County Council will owe each other for the duration of the Call Off Contracts or Order referred to in this report, and the services that Kent County Council, acting as LASER, will provide to this Council in respect of the flexible procurement options referred to in this report.

6 Achieving best value

6.1 The contractors have gone through a thorough procurement process. The award process ensures that those suppliers that have ranked highest in offering the most economically advantageous tender in terms of quality and price when the Framework Agreement was let, are offered a contract first by the Council. If they are unable to accept the offer, the Council is able to offer the contract to the Contractor who offered the next best such tender.

6.2 Bulk purchasing by LASER on behalf of many local authorities is thought to achieve better prices than if an individual local authority went through their own procurement process due to the substantially smaller volume being purchased.

6.3 Prices of electricity fluctuate. For example, they vary according to seasons and the time of day. So benchmarking is difficult. LASER is a member of the MEUC (Major Energy Users Council). This independently benchmarks large-scale energy buyers against each other and against the average market price. The data provided by LASER shows that for 2018/19 LASER's

- a) electricity commodity cost was on average 8.9% below the average of other Major Energy User Forum member prices and
- b) gas commodity cost was on average 5.3% below the average of other Major Energy User Forum member prices.

6.4 The frameworks have flexible purchasing options. This flexibility allows the Council to design its requirement and its purchasing more closely to what is required by those using the electricity and gas supplies and services purchased.

6.5 The table below illustrates the sub-options that Officers consider should be used as the best means of balancing price risk with budget certainty.

	Corporate	Street lights	Housing	Schools
Purchasing method	Flexible - Purchase Within Period	Flexible - Purchase In Advance	Flexible - Purchase In Advance	Flexible - Purchase In Advance
Management method	Fully Managed	Fully Managed	Procurement Only	Fully Managed / Procurement Only (Maintain current options)

- 6.6 LASER has generally performed well to date, and provides a managed service that Brent currently does not have in-house, and the award would maintain continuity of service and save the Council, the costs associated with moving from one supplier to another.
- 6.7 It is noted that the Street Lighting service experienced significant problems with the level of customer service and standard of billing offered by LASER in the past, in particular to bills being assigned the wrong Purchase Order numbers, thereby charging Street Lighting for other services' electricity, and duplicate bills submitted by Laser for February and March 2019. However since April 2019 Brent's Energy Manager and a Support Officer have worked to rationalise the Corporate billing in cooperation with the LASER Customer Service Manager and Customer Service Advisor. Single PO numbers are now used for consolidated electricity and gas corporate meters, likewise for Streetlights, so going forward the problem of POs being used for the wrong meters and other clear billing errors should not occur (and would be easy to see if they did).

7 Alternative options considered

- 7.1 Officers have reviewed a range of alternative purchasing options to these LASER Frameworks for the procurement of energy as listed below.

The options examined were:

- a) LASER consortium purchasing body-let frameworks
- b) Crown Commercial Service (CCS) framework
- c) Pan-LEP framework, delivered by LASER
- d) Fixed-Term Fixed Price (FTFP) provider
- e) Power Purchase Agreement (PPA)

- 7.2 For the reasons stated in paragraph 4.10 of this report, the LASER frameworks were regarded as the best procurement route for the Council in relation to the Call Off Contracts referred to at paragraphs 2.1 and 2.2 of this Report.

8 Financial Implications

- 8.1 The total Brent LASER energy contract spend 2019-20 was £5.0m and the breakdown was as follows:

Type	Spend 2019/20	Two year aggregated value
Corporate	1.2m	2.4m
Street lighting	1.3m	2.6m
Housing	0.9m*	1.8m
Schools	1.6m*	3.2m
TOTAL	5.0m	10.0m

*estimated

- 8.2 Additionally, there is a project looking at communal energy supplies in Housing; a number of meters are not on the bulk contract and it is estimated that there is £0.25m-£0.5m per annum currently with other suppliers which will be brought into the bulk contract over the next two years.
- 8.3 The cost of energy procured through this framework will be funded from existing budgets in the relevant departments or by individual schools.
- 8.4 Energy prices are by their nature variable and the exact cost of energy for 2020/21 is not known at this point. It is expected that energy prices are likely to increase by around 5% compared to 2019/20.
- 8.5 The price payable by Brent Council under the new LASER contracts is not fixed or guaranteed because its prices reflect fluctuations on the wholesale energy markets at the time of purchase.
- 8.6 Section 6 of the report (above) describes the assurances around value for money.

9 Legal Implications

- 9.1 Due approval was given to commence dialogue with Kent County Council regarding procurement from the Laser frameworks under delegated authority by the Director of Finance on 20 April 2020 in accordance with paragraph 9.5.3 of the Scheme of Delegation (Part 3 of the Constitution) and, as required by Contract Standing Order 88 (Authority to Go Out to Tender).
- 9.2 That approval was preceded by the receipt of permission from the Director of HR, Legal and Audit and Investigations for the Council's use of these third party-let frameworks as required under Contract Standing Order, 86(e) (ii) (Contracts not Subject to Full Tendering Requirements).
- 9.3 Because of Contract Standing Order 86 (e), the Council does not need to conduct a tendering exercise in its own name before placing the call off contracts referred to in the Recommendations in this report.
- 9.4 According to Regulation 86, and Regulation 33 of the Public Contract Regulations 2015, the Council is nevertheless required to follow the award procedures set out within a framework agreement for the award of a Call off Contract.
- 9.5 The direct award procedure described at paragraph 5.5 (a) and proposed at paragraph 5.6, complies with Regulation 86 in that it reflects the award procedures set out in the new LASER Framework Agreements referred to in this report. It also complies with the requirements of Regulation 33 for direct awards on a multiple supplier Framework. Therefore, any direct award made as proposed in this report will be compliant with procurement law and the Council's internal Standing Orders.

- 9.6 As detailed in paragraph 5.10, the estimated total value of the Call Off Contracts for which approval is sought is an estimated £8.6m for electricity, and £1.4m for gas, over the two-year supply period referred to above. The Call Off Contract for electricity is thus classed as a High Value Contract under the Council's Contract Standing Orders.

Pursuant to Contract Standing Order 86, Cabinet approval is required for the award of any Call Off Contract from the Frameworks.

The Call Off Contract for gas is classed as a Medium Value Contract and whilst it could be awarded using Officer delegated powers, it is considered appropriate to seek Cabinet approval given the link between the gas and electricity procurements.

- 9.7 If Cabinet approves the contract award decisions sought in this report, then the appropriate period must be allowed to elapse for a Call In of the Cabinet Decision by the Overview and Scrutiny Committee, before any award decision is implemented in accordance with Contract Standing Order 14.

10 Equality Implications

- 10.1 The Council must, in the exercise of its functions, have due regard to the need to:

- a) eliminate discrimination, harassment and victimisation
- b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

pursuant to s149 Equality Act 2010. This is known as the Public Sector Equality Duty.

- 10.2 The Public Sector Equality Duty 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.

- 10.3 The purpose of the duty is to enquire into whether a proposed decision disproportionately affects people with a protected characteristic. In other words, the indirect discriminatory effects of a proposed decision. Due regard is the regard that is appropriate in all the circumstances.

- 10.4 For a full assessment please refer to the Equality Analysis in Appendix 1.

- 10.5 Energy procurement could potentially have an equalities impact on housing if Right to Buy leaseholders are recharged the cost of the purchase of gas and electricity purchased under these LASER arrangements referred to in this report and the electricity and gas supplied does not reflect the cheapest price available

at any given time on the wholesale energy market for the reasons explained in this report. This would affect to Right to Buy Leaseholders who own their properties, as only they are recharged for communal energy use via their service charges.

- 10.6 Because of the demographic profile of Council tenants and consequently Right to Buy Leaseholders in Brent, the fact that the cheapest price is not always payable under the LASER arrangements may affect those Right to Buy Leaseholders who fall within those groups of people with “protected” characteristics under the Equality Act 2020 such as age, disability, race, religion or belief.
- 10.7 However, those Right to Buy Leaseholders in Brent with these protected characteristics will not be treated less favourably than other Right to Buy Leaseholders without these characteristics, in breach of the Equalities Act 2010, because they will be charged the same service charge as all other Right to Buy Leaseholders in Brent. They will not be charged more than those without the same characteristics will have to pay for gas and electricity supply to communal areas as part of their service charge
- 10.8 The Council has also taken steps to ensure that the risk to all Right to Buy Leaseholders of having to pay higher service charges is mitigated because LASER is the best value option as far as we can ascertain.
- 10.9 The risk that all Right to Buy Leaseholders might be overcharged due to billing errors will be mitigated by the employment from a new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.
- 10.10 Equality implications will continue to be considered throughout the supply period.

11 Environmental Sustainability Implications (where appropriate)

- 11.1 Brent Council has committed to do all reasonably in its gift to aim for carbon neutrality by 2030 and has agreed in its Interim Climate & Ecological Emergency Action Plan (Winter 2019/20) to “develop a plan to achieve net zero carbon for the Council’s own estate and operations by 2030”, which is currently in development.
- 11.2 Section 3 of this report outlines commitments to reduce the carbon footprint of the Council’s estate and operations and additionally to explore the introduction of PPAs for purchasing green energy. Both these approaches will be necessary for the Council to achieve its carbon neutral commitment for its own estate and operations.

12 Consultation with Ward Members and Stakeholders

- 12.1 Consultation/involvement of schools has so far been minimal in terms of the procurement round for the contracts referred to in this report but it is intended

that schools will be consulted on the formation of a 2022 energy procurement engagement plan, with the aim of ensuring representation from a broad spectrum of Brent schools to reflect the diverse needs, circumstances and priorities within the wider school community.

- 12.2 That group will inform the Council's review of the working of the contracts referred to in this report and will inform the Council's exploration of the rapidly changing energy market and technology.

13 Human Resources/Property Implications (if appropriate)

13.1 There are no staffing implications including TUPE and Pensions.

13.2 There are no property implications.

14 Public Services (Social Value) Act 2012

- 14.1 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 well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. This duty does not strictly apply to the proposed contract as it is not a services contract. Nevertheless, Officers have had regard to considerations contained in the Social Value Act in relation to the procurement and in selecting the Laser frameworks, Officers noted that Kent County Council was able to secure social value innovations when setting up the frameworks.

Report sign off:

MINESH PATEL
Director of Finance.

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Authority to Procure the next phase (post-October 2020) of the bulk energy (electricity and gas) supply contracts for Corporate, Street lights, Housing and Schools
DEPARTMENT:	Finance
TEAM:	Energy
LEAD OFFICER:	Neil Luscombe
DATE:	16.04.20

NB: Please ensure you have read the accompanying EA guidance and instructions in full.

SECTION A – INITIAL SCREENING

1. Please provide a description of the policy, proposal, change or initiative, and a summary its objectives and the intended results.

The council currently buys its gas and electricity through the LASER framework, established by Kent County Council. The current contracts commenced on 1st October 2016, and expire on 30th September 2020.

The Report seeks approval for the invitation of tenders or expressions of interest for gas and electricity supply under two new LASER Framework Agreements let by Kent County Council in 2018, namely LASER Framework [Ref: Y81002] for gas supply and LASER Framework [Ref: Y81002] electricity supply.

The cost of these contracts will be funded from the relevant department's budgets.

The key objectives for the energy re-procurement project are to:

- achieve an optimal overall price for the required energy usage and associated services (made up of commodity costs, non-commodity costs, and supplier fees)
- to maximise the beneficial associated services included in the price that enable good practice energy management i.e. to achieve further energy and financial savings, and
- to achieve the Councils environmental objectives, including consideration of how to move towards procuring zero carbon energy (to meet Brent's 2030 Climate Emergency zero carbon pledge)

2. Who may be affected by this policy or proposal?

The proposal covers energy supply to the following areas:

- Corporate
- Street lights
- Housing
- Schools

Residents would not be affected in terms of energy supply, as it is guaranteed regardless.

Residents would only be affected in terms of pricing if they are Right to Buy tenants, as only these are recharged for the communal energy use, which is affected by this proposal.

Energy procurement could potentially have an equalities impact on Housing if council leaseholders are recharged the cost and the Council doesn't go for the cheapest option. This would only apply to Right to Buy tenants who own their properties, as only these are recharged for the communal energy use. These groups may constitute people who are more likely on lower incomes, e.g. BAME, women, disabled people.

However justification is provided in the report and this Equality Analysis as to the procurement process, which through the LASER framework includes a measure of quality as well as cost. The procurement process of the LASER framework also ensures that a discount is obtained through buying energy in bulk through a third party organisation.

3. Is there relevance to equality and the council's public sector equality duty? Please explain why. If your answer is no, you must still provide an explanation.

Yes.

Energy procurement is a public function, and therefore due regard to the Public Sector Equality Duty must be ensured at the time when the proposal is being decided upon.

4. Please indicate with an "X" the potential impact of the policy or proposal on groups with each protected characteristic. Carefully consider if the proposal will impact on people in different ways as a result of their characteristics.

Characteristic	IMPACT		
	Positive	Neutral/None	Negative
Age		X	
Sex		X	
Race		X	
Disability		X	
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity		X	

Marriage		X	
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5. Please complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST		
	YES	NO
Have you established that the policy or proposal <i>is</i> relevant to the council's public sector equality duty?	X	
Does the policy or proposal relate to an area with known inequalities?		X
Would the policy or proposal change or remove services used by vulnerable groups of people?		X
Has the potential for negative or positive equality impacts been identified with this policy or proposal?		X
If you have answered YES to ANY of the above, then proceed to section B. If you have answered NO to ALL of the above, then proceed straight to section D.		

SECTION B – IMPACTS ANALYSIS

1. Outline what information and evidence have you gathered and considered for this analysis. If there is little, then explain your judgements in detail and your plans to validate them with evidence. If you have monitoring information available, include it here.

Energy procurement could potentially have an equalities impact on Housing if council leaseholders are recharged the cost and the Council doesn't go for the cheapest option. This would only apply to Right to Buy tenants who own their properties, as only these are recharged for the communal energy use. These groups may constitute people who are more likely on lower incomes, e.g. BAME, women, disabled people.

This risk is mitigated because LASER is the best price option as far as we can ascertain. Right to Buy Leaseholders with protected characteristics will not be charged more than those without the same characteristics will have to pay, for gas and electricity supply to communal areas, as part of their service charge.

It could impact on these Right to Buy tenants if they were overcharged due to billing errors. This will be mitigated by the employment from a new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.

2. For each "protected characteristic" provide details of all the potential or known impacts identified, both positive and negative, and explain how you have reached these conclusions based on the information and evidence listed above. Where appropriate state "not applicable".

AGE	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact on older residents.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
DISABILITY	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact on residents with a disability.</p> <p>People with disabilities are more likely to be on lower incomes, less likely to be in employment or online, and more likely to have higher outgoings due to the cost of having a disability.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
RACE	

Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact on residents from Black, Asian and Minority Ethnic backgrounds.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
SEX	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact on women.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
SEXUAL ORIENTATION	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact on Lesbian, Gay or Bisexual people.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
PREGANCY AND MATERNITY	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact people with the protected characteristic of pregnancy or maternity.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
RELIGION OR BELIEF	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact people with the protected characteristic of religion or belief.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
GENDER REASSIGNMENT	
Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact people with the protected characteristic of gender reassignment.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
MARRIAGE & CIVIL PARTNERSHIP	

Details of impacts identified	<p>It is not anticipated that the proposal would have a disproportionate impact people with the protected characteristic of marriage or civil partnership.</p> <p>The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments.</p>
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3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

It is not believed that there could be any impacts from this proposal that could be unlawful under the Equality Act 2010.

4. Were the participants in any engagement initiatives representative of the people who will be affected by your proposal and is further engagement required?

The proposal largely does not impact on residents.

It is believed that residents would only be affected in terms of pricing if they are Right to Buy tenants, as only these are recharged for the communal energy use, which is affected by this proposal. However, this risk is mitigated because LASER is the best price option as far as we can ascertain as assessed in the options price comparison. Right to Buy Leaseholders with protected characteristics will not be charged more than those without the same characteristics will have to pay, for gas and electricity supply to communal areas, as part of their service charge.

The Housing Energy Officer will also closely monitor energy bills to ensure no billing errors or over payments amongst Right to Buy leaseholders and tenants.

5. Please detail any areas identified as requiring further data or detailed analysis.

The equalities information for Right to Buy tenants will be examined, where possible, by working with the Home Ownership Manager in Housing.

The Housing Energy Officer will closely monitor energy bills to ensure no billing errors or over payments amongst Right to Buy leaseholders and tenants.

6. If, following your action plan, negative impacts will or may remain, please explain how these can be justified?

It is not anticipated that any negative impacts will remain on protected groups as a result of this proposal.

This is because:

- i) LASER is the best price option as far as we can ascertain as assessed in the options price comparison.
- ii) the employment from a new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.

7. Outline how you will monitor the actual, ongoing impact of the policy or proposal?

The Energy Manager will manage the new scheme and prices will be monitored as part of this.

The new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.

SECTION C - CONCLUSIONS

Based on the analysis above, please detail your overall conclusions. State if any mitigating actions are required to alleviate negative impacts, what these are and what the desired outcomes will be. If positive equality impacts have been identified, consider what actions you can take to enhance them. If you have decided to justify and continue with the policy despite negative equality impacts, provide your justification. If you are to stop the policy, explain why.

LASER is the best price option as far as we can ascertain.

Right to Buy Leaseholders with protected characteristics are not any less favourably treated than Right to Buy Leaseholders who do not have such characteristics.

They will not be charged more than those without the same characteristics will have to pay for gas and electricity supply to communal areas as part of their service charge.

The Council charges both groups of Right to Buy Leaseholders the same levels of service charge, regardless. Their service charges, which take into account the cost of lighting and heating communal areas, is calculated in the same way and they are charged the same amounts.

The impact of any higher gas and electricity payments doesn't fall discriminatorily, on those Right to Buy Leaseholders with "protected characteristics" in breach of the Equalities Act 2010.

Furthermore, the employment from a new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.

SECTION D – RESULT

<i>Please select one of the following options. Mark with an "X".</i>		
A	CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED	X
B	JUSTIFY AND CONTINUE THE POLICY/PROPOSAL	
C	CHANGE / ADJUST THE POLICY/PROPOSAL	
D	STOP OR ABANDON THE POLICY/PROPOSAL	

SECTION E - ACTION PLAN

This will help you monitor the steps you have identified to reduce the negative impacts (or increase the positive); monitor actual or ongoing impacts; plan reviews and any further engagement or analysis required.

Action	Expected outcome	Officer	Completion Date
The employment from a new Housing Energy Officer, who with support of the Energy Manager, will closely monitor energy bills to ensure no billing errors or over payments.	Reduction in billing errors or overpayments amongst Right to Buy leaseholders.	Housing Energy Officer, who with support of the Energy Manager, Neil Luscombe	December 2020
Work with Home Ownership Manager to review the equality information for Right to Buy leaseholders	Understand the equality information for Right to Buy leaseholders.	Equality Officer	June 2020

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	Neil Luscombe <i>NLuscombe</i>
REVIEWING OFFICER:	Natalie Gordon, Equality Officer
HEAD OF SERVICE:	

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