



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 18 July 2022 at 10.00 am

PRESENT: Councillor M Butt (Chair), Councillor M Patel (Vice-Chair) and Councillors Donnelly-Jackson, Farah, Grahl, Knight, Nerva, Krupa Sheth, Southwood and Tatler

Also present: Councillor Lorber.

1. **Apologies for Absence**

None received.

2. **Declarations of Interest**

There were no declarations of interest made at the meeting.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous meeting held on Monday 20 June 2022 be approved as an accurate record of the meeting.

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

None.

5. **Petitions (if any)**

There were no petitions submitted for consideration at the meeting.

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

There were no references from either the Community & Wellbeing or Resources & Public Realm Scrutiny Committees submitted for consideration at the meeting.

7. **Treasury Management Outturn Report 2021/21**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report updating members on Treasury Management activity during 2021-22.

In considering the report Cabinet noted the economic background in relation to the current outturn position. This included the continuing economic challenges arising from the pandemic recovery, which had been further exacerbated by the war in Ukraine and sharp increases in both inflation and interest rates. In terms of a local context, members were advised that the Council's total level of borrowing as of 31

March 22 was £684.6m arising from its capital expenditure with the underlying need to borrow for capital purposes measured through the Capital Financing Requirement (CFR), usable reserves and working capital. The underlying resources available for investment totalled £98.6m. In noting the prudential requirements within the CIPFA Code, the Council's objective in terms of investment remained to strike an appropriate balance between risk and return with a balanced portfolio of short and long term borrowing maintained.

Member's attention was also drawn to the revised Prudential Code for Capital Finance and Treasury Management Code published in December 2021, which included key changes around permitted reasons to borrow, knowledge and skills and the management of non-treasury investments. In addition, HM Treasury had issued revised guidance in August 2021 relating to the Public Works Loan Board (PWLB) lending facility, which now included examples of permitted and prohibited use of PWLB loans (including the purchase of investment assets primarily for yield). Members noted that the revised reporting requirements within the Prudential Code would be introduced during the 2023/24 financial year.

Cabinet thanked officers for their work in relation to managing the Council's Treasury Management activity and having considered the report **RESOLVED:**

- (1) To note the 2021/22 Treasury Management Outturn report and approve it being referred on to Full Council for final consideration and approval, in compliance with CIPFA's Code of Practice on Treasury Management (the Code).
- (2) To note that for 2021/22 the Council had complied with its Prudential Indicators, which were approved by Full Council on 22 February 2021 as part of the Council's Treasury Management Strategy Statement and Capital Strategy Statement.

8. **Financial Outturn Report 2021/22**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report which detailed the outturn for income and expenditure against the Council's revenue budget and capital programme for 2021/22 and other key financial data. Cabinet were informed that whilst the outturn in relation to the General Fund was in line with the forecast position and reflected a breakeven position for the year there remained a deficit (£4.6m) in relation to Dedicated Schools Grant (DSG) alongside a deficit on the Housing Revenue Account (HRA) of £0.6m. In relation to the outturn on the Council's Capital Programme, spend in 2021/22 had totalled £165m which equated to 75% of the approved budget.

In considering the outturn position, members were advised that the DSG deficit reflected increased levels of demand in Special Educational Needs and Disability (SEND) services, which were subject to an ongoing deficit management and recovery plan. Cabinet also noted the challenging budgetary impact created within Children & Young People as a result of the increase in unaccompanied asylum seeking children (UASC) along with the mitigating action being taken to offset other pressures identified as detailed in the individual service updates within section 3 of the report.

In noting the update provided, members felt it important to highlight the ambitious nature of the Council's Capital Programme including the ongoing provision for the New Council Home and other Estate Regeneration programmes, which it was felt reflected the ongoing demand for much needed affordable housing provision across the borough.

In summing up Councillor Muhammed Butt thanked the finance team for their efforts given the challenging economic background and associated impacts arising from the current cost of living crisis. In highlighting the efforts being made to continue providing services to support those residents in need it was **RESOLVED** that Cabinet note the overall financial outturn position for 2021/22.

9. **Medium Term Financial Outlook**

Prior to consideration of the main report, Councillor Muhammed Butt (Leader of the Council) invited Councillor Lorber, who had requested to speak on the item, to address the meeting. Referring to section 6.9 of the report, Councillor Lorber sought further details on the status of the additional scheme which it was reported had been added to the Capital Programme pipeline relating to the redevelopment of the Alperton Community Centre. Having noted the figure included in relation to the scheme (£0.8m), details were sought on any discussions with other interested parties along with any internal project work undertaken and the estimates and assumptions on which the pipeline figure within the report had been based. In addition, concerns were highlighted (following a question raised at the Full Council meeting on 11 July 22) regarding the engagement of ward councillors and the local community in the process and development of proposals relating to the site.

In responding to the comments raised, Minesh Patel (Director of Finance) advised that the addition of the Alperton Community Centre to the Capital Pipeline was as a placeholder. No business case had been prepared, with the figure provided based on an initial assumption of indicative values. Councillor Muhammed Butt (as Leader of the Council) confirmed he would be willing to arrange for local ward councillors to be updated, should this be requested, with the Council keen to consider options for the site based on available resources.

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources and Reform) then formally introduced the report which set out the overall financial position facing the Council along with the significant risks, issues and uncertainties identified in relation to the Council's Medium Term Financial Strategy (MTFS). The report also set out the proposed budget setting and consultation strategy for 2023/24.

Cabinet noted that the risks and uncertainties identified had included not only those which had existed prior to the pandemic but also new and emerging risks. Issues identified included the longer term impact of the pandemic and high levels of inflation along with the increased demand on key services and ongoing uncertainty over government funding. Despite the difficulties and financial challenges identified Cabinet also noted how the MTFS aimed to provide a framework for delivery of the Council's broader ambitions and longer term priorities. These included those identified within the Borough Plan, the recovery programme from Covid-19 the cost

of living crisis and other future steps to ensure the Council continued to operate in a financially sustainable and resilient way.

In recognising the significance of the ongoing financial challenges identified, members felt it important to also reflect on the measures taken to have delivered total cumulative savings of £196m since 2010. Despite savings of £11.2m having been delivered between 2021/22 – 2022/23 it was recognised that further savings would be required during 2023/24 – 2025/26. Whilst the 2022/23 budget had assumed savings of around £12m the current working assumption, taking account of the economic and financial environment, was that savings closer to £28m would need to be achieved in order to balance the budget between 2023/24 – 2024/25. In noting the difficulty in being able to identify precise targets, given the lack of clarity around the future level of local government funding and uncertainty over the current economic environment and inflationary pressures, members were advised that it was anticipated the Council would need to look to identify and deliver savings of approx. £20m in 2023/24 in order to be able to set a balanced budget, with the gap for 2024/25 to be reviewed once the local government financial settlement for 2023/24 was announced. These estimates would be subject to review and further refinement in preparing the 2023/24 budget, however members were clear regarding the difficult nature of decisions that would be required in order to continue to deliver services alongside an affordable and sustainable budget.

In expressing concern at the risks and significant challenges identified alongside the approach of central government in relation to the funding of local public services, members were keen to highlight their commitment to continue supporting those most in need particularly in relation to the cost of living crisis and in the ongoing recovery from the scarring created by the pandemic.

Having considered the comments made and noted the need to ensure resources continued to be utilised as effectively as possible Cabinet **RESOLVED:**

- (1) To note the contents of the report and the potential financial impact on the Council's Medium Term Financial Strategy.
- (2) To agree the budget setting process for 2023/24, including the approach to consultation and scrutiny, as set out in section five of the report.
- (3) To note and agree the proposed 2021/22 capital budget carry forwards and capital virements as set out in section six of the report.
- (4) To note the financial position with regards to the Housing Revenue Account, as set out in section seven of the report.
- (5) To note the financial position with regards to Schools and the Dedicated Schools Grant, as set out in section eight of the report.

10. **Q1 Financial Report 2022/23**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report, which detailed the current forecast of income and expenditure against the revenue budget for 2022/23 and other key financial data.

Cabinet noted the current pressures being forecast for the year, which totalled £0.5m and reflected the increase in costs associated with the Dedicated Schools Grant (DSG) High Needs Block, along with progress against delivery of the savings target of £2.7m, as detailed within Appendix A of the report.

As highlighted during consideration of the Medium Term Financial Strategy, members also noted the significant budgetary risks identified in relation to the ongoing uncertainty around inflation and pressures the Council may face as a result of cost of living crisis, which would continue to be closely monitored throughout the year.

In addition, members were advised of the current challenges created as a result of the increase in borrowing rates impacting not only the viability of projects within the Council's Capital Programme but also the loan facility available across both i4B Holdings Ltd and First Wave Housing to support their programme of activity and acquisitions programme. In order to mitigate these challenges a variation to the loan facility had been proposed to provide both companies with greater borrowing flexibility which, given the challenges identified, Cabinet advised they were minded to support.

Having noted the ongoing challenges identified and work being undertaken to ensure the Council's overall budget position remained within target in order to continue delivering against the aims and priorities identified, it was **RESOLVED:**

- (1) To note the overall financial position and the actions being taken to manage the issues identified within the report.
- (2) To delegate to the Director of Finance, in consultation with the Deputy Leader, authority to revise the terms of the loan agreement between the Council and i4B Holdings Ltd and First Wave Housing to allow borrowing within all tenures provided by the Public Works Loan Board for the reasons detailed in paragraphs 4.10 to 4.12 of the report.

11. **Corporate Performance - Q4 2021/22 Performance Report**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced the report providing a corporate overview of performance information linked to the Borough Plan priorities for the fourth quarter 2021/22 (January – March 2022).

In presenting the report, Councillor Mili Patel highlighted the changes made as part of the new performance management framework developed for 2021/22 with a focus around the Borough Plan and other key corporate strategies including the Black Community Action Plan, Equality Strategy, Poverty Commission, Climate Emergency Strategy and Joint Health & Wellbeing Strategy (currently in development). Whilst also reflecting the impact of the pandemic across a number of performance indicators within priority areas, members noted the progress made as a result of the subsequent recovery programme which had led to a reduction in the number of purple ratings. These were being used to rate KPIs that were outside of target as a result of performance directly attributable to the impact of the pandemic, with the aim being to eventually phase these ratings out moving forward.

Members were keen to recognise the efforts being made to ensure the continued delivery of services within the current challenging economic and financial circumstances and work being undertaken jointly by Cabinet Members with their relevant Strategic Directors, in seeking to manage and mitigate against the strategic risks identified as part of the overall wider approach towards supporting local residents.

In response to specific issues highlighted in relation to performance on new birth visits, members noted the risk mitigation measures established with the health visiting service, which had included efforts to address the staffing recruitment and retention issues identified through meetings with the Central London Community Healthcare Trust, Integrated Care System Board and Partnership.

Having considered the update provided, it was **RESOLVED**:

- (1) To note the performance information contained in the updated report format.
- (2) To note the current and future strategic risks associated with the information provided and agree the remedial actions on strategic risks identified as appropriate alongside the challenge on progress being provided with responsible officers as necessary.

12. **Renewal of the Special Needs Passenger Transport inter-authority service provision agreement with Harrow Council**

Councillor Krupa Sheth (Cabinet Member for Environment, Infrastructure & Climate Action) introduced a report detailing a proposal to enter into a new one year Inter Authority Agreement with Harrow Council for the provision of Special Needs Transport Services.

In considering the report, members noted that the proposal had been designed to enable a more detailed collaborative review across Regeneration & Environment, Children & Young People and Adult Social Care of the Special Needs Transport client side model, policy framework and operational delivery model pending the development of a longer term shared service arrangement with Harrow.

Members were supportive of the approach outlined and as a result **RESOLVED**:

- (1) To approve an exemption from the usual tendering requirements set out in the Contract Standing Orders 84 for good operational financial reasons in relation to entry into an inter authority agreement for Special Needs Transport.
- (2) To approve entering into a new 12 month inter authority agreement for the provision of Special Needs Transport services by Harrow Council on behalf of Brent Council from 1 August 2022 reflecting current contractual arrangements.
- (3) To note the collaborative review of Special Needs Transport as set out in paragraph 3.1.3 of the report that would assist the Council in determining its longer term options.

13. **Draft Houses in Multiple Occupation Supplementary Planning Document**

Councillor Tatler (Cabinet Member for Regeneration & Planning) introduced a report seeking approval to undertake consultation on a draft Houses in Multiple Occupation (HMO) Supplementary Planning Document (SPD).

In introducing the report, members noted confirmation of the Article 4 Direction which had removed permitted development rights for small HMOs and the incorporation within the recently adopted Local Plan of Planning Policy BH7 which set out the criteria needing to be met for HMO development to be deemed acceptable. Whilst recognising the role of HMOs in addressing housing need the criteria included factors such as location, quality and standard of accommodation (including external amenity space, communal facilities, support and care), management arrangements, impact on neighbouring amenity, level of need and seeking to avoid an over-concentration in specific areas. The SPD had been designed to assist applicants, local communities and officers in clarifying implementation of the criteria, assessing applications and detailing the expectations in relation to other London Plan and Local Plan policies relating to HMOs.

Member also noted and welcomed the way in which the SPD would be expected to clarify and complement the relationship between the planning, housing and licensing regimes in relation to the consent and management of HMOs.

Having recognised the benefits of the approach identified in relation to strengthening standards of accommodation, the protection and additional security available for occupants and in reducing any potential adverse impacts on local neighbourhood areas whilst also addressing and managing housing need, Cabinet **RESOLVED:**

- (1) To approve the Draft Houses in Multiple Occupation (HMO) Supplementary Planning Document (SPD) as set out in Appendix A of the report, to be issued for consultation.
- (2) To delegate authority to the Strategic Director for Regeneration and Environment in consultation with the Cabinet Member for Regeneration and Planning to consider consultation responses, along with any necessary changes, and the decision on whether to adopt the HMO SPD.

14. **Authority to Invite Tenders for an Adult Social Care Homecare Framework**

Councillor Nerva (Cabinet member for Public Health and Adult Social Care) introduced a report seeking approval to re-tender the homecare framework for Adult Social Care.

In considering the report, Cabinet noted the basis of the new homecare model which had been approved in November 2019 and reasons why the homecare framework element had not been awarded as part of the original main contract award. Recognising the need to provide as much flexibility as possible in terms of managing demand and capacity within the market, the re-tender of the homecare framework had been designed to supplement the patch based model for homecare already implemented. Members recognised the capacity building support provided for local providers in seeking to qualify for the framework as part of the Council's ongoing commitment to support local business, with it noted that the evaluation criteria would involve assessment on the basis of 90% quality and 10% social

value. In addition, Cabinet welcomed the commitment as part of implementation of the framework on providers paying care workers the London Living Wage as a minimum and working to the standards set out within the Unison Care Charter, which had been designed to reflect the value of social care work in the borough.

In terms of performance management, members were also advised of the annual review process for providers included under the framework, with members keen to consider how user feedback could also be incorporated as part of the quality standards and annual review process.

Members were supportive of the approach outlined and as a result it was **RESOLVED**:

- (1) To approve inviting tenders for a homecare framework for services for adults with disabilities on the basis of the pre-tender considerations set out in paragraph 3.22 of the report.
- (2) To approve Officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph 3.22 of the report.
- (3) To approve the contractual period for homecare framework as two years, with an option to extend for periods of up to a further two years.
- (4) To agree that funding is made available to pay homecare workers under the homecare framework at the London Living Wage from year 1 of the contract.
- (5) To delegate authority to award the homecare framework to the Strategic Director, Community Wellbeing in consultation with the Lead Member for Adult Social Care.
- (6) As an additional recommendation, to consider how user feedback could be incorporated as part of the quality standards and annual review process for the framework set out within section 3.14 of the report.

15. **Authority to Invite Tenders for Adult Social Care Reablement Contracts**

Councillor Nerva (Cabinet member for Public Health and Adult Social Care) introduced a report seeking approval to tender for reablement services for adults.

In considering the report, Cabinet noted the current spot purchasing arrangements in place for reablement services along with the difference and clear separation between the delivery of these services compared to standard homecare. Key changes, which the proposed newly commissioned reablement service had been designed to achieve included enhanced support for those with complex needs in order to live more independently; the development of support for those already receiving care at home in addition to supporting hospital discharge; a more dynamic and flexible reablement offer; the opportunity to coordinate and align with the community rehab and the rapid response team; the ability to better support the trial and use of equipment and assistive technology and also extend reablement provision for individuals with learning difficulties and mental health issues.

As with the Homecare Framework, Cabinet welcomed the commitment included as part of the proposed tender process to offer a reablement rate that would enable providers to pay the London Living Wage as a minimum along with an increased premium in order to reflect the more short term nature of care packages being provided. Members noted that other characteristics of the model included the provider not being able to retain clients for ongoing homecare after the reablement period, the provision for visits to be extended by 15 minutes and the inclusion of a review at the end of the reablement phase, including Occupational Therapy, to ensure homecare only continued when assessed as required to address unmet needs.

Members again welcomed the approach outlined along with the capacity building support for local providers to enhance the quality of training being provided for staff, which it was felt would not only ensure improved outcome for service users but also deliver ongoing care cost reductions. As a result it was **RESOLVED**:

- (1) To approve inviting tenders for a reablement services for adults with disabilities on the basis of the pre-tender considerations set out in paragraph 3.24 of the report.
- (2) To approve Officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph 3.24 of the report.
- (3) To approve the contractual period for reablement services as three years, with an option to extend for a period of up to a further two years.
- (4) To agree that funding is made available to pay reablement workers under the reablement contracts at the London Living Wage from year 1 of the contract.
- (5) To delegate authority to award the reablement contracts to the Strategic Director, Community Wellbeing in consultation with the Cabinet Member for Public Health & Adult Social Care.

16. Exclusion of Press and Public

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

17. Any other urgent business

None.

The meeting ended at 10.45 am

COUNCILLOR MUHAMMED BUTT
Chair