



Cabinet

Monday 16 January 2023 at 10.00 am

Conference Hall - Brent Civic Centre, Engineers Way,
Wembley, HA9 0FJ

Please note this will be held as a physical meeting which all Cabinet members will be required to attend in person.

The meeting will be open for the press and public to attend or alternatively can be followed via the live webcast. The link to follow proceedings via the live webcast is available [HERE](#)

Membership:

Lead Member Councillors:

Portfolio

M. Butt (Chair)
M Patel

Leader of the Council
Deputy Leader and Cabinet Member for Finance,
Resources & Reform

Donnelly-Jackson

Cabinet Member for Community Engagement, Equalities
& Culture

Farah

Cabinet Member for Safer Communities & Public
Protection

Grahl
Knight

Cabinet Member for Children, Young People & Schools
Cabinet Member for Housing, Homelessness & Renters
Security

Nerva
Krupa Sheth

Cabinet Member for Public Health & Adult Social Care
Cabinet Member for Environment, Infrastructure and
Climate Action

Southwood

Cabinet Member for Jobs, Economy & Citizen
Experience

Tatler

Cabinet Member for Regeneration & 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**

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 - 10
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To approve the minutes of the previous meeting held on Monday 12 December 2022 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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To consider any reports referred by the Community & Wellbeing and Resources & Public Realm Scrutiny Committees.

Resident Services reports

7	Authority to Award Contract for Street Cleansing, Waste Collections and Winter Maintenance Services	11 - 74
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This report concerns the contract award for the Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract ('The Integrated Contract'). The report summarises the process undertaken in tendering this contract along with the proposed service changes to be included and, following completion of the evaluation of tenders, seeks authority to award the final contract.

Ward Affected:
All Wards

Lead Member: Cabinet Member for
Environment, Infrastructure & Climate Action

(Councillor Krupa Sheth)
Contact Officer: Oliver Myers, Head of
Environmental Strategy & Commissioning
Tel: 020 8937 5323
Oliver.Myers@brent.gov.uk

8 Authority to Award for Grounds Maintenance Services Contract 75 - 94

This report concerns the award of a contract for the provision of Grounds Maintenance Services, following approval of Cabinet on 17th January 2022 to tender for the provision of these services. The report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders seeks authority to the final award of contract.

Ward Affected: All Wards	Lead Member: Cabinet Member for Environment, Infrastructure & Climate Action (Councillor Krupa Sheth) Contact Officer: Kelly Eaton, Parks, Policy and Projects Manager Tel: 020 8937 5565 Kelly.eaton@brent.gov.uk
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9 Green Neighbourhoods Action Plans 95 - 118

This report provides an update on the development of the Green Neighbourhoods pilot project which formed a key tenet of the council's Climate and Ecological Emergency 2022-24 Delivery Plan.

Ward Affected: All Wards	Lead Member: Cabinet Member for Environment, Infrastructure & Climate Action (Councillor Krupa Sheth) Contact Officer: Tom Welsh, Climate Emergency Strategy Manager Tel: 020 8937 6607 tom.welsh@brent.gov.uk
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10 Authority to Award Contracts for Highway Maintenance 119 - 142

This report concerns the award of contracts for the provision Highway Maintenance Services (collectively referred to as "the contracts") following approval of Cabinet on 7 February 2022 to tender for the provision of these services. The report sets out in detail the aims and objectives of the Redefining Local Services programme, the procurement strategy and contract and service improvements and seeks authority to award the final contracts.

Ward Affected: All Wards	Lead Member: Cabinet Member for Environment, Infrastructure & Climate Action
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(Councillor Krupa Sheth)
Contact Officer: Tony Kennedy, Head of
Highways and Infrastructure
Tel: 020 8937 5151
tony.kennedy@brent.gov.uk

Finance & Resources reports

11 Quarter 3 Financial Report 2022/23 143 - 178

This report sets out the current forecast of income and expenditure versus the revenue budget for 2022/23 and other key financial data.

Ward Affected: All Wards
Lead Member: Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Mili Patel)
Contact Officer: Minesh Patel, Corporate Director Finance and Resources
Tel: 020 8937 4043
minesh.patel@brent.gov.uk

12 Treasury Management Mid-Year Review 2022-23 179 - 192

This report provides an update on Treasury activity for the first half of the financial year 2022-23.

Ward Affected: All Wards
Lead Member: Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Mili Patel)
Contact Officer: Amanda Healy, Head of Finance
Tel: 020 8937 5912
Amanda.Healy@brent.gov.uk

13 Exclusion of Press and Public

The following items are not for publication as they relate to the category of exempt information set out below, as specified under Part 1, Schedule 12A of the Local Government Act 1972:

Agenda Item 7: Authority to Award Contract for Street Cleansing, Waste Collections and Winter Maintenance Services – Appendix 1 (Name of Tenderers) & Appendix 3 (Social Value commitments)

These appendices have been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of and particular person (including the authority holding that

information).”

Agenda Item 8: Authority to Award for Grounds Maintenance Services Contract – Appendix 1 (Name of Tenderers)

This appendix has been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of and particular person (including the authority holding that information).”

Agenda Item 10: Authority to Award for Contract for Highway Maintenance Services – Appendix 1 (Name of Tenderers)

This appendix has been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of and particular person (including the authority holding that information).”

14 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 her representative before the meeting in accordance with Standing Order 60.

Date of the next meeting: Monday 6 February 2023



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

- The meeting room is accessible by lift and seats will be provided for members of the public. Alternatively, it will be possible to follow proceedings via the live webcast [HERE](#)



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 12 December 2022
at 10.00 am

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

Also present (in remote online attendance): Councillors Donnelly-Jackson and Southwood

1. **Apologies for Absence**

None received.

It was noted that whilst also present, Councillors Donnelly-Jackson and Southwood would not be able to participate in any formal decisions taken during the meeting given they were in remote attendance.

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 14 November 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. **Public Space Protection Order (PSPO) - Borough Wide including Wembley Park (Wembley Stadium Events), Parks, Open Spaces, Graveyards and Cemeteries**

Prior to consideration of the item, Councillor Muhammed Butt (Leader of the Council) advised that he had accepted a request to speak on the report from John

Fluxman (representing Brent Trades Council). In addressing Cabinet, Mr Fluxman advised that as a representative of Brent Trades Council he was speaking to express concerns regarding the proposed inclusion of Prohibition 8 within the boroughwide Public Space Protection Order (PSPO), which sought to prohibit the use of a megaphone or microphone with speaker without consent. Whilst recognising the context to the introduction of the boroughwide PSPO and prohibitions identified, concerns were highlighted at what was felt to be the disproportional impact of the prohibition in relation to potential interference with the legitimate right to political protest and demonstration. This was also felt to contradict Article 11 of the Human Rights Act regarding freedom of assembly and association. Concerns were also identified in relation to the consultation process undertaken in developing the proposals, as Brent Trades Council had not been included as a stakeholder.

As a result of the concerns highlighted, Mr Fluxman advised he was asking Cabinet to consider amending the proposed PSPO to ensure that political protest was included as a specific exemption under Prohibition 8.

In responding to the comments raised, Councillor Muhammed Butt provided an assurance that the PSPO had not been designed to remove the freedom and right to lawful protest or to demonstrate and instead had been focussed on protecting the local community and assisting to tackle and reduce anti-social behaviour and other nuisance across the borough. The proposals were not therefore intended to prevent political campaigning or demonstration, which it was confirmed would be clarified within the final wording of any prohibition agreed. In thanking Mr Fluxman for his comments, Councillor Butt also highlighted the Council's aim to engage with as wide a range of stakeholders as possible, which he advised it would be possible for Brent Trade Council to participate in as part of any relevant future consultation process.

Councillor Farah (Cabinet Member for Safer Communities & Public Protection) was then invited to introduce the report which he advised detailed the outcome of the evidence gathering and consultation process undertaken on the proposal to create a boroughwide PSPO.

In considering the report, members noted the basis of the proposal outlined, which had been designed to amalgamate the current three PSPOs operating in Brent into one single unified order. Members were advised this had been aimed at removing any confusion and to make it easier to understand and more practical to manage and enforce the individual prohibitions included as well as addressing issues relating to the associated displacement of anti-social behaviour as a result of having three separate orders. Implementation of the unified order would be based around the expiry dates of the existing three orders with details of the breakdown between the current and proposed prohibitions in the current and proposed unified Order having been outlined in section 2.5 of the Executive Summary cover report.

Members were supportive of the approach outlined and also took the opportunity to thank all officers involved for their effort in preparing and presenting the necessary supporting evidence and in progressing development of the proposal. Having considered the comments made Cabinet therefore **RESOLVED:**

- (1) To endorse, subject to the comments outlined above, the proposed extensions, addition of new prohibitions and the suggested removal of others set out in the full report (attached as Appendix 1 to the Executive Summary cover report included on the agenda) and accompanying appendices.
- (2) To note that the Parks, Open Spaces, Cemeteries and Graveyards (POsCGs) PSPO expired on 16.09.2022
- (3) To note that the Wembley Park PSPO was due to expire on 31.12.2022 and would be allowed to expire.
- (4) To note that the Borough wide street drinking PSPO was due to expire on 19.10.2023. It was proposed to vary this PSPO to include the prohibitions set out in (10) below and extend its duration.
- (5) To note that the prohibition relating to; Use of illegal drugs or psychoactive substances is only to be enforced by the Metropolitan Police.
- (6) To approve the introduction of, in effect, one single PSPO across the entire borough with specific prohibitions in the area surrounding Wembley Stadium (Wembley Park) and POsCGs.
- (7) To confirm the proposed areas shown in Appendix 4, 5 & 6 of the report.
- (8) To approve the proposed removal/discontinuation of prohibitions set out in section 5 of Appendix 1 of the report.
- (9) To delegate authority to the Corporate Director Resident Services in consultation with the Cabinet Member for Safer Communities & Public Protection for the function of making all Public Spaces Protection Order under the Anti-Social Behaviour Crime and Policing Act 2014 Act.
- (10) To note that the new PSPO would be implemented as follows:

Entire Borough (including POsCGs & Wembley Park)

(1) consumption of alcohol, (2) Use of illegal drugs or psychoactive substances (formerly known as legal highs or balloons), (3) Littering (urination or defecation), (4) Littering (spitting), (5) Littering (bottles, cans, packets, food, chewing gum, cigarettes), (6) Dog fouling **(7) Illegal trading (food or other items in the street)*, (8), Use of megaphone or microphone with speaker without consent* and (9) Aggressive begging***

***Does not apply to POsCGs**

Wembley Park only

(10) Illegal trading of merchandise, (11) Illegal trading of tickets (ticket touting), (12) Distribution of free literature (including giveaway items) without consent, (13) Charity collectors without consent, (14) Busking without consent, (15) Ambush marketing (including fly posting), (16) Pyrotechnics such as flares or smoke emitters, (17) Obstruction of the public highway, preventing the free flow of person's movement and (18) Flying of drones

Parks, Open Spaces, Cemeteries & Graveyards only

(19) Unauthorised use of motor vehicles (including e-scooters and e-bicycles), (20) Use of permitted vehicles without due care and attention, (21) Loss of control of dogs (dog not within eyesight of owner and/or do not respond to recall), (22) Dogs that are prohibited from specific areas, (23) Letting a dog off a lead in a specified area, (24) More than four dogs being walked at the same time, (25) Flying drones and model aircrafts without consent, (26) The lighting of fires or use of barbeques, (27) The use of fireworks without consent, (28) Defacing or damaging fixtures, furniture or other items, (29) Launching of sky lanterns, (30) Feeding wild animals inclusive of birds and (31) Unauthorised events or activities.

8. High Rise Major Works and Energy Efficiency Programme 2023 - 2026

Councillor Knight (Cabinet Member for Housing, Homelessness and Renters Security) introduced the report which detailed a proposed high rise major works and energy efficiency programme for 2023 – 2026.

In considering the report, members were advised that the works comprised major refurbishment and energy efficiency measures to four high rise tower blocks at Kilburn Square, Lodge Court, Manor Court and Windmill Court along with two small blocks and approximately 100 dwellings within small blocks and converted street properties. Members noted the proposed scope of works, as detailed in section 4 of the report, which had been designed to address ongoing maintenance, fire safety improvement and lifecycle refurbishment requirements as well as to assist in meeting key energy efficiency measures as part of climate emergency targets. It was also noted that delivery of the works would be supported by the submission of a bid for Social Housing Decarbonisation grant funding which, if successful, would provide grant funding to support key energy efficiency measures including external wall insulation, high performance windows and renewable energy equipment.

In commending the programme of works identified, Cabinet highlighted their ongoing commitment towards ensuring that the condition of the Council's housing stock across the borough met the required standards in order to maximise their ongoing lifecycle and use and it was **RESOLVED**:

- (1) To approve the variation to the contract with Wates Construction Limited for the Integrated Asset Management, Planned and Cyclical Maintenance and Responsive Repairs Maintenance Works ("IAM Contract") to allow for the reinstatement of the undertaking of major works.
- (2) To delegate the commission of a works contract for those matters detailed in Section 4 of the report from the IAM contract to the Corporate Director of Resident Services in consultation with the Cabinet Member for Housing, Homelessness & Renters Security.
- (3) To approve an extension of the IAM contract in connection only with the works detailed in (2) above that had an approximate completion date of Spring 2025.
- (4) To note that the value of the works detailed in (2) above may exceed £40M over 3 years.

9. **Asset Management Strategy Delivery Plan**

Councillor Knight (Cabinet member for Housing, Homelessness and Renters Security) introduced a report presenting the Housing Asset Management Strategy (AMS) 2020-2025. The Strategy detailed the vision for responsive repairs, investment, reform and improvement of the Council's housing stock and its performance and provided a summary of works undertaken and being developed, in order to inform the Delivery Action Plan. In addition, members were advised that the report set out the Housing Capital budget requirements and affordable options for delivery of the AMS over a 5-year budget period.

In considering the programme Cabinet noted the range of tasks and commitments within the AMS Delivery Plan required to ensure the Council was able to optimise use of its housing and property assets in order to maximise their contribution in meeting the needs and expectations of residents and also to align with strategic Council priorities shaped within the context of the 30-year Housing Revenue Account (HRA) Business Plan and need to prioritise the investment of funds.

Whilst recognising the significant financial pressures on the Council and specifically on the HRA as a result of the recently introduced rent increase cap, members welcomed the focus provided within the AMS on the prioritisation of funds for investment and management of assets to ensure that the Council's housing stock was efficiently and effectively maintained to ensure its long-term viability and value for money. Despite the challenging financial position members noted that the AMS had been closely aligned to take account of the current budget availability assumed within the HRA Business Plan.

Whilst noting the financial challenges identified and need to carefully manage investment priorities as a result, members felt the Strategy and commitments around which the Delivery Plan had been based demonstrated the Council's ambition and commitment towards delivering the investment required to maximise the benefits and use of the Council's housing stock in order to provide safe and well maintained homes.

As a result, Cabinet **RESOLVED** to note the proposed Capital Budget spend for delivery of the Asset Management Strategy.

10. **Authority to Award Contracts for Parking and Traffic Civil Enforcement and Cashless Parking Services**

Councillor Krupa Sheth (Cabinet member for Environment, Infrastructure & Climate Action) introduced a report seeking approval to the award of contracts for the provision of Parking & Traffic Civil Enforcement and Cashless Parking Services.

In considering the report, members noted the outcome of the detailed procurement process which had been undertaken in line with the strategic approach, aims and objectives within the Redefining Local Services programme. This included a focus within the specification and evaluation process on the Council's Social Value and Ethical Procurement policy objectives as well as quality and requirement for the London Living Wage to be included as the minimum salary payment for staff within the contract, which was welcomed and supported by Cabinet.

Members also recognised the technological innovation and other potential benefits in relation to the proposed service improvements within the contract, which it was pointed out also reflected the changing enforcement environment and net savings being sought as a result of the enhanced economies of scale and longer-term nature of the contracts.

Given the need to provide an additional mobilisation period for the new contracts, in order to avoid any disruption of service, members were also advised of the intention for officers, acting under delegated authority, to seek a short three-month extension of the existing contracts to support this process.

In welcoming the service innovations and improvements identified along with potential savings, Cabinet were also keen to thank the outgoing service providers for their support and work undertaken in delivering the service to date on behalf of the Council.

Having considered the report, including the exempt information included within Appendix 1, Cabinet **RESOLVED**:

- (1) To approve the award a contract for the provision of Parking and Traffic Civil Enforcement Services to Marston Holdings Limited for an initial contract period of five (5) years, with an option to extend for up to a further five (5) years on an annual basis and notes that the value of the contract is estimated to be circa £4.47m per year, or circa £44.54m over the 10 year duration of the contract (excluding CPI indexation and LLW increases).
- (2) To approve the award a contract for the provision of Cashless Parking (including permits) Services to Pay by Phone Limited for an initial contract period of five (5) years, with an option to at extend for further five (5) years and notes that the value of the contract is estimated to be circa £36,439 per year, or circa £364,390 over the 10 year duration of the contract (excluding indexation increases).
- (3) To note the contents of Section 4 of the report with regard to the financial savings and benefits associated with the letting of the contracts referred to in (1) and (2) above.

11. **Uncollectable Debt Write-off**

Councillor Southwood (Cabinet member for Jobs, Economy and Citizen Experience) introduced a report which, in accordance with Financial Regulations, detailed those debts above £20,000 which had been written-off as unrecoverable.

In considering the report Cabinet noted the recovery action taken prior to any debt being considered for write-off which also complied with the Council's Ethical Debt Recovery Policy and Write Off procedure.

In noting the debt identified had related to Adult Social Care client contributions, Housing Benefits and Council Tax & Business Rates, Cabinet **RESOLVED**, having noted the exempt information contained within Appendix 1 of the report relating to the individual debt write-offs:

- (1) To note the debt-written off as described within the report.
- (2) To note a total of write-off of £683,004.32 of debt as set out in Appendix 1 of the report.

12. Brent Infrastructure Funding Statement 2021-22

Councillor Tatler (Cabinet Member for Regeneration & Planning) introduced the report, which detailed the Council's third Infrastructure Funding Statement (IFS) prepared in accordance with the requirements within the Community Infrastructure Levy (CIL) (Amendment) Regulations 2019.

In considering the report, Cabinet noted the outline provided relating to the purpose of CIL as a funding mechanism to assist in the delivery of infrastructure to support development of an area and annual requirement within the IFS to detail how Brent's CIL funding had been spent in line with the regulations. In addition, the IFS was designed to set out, where possible, future spending priorities on infrastructure in line with Local Plan, Borough Plan, Capital Pipeline, Long Term Transport Strategy and Infrastructure Delivery Plan.

Whilst recognising the impact of the current financial and economic climate on the programme of development across the borough, members noted the continued strong performance of the Council in terms of the collection of CIL receipts, as detailed within section 3 of the report. Whilst thanking officers for their efforts in relation to performance on the collection of CIL receipts during such a challenging period, members also recognised the impact which the current financial and economic conditions may have on the generation of CIL receipts over future years.

In noting the wide ranging and diverse nature of infrastructure projects being supported through the CIL process, Members were also keen to commend performance in relation to the use, allocation and impact of community projects being supported through the Neighbourhood CIL programme.

Having noted the performance outlined in relation to CIL and associated benefits being achieved through its use to support the wider regeneration programme across the borough Cabinet **RESOLVED:**

- (1) To note the content of the report and Brent Infrastructure Funding Statement 2021/22, as detailed within Appendix 1.
- (2) To approve the Infrastructure Funding Statement for publication.

13. SCIL request for new Grand Union Canal Pedestrian / Cycle Bridge in Alorton

Councillor Tatler (Cabinet Member for Regeneration & Planning) introduced a report seeking approval to the use of Strategic Community Infrastructure Levy (SCIL) funding for delivery of a proposed new pedestrian/cycle footbridge over the Grand Union Canal in Alorton.

In considering the report, Members noted the outcome of the options appraisal process and benefits of the proposed infrastructure investment in terms of supporting growth and regeneration in the Alperton and wider area as well as the Council's priorities in relation to providing better access to local and more active forms of travel.

In welcoming the positive impact which it was felt the footbridge would have Cabinet **RESOLVED**:

- (1) To approve £6.855m Strategic Community Infrastructure Levy (SCIL) to design, plan, construct and maintain the proposed Grand Union Canal (GUC) bridge, subject to St George and Canal & River Trust agreement on its preferred location.
- (2) To delegate authority to the Corporate Director of Communities and Regeneration to enter into agreements with St George, Canal and River Trust (CRT) and any other relevant third parties to negotiate terms in respect of any land transfer for the land required to site the bridge.
- (3) To approve the making of a scheme under section 106(3) of the Highways Act 1980 and thereafter the submission of the scheme to the Secretary of State for Transport for confirmation.

14. **Corporate Performance - Q2 2022/23 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 second quarter 2022/23 (July – September 2022).

In presenting the report, Councillor Mili Patel highlighted the changes made as part of the new performance management framework with a focus around the Borough Plan (currently in the process of being updated) and other key corporate strategies including the Black Community Action Plan, Equality Strategy, Poverty Commission, Climate Emergency Strategy and Joint Health & Wellbeing Strategy.

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 and in support of the emerging priorities within the updated Borough Plan.

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.

15. **Approval to participate in a Pan London Vehicle for the commissioning of secure Children's Home Provision for London**

Councillor Grahl (Cabinet Member for Children, Young People & Schools) introduced a report setting out proposals for Brent to join a Pan-London Vehicle (PLV) for the commissioning of placements for Looked After Children and Care Leavers initially being developed to run secure welfare provision in London.

In considering the report, Cabinet noted the significant shortage of secure Children's Home provision both nationally and within London and costs associated with placements made given the vulnerability and complex needs of those requiring secure welfare provision. Whilst the numbers of placements requiring this type of care were relatively low across London and within Brent members were advised that pressure was increasing on the system nationally as a result of the lack of capacity, with the opportunity therefore identified to develop and establish Secure Children's Home (SCH) provision in London designed to support the provision of additional capacity and ensure more affordable local placements. Members were advised that the initial capital funding required to establish the provision would be provided through the Department for Education, but this would be on the basis of a pan-London approach.

Members were supportive of the rationale outlined in relation to the proposal and approach towards the creation of a PLV, jointly owned by London Local Authorities, to oversee the development and running of the new SCH provision given the benefits identified and as a result Cabinet **RESOLVED**:

- (1) To agree for Brent to become a member of a not-for-profit company, limited by guarantee, provisionally to be known as the Pan London Vehicle ("PLV") in order to develop and then oversee the running of London's Secure Children's Home provision for a five-year period from 1st April 2023 to 31st March 2028 with break clause after three years as set out in Section 8 of the report; and in addition:
 - (a) with reference to paragraph 4.5 in the report, to agree that the preference would be for the PLV to be hosted by London Councils in order to ensure appropriate political oversight from all participating boroughs;
 - (b) to explore the potential to collaborate with other PLV members on future joint commissioning programmes.
- (2) To commit in principle to joint oversight and risk/benefit sharing, through the PLV, of the Secure Children's Home ("SCH") provision, for a five-year period to 31st March 2028, including the build, service development and service commissioning phases, subject to ratification after the revision of the SCH business case, and renewable on a ten yearly cycle thereafter, with breakpoint after five years.
- (3) To delegate authority to the Corporate Director, Children and Young People in consultation with the Corporate Director, Finance and Resources and the Cabinet Member for Children, Young People and Schools to make the final determination on the Council's membership of the PLV, following completion

of the revised SCH business case and legal documentation and, if appropriate, to enter into all the legal agreements, contracts and other documents on behalf of the Council required to implement and run any aspect of the PLV arrangements.

16. Zero Hours Justice Campaign and Fair Tax Declaration

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced the report providing an update on progress in relation to the Zero Hours Justice Campaign and Fair Tax Declaration Authority following approval of the Motion agreed at the Full Council meeting on 11 July 2022.

In considering the report Cabinet noted the measures already in place across the Council enabling Brent to meet the criteria to apply for Silver Employer accreditation as part of the Zero Hours Justice Campaign, which recognised the Council would not employ any individual directly on a zero hours contract and was committed to actively encouraging any third party contractors, parties or agencies to phase out the use of zero hours contracts in any services they provided.

Members also noted the commitments towards promoting responsible tax conduct through the Fair Tax Foundation's Fair Tax Declaration with Cabinet also supportive of the Council pursuing its application to become a Fair Tax Council.

In welcoming the report and progress made, Cabinet commended the Council's proactive approach in leading the way as one of the first local authorities to apply for accreditation under the Zero Hours Justice Campaign and in supporting Brent's position as a good employer in terms of equality and employment practices.

Having considered the report Cabinet therefore **RESOLVED** to support the Council's application to become a Silver Member of the Zero Hours Campaign and to support the principles to be followed in becoming a Fair Tax Declaration Authority.

17. Exclusion of Press and Public


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

18. Any other urgent business

There were no items of urgent business so as the final Cabinet meeting before Christmas Councillor Muhammed Butt (as Leader of the Council) took the opportunity to thank all members for their support over the year and to wish everyone all the best for the festive season.

The meeting ended at 10.35 am

COUNCILLOR MUHAMMED BUTT
Chair

	Cabinet 16 January 2023
	Report from the Corporate Director Resident Services
Authority to Award the Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt - Appendices 1 and 3 are exempt as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Five Appendix 1: Names of tenderers (exempt) Appendix 2: Tenderer's scores Appendix 3: Social value commitments (exempt) Appendix 4: Equalities Impact Assessment Appendix 5: Future waste collections and street cleansing services – consultation findings
Background Papers:	None
Contact Officer(s):	Oliver Myers, Head of Environmental Strategy, Commissioning & Climate Change Tel:020 8937 5323 Email: oliver.myers@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the contract award for the Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract ('the Integrated

Contract'). This report requests authority to award contracts as required by Contract Standing Order 88. The report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

- 1.2 The report also includes the proposed service changes to be included in the Integrated Contract. These service changes have emerged through dialogue with the market during the procurement process and have been informed by the results of community engagement, including the public consultation, held in summer 2022, on future waste collections and street cleansing services, and the alternate weekly twin stream recycling trial, which took place in autumn 2022.
- 1.3 The proposed services to be delivered through the Integrated Contract will enable the council to continue to deliver efficient, affordable street cleansing, waste collections and winter maintenance services that are fit for the future and better for the environment and the climate.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Notes the results of the public consultation on future waste collections and street cleansing services held in summer 2022 and the results of the alternate weekly twin stream recycling trial held in autumn 2022.
- 2.2 Agrees the introduction of an intelligence-led approach to street cleansing from 1 July 2023 and an alternate weekly twin stream recycling collection service for street level households from 1 October 2023, together with other specification changes as set out in section 7 of this report.
- 2.3 Notes that modelling will be undertaken in the new year to determine whether any alternate weekly twin stream recycling collection rounds might be better served using an additional wheelie bin for the storing of paper/card rather than a sack; and notes that such changes to specific rounds can be introduced subject to a proven business case once the new service goes live, as the collection arrangement provides flexibility.
- 2.4 Approves the award of the Integrated Contract to Veolia Environmental Services UK Ltd for an initial contract period of eight (8) years, with an option to extend for a further eight (8) year contract period in the estimated sum of £17.13m for 2023/24, circa £137m over the initial 8-year term of the contract or circa £274m over the full 16-year contract period.
- 2.5 Approves the allocation of capital through prudential borrowing of a sum of £21m, comprising £10.8m to finance the purchase of the fleet (including Public Realm Contract rollover assets) required for Year 1 of the contract and a further in principle allocation of £10.2m for vehicle replacements over the

remaining term of the contract; and notes that the costs of deployment and maintaining the fleet are included in the contract price.

- 2.6 Approves the allocation of capital through prudential borrowing of up to £1.52m for the purchase and roll out of wheelie bins on alternate weekly twin stream collection rounds where a business case can be made (in line with recommendation 2.3 above).
- 2.7 Agrees that the Council enters into a Pension Admission Agreement and a Risk Share Agreement or such other Pensions arrangement as appropriate, in respect of any ex-Brent Council staff who TUPE transferred to the current contractor in respect of the Public Realm Contract who may be entitled to retain access to the Local Government Pension Scheme under the Integrated Contract.
- 2.8 Delegates the resolution of any outstanding Pension issues referred to at 2.7 above in respect to the Integrated Contract to the Corporate Director, Resident Services in consultation with the Cabinet Member for Environment, Infrastructure and Climate Action.

3.0 Context

- 3.1 Street Cleansing, Waste Collections and Winter Maintenance Services currently form part of the Public Realm Contract (together with recyclates reprocessing and grounds maintenance) which comes to an end on 31 March 2023.
- 3.2 The recommissioning of the Integrated Contract was part of the wider Redefining Local Services (RLS) programme, the aim of which has been to design and implement a better, more integrated and flexible local services delivery model that improves the look and feel of Brent's public realm.
- 3.3 The overarching RLS delivery model was agreed by Cabinet on 16 August 2021 as a 'specialist contracts delivery model with low to moderate levels of insourcing', subsequently confirmed by Cabinet on 7 February 2022 as a 'specialist contracts delivery model with low level insourcing'. This model offered the benefits of specialist contracts together with targeted insourcing where this could achieve the greatest improvement on service outcomes for the money invested.
- 3.4 At its 16 August 2021 meeting, Cabinet also approved inviting tenders for the Integrated Contract, based on the procurement strategy set out in section 6 of that report and including the pre - tender considerations set out in paragraph 6.7 therein.
- 3.5 As part of the 'specialist contracts' model, street cleansing, waste collections and winter maintenance services were agreed to be kept as an integrated service on the grounds of economies of scale, operational efficiency and value for money. It was also agreed that recyclates reprocessing would be procured

as a separate contract from waste collections to provide the Council with the opportunity to change providers on a more frequent basis (for instance two yearly, to allow adjustment for market changes). Grounds maintenance services were also to be procured as a standalone contract, giving specialist green space providers the opportunity to bid directly for the contract. The Authority to Award the new Grounds Maintenance Contract is on the same Cabinet agenda as this report.

- 3.6 As part of the agreed insourcing within the RLS Delivery Model, it is expected that the Education, Outreach and Communication (ECO) team will TUPE transfer from Veolia to the Council on 1 April 2023. This change gives the Council direct responsibility for communication, education and outreach to help address our considerable waste, climate emergency and circular economy objectives and challenges. It is important to note that with this transfer, the responsibility for the volume and quality of recyclate and levels of contamination now sit firmly with the Council, whilst still supported with some ongoing responsibilities remaining with the contractor such as effective recycling collections services and checks by crews for contamination during collections.
- 3.7 The Integrated Contract has been procured at a time of great financial uncertainty for the council. Council budgets have been stretched by the pandemic, rising prices, a growing population and a reduction in the funding we receive from government. In addition, there were significant anticipated pressures on waste collection and disposal costs upon recommissioning these services. These pressures were linked to the increase in waste tonnages and the significant fall in income for recycling since the last contract was let in 2014. Through the procurement exercise for the Integrated Contract during 2022, there have been further economic pressures arising from inflation on labour and fuel costs linked principally to the economic impacts from the war in Ukraine. This financial context has meant that we have had to think differently about how these services are delivered in the future.
- 3.8 Several service delivery options emerged during the Integrated Contract procurement process, which led to the Council issuing its 'Preferred Service' for public consultation in summer 2022, presented alongside some alternative options that were not favoured.
- 3.9 The Preferred Service principally involved the move from i) a frequency-led to an intelligence-led approach to street cleansing, and ii) the switch from weekly comingled recycling collections to an alternate weekly twin stream recycling collection for street level households, with the separation of paper and card from containers.
- 3.10 The changes to street cleansing were in line with other recent local authorities' procurements, while the changes to recycling collections are aligned with the changes to national waste policy contained in the Environment Act 2021; Government intends to change the way it asks local authorities to provide recycling services over the next few years, with a move

to greater materials separation at source. The separation of paper and card from containers, and glass in particular, is the most beneficial first step toward materials separation, as this will reduce contamination of paper and card, which in turn will increase the amount of material recycled and consequentially the income that the council receives from those materials.

- 3.11 As part of the procurement strategy for the Integrated Contract, it was agreed that the Council rather than the contractor would finance the cost of the fleet, as this would provide better value for money to the Council.

4.0 The Tender Process

- 4.1 The Integrated Contract was tendered using the Competitive Dialogue Procedure. This procurement has been conducted in accordance with The Public Contracts Regulations 2015 (the Regulations).
- 4.2 Interested parties were invited to submit a Selection Questionnaire (SQ), followed by receiving an Invitation to Participate in Dialogue (ITPD), incorporating an Invitation to Submit Detailed Solutions (ISDS) and finally an Invitation to Submit Final Tender (ISFT).

Stage 1 – Selection Questionnaire (SQ)

- 4.3 Invitations to Tender were advertised on the London Tenders Portal on Wednesday 3 November 2021 to seek initial expressions of interest. A Contract Notice was placed on the Find a Tender Service, Contracts Finder service and the London Tenders Portal also on 3 November 2021. Bidders were provided with details of the tender approach and invited to complete the published Selection Questionnaire (SQ) using the Council's Electronic Tendering Facility. Bidders were also provided a selection of draft tender document relevant to the ISDS stage such as quality/method statements, payment mechanism, a social value action plan, contract terms and other data room information. Three valid SQs were received.
- 4.4 Shortlisting was carried out on 13, 14 and 15 December 2021 on the basis of the contractors' financial viability, technical ability, and a selection of Project Specific Questions focusing on Health and Safety, Quality Assurance, Equality, Business Continuity, Environmental, Resources and Experience. Three contractors were invited to the Invitation to Submit Detailed Solutions (ISDS) stage.

Stage 2 - Invitation to Participate in Dialogue (ITPD), incorporating the Invitation to Submit Detailed Solutions (ISDS)

- 4.5 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following criteria:

Award criteria	Weighting
Mobilisation Plan	2.50%
Contract Management Plan	2.00%
Quality, Health & Safety and Environmental Management Plan	1.50%
ICT, MIS and Customer Care Plan	3.00%
Plant & Resourcing Plan	3.00%
Premises Plan	2.00%
Maintenance Plan	2.00%
Collection Services Plan	11.00%
Street Cleansing Services Plan	11.00%
Winter Maintenance Services Plan	2.00%
Commercial and Risk	5.00%
Social value	10.00%
Price	45.00%

- 4.6 All Detailed Solutions tenders had to be submitted electronically no later than 11 March 2022, 2pm. One valid tender was received. A Pricing Schedule was also required at this stage which was essential in assisting the Council to understand whether tenders were affordable.
- 4.7 The Detailed Solutions tender evaluation was carried out by a panel of officers from Environment Services. The panel met on 11, 12 and 13 April 2022 and the single Detailed Solution submission was marked by the whole panel against the published award criteria in the ITPD. Each member of the evaluation panel read the tenders and carried out an initial evaluation of how well they considered that each of the award criteria was addressed in the tender. The evaluation panel was supported by technical advisors from across the Council including Finance, Legal, and an external consultancy company.

Stage 3 – Dialogue rounds

- 4.8 Following the evaluation of Detailed Solutions, the ITPD advised the Council would invite up to 3 Bidders to progress through to the Dialogue Process, based on the highest-ranking compliant response. Given a single Detailed Solution was received for this procurement process, only one Bidder was invited to dialogue.
- 4.9 The Council's intention was to hold a minimum of two rounds of meetings with shortlisted Tenderers, following the evaluation of Detailed Solutions. The Council reserved the right to add additional rounds of meetings where it considered it necessary to do so. This stage was not evaluated.

Dialogue round 1	27 - 28 April 2022
Dialogue round 2	18 May 2022
Dialogue round 3	22 –23 June 2022
Dialogue round 4	15 September 2022
Dialogue round 5	20 September 2022
Dialogue round 6	27 September 2022

Stage 4 – Invitation to Submit Final Tender (ISFT)

- 4.10 Invitation to Submit Final Tender was published on 7 October 2022. The new contract will be let using Contract Terms issued with the ISFT. ISFT tender responses had to be submitted electronically no later than Monday 31st October 2022, 12pm. One valid tender was received.
- 4.11 The tender evaluation for this stage was also carried out by a panel of officers from Environment Services. The evaluation panel was supported by technical advisors from across the Council including Finance, Legal, and an external consultancy company. The panel met on 9 and 10 November for moderation and the submission was marked by the whole panel against the award criteria to reach a final consensus score.
- 4.12 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. Officers recommend the award of the contract to Veolia Environmental Services UK Ltd.
- 4.13 The contract will commence on 1 April 2023.

5.0 Community engagement and public consultation on Integrated Contract services

- 5.1 There have been three phases of community engagement within the RLS programme that have included a focus on the services in scope of the Integrated Contract. The first phase in summer 2021 involved a statutory consultation on the proposed overarching delivery model for the RLS programme, with the results of this phase of engagement detailed in the 16 August 2021 Cabinet report.
- 5.2 In that same report, Cabinet agreed to a second phase of engagement, which was subsequently entitled 'Let's Talk Climate: Waste and Green Space' and undertaken in late 2021-early 2022. This engagement gathered the views of local communities to inform the re-procurement process for the Integrated Contract, the Grounds Maintenance Contract and the development of the 2022-2024 delivery plan for Brent's Climate & Ecological Emergency Strategy.
- 5.3 In this second phase of engagement, the Council made the case that a growing population and the climate emergency meant that we needed to think differently about how local services are delivered in the future so that they can

go further within increasingly stretched budgets. If people could take more responsibility for their rubbish and help to keep Brent a little tidier, we could spend more time delivering the services people need. The resident feedback received during that engagement was taken into account when selecting the Preferred Service for the Integrated Contract. Residents wanted:

- Better information and guidance about how to recycle and why it is important
- More frequent bin and recycling collections and for the council to collect different kinds of items
- Better recycling facilities for people living in flats
- New item swap, donation and reuse programmes so people don't have to buy 'new'
- Stronger enforcement against those who litter or dump rubbish on the streets
- More bins on streets
- Better education and guidance to encourage people to take more responsibility for keeping the streets clean
- Improved street cleaning
- More community skips and places to take bulky waste for free
- A cheaper or free bulky waste collection service

5.4 Following on from this second phase of engagement, on 8 July 2022, the Cabinet Member for Environment, Infrastructure and Climate Action, in consultation with the Leader of the Council, approved a third phase of engagement entitled 'Consultation on Future Waste Collections and Street Cleansing Services'.

5.5 This consultation included information on the Preferred Service which included the following proposed service changes that would directly impact the existing level of service received by residents in Brent:

- A shift from weekly, commingled (single stream) dry recycling collections to alternate weekly, twin-stream dry recycling collections (whereby containers are collected one week and mixed paper and card are collected the next) for street level households
- A shift from a frequency-based to an intelligence-led approach to street cleansing across the whole borough

5.6 It was necessary to consult with the public on the Preferred Service while future proposals were at the formative stage. The consultation ran for a period of six weeks from 11 July to 21 August 2022. The Council consulted at the earliest opportunity once the Preferred Service became known through the procurement process, and for the maximum period while allowing time for responses to be considered and feedback incorporated within the Invitation to Submit Final Tenders documentation (where appropriate) for the Integrated Contract procurement.

- 5.7 During the consultation, an information document was made available to download from the Council's engagement portal which contained relevant detail on the Preferred Service and its anticipated benefits. This also included information on the alternative delivery options that were considered less favourable on affordability and environmental grounds. These alternative delivery options are included in section 8 of this report.
- 5.8 The full methodology and results of the consultation are detailed in Appendix 5. The key engagement methods used were an online survey included on the Council's Citizen Lab Portal, a direct mail letter sent to all households receiving assisted collections, and advertised roadshows held across the borough in a variety of locations.
- 5.9 Respondents overall, when the results of all three methods were combined, were slightly in favour of the council's proposals for the change to an intelligence-led approach to street cleansing (42% agreed compared to 38% disagreed).
- 5.10 The results for the proposed alternate weekly twin stream recycling service were more mixed, however. Whilst a significant majority of the online respondents disagreed with the proposals for recycling (72% disagreed compared to 18% agreed), those respondents who attended the roadshows (68% agreed compared to 20% disagreed) and those residents who receive assisted collections (44% agreed compared to 37.5% disagreed) were in favour of the proposals.
- 5.11 Residents attending the roadshows were shown the new sacks for paper and card and the service changes were explained to them by officers, and this may have had a bearing on the much more positive response received from that group.
- 5.12 It is also considered instructive that residents who receive assisted collections were in favour of the recycling proposals, given that this group could be a group most likely to be disadvantaged by any changes to the service that could be perceived to be more difficult than existing arrangements.
- 5.13 The disagreement with the proposed changes to recycling collections from the group that completed the online survey has been noted and considered. However, it is encouraging though that the positive response from both assisted collection respondents and those who had the proposed services explained to them face to face and could physically see the bags are more aligned to the real live results of the pilot which saw participation with the new service at 71% of households (see section 6 below).
- 5.14 Nevertheless, there were some residents who stated a preference for a wheelie bin to store paper/card rather than a sack and this option will be modelled in the new year, as set out in recommendation 2.3 and section 7 of this report.

6.0 Alternate Weekly Twin Stream Recycling trial

- 6.1 An eight-week trial was undertaken from 3 October 2022 to 25 November 2022 involving 5,371 street level households across five existing 'rounds' in Harlesden, Kenton, Queens Park, Stonebridge and Wembley. The eight-week trial comprised four, fortnightly cycles in which the sack for paper/card was collected one week and the bin with containers collected the second, repeated four times.
- 6.2 Communications were issued to these households by post on three occasions in advance of the trial. They were issued with a blue sack to put their paper and card in and a calendar showing them on which day of each week during the trial to present their sack with paper and card, and which day to present their blue-lidded recycling bin with their other dry recycling (containers).
- 6.3 After the sacks were delivered at the end of September, Veolia's ECO Team ran eight pop-up information stalls across the five trial rounds. As well as providing information on the trial with a member of Brent Council's Neighbourhood Management Team, the team carried out door knocking with properties to advise them on the changes during the trial. In total, 544 residents were engaged across the five rounds, approximately 10% of the total addresses involved.
- 6.4 Over the course of the eight weeks, Veolia processed 123 additional or replacement sack delivery requests, which is 2% of the total number of properties that participated in the trial.
- 6.5 The results from the eight-week trial have been analysed and the trial is considered to have been a success when measured against the following key critical success factors:
- The set out % for the sacks (the number of households putting their blue sack out with paper and card)
 - Contamination levels within the sacks
 - Contamination in the existing, blue-lidded recycling bin (including levels of paper/card)
- 6.6 Results for the paper/card collection days were as follows:
- By the end of the trial, 71% of properties were presenting sacks (the same % as in Fortnight 3, with an increasing trend over the course of the trial (62% in Fortnight 2 and 51% in Fortnight 1))
 - By the end of the trial, the average weight tipped per day was 2.56 tonnes, up from 0.94 tonnes in Fortnight 1, 2.08t in Fortnight 2 and 2.76t in Fortnight 3)
 - By the end of the trial, visual inspections estimated a 1% contamination rate in the blue sacks (Fortnight 1: 1%; Fortnight 2: 3%; Fortnight 3: 3%)

- There were an average 6 sacks per day reported containing other dry recycling contamination in Fortnight 4, down from an average 8 sacks in Fortnight 3, and 13 sacks in Fortnights 1 and 2
- Whilst the tonnage of paper/card collected for recycling varied across each round, it followed a strong positive correlation with the level of participation for each round. This confirms that the higher the collective participation level, the greater the tonnage of paper/card that was collected for recycling. Therefore, to increase the tonnage of paper/card recycling collected for future programmes will require a large campaign to encourage all residents to take part, and not rely on individual properties to over produce to compensate for low or non-participation from other properties.

6.7 Results for the containers' collection days (existing blue lidded recycling bin):

- Overall average weight tipped for each round over the eight-week period was 5.96 tonnes (Fortnight 1 average: 5.44t, Fortnight 2 average: 6.03t, Fortnight 3 average: 6.11t; week Fortnight 4: 6.26t)
- On average 29 bins per day were contaminated in Fortnight 4, continuing a downward trend across the eight-week trial (Fortnight 1 average: 75, Fortnight 2 average: 57; Fortnight 3: 53).
- In Fortnight 4, the number of bins containing paper/card contamination per day dropped to 262, also continuing a downward trend across the eight-week trial (Fortnight 1 average: 382, Fortnight 2 average: 437; Fortnight 3: 294)
- Visual inspections estimated that, on average, in Fortnight 4, 19% of the resulting dry recycling was contaminated (Fortnight 1 average: 19%, Fortnight 2 average: 21%; Fortnight 3 average: 21%)

6.8 In parallel to the above, the Council organised two sample loads of the recycling collected from blue-lidded recycling bins to be collected from the Waste Transfer Station by West London Waste Authority (WLWA), to be assessed for contamination. A pre-trial load collected on 5th October showed contamination of 17.8% compared to a subsequent load collected during week 5 of the trial on 4th November, which contained a reduced contamination rate of 16.8%.

6.9 Direct correspondence was received by the Council from 87 residents during the trial, representing 1.6% of all households involved in the trial. 50 of these contacts were from direct correspondence received to the RLS mailbox. The vast majority of these were from the south of the borough - Queens Park, Harlesden & Kensal Green wards in particular. An additional 37 calls were received by the Council's Customer Contact Centre during the trial.

6.10 The main issues reported were as follows:

- In early weeks: sacks not received; not aware in trial/communications not received; unhappy about being in the trial; missing sack after collection
- concerns about the capacity of the sack
- concerns about the sack and paper/card getting wet
- concern about the space to store the sack
- confusion about the collection cycle with other recycling waste
- Having more “other” recycling wasted than paper/card, so bins were full, or excess was wasted

6.11 Mitigations for these concerns have been given due consideration in the final design of the service and these are described in section 7 below.

7.0 The final Integrated Contract specification and associated other workstreams

7.1 Having given due regard to the results of the public consultation and the results of the alternate weekly twin stream recycling trial, officers recommend that the Preferred Service that was issued for consultation, with some modifications in relation to the Alternate Weekly Twin Stream recycling collection, is included in the final Integrated Contract.

7.2 The proposed specification for the Integrated Contract offers an efficient, affordable service that is fit for the future and better for the environment and climate.

7.3 The new intelligence-led approach to street cleansing would start on 1 July 2023 and the new recycling collection service would start on 1 October 2023.

Alternate Weekly Twin Stream recycling collections

7.4 The alternate weekly twin stream recycling service can be delivered within contract budget, with significant benefits to the climate emergency agenda and in accordance with the National Resource and Waste Strategy that provides the future direction of related services, and which focuses on reducing waste and promoting recycling and the circular economy.

7.5 Separating paper and card from containers is the most beneficial service change the Council can take to align itself with the changes that will be mandated by Government over the coming years.

7.6 The Council has not introduced a major service change to the waste service for over a decade. Significant service changes such as the one proposed tend to provide a major opportunity for a step change in the level and quality of recycling by the community, when accompanied by a major communication campaign.

7.7 Alternate weekly twin stream recycling collections is the only option that can bring the cost of the next contract in line with Council budgets without requiring significant cuts to be made to other Council services. The benefits of switching from comingled weekly recycling to alternate weekly twin stream recycling include:

- Improvement in the quality of recycled material due to lower contamination, with greater income generated from the material
- An increase in the recycling rate and the diversion of waste from the residual stream through a refresh of the service, accompanied by comprehensive communications, would result in an increase in the diversion of food waste, with reduced waste disposal costs, making a significant contribution to the Council's work to tackle the climate emergency
- Residents will still receive a weekly recycling collection, albeit with different materials collected each week
- No requirement for significant round changes meaning that most residents will not experience any day changes to their collections
- Existing crews are familiar with the rounds and the collection methodology
- Shorter lead time to introduction of the service change compared to fortnightly twin stream collections
- Use of the existing fleet to minimise new vehicle purchase lead-time delays

7.8 As a result of the feedback from the alternate weekly twin stream trial and the results of the equalities assessment, the following modifications to the service will be adopted:

- A fully sealable sack lid on all sides to keep the paper and card dry
- A more durable sack (to be explored with the contractor)
- An additional sack to be given to residents requesting one
- Inclusion of a white square on the sack for residents to mark their house number
- Steps to be taken at the Waste Transfer Station to allow paper/card to dry out to maximise its value

7.9 In addition, in response to concerns received from some residents during both the public consultation and the alternate weekly twin stream recycling trial, the Council will commission modelling in the new year to determine whether any alternate weekly twin stream recycling collection rounds might be better served using an additional wheelie bin for the storing of paper/card rather than a sack. A hybrid option is possible as the Contractor's collection arrangements are flexible, but individual rounds would have to be either all bins or all sacks, as sacks require a feeder bin to tip the contents into the lorry, which would need to be removed to tip the contents of wheelie bins.

- 7.10 The maximum one-off extra cost of wheelie bins compared to a sack for all street level households would be £1.52m. There would be a neutral impact on the Integrated Contract price.
- 7.11 There are potential disadvantages to using a wheelie bin rather than a sack for paper/card. Firstly, future waste arrangements outlined in the Environment Act 2021 may lead to a higher volume of paper/card requiring collection than containers, in which case the better option at the appropriate point in the future would be to switch the existing 240l recycling bin to paper/card, with the sack used for containers. This would avoid incurring capital for an extra wheelie bin. Secondly, and most significantly given that a reduction in contamination is critical to making the service financially sustainable, there is a risk of increased contamination as full checking of wheelie bins is not possible.
- 7.12 The modelling will be commissioned in January 2023 and involve a boroughwide survey to capture and analyse information on external household storage space for containers and areas of high historic contamination levels.
- 7.13 As stated in Section 6, less than 2% of the households included in the trial contacted the Council during the trial. Officers will therefore commission a survey of households included in the trial in January 2023 to understand their experience and to find out any further ways the alternate weekly twin stream recycling collection could be improved in advance of its introduction on 1 October 2023.
- 7.14 It should be noted that under the Integrated Contract, general waste would continue to be collected fortnightly and food waste weekly – remaining as they are now - with no changes proposed for garden waste collections.

Intelligence-led approach to street cleansing

- 7.15 The switch from a frequency-led to an intelligence-led approach to street cleansing was always intended as a key service improvement in the Cabinet Authority to Tender report (16 August 2021).
- 7.16 As part of the Dialogue during the procurement process, officers conducted a detailed review with Veolia on the locations in the borough where resources are most needed to determine the most efficient allocation of staff under the new regime. New Zone Classifications and road splitting will ensure each road receives right level of cleanse at the right frequency.
- 7.17 The approach will include six new, dedicated rapid response teams in each Brent Connect Area (with two in Wembley) which the council will be able to task directly to address any ad hoc issues arising and to target hotspots.
- 7.18 Data management will also be improved within the new contract with a new dedicated Digital Manager post sitting with the contractor and a live

dashboard shared with the Council's client team which we will jointly monitor daily and which the council will analyse for trends to determine locations which require changing levels of resource. The new regime will therefore be flexible allowing resources to be reallocated where required across the borough.

- 7.19 Joint regular inspections on NI 195 standards between contractor and client staff will continue in line with the current contract.
- 7.20 In line with the new intelligence-led approach, fixed manual cleansing frequencies will be adjusted as per the table below, mitigated by more mobile and flexible resources to address hot spots from developing. It should be noted that there are no changes proposed to the existing frequencies in Zones A, B, C and DH.

Zones	Manual Cleansing - Minimum Frequency	
	Current	New
A - Town Centre	Daily	Daily
B - Secondary Retail & Commercial	Daily	Daily
C – Industrial/Warehousing	Twice per Week	Twice per Week
DH - Residential High Obstruction	Weekly	Weekly
DM - Residential Medium Obstruction	Weekly	Fortnightly
DL - Residential Low Obstruction	Fortnightly	Every 4 Weeks
North Circular Road	Three per Week	Weekly

Small items collection services

- 7.21 A new free, bookable small items collection service would be introduced. The service would collect:
- Textiles
 - Small electrical appliances
 - Household batteries
 - Paint
 - Used coffee pods

Mixed Aged Fleet Strategy

- 7.22 During dialogue within the procurement process for the Integrated Contract, a mixed-aged fleet strategy emerged as a more cost-effective solution than the Council financing the cost of the whole fleet at the start of the contract.
- 7.23 Under the mixed-aged fleet strategy, the existing contractor fleet deployed on the Public Realm contract will be purchased by the Council and 'rolled over'

for use on the Integrated Contract from 1 April 2023. The advantages of the mixed-aged fleet strategy are that it will enable a seamless transition to the new contract and enable the phased introduction of more efficient vehicles, such as electric vehicles, over the life of the contract as technology improves and becomes more cost-effective compared to diesel.

- 7.24 The capital required in Year 1 is £10.8m, comprising new vehicles and the potential purchase of public realm contract rollover vehicles. A further £10.2m would be required to fund replacement vehicles over the remaining term of the main contract period. An updated capital profile will be submitted to Capital Programme Board in future years reflecting any changing costs to vehicle fuel types, prices and interest rates, at the point that the drawing down of this capital funding is required. The costs of deployment and maintaining the fleet are included in the contract price.

Summary of the benefits of the new Integrated Contract

- 7.25 General benefits of the new Integrated Contract include:

- Retention of a majority share of future service efficiencies (70%)
- Nine new electric vehicles funded by the council in Year 1, with opportunity to phase in more during the main contract term, due to the mixed aged fleet strategy
- A reduction in sub-contractors (clinical waste to be delivered directly by Veolia)
- Commitment by Veolia to work proactively with the Council's ECO Team and Grounds Maintenance and recycling processing providers

- 7.26 Benefits from the new collection services include:

- A forecast increase in recycling and income - projected contamination rate of 11.7% compared to existing 23.6%; increased street level household recycling rates by ~8%
- Separation of communal recycling rounds from street level households recycling rounds
- A free bookable, small items collection service for small electrical appliances, batteries, textiles, paint and coffee pods
- A bespoke contractor recycling improvement strategy
- 100 bin sensors to measure communal bin fill rates to gauge recycling rates in poor performing areas
- Design and delivery of a bespoke contractor contamination plan
- Comprehensive review of signage at communal bin stores, with improvements for layout of containers at collection points to be presented with business case
- 12 new trial communal bins with better content visibility and smaller apertures to deter flytipping

- Retention of a commercial waste service with a graduated increasing rebate
- Assisted collections will benefit from a proximity alarm system alerting driver/crews when approaching properties, with enhanced contractor supervision to prevent missed assisted collections

7.27 Benefits of the new street cleansing services include:

- Intelligent-led approach to cleansing with proactive, targeted management of hotspots through the six new rapid response teams
- A more dynamic 'Clear as You Go' approach from increased flexible mobile resources
- All routes will be time sensitive locations, for instance to account for schools and train stations
- 10 mobile devices to be deployed with mobile cleansing and evaluated for the benefits
- Contractor support in establishing Community Improvement Groups and Business Improvements Groups

7.28 In respect of winter maintenance services, the contractor rather than the council will be responsible for administering the snow wardens scheme, which provides tools to volunteers to clear snow and grit on routes that are non-priority for the winter maintenance service.

Other changes to the existing public realm contract specification

7.29 Some minor reductions to the current specification are proposed to ensure the contract will be affordable:

- Back to standard by 08.30am instead of 8.00am in Zones A & B
- Zone A 'headers' (side roads) reduced from 50m to 20m
- Instances of obstruction to be returned to on two further occasions within following 24 hours, rather than returned to on a limitless basis
- Offensive waste (i.e. soiled waste) to be collected within Residual rather than Clinical Waste
- Boxing Day and New Year's Day will formally be non-working days
- Rectification of overflowing Litter Bins will be within 2 hours rather than 1 hour
- Public Conveniences cleansed once rather than twice per day, but with reactive response and monthly deep cleansing
- Zone C daily mechanical sweeping in Wembley reduced from daily to weekly, mitigated by reclassification of some roads
- Winter Service Operations training limited to one rather than all drivers

Associated commissioning and other RLS workstreams

- 7.30 The following services were included as 'provisional items' within the initial Integrated Contract specification and it is proposed that these are omitted from the final Contract and commissioned separately as indicated below:
- Confidential waste disposal from Council buildings is to be brought in house from 1 April 2023
 - Household bulky waste collections are to be commissioned separately in partnership with WLWA to start 1 April 2023
 - The transfer of waste and recycling in parks (other than green waste which will be treated on park sites) will be included as a requirement in the Grounds Maintenance contract from 1 August 2023.
- 7.31 New recyclates reprocessing contracts for the comingled dry recycling from communal properties and the new separate streams for paper/card and containers from street level households collected through the Integrated Contract are being procured separately via the WLWA's Dynamic Purchasing System Framework, with decision on this to be sought following the appropriate council governance procedure in the new year. The cost for Veolia's handling of all recycling materials at Veolia's Marsh Road, Alperton waste transfer station, prior to haulage and reprocessing under the WLWA framework, are included within the Integrated Contract.
- 7.32 Household bulky waste collections arrangements will also be procured in partnership with the WLWA. The service currently runs at a deficit of £100k per annum and an assessment has shown that a new service would pay for itself without having to increase bulky waste charges to residents. In addition, more bulky waste would be diverted for reuse with less waste disposal.
- 7.33 Officers are developing a new online reporting tool for residents for cleansing, waste and highways issues, to be launched in April 2023. This will replace Love Clean Streets which only focuses on cleansing reporting. Other services will be added to the new reporting tool in the future, so that in time, the Council will have a comprehensive, integrated reporting tool for public realm issues.

New Council contract management and client-side arrangements

- 7.34 As agreed in the Final RLS Delivery Model, it is expected that the Education, Communication and Outreach (ECO) team (up to 6 staff) will TUPE transfer from Veolia to the Council on 1 April 2023. This will give the Council direct responsibility for communication, education and outreach to help address our considerable waste, climate emergency and circular economy objectives and challenges and help manage the risk that will in future sit with the council rather than the contractor in respect of waste diversion and maximising recycling.
- 7.35 The team will be integrated into a new host service which will oversee performance of the Integrated Contract and enable a more integrated and

coordinated education and enforcement function across the public realm. It will also enable a more strategic and holistic approach to stakeholder management and community engagement.

Preparing a new information campaign and recycling engagement plan

- 7.36 In January 2023, officers will begin the development of a comprehensive information campaign and a recycling engagement plan, with a particular focus on tackling contamination, so that this is ready in good time for the introduction of the new contract and the new recycling services to be introduced in October 2023.
- 7.37 This will include a refreshed approach to engaging with other housing providers, landlords and managing agents.
- 7.38 Officers will review best practice from across London and further afield in putting together plans with Veolia and partners to reduce the risk of contaminated waste arising from the new service.
- 7.39 A key priority will be to continue to encourage the correct separation of food waste from other streams. As a start, over the next few months, the Council will be rolling out free kitchen caddies to all flats in the borough that receive a communal food waste collection.

Depot refurbishment and improvement programme

- 7.40 There are 11 council depots serving both the Integrated Contract and the new Grounds Maintenance (GM) Contract, which are all currently occupied by Veolia.
- 7.41 Officers will be developing a comprehensive programme to refurbish and improve these facilities so that they provide modern workplace standards and are fit for the future in respect of electric vehicle charging infrastructure. This programme involves: finalising dilapidations on current leases with Veolia; holding discussions with the new GM contractor once that contract is awarded in March 2023, to agree park depot requirements for the start of the new GM contract in August 2023; holding discussions with the Integrated Contract and GM contractors on agreements for shared use of park depots by both contractors; developing a depot works programme for all sites, including installation of electric vehicle charging infrastructure; plans to provide Veolia exclusive use of Unit 2 Marsh Road by April 2025, and to secure alternative accommodation for the existing council operations based there.
- 7.42 Indications from initial site surveys undertaken for all depot sites are that the total cost of the depot refurbishment programme, including sufficient electric vehicle charging infrastructure sufficient to power a wholly electric fleet by 2030, would cost an estimated £2.3m. This includes an estimated circa £0.8m cost for a new electricity sub-station in Marsh Road.

- 7.43 In addition to seeking dilapidations contributions from the existing contractor and support that could be provided from our contractors, officers are keen to identify one off funding sources to fund this depot programme, rather than incurring additional capital borrowing that would need to be repaid from the contract budget. We have therefore identified the predicted surpluses accruing to the Council in financial years 2023-24 and 2024-25 from the WLWA's generation of additional income for this purpose.

8.0 Alternative Options Considered

- 8.1 The alternative options that were included in the public consultation as not favoured in summer 2022 are included in the table below.

Service Option	Additional cost per year compared to the 'Preferred Service'	Not favoured because...
Maintaining the service specification in the current Public Realm contract , including weekly single stream (commingled) recycling collections	£3.5 Million	<ul style="list-style-type: none"> We cannot afford this service without making significant cuts to other council services. Alongside a fortnightly residual collection service, can encourage contamination of material going into recycling bins
Introducing fortnightly single stream (comingled) recycling collections	£1.8 M	<ul style="list-style-type: none"> Would mean residents could only recycle once every fortnight Benefits of improving material quality by separating 'paper/card' from 'containers' would not be realised Additional cost over the 'Preferred Service' would require cuts elsewhere to other council services
Introducing a fortnightly twin stream recycling collection service (<i>i.e. 'containers' and 'paper/card' separate, but collected at the</i>	£0.6 M	<ul style="list-style-type: none"> Would mean residents could only recycle once every fortnight. Similar to the 'Preferred Service', but would require separate vehicles to collect food waste which comes at

<i>same time every fortnight)</i>		an increased cost
Introducing a weekly twin stream recycling collection service <i>(i.e. 'containers' and 'paper/card' separate, but collected at the same time each week)</i>	£1.4m	<ul style="list-style-type: none"> Additional costs are prohibitive without greatly impacting the likely return from material income or improved recycling rates compared to the 'Preferred Service'
Moving from a two weekly to a three weekly residual waste collection	Not costed	<ul style="list-style-type: none"> This was considered as a potential saving option, however, it is not considered to be viable for an inner London Borough such as Brent due to the density of our housing, concerns over space for storing waste over that period, and the potential negative impact on street cleanliness. No other London boroughs have or are planning to have a three weekly residual waste collection

9.0 Financial Implications

- 9.1 Part 3 of the Council's Constitution states that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract. The value of the Integrated Contract is estimated to be significantly over this threshold.
- 9.2 The annual value of this contract is currently estimated to be circa £17.13m at today's prices, after removing the provisional items but including the costs of fleet financing which will not be payable to Veolia.
- 9.3 The award of the contract is for an initial period of eight years, with an option to extend for further eight years. This makes a total contact cost of £136m over eight years at today's prices. The contract is subject to inflationary increases which will need to be considered as part of the Council's Medium Term Financial Planning.
- 9.4 The Integrated Contract will be funded largely from the existing Public Realm budget. The current Public Realm budget covers the grounds maintenance and recycles reprocessing which will no longer be part of the Integrated Contract. The budget was therefore apportioned to cover all these elements.

The final RLS delivery model also recognised additional costs with £3.2m of savings identified to cover these costs.

- 9.5 Financial pressures are predicted in Years 1 and 2 of the contract due to one off costs and additional costs whilst the contract is embedded. These will be mitigated through identified reserves, including the predicted surpluses accruing to the Council in financial years 2023-24 and 2024-25 from the WLWA's generation of additional income.
- 9.6 By year 3 it is forecast that the contract will become financially sustainable as a result of additional income received from the sale of recyclates and avoided waste disposal fees arising from the recycling collection service changes.
- 9.7 The mixed-aged fleet strategy has been assessed against acquiring an entirely new fleet in Year 1 of the Integrated Contract. Lower borrowing costs will be incurred as a result of acquiring vehicles throughout the contract rather than purchasing a new fleet upfront in Year 1, saving £0.3m in interest charges.
- 9.8 Further savings will be achieved by acquiring the existing fleet at the start of new contract rather than paying Veolia for the use of the existing assets over subsequent years. This is expected to save a further £0.3m.
- 9.9 The £21.0m cost of the new and acquired assets includes a £1.8m inflationary uplift on current list prices, reflecting that the replacement costs for new vehicles in future years are likely to be higher than current list prices.
- 9.10 A business case will need to be established for the conversion of any alternate weekly twin stream recycling rounds to the use of wheelie bins after the new service is live. This could potentially require an additional one-off capital sum of up to £1.52m if all rounds were converted. There are no revenue implications from switching from sacks to wheelie bins.

10.0 Legal Implications

- 10.1 The value of the Integrated Contract over its lifetime is in excess of the threshold for Services under the Public Contracts Regulations 2015 (PCR 2015) and the procurement and award of the contract is therefore governed by the PCR 2015. As detailed in paragraph 4 of this report, a procurement process in compliance with the PCR 2015 has been conducted.
- 10.2 The award is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the procurement is valued at more than £2 million. Part 3 of the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract.
- 10.3 The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006) are likely to apply to the current proposal as this involves some

service provision change. So, although this service is currently provided by an external contractor and there are no implications for council staff, the insourcing of ECO team for the service will result in the TUPE transfer of up to 6 members of the current contractor's staff to the Council.

- 10.4 These members of staff are dedicated to the service. The Council is advised to undertake due diligence to ensure only the requisite staff are transferred in to the Council's employment.
- 10.5 Any ex-Brent Council staff who TUPE transferred to the current contractor in respect of the Public Realm Contract will be entitled to retain access to the Local Government Pension Scheme under the new contract if they continue to work on delivery of the services. The Council may be required to enter into a Pension Admission Agreement and a Risk Share Agreement or any other arrangement as might be deemed appropriate in respect of such staff. This may include obtaining insurance rather than a Risk Share Agreement.
- 10.6 Where consultation is carried out, it must comply with the following 'Gunning' Principles, which were initially cited in the High Court case of R v Brent LBC ex parte Gunning (1985) and were subsequently approved by the Supreme Court in the case of Moseley v Haringey LBC [2014]:
- Consultation must be undertaken at a time when proposals are still at a formative stage
 - Sufficient reasons for any proposal must be provided in order to allow proper and intelligent consideration and response
 - Adequate time must be given for consideration and response
 - The decision maker must give conscientious consideration to the responses.
- 10.7 Following the decision of the Supreme Court in the case of Moseley v Haringey LBC [2014], it has been recognised that there are certain circumstances where it is prudent for a public authority to set out, during a consultation process on a preferred proposal or option, what alternative proposals which were considered and discarded and the reasons for rejecting such alternative proposals.

11.0 Equality Implications

- 11.1 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.

- 11.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 11.3 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.
- 11.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary. Cabinet is referred to the contents of this report for information, in particular the Equality Analysis at Appendix 4.
- 11.5 An Equalities Impact Assessment has been undertaken and the one service change that is considered to have a potential negative impact on groups with a protected characteristic is the proposed alternative weekly twin stream recycling collection. There are several groups who could be negatively impacted by the change, relating to ethnicity, disability, age and pregnancy/maternity. The following mitigations are intended to alleviate these negative impacts:
- The Assisted collections service will still be in operation in the new service. With this service, the residents won't have to move the sacks to the front of their garden and the contractor can collect it from their front door or the specified location. This will support those with mobility issues.
 - We will discuss a solution with the supplier which makes the sacks for paper/card easier to use. For example, having hangars at the side of the bin to allow them to wheel it. This also would support residents with mobility issues.
 - To ensure that the changes are communicated properly across the borough it is imperative that we deliver a strong communication campaign that clearly details the changes. It is important to note that we have community champions across the borough who would be able to engage with and communicate the proposed changes to individuals who have English as an additional language. The community champions would be able to support with translating the information to their groups.

12.0 Consultation with Ward Members and Stakeholders

- 12.1 The consultation undertaken in summer 2022 is summarised in section 5 above and included in full at Appendix 5.
- 12.2 As stated at 7.13 above, a survey will be issued in January 2023 to households who participated in the alternate weekly twin stream recycling trial to find out more about their experiences and to learn how the service might be improved further before it is rolled out in the new contract.
- 12.3 Opportunities will be provided in the new year for ward councillors to be involved in the design and development of our new information campaign and recycling engagement plan.
- 12.4 The information campaign and communications on service changes will be issued in good time to residents before the service changes commence.
- 12.5 A report on the Integrated Contract procurement programme was considered by Resources and Public Realm Scrutiny Committee at its meeting on 13 December 2022. The Committee's recommendations are included below and these will be taken forward by officers in early 2023.
- i) Produce a diagram/flowchart detailing all milestones from May 2019 when the Redefining Local Services (RLS) programme was first initiated.
 - ii) Review household bulky waste collection charges, including consideration of a sliding scale of charges linked to the number of items to be collected, rather than the current fixed rate of £35 for up to five items.
 - iii) Undertake a feasibility study on the potential for introducing a mixed approach to paper/card recycling collections, to explore whether any recycling collection rounds in the borough would be more suited to the use of bins rather than sacks.
 - iv) Arrange a session with ward councillors and Neighbourhood Managers to inform the design and development of the new recycling engagement and communication plan that will accompany the roll out of the new recycling service.
 - v) Liaise with the West London Waste Authority to ensure access is reinstated for pedestrians and cyclists at the Abbey Road Household Reuse and Recycling Centre.
 - vi) Improve collaboration between in-house enforcement teams and collection operatives in identifying fly tipping hot spots and collating evidence, to remove the burden from residents.

13.0 Human Resources/Property Implications

- 13.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract. However, as indicated in paragraph 7.34 above, the insourcing of ECO team will result

in the TUPE transfer of up to 6 members of the current contractor's staff to the Council as they are dedicated to the service.

- 13.2 There are three council-owned depots available for waste operations (Units 4-7 Marsh Road, Unit 2 Marsh Road and Victoria Road) and seven parks depots that are available for use by the Integrated Contractor, the latter in a shared capacity with the prospective Grounds Maintenance (GM) Contractor. The GM contractor will be the lead contractor and lead tenant for each of the park depot sites.
- 13.3 Discussions will take place between both the Grounds Maintenance Contractor and the Integrated Contractor, post contract award, with regards to the leases and a refurbishment programme including the installation of electric vehicle charging infrastructure.

14.0 Environmental Sustainability Implications

- 14.1 A green and clean environment has been a key priority for the RLS programme. Every opportunity has been explored to ensure the Integrated Contract is as sustainable as possible within the available budget for the service.
- 14.2 The proposed changes to the recycling services and bulky household waste collections will increase the amount of waste recycled and reused, including textiles and food which have the greatest climate impact if placed in the residual waste stream.
- 14.3 Nine new electric vehicles will be introduced when the contract starts, with the opportunity for further electric vehicles to be phased in over the course of the main contract term.

15.0 Public Services (Social Value) Act 2012

- 15.1 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 15.2 Social value had a weighting of 10% of the evaluation score and in evaluating tenders, the Council requested proposals address the following initiatives:
- Number of new apprentices and/or new jobs to be created for Brent residents as a result of this contract.

- Maximising opportunities for Brent organisations to participate in the council's supply chains and encouraging suppliers to make a social contribution to the local area of Brent
- Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, reduction of waste to landfill.

Report sign off:

Peter Gadsdon

Corporate Director, Residents' Services

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APPENDIX 2

INTEGRATED STREET CLEANSING, WASTE COLLECTIONS AND WINTER MAINTENANCE SERVICES CONTRACT

TENDER EVALUATION GRID

Selection Questionnaire (SQ) stage								
Question	Criteria weighting	Max score	Score Con A	Con A	Score Con B	Con B	Score Con C	Con C
SQ								
Financial and Economic standing				Pass		Pass		Pass
Technical and Professional Ability				Pass		Pass		Pass
Modern Slavery				Pass		Pass		Pass
Insurance				Pass		Pass		Pass
Skills and Apprentices				Pass		Pass		Pass
Health and Safety				Pass		Pass		Pass
Quality Assurance				Pass		Pass		Pass
Equality				Pass		Pass		Pass
Business Continuity				Pass		Pass		Pass
Environmental	25.00%	30	27	22.50%	28	23.33%	28	23.33%
Resources	35.00%	25	23	32.20%	21	29.40%	22	30.80%
Experience	40.00%	35	30	34.29%	24	27.43%	30	34.29%
Total Score				88.99%		80.16%		88.42%

Invitation to Submit Detailed Solutions (ISDS) stage				
Question	Criteria weighting	Max score	Score Con A	Con A
Mobilisation Plan	2.50%	5	4	2.00%
Contract Management Plan	2.00%	5	3	1.20%
Quality, Health & Safety and Environmental Management Plan	1.50%	5	4	1.20%
ICT, MIS and Customer Care Plan	3.00%	5	4	2.40%
Plant & Resourcing Plan	3.00%	5	3	1.80%
Premises Plan	2.00%	5	3	1.20%
Maintenance Plan	2.00%	5	3	1.20%
Collection Services Plan	11.00%	5	4	8.80%
Street Cleansing Services Plan	11.00%	5	4	8.80%
Winter Maintenance Services Plan	2.00%	5	3	1.20%
Quality - Sub total score	40.00%			29.80%
Every Opportunity To Succeed	1.00%	5	3	0.60%
A future built for everyone, an economy fit for all	1.00%	5	2	0.40%
A Cleaner, More Considerate Brent	8.00%	5	2	3.20%
Social value - Sub total score	10.00%			4.20%
Commercial and Risk	5.00%	4	2	2.50%
Price score	45.00%			45.00%
Total Score	100.00%			81.50%

Invitation to Submit Final Solutions (ISFT) stage				
Question	Criteria weighting	Max score	Score Con A	Con A
Mobilisation Plan	2.50%	5	4	2.00%
Contract Management Plan	2.00%	5	4	1.60%
Quality, Health & Safety and Environmental Management Plan	1.50%	5	5	1.50%
ICT, MIS and Customer Care Plan	3.00%	5	4	2.40%
Plant & Resourcing Plan	3.00%	5	4	2.40%
Premises Plan	2.00%	5	3	1.20%
Maintenance Plan	2.00%	5	4	1.60%
Collection Services Plan	11.00%	5	4	8.80%
Street Cleansing Services Plan	11.00%	5	4	8.80%
Winter Maintenance Services Plan	2.00%	5	3	1.20%
Quality - Sub total score	40.00%			31.50%
Every Opportunity To Succeed	1.00%	5	1	0.20%
A future built for everyone, an economy fit for all	1.00%	5	3	0.60%
A Cleaner, More Considerate Brent	8.00%	5	2	3.20%
Social value - Sub total score	10.00%			4.00%
Commercial and Risk	5.00%	4	3	3.75%
Price score	45%			45.00%
Total Score	100%			84.25%

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APPENDIX 4 - FINAL DRAFT EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract
DEPARTMENT:	Resident Services
TEAM:	Environmental Strategy, Commissioning & Climate Action
LEAD OFFICER:	Georgia Platt
DATE:	09/12/2022

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.

Street Cleansing, Waste Collections and Winter Maintenance Services currently form part of the Public Realm Contract which comes to an end on 31 March 2023.

The recommissioning of the Integrated Contract was part of the wider Redefining Local Services (RLS) programme, the aim of which has been to design and implement a better, more integrated and flexible local services delivery model that improves the look and feel of Brent's public realm. The overarching RLS delivery model was agreed by Cabinet on 7 February 2022 as a 'specialist contracts delivery model with low level insourcing'. As part of the 'specialist contracts' model, street cleansing, waste collections and winter maintenance services were agreed to be kept as an integrated service on the grounds of economies of scale, operational efficiency and value for money.

The proposed changes to the Integrated Contract include:

Recycling collections

We are proposing giving residents' a separate, reusable sack to separate out mixed paper and card from 'containers' (e.g plastic, tin cans, glass, etc.) which would continue to go into the usual recycling bin. The two material types would be collected on alternating weeks. For example, on Week 1 the sack would be collected, and on Week 2 the recycling bin would be collected. There would still be weekly collections, albeit with a different material collected each week.

We're bringing in-house a team which will be dedicated to educating residents on the proper disposal of their waste and recycling and helping people understand how to do their bit for the environment.

We believe that moving to this approach would save the Council around £1.2m per annum on disposal costs for waste when compared to existing weekly commingled recycling collection (where all recycling goes in one bin).

Small Items Collections Service

We would like to introduce a new, separate free Small Items Collections Service which would enable residents to book a slot to have the following items collected from their property for recycling; Textiles, Small electrical items (WEE), Batteries, Coffee Pod & Paint. This new service would make it easier for residents to correctly recycle the above materials, which should have a positive impact on the environment and our recycling rates.

Assisted collections would not stop and the contractor would continue to help those that need it with their waste.

We believe that this change would help make it easier for residents to do the right thing and recycle, a key outcome that was asked of us during the Let's Talk Climate conversation.

Changes to street cleansing

At present the streets are cleaned on a rota basis, regardless of whether they need to be cleaned or not. We're proposing switching to an intelligence-led approach to cleaning Brent's streets. There would be 6 rapid response teams working across Brent Connect areas (two in Wembley) who would plan their cleaning around reports from the Council's Neighbourhood Managers, Environmental Enforcement officers, councillors and residents. The idea is to tailor street cleaning to meet the particular needs of each neighbourhood and to be flexible enough to respond to changing demands as these arise.

The proposed service can be delivered within contract budget, with significant benefits to the climate emergency agenda, and in accordance with the National Resource and Waste Strategy that provides the future direction of related services and which focusses on reduced waste and promoting recycling and the circular economy.

This assessment will focus on the changes to the recycling process as it has key changes that may impact key equalities groups.

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

The new contract includes the following proposed service change that would directly impact the existing level of service received by all residents who are on street level households recycling collection rounds in Brent (around 80,000 properties):

- A shift from weekly, commingled (single stream) dry recycling collections to alternate weekly, twin-stream dry recycling collections (whereby containers are collected one week and fibre – i.e. mixed paper and card – are collected the next).

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, there is relevance. The legal duty is set out at Section 149 of the Equalities Act 2010.

Under s.149, public bodies such as council's must, in the exercise of their functions, have "due regard" to the need to:

- Eliminate unlawful discrimination, harassment and victimisation

- Advance equality of opportunity between people who share a “protected characteristic” and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The equality duty arises when the council is deciding on how future services are to be delivered.

In addition to the Act, the council is required to comply with any statutory Code of Practice issued by the Equality and Human Rights Commission, and to comply with TUPE regulations relating to the potential transfer of staff as part of any insourcing activity.

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	
Ethnicity			X
Disability			X
Sexual orientation		X	
Gender reassignment		X	
Religion or belief		X	
Pregnancy or maternity			X
Marriage		X	

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.

In conducting this analysis, a number of data sources were considered, primarily to develop an understanding of the borough's demographic profile both now and in the future. This has helped identify potential impacts to protected characteristic groups and areas of expected demand.

A list of sources considered is included below:

Brent Open Data

- Census data 2011 (updated data sets – May 2013 revision)
- Equality profile of Brent 2021
- Community Profiling – Diversity in Brent 2021
- ONS Census Atlas Tool - 2021

A summary of the key findings from this research is included below:

A young, but ageing population –

Brent has a relatively young population. According to the 2021 Census, the median age of the population is 35 compared with 40 across England. However, the population is ageing; projections suggest the number of residents aged 65 and over could increase by 78% between 2020 – 2041, an additional 33,000 older residents.

Race –

Almost two thirds (65%) of the Brent population are from Black, Asian and minority ethnic groups. Brent's largest single ethnic group is the Indian population – who comprise 17% of residents – the fourth largest in London. Brent is the second most ethnically diverse borough in London, after Newham (according to the Simpson's Diversity Index).

Disability –

Around one in seven Brent residents have a long-term health problem or disability that limits their day-to-day-activities in some way. The prevalence of disability rises sharply with age: more than half of all residents aged 65 and over had a long-term health problem or disability.

Pregnancy & maternity -

Brent has relatively high birth rates. There were 4,919 births in Brent in 2019, which equates to 72.6 births per 1000 women aged 15-44 – the 7th highest fertility rate in England. Three quarters of all births in Brent were to mothers born outside the UK – the highest rate in England.

Language -

Around 150 different languages are used in Brent. In 2011, 37% of the Brent population used a main language other than English – the 2nd highest in England. At the time of the Census, the top 100 language groups in Brent were; Gujarati, Polish, Arabic, Portuguese, Tamil, Somali, Romanian, Urdu, Persian/Farsi and Nepalese speakers.

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>Negative</p> <ul style="list-style-type: none"> • The proposed changes may have a negative impact on our elderly residents with mobility issues. These residents may struggle with separating their recyclable materials and have difficulty moving the sack once it's full. • Additionally, the changes to the way that recyclables are collected may confuse our elderly residents who are used to all their recyclables being collected at once and they may find it difficult to remember which items will be collected each week. We will ensure that the proposed changes are communicated through various channels and will include pictures to clearly demonstrate the correct process. • It is important to note that assisted collections would not stop and the contractor would continue to help those that need it with their waste. Also, people who find that they have difficulties with new solution due to mobility can request to receive an assisted service and the Council can assess based on their needs. With this service, the residents won't have to move the sacks to the front of their garden and the contractor can collect it from their front door or the specified location.
DISABILITY	
Details of impacts identified	<p>Negative</p> <ul style="list-style-type: none"> • Around one-in-seven (estimated 46,168) Brent residents have a long-term health condition or disability that limits their day-to-day activities. The changes to the service will negatively impact residents who have a physical disability as they may struggle to separate the recyclables and struggle with the handling of the sack.

	<ul style="list-style-type: none"> • People with learning difficulties may struggle with the change and understanding the changes. • We're bringing in-house a team which will be dedicated to educating residents on the proper disposal of their waste and recycling. We will also distribute pictures that will demonstrate the changes which will be helpful to people with learning difficulties.
ETHNICITY	
Details of impacts identified	<p>Negative</p> <ul style="list-style-type: none"> • Almost two thirds (65%) of the Brent population are from Black, Asian and minority ethnic groups. Brent's largest single ethnic group is the Indian population – who comprise 17% of residents – the fourth largest in London. • Around 150 different languages are used in Brent. In 2011, 37% of the Brent population used a main language other than English – the 2nd highest in England. At the time of the Census, the top 100 language groups in Brent were; Gujarati, Polish, Arabic, Portuguese, Tamil, Somali, Romanian, Urdu, Persian/Farsi and Nepalese speakers. • This change may have a negative impact on this group as they may not understand the proposed changes due to there being a language barrier. To mitigate this impact, we would ensure that the information that residents receive is understandable and we would seek to have the information translated into 5-7 of the most commonly spoken languages in the borough and that we engage with trusted voices in the community to assist with relaying the important changes to their communities.
SEX	
Details of impacts identified	Neutral
SEXUAL ORIENTATION	
Details of impacts identified	Neutral
PREGANCY AND MATERNITY	
Details of impacts identified	<p>Negative</p> <ul style="list-style-type: none"> • According to the Equality Profile (2019), Brent has relatively high birth rates. Also, three quarters of all births in Brent were to mothers born outside the UK. These changes will have a negative impact on this group as they may have mobility issues when handling the sack, especially if the sack is heavy. Additionally, there may be a language barrier and the mothers

	who were born outside of the UK may have English as an additional language and not understand the changes to the service.
RELIGION OR BELIEF	
Details of impacts identified	Neutral
GENDER REASSIGNMENT	
Details of impacts identified	Neutral
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	Neutral
SOCIO-ECONOMIC BACKGROUND	
Details of impacts identified	<p>Negative</p> <ul style="list-style-type: none"> Although this is not a traditional category, it is relevant to our proposal and it is important to consider housing types and the impact the change will have on households that are occupied with 4 persons or more. We have the third largest household size in the whole of England and Wales. (2011 census category). A high household size may be impacted as the current capacity of the sack may not be able to store all of their recyclables. To mitigate this, we are exploring the option of providing additional sacks on request to those who struggle with the capacity in addition to reviewing the current capacity of the sack. Persons living in flats, or smaller houses may struggle to find the space in their homes to safely store the sack. It is possible for the sacks to be stored outside of their flats which would mean the sack doesn't negatively impact the space that they currently have inside their homes.

3. Could any of the impacts you have identified be unlawful under the Equality Act 2010?

No.

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

Yes. We consulted with the general public and informed them of our proposed changes in three main ways:

- Paper questionnaires delivered to the households of residents known to be in receipt of an Assisted Collections service.
- Online surveys via the Council's citizen lab portal which is accessible to registered users
- Public roadshows in targeted locations throughout the borough delivered by the Council's Neighbourhood Managers

We understood the importance of capturing the views of Assisted collections customers due to the nature of the proposed changes to recycling collections which requires additional input from the residents to separate their recyclable material at source. 44% of residents who receive assisted collections agreed with the proposed service changes to recycling collections, compared to 37.5% who disagreed.

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

This analysis is based on the most up to date data which is the 2011 Census as the majority of the data from the 2021 Census is not available. Some of the more detailed information won't be available until January 2023 and it may be possible to conduct further analysis once this information is ready.

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

The solution of the proposed service provides benefits overall. It will be delivered in accordance with the National Resource and Waste Strategy that provides the future direction of related services and which focusses on reduced waste and promoting recycling and the circular economy. With the new service, we should see an improvement on recycling volumes and a reduction in contamination rates, with additional income received from higher quality materials.

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

We have conducted an 8-week trial which has been assessed to be successful. We will be undertaking a survey with residents participating in the trial to understand their experiences and whether there are any further ways to improve the design of the new service.

We will monitor and engage with residents as the service is rolled out to keep track of people having difficulties or struggling. Furthermore, we will provide extra support to those groups who require it through our new in house Education, Communications and Outreach team. We will encourage constant feedback and gather data and intelligence on how the service is being rolled out.

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.

In conclusion, there are several groups who will be negatively impacted by the change. However, the following mitigations should alleviate the negative impacts:

Assisted Collections Service

The Assisted collections service will still be in operation in the new service. With this service, the residents won't have to move the sacks to the front of their garden and the contractor can collect it from their front door or the specified location. This will support those with mobility issues.

Changes to the design of the sack

We will discuss a solution with the supplier which makes the sacks easier to use. For example, having hangars at the side of the bin to allow residents to wheel it. This also would support residents with mobility issues.

Targeted communication campaign

To ensure that the changes are communicated properly across the borough we will deliver an effective, targeted communication campaign that clearly details the changes. It is important to note that we have community champions across the borough who would be able to engage with and communicate the proposed changes to individuals who have English as an additional language. The community champions would be able to support with translating the information to their groups. We will also send flyers which includes pictures that clearly demonstrate the new recycling collection process which will be helpful to all residents and minimise confusion.

SECTION D – RESULT

<i>Please select one of the following options. Mark with an "X".</i>		
A	CONTINUE WITH THE POLICY/PROPOSAL UNCHANGED	
B	JUSTIFY AND CONTINUE THE POLICY/PROPOSAL	X
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
Conduct a survey once the new service has been rolled out			
Ensure that we have engaged with residents who receive assisted collections to receive their feedback on the new process			
Steps will be taken to ensure effective and timely monitoring and evaluation of the service in order to continually identify potential improvements			

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	Georgia Platt
REVIEWING OFFICER:	Angela Chaudhry
HEAD OF SERVICE:	Oliver Myers

APPENDIX 5 - FUTURE WASTE COLLECTIONS AND STREET CLEANSING SERVICES: CONSULTATION FINDINGS REPORT

1.0 Purpose

- 1.1 This report provides a summary of the public consultation on future waste collections and street cleansing services that took place from 11 July to 21 August 2022.

2.0 Background

- 2.1 On 16 August 2021, as part of the Redefining Local Services report, Cabinet approved inviting tenders for the Integrated Street Cleansing, Waste Collections and Winter Maintenance Services Contract ("Integrated Contract"), with the new contract due to commence on 1 April 2023.
- 2.2 The Integrated Contract procurement followed the Competitive Dialogue Procedure, and following dialogue with bidders as part of the Invitation to Submit Detailed Solutions stage, the Council identified its preferred specification for the services ("the Preferred Service").
- 2.3 The Preferred Service includes the following proposed service changes that would directly impact the existing level of service received by residents in Brent:
- A shift from weekly, commingled (single stream) dry recycling collections to alternate weekly, twin-stream dry recycling collections (whereby containers are collected one week and fibre – i.e. mixed paper and card – are collected the next)
 - A shift from a frequency based to an intelligence-led approach to street cleansing
- 2.4 The Preferred Service can be delivered within contract budget, with significant benefits to the climate emergency agenda, and in accordance with the National Resource and Waste Strategy that provides the future direction of related services and which focusses on reduced waste and promoting recycling and the circular economy.
- 2.5 It was necessary to consult with the general public on the Preferred Service while the proposals were at the formative stage. The consultation therefore needed to take place prior to the Council issuing its Invitation to Submit Final Tenders ("ISFT"), thus enabling officers to consider consultation responses and incorporate the feedback within the ISFT documentation where appropriate.
- 2.6 On 8 July 2022, the Cabinet Member for Environment, Infrastructure and Climate Action, in consultation with the Leader of the Council, approved the proposed consultation process and content set out in the Cabinet Member Decision report titled 'Consultation on future waste collections and street cleansing services'.
- 2.7 This consultation forms part of the Council's ongoing engagement with the public regarding the future delivery of environmental services, which started with the summer 2021 consultation on the Local Neighbourhood Services Delivery Model and was followed by the winter 2021/22 Let's Talk Climate, Waste and Green Space engagement.

- 2.8 The Council has since carried out a trial of the proposed recycling collections service from 3 October to 25 November 2022. The findings of the trial are being considered in conjunction with the consultation results summarised in this report.

3.0 Consultation Process and Engagement

Timing

- 3.1 The consultation ran for a period of six weeks from Monday 11 July to Sunday 21 August 2022.
- 3.2 The Council consulted at the earliest opportunity once the Preferred Service became known through dialogue, and for the maximum period while allowing time for responses to be considered and feedback incorporated within the ISFT documentation (where appropriate) for the Integrated Contract procurement.

Method

- 3.3 Consultation and engagement on the Preferred Service took place in three main ways:
- Online survey administered via the Council's 'Citizens Lab' engagement portal, accessible to registered users
 - Public roadshows in targeted locations throughout the borough delivered by the Council's Neighbourhood Managers
 - Paper questionnaires delivered to the households of residents known to be in receipt of an Assisted Collections service.
- 3.4 The consultation was promoted via the following channels:
- Full information provided on the Council's website and engagement portal
 - Full page advert in the summer edition of the Brent magazine, which is issued to all households
 - Emails to Brent Residents Associations, Brent-based fora (including the Disabilities Forum and Multi-Faith Forum), and other community groups
 - Letters delivered to households of residents known to receive an Assisted Collections service
 - Communications via the Council's core channels – e.g. press release, social media accounts, and members' bulletin – including communications promoting the public roadshows.
- 3.5 An information document was made available to download from the Council's engagement portal which contained relevant detail on the Preferred Service and its anticipated benefits. This included alternative delivery options that were considered less favourable on affordability and environmental grounds.

- 3.6 The document was also delivered to Assisted Collections householders with their paper questionnaire, and Neighbourhood Managers were briefed on the content so they could inform those residents they engaged with through the roadshows.
- 3.7 A Council email address and telephone number was included with all communications allowing residents to contact the Council to ask questions about the Preferred Service, or to request further support with providing their feedback.

Online Consultation

- 3.8 The Brent website and 'Citizens Lab' engagement portal were used to inform the community about the consultation and how to get involved. The website included a link to the consultation page on the engagement portal, where stakeholders could download the information document and provide their feedback via the survey tool.
- 3.9 The online survey was made accessible only to registered users of the Council's engagement portal to prevent duplication of survey inputs. Registration to the engagement portal is free and easy to complete, requiring an email address for verification.

Public Roadshows

- 3.10 The Council's Neighbourhood Managers delivered fourteen (14) in-person roadshows to help reach residents who otherwise may not have engaged via online means. The roadshows also gave residents the opportunity to view an example of the proposed sacks for recycling paper and card, and to ask questions about the Preferred Service.
- 3.11 The roadshows were delivered at targeted public locations within each Brent Connect Area in order to encourage the involvement of a broad demographic cross-section of the borough's residents, including those who might not normally engage with Council consultations. A list of the roadshows undertaken, including dates and locations, is included at **Annex A**.
- 3.12 Residents attending the roadshows were invited to provide their feedback on a paper questionnaire available at each event, or to access the online survey via the engagement portal.

Assisted Collections Customers

- 3.13 Letters, paper questionnaires and a postage-paid envelope were delivered to those households recorded as being in receipt of an assisted waste collections service, on the basis that these households will include elderly and / or disabled residents who are less likely to use online means or be in a position to attend a roadshow to participate in the consultation.
- 3.14 It is also important from an equalities perspective for the council to capture the views of this group of residents due to the nature of the proposed changes to recycling collections which necessitate additional input from residents to separate their recyclable material at source.

4.0 Consultation Feedback – Summary and Approach

- 4.1 In total, the Council received 1,414 responses to the consultation via the three main sources described above, broken down as follows: 1,072 responses received via the Online Survey; 191 responses received from assisted collections households; and 151 responses received from the roadshows (completed paper questionnaires and those directed online combined).
- 4.2 Responses notably differed across the three sources, perhaps reflecting the style of engagement carried out in each. For example, online respondents were predominantly not in favour of the proposed changes to services, whereas roadshow and assisted collections respondents – who, respectively, had the opportunity to view the sacks in person and received printed copies of the information document – were generally more supportive of the Council’s proposals.
- 4.3 Responses also differed markedly in terms of demographic representation across the three sources. In particular, in terms of ethnicity, a disproportionately high number of online and assisted collections respondents identified as White British (accounting for 43% and 45.5% of all respondents, respectively), while roadshow respondents were more evenly distributed in a way that reflects the borough’s ethnic diversity
- 4.4 It has therefore been important when reviewing the quantitative data to consider both the combined and separate responses from each consultation source. The following section of this report will, therefore, present a separate breakdown of the responses to each question based on consultation source and an overall combined response.
- 4.5 The content of written responses was extensive and a broad range of views were expressed across all sources. Some common themes were prevalent regardless of source and these primarily related to the proposed method of recycling collections, the proposed sack for segregating paper and cardboard, and the level of resource applied to street cleansing. The following section of this report does not include the details of every written comment received, but will summarise the most common themes, accompanied by a brief commentary.

5.0 Consultation Feedback – Detailed Breakdown

Main Survey Questions

Q: How do you currently put out your recycling?

- 5.1 Respondents from all sources were predominantly from households whose waste is collected at the kerbside. This is understandable given the housing stock in the borough, and due to the fact that the proposed changes to recycling services will mainly apply to kerbside collections, rather than communal or flats above shops.

How do you currently put out your recycling?	Roadshow	Assisted Collection	Online	Combined
A - I put my recycling in a blue-topped bin, which I leave at the kerbside on my collection day	86.1%	94.8%	89.3%	89.6%
B - I put my recycling in a shared (communal) bin, which is located in the bin store area of my property	12.6%	4.0%	9.8%	9.4%
C - I put my recycling in a branded sack or bag, which I leave out on the kerbside in front of my property	1.3%	1.2%	0.9%	1.0%
Number of Responses	151	173	1072	1396

Q: Do you currently receive assistance from the council or its contractor with putting out your waste?

- 5.2 A smaller proportion of respondents overall stated that they currently receive an assisted collections service, which is reasonable given the number of residents known to be in receipt of this service. A notable percentage of assisted collections respondents stated that they do not receive assistance with their waste collections – this may be due to changes in circumstances at these households, such as new occupants. The Council is currently undertaking a review of its records with a view to updating them.

Do you currently receive assistance from the council or its contractor with putting out your waste?	Roadshow	Assisted Collection	Online	Combined
A - Yes	13.3%	58.0%	3.6%	11.9%
B - No	86.7%	37.8%	95.2%	86.7%
C - Prefer not to say	0.0%	4.3%	1.1%	1.4%
Number of Responses	150	188	1072	1410

Q: Do you agree with the Council's Preferred Service for recycling collections?

- 5.3 As described at paragraph 4.2, responses to this question differed notably across the three sources. Generally, respondents who were able to view the sacks in person, and those who received printed copies of the information material – i.e. roadshow and assisted collections respondents, respectively – were more favourable towards proposed service than those who engaged online.

Do you agree with the council's 'Preferred Service' for recycling collections?	Roadshow	Assisted Collection	Online	Combined
A - Agree	68.7%	44.0%	18.3%	26.9%
B - Disagree	20.4%	37.5%	72.2%	62.2%
C - I neither agree nor disagree	7.5%	13.6%	7.3%	8.1%
D - I don't know	3.4%	4.9%	2.2%	2.7%
Number of Responses	147	184	1072	1403

Q: If you didn't agree with the Council's Preferred Service in the previous question, is there an alternative option that you prefer for recycling collections?

- 5.4 Of those respondents who answered this question, assisted collections and online respondents predominantly favoured maintaining the current weekly commingled recycling collection service, while roadshow respondents favoured the principle of twin-stream recycling collections, but preferred it to be maintained at a weekly rather than alternate weekly collection frequency. It should be noted that a small proportion of respondents who agreed with the Council's Preferred Service in the previous question, also went on to answer this question.

If you didn't agree with the council's 'Preferred Service' in the previous question, is there an alternative option that you prefer for recycling collections?	Roadshow	Assisted Collection	Online	Combined
A - Maintain the service specification in the current Public Realm contract	29.6%	62.6%	59.0%	57.9%
B - Introduce fortnightly single stream (commingled) recycling collections	14.8%	5.2%	8.0%	8.1%
C - Introduce fortnightly twin-stream recycling collections	3.7%	4.3%	3.6%	3.7%
D - Introduce weekly twin stream recycling collections	37.0%	15.7%	19.8%	20.3%
E - Move to three weekly residual waste collections	0.0%	2.6%	0.9%	1.0%
F - Other (including a variation or combination of the above options)	14.8%	9.6%	8.7%	9.1%
Number of Responses	54	115	922	1091

Q: If you answered 'Other' to the previous question, please provide further detail on your preferred option for recycling collections.

- 5.5 The majority of respondents to this question did not propose an alternative or variant collection methodology to those listed A – F in the previous response. Most respondents used this section to qualify their previous selection, and to raise concerns regarding the proposed service (the content of which will be covered in the next paragraph). Where alternative collections methods were suggested, the most common proposal was to continue with the proposed twin-stream methodology, while using an additional bin rather than a sack to segregate paper and cardboard.

If you answered 'Other' to the previous question, please provide further detail on your preferred option for recycling collections.	Roadshow	Assisted Collection	Online	Combined
Number of Responses	20	23	193	236

Q: Do you have any other suggestions to make on how your waste and recycling is collected?

- 5.6 The overall sentiment of written responses was predominantly negative towards the proposed recycling collections methodology. While some residents agreed with the principle of seeking to encourage more and better recycling, a range of concerns were raised. The most common themes are recorded in the table below, along with a brief commentary from the Council:

Theme	Council Response
Maintain the existing weekly commingled recycling collections service	This option does not achieve the stated benefits of the proposed service in relation to the environment and cost
Introduce the twin-stream recycling collections, but collect both material streams weekly rather than alternate weekly	This option would cost the council circa. £1.4m per year more than the alternate weekly service, and the additional costs are prohibitive without greatly impacting the likely return from the material income or improving recycling rates compared to the suggested service
Complexity of the new collections service may cause people to recycle less	A substantial and prolonged education and communication campaign will be delivered before and during the rollout of the new service, ensuring residents are fully aware of the changes and feel supported to recycle effectively
Concern regarding the capacity of the sack / reduced overall capacity for recycling leading to increased fly-tipping	The Council is carrying out a trial of the proposed service which will closely monitor the capacity of the sacks, the level of participation from residents, and the impact on recycling volumes and contamination rates. The analysis of these results will help us to determine whether any amendment to the approach will be required.

Concern regarding the availability of space within smaller households to store the sack and paper and cardboard	The sacks are designed to be durable and weatherproof. They can be stored inside (folding when not in use) or outside alongside other household waste bins.
Concern regarding the weight of the sack for those with mobility issues	Residents that receive an assisted collections service will continue to do so under the new service, and residents that feel they may need additional assistance will be able to request this from the Council who will assess need on a case by case basis.
Concern regarding the sacks being opened by wildlife	The trial of the proposed service will help us to understand how commonly this occurs. We do not envisage a widespread issue given that the main contents of the sack (i.e. paper and cardboard) should not be contaminated by food residues which attract wildlife.
Education and communication is needed to encourage and support residents to recycle more and correctly	The new contract will see the Education, Communication and Outreach function brought in-house, giving the Council much greater control around how this service is delivered in a way that best suits our communities.
Introduce communal, on-street recycling spaces to encourage further recycling	The Council currently offers community skip days in each Brent Connect Area, which allow residents to donate their bulky items for re-use by others. The council will also be trialling localised 'pop up' reuse hubs.

Do you have any other suggestions to make on how your waste and recycling is collected?	Roadshow	Assisted Collection	Online	Combined
Number of Responses	63	75	587	725

Q: Do you agree with the Council's Preferred Service for street cleaning?

- 5.7 Overall, respondents were slightly in favour of the council's proposals for street cleansing. However, as with recycling collections, responses to this question differed across the three sources, with roadshow and assisted collections respondents more supportive of the council's proposals than those who engaged online.

Do you agree with the council's 'Preferred Service' for street cleansing?	Roadshow	Assisted Collection	Online	Combined
A - Agree	80.5%	60.8%	33.7%	42.1%
B - Disagree	7.4%	18.2%	45.7%	38.2%
C - I neither agree nor disagree	8.1%	13.6%	15.7%	14.6%
D - I don't know	4.0%	7.4%	4.9%	5.2%
Number of Responses	149	176	1072	1397

Q: Do you have any other suggestions to make in relation to how Brent's streets are kept clean?

- 5.8 Written responses demonstrated a mixed attitude towards both proposed and existing street cleansing services. Those who agreed with the Council's proposed service also generally advocated an enhancement of existing provisions – through additional sweeping resource, more on-street litter bins, enhanced education and enforcement, and improved reporting. Those who disagreed generally showed more scepticism towards the proposed intelligence-led approach, pointing to perceived failures in existing service standards and raising doubts about how the proposed changes would tackle these issues. The most common themes are recorded in the table below, along with a brief commentary from the Council:

Theme	Council Response
Concern regarding the current level of street cleanliness / deterioration of street cleanliness as a result of the proposals	<p>The proposed approach will allow the Council to use cleansing resource more efficiently, in a way that provides better value for money.</p> <p>All roads will continue to be cleansed, including a regular sweep at the current frequencies in the busiest areas. Improved data capture and analysis capabilities, together with flexibility built into the contract - including the six rapid response teams tasked directly by the Council - will ensure the Council is better equipped to consider and respond to emergent issues.</p>
Maintain the existing street sweeping regime	<p>Existing street sweeping frequencies have not been comprehensively reviewed since the current contract was procured in 2014. As demand has changed over time, this has resulted in our limited resource being inefficiently allocated in certain parts of the borough. The proposed service will help remedy this by allocating cleansing resource efficiently and flexibly, and in a way that provides better value for money.</p>
Increase street cleansing frequencies to tackle poor levels of street cleanliness	<p>This option would require additional resource that would make the cost of the new service unaffordable.</p>

Increase street cleansing resource and visibility on the ground	<p>As above, increasing street cleansing resource would result in an unaffordable new service cost.</p> <p>However, a key principle of the proposed rapid response teams is a neighbourhood approach based on the five Brent Connects areas. This will ensure these staff are allocated to an area, allowing them to build up a stronger connection to their 'patch' and to be more visible to their communities.</p>
Enhance resident reporting capabilities and improve awareness of these tools	<p>We are working to improve our reporting tools for residents in readiness for the new contract, regardless of the final service delivery option that is chosen. Please keep an eye on future Council communications for further information in the coming months.</p>
Enhance enforcement against those who fly-tip and litter	<p>Our in-house waste enforcement team will continue to tackle the most serious offenders, ensuring they are held accountable for their actions. The new contract includes a requirement for the Contractor to assist the Council's enforcement activities through the checking of fly-tipped waste for identifiable information before collection and sharing this with our enforcement team for action.</p>
Increase the number of on-street litter bins	<p>While we have retained on-street litter bins for our high-streets and highest footfall areas, this service was previously withdrawn from residential streets as it was found not to provide value for money. It should be considered that on-street litter bins also attract fly-tipping, which lessens the benefits they have in respect of helping to alleviate littering.</p>

Do you have any other suggestions to make in relation to how Brent's streets are kept clean?	Roadshow	Assisted Collection	Online	Combined
Number of Responses	68	87	678	833

Q: Do you have any other comments you would like to make?

- 5.9 Written responses in this section echoed the prevalent themes of the previous written questions. A number of residents expressed dissatisfaction with a perceived reduction in proposed service levels as part of the Preferred Service, while noting that their council tax bills are increasing. A small proportion of residents felt that recycling and street cleanliness should be a joint responsibility of both the council and its residents.

Response Locations

- 5.10 The maps at **Annex B** illustrate the spatial distribution of the 1,203 respondents who provided their postcode when completing the questionnaire. Interestingly, despite engagement regarding the consultation occurring borough-wide, the majority of respondents can be found clustered in the southern, more densely populated and urban parts of the borough. This perhaps suggests a greater level of engagement from residents living in south of the borough where properties are typically smaller and more likely to be impacted by the introduction of an additional waste container, and where roads are more heavily utilised and therefore likely to be impacted by changes to street cleansing regimes.

Equalities Monitoring

Q: What is your ethnicity?

- 5.11 Almost two thirds of Brent's population (64%) are from BAME (Black, Asian, and minority ethnic) groups. A further 19% of residents are from White minority groups (White Other and White Irish). The remaining 16% of residents are White British. Therefore, as described at paragraph 4.9, a disproportionately high number of online and assisted collections respondents identified as White British, while roadshow responses were more reflective of the borough's ethnic diversity.

What is your ethnicity?	Roadshow	Assisted Collection	Online	Combined
A - Arab	3.6%	1.2%	1.3%	1.6%
B - Asian: Other groups	5.1%	1.2%	4.0%	3.7%
C - Bangladeshi	0.7%	0.0%	0.2%	0.3%
D - Black African	9.5%	4.2%	1.6%	2.9%
E - Black Caribbean	11.7%	8.5%	3.0%	4.9%
F - Black: Other groups	3.6%	0.6%	0.6%	1.0%
G - Chinese	1.5%	1.2%	0.4%	0.6%
H - Indian	16.1%	14.5%	13.9%	14.2%
I - Mixed: other groups	2.9%	4.2%	2.4%	2.7%
J - Other Ethnic Group	1.5%	3.6%	3.4%	3.2%
K - Pakistani	3.6%	3.0%	1.9%	2.3%
L - White British	22.6%	45.5%	43.0%	40.9%
M - White Irish	4.4%	5.5%	5.9%	5.7%
N - White & Asian	2.2%	0.0%	1.3%	1.2%
O - White & Black African	1.5%	0.0%	0.5%	0.5%
P - White & Black Caribbean	1.5%	0.0%	0.6%	0.6%
Q - White: Other groups	8.0%	6.7%	16.0%	13.7%
Number of Responses	137	165	830	1132

Q: What is your gender?

- 5.12 The gender split in Brent is 51% male and 49% female, with women making up a higher proportion of the borough's elderly population. There was a higher proportion of female respondents from all sources.

What is your gender?	Roadshow	Assisted Collection	Online	Combined
A - Male	47.5%	27.0%	34.0%	34.5%
B - Female	51.8%	68.4%	53.5%	55.3%
C - Other	0.7%	0.0%	0.4%	0.4%
D - Prefer not to say	0.0%	4.6%	12.1%	9.8%
Number of Responses	141	174	963	1278

Q: What is your age group?

- 5.13 There is generally a good spread of responses from across the 35 and over age groups, which is reasonable given an element of the subject matter relates to recycling collections and would be of most interest to homeowners and heads of households. There was a low response rate from younger people, however this is understandable given that the consultation did not target this group specifically, and younger residents do not tend to be responsible for putting out their household waste and recycling. There is a predominantly older response from assisted collections households, which is again understandable given the demographic.

What is your age group?	Roadshow	Assisted Collection	Online	Combined
A - 0 - 15	1.4%	0.6%	0.2%	0.4%
B - 16 - 24	9.2%	0.6%	0.9%	1.8%
C - 25 - 34	12.7%	1.2%	8.8%	8.2%
D - 35 - 44	23.2%	7.2%	21.7%	20.0%
E - 45 - 54	22.5%	7.2%	24.3%	21.8%
F - 55 - 64	15.5%	12.0%	20.5%	18.8%
G - 65+	15.5%	71.1%	23.6%	29.0%
Number of Responses	142	166	935	1243

Q: Do you consider yourself to be disabled?

- 5.14 The majority of respondents did not consider themselves to be disabled, with a greater proportion of those with disability being from assisted collections respondents. It should be noted that disability in this context could refer to either or both mental and physical disabilities. Around one in seven Brent residents have a long-term health problem or disability that limits their day-to-day activities in some way, and in this context the overall response is broadly reflective of the borough's demographics.

Do you consider yourself to be disabled?	Roadshow	Assisted Collection	Online	Combined
Y - Yes	9.2%	68.6%	11.4%	19.0%
N - No	90.8%	31.4%	88.6%	81.0%
Number of Responses	131	172	952	1255

Annex A – Consultation Roadshow Locations and Dates

Date	Ward	Location	Start Time	Finish Time
3 rd August 2022	Wembley	Brent Civic Centre	10:00	13:00
4 th August 2022	Sudbury	Vale Farm Sports Centre	13:00	15:00
4 th August 2022	Barnhill	ASDA	17:00	19:00
5 th August 2022	Alperton	Ealing Road Library	12:00	14:00
5 th August 2022	Willesden	Willesden Green Library	13:00	15:00
6 th August 2022	Kingsbury	Roe Green Park	10:00	12:00
9 th August 2022	Queensbury	Morrisons	13:00	15:00
9 th August 2022	Willesden	Gladstone Park, next to the Veolia Depot, close to Kendall Road	10:30	12:30
10 th August 2022	Roundwood	Roundwood Park	13:00	15:00
11 th August 2022	Queens Park	Kilburn Library	12:00	14:00
15 th August 2022	Kilburn	Kilburn Square	10:00	12:00
15 th August 2022	Harlesden	Harlesden Library	14:00	16:00
17 th August 2022	Stonebridge	Hillside o/s Tesco	10:00	12:00
17 th August 2022	Willesden	Willesden Library	13:00	15:00

Annex B – Spatial Distribution of Consultation Responses

Fig 1: Consultation Responses – Online

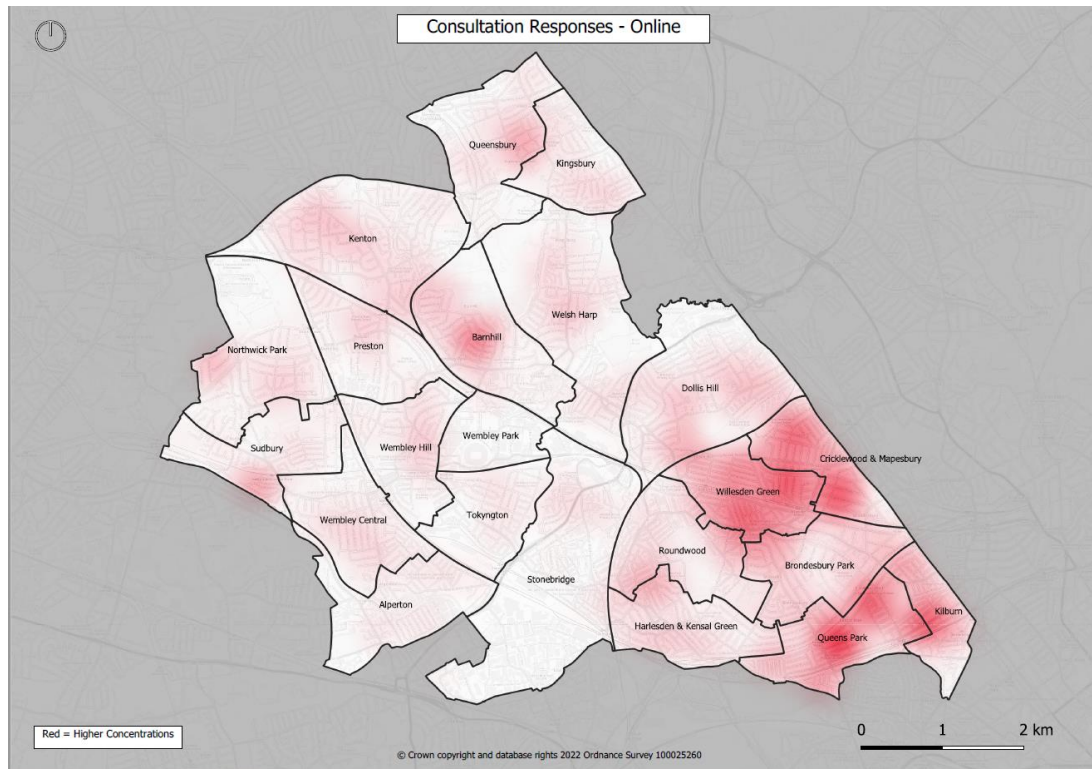


Fig 2: Consultation Responses – Assisted Collections

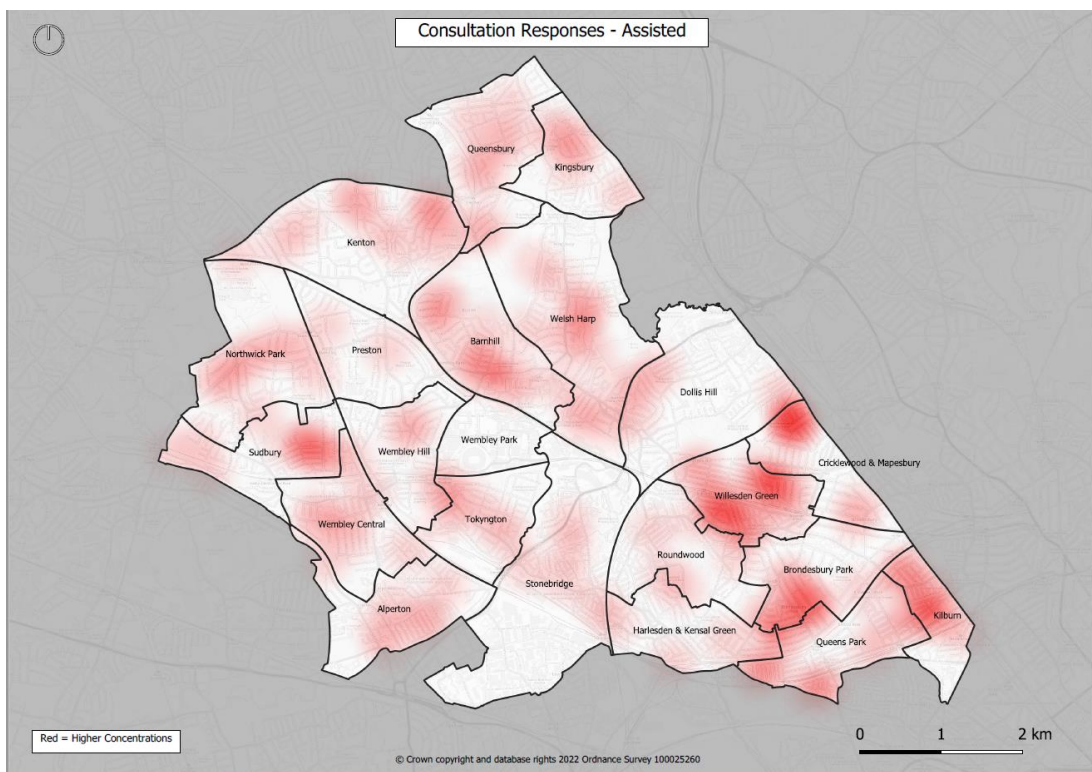
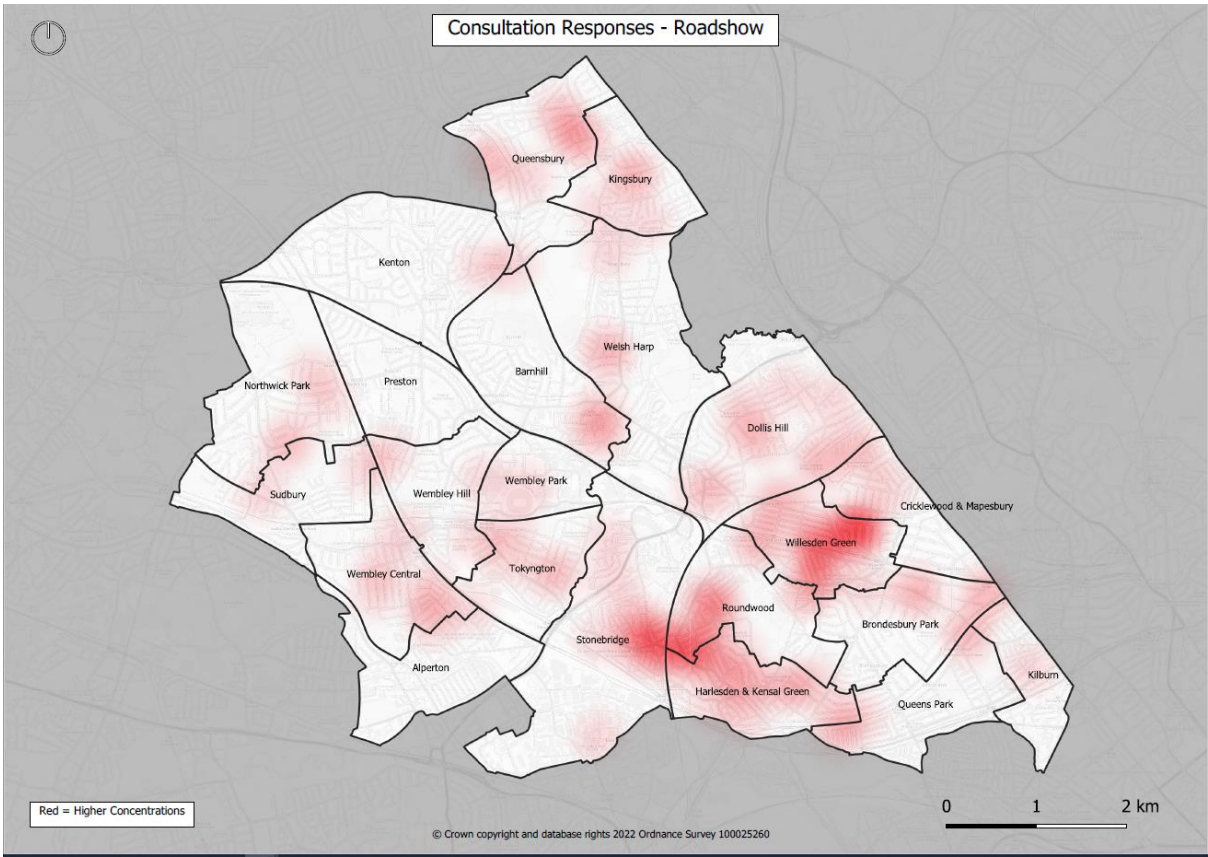



Fig 3: Consultation Responses – Roadshows



	Cabinet 16 January 2023
	Report from the Corporate Director Resident Services
Authority to Award Grounds Maintenance Services Contract	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Two Appendix 1: Names of Grounds Maintenance Bidders Appendix 2: Tender Evaluation Grid
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Chris Whyte Director Environment and Leisure Services Tel: 0208 937 5342 Email: chris.whyte@brent.gov.uk Kelly Eaton Parks, Policy and Projects Manager Tel: 020 8937 5565 Kelly.eaton@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the award of a contract for the provision of Grounds Maintenance Services, following approval of Cabinet on 17th January 2022 to tender for the provision of these services. This report requests authority to

award a contract as required by Contract Standing Order 88. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contract should be awarded.

2.0 Recommendation(s) for Cabinet

That Cabinet:

- 2.1 Notes the contents of the report in relation to the award of a contract for Grounds Maintenance Services.
- 2.2 Agree the report which seeks approval for the award of a contract for the provision of Grounds Maintenance Services to Continental Landscapes Ltd for an initial contract period of eight (8) years, with an option to extend for a further eight (8) year contract period and notes that the value of the contract is estimated to be circa £2.2m per year, or circa £17.6m over the initial 8 year term of the contract or circa £35.2m over the full 16 year contract period (excluding VAT, CPI indexation and AWE increases).
- 2.3 Notes that the award of the contract by Cabinet will be subject to consideration of any section 20 leaseholder consultation observations received from leaseholders and;
- 2.4 Delegate the decision to proceed with the award of the contract, as set out in paragraph 2.2 above, to the Corporate Director, Resident Services in consultation with the lead member for Environment.

3.0 Detail

- 3.1 Grounds maintenance is currently included in the Public Realm contract with Veolia and covers Brent's parks and open spaces, housing estates, highways grass verges and allotments. There are approximately 114 parks and open spaces, over 150 playgrounds and sport pitches, over 270 housing estates open spaces, over 350 highways grass verges and 21 allotments across the borough which are regularly maintained. The current cost of grounds maintenance service provision within the total Public Realm contract is £2.6m per annum, with £400k of this funded from the Housing Revenue account for grounds maintenance on housing estates. This also includes the cost of the warden service, which will be an in-house service from April 2023.
- 3.2 This insourcing is in line with the Final Delivery Model agreed for the Redefining Local Services programme - 'Specialist Contracts with low level insourcing'. Accordingly, the new contract will provide a standalone grounds maintenance contract, with improved delivery of this service and enhanced green spaces facilitated by a dedicated and specialist contractor.
- 3.3 The Public Realm contract with Veolia is currently due to expire on 31st March 2023. Due to requests for time extensions from prospective bidders through the procurement process, an extension period of four months, until 31st July

2023, is currently being negotiated for ground maintenance services only. This will require a variation to be made to the existing Public Realm Contract, removing all waste and street cleansing services and providing a new price for a stand-alone grounds maintenance service. This will be a key decision to be made in early 2023, to allow for the grounds maintenance service to continue to be provided with no disruption, until the commencement of the new contract on the 1 August 2023.

- 3.4 There are a number of possible risks involved with the extension of the existing contract and the mobilisation of the new contract. These include the arrangements for the sharing of depots between contractors, ensuring sufficient infrastructure is in place to facilitate electric charging for new plant and fleet and any issues with grounds maintenance in the changeover period between the existing contractor and the new contractor. These risks will be managed through a risk management plan, which will be managed through the grounds maintenance project board following Cabinet approval. Enhanced mapping of locations to be maintained have been provided to ensure that the works required are clear. The Parks Service will work with Legal Services to ensure that depot leases are drafted in a timely manner prior to contract commencement and the RLS programme will continue to look at the funding options to fund the development of sufficient charging points for plant and fleet at all depots.
- 3.5 The report to Cabinet on 17th January 2022 titled: “Authority to Tender for Ground Maintenance Services Contract” provided information on the aims and objectives of the Redefining Local Services (RLS) programme and set out the aims and objectives for service improvements, risks and potential mitigations, along with the approach to the procurement of the new grounds maintenance service.

The Tender Process

- 3.6 The new Services contract will be let for an initial eight (8) year term with possible extension(s) of up to eight (8) additional years by mutual agreement.
- 3.7 Following the soft market engagement activity that was undertaken with five bidders in September 2021, the details and outcomes of which were detailed in the Cabinet Report dated 17th January 2022, authority was sought to proceed to tender using the Competitive Procedure with Negotiation. Advertisements were placed on the London Tenders Portal (the council’s electronic tendering facility) on 31 January 2022 to seek expressions of interest of which 25 were received. On 1st February 2022 bidders were provided with the tender documents and details of the tender approach and were invited to complete a Selection Questionnaire using the Council’s Electronic Tendering Facility. Five (5) bidders subsequently completed the questionnaire.
- 3.8 Shortlisting was carried out by an evaluation panel on the basis of the contractors meeting a range of requirements including but not limited to economic and financial standing, technical and professional ability, experience

and certifications and on 11th March 2022 a moderation meeting was held. Subsequently, the four (4) highest scoring Bidders were invited to submit initial tenders which was the next stage of the procurement process (the 'ISIT Stage').

- 3.9 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council. The following table confirms the weightings accorded to the relevant evaluation criteria.

Quality	40%
Social Value	10%
Commercial Risk	5%
Price	45%

- 3.10 Tenderers were required to submit additional information providing details of their proposed arrangements for performing the contract including (but not limited to) the following method statements (MS):

MS1 – Mobilisation Plan
MS2 – Contract Management Plan
MS3 – ICT, MIS and Customer Care Plan
MS4 – Plant, Resources, Premises & Maintenance Plan
MS5 – Grounds Maintenance Services Plan

- 3.11 Bidders were also required to provide a TUPE confidentiality undertaking to access TUPE and Pensions information and to provide a contract commentary and tracked changes, if required, to the council's contractual documents, which included the Performance Management Framework, Payment Mechanism, Performance Standards and the Contract terms as well as submit a detailed Pricing Schedule and a social value action plan.
- 3.12 One bidder did not submit their TUPE undertaking. That bidder also chose not to submit an initial tender leaving three (3) bidders remaining in the process.
- 3.13 Bidders were advised that whilst a Competitive Procedure with Negotiation (CPN) was being used, which allowed for four stages of the tender process, Selection Questionnaire (SQ), Invitation to Submit Initial Tender (ISIT), Negotiation and Invitation to Submit Final Tender (ISFT), the council reserved the right to award following evaluation of initial tenders.

- 3.14 Over 150 clarifications were received from bidders during the ISIT stage, which in turn led to a request from bidders for an extension to the deadline for the submission of all supporting documentation for the ISIT stages. A four week extension was provided to all bidders.

ISIT Evaluation process

- 3.15 Initial tenders had to be submitted electronically no later than 12:00 noon on the 10 June 2022 and three (3) tenders were received.
- 3.16 The evaluation of the initial tenders was carried out by a panel of officers from Parks and the Public Realm Teams. Each member of the evaluation panel individually read the tenders and carried out an evaluation of how well they considered each of the award criteria was addressed in the tender.
- 3.17 The evaluation panel met on 4, 5 and 6 July 2022 to moderate the evaluation scores for the Initial Tenders and determine the final scores against each quality, social value and commercial and risk award criterion for each tender. The award criteria and weighting are provided below.

Tier 1 Criteria	Tier 1 Weighting	Tier 2 Criteria	Tier 2 Weighting	Scores Available
Quality/ Technical	40.00%	MS1 – Mobilisation Plan	7.50%	0-5
		MS2 – Contract Management Plan	15.00%	0-5
		MS3 – ICT, MIS and Customer Care Plan	7.50%	0-5
		MS4 – Plant, Resources, Premises & Maintenance Plan	20.00%	0-5
		MS5 – Grounds Maintenance Services Plan	50.00%	0-5
Social Value	10.00%	Every Opportunity to Succeed	10.00%	0-5
		A future built for everyone, an economy fit for all	10.00%	0-5

Tier 1 Criteria	Tier 1 Weighting	Tier 2 Criteria	Tier 2 Weighting	Scores Available
		A Cleaner, More Considerate Brent	80.00%	0-5
Commercial and Risk *	5.00%	n/a	n/a	0-5
Pricing Schedule (‘Total Contract Cost’)	45.00%	n/a	n/a	n/a

*the full Tier 1 criterion for “Commercial and Risk” was: acceptability of the contractual and risk position based on Tenderer commentary on and/or mark- up of the Contract, including both the Conditions of Contract and the Schedules (1-15)

- 3.18 The names of the bidders are contained in Appendix 1. The Council had indicated in the Invitation to Submit Initial Tenders documentation that following evaluation of initial tenders, it may either move to award the contract or invite up to three (3) bidders to progress through to a negotiation period in order to seek an improvement in the content of their tenders. Officers felt that there was an opportunity to improve the content of the tenders, consider opportunities for innovation as well as discuss the financial pressures facing the council. The Council therefore made a decision to proceed to the Negotiation Period. As there were only three (3) bidders remaining in the process, all three (3) bidders were invited to progress to the Negotiation Period. The areas for improvement and discussion were surmised and discussed with bidders in individual meetings at the negotiation stage.

Negotiation process

- 3.19 On 25 July 2022, all three bidders were invited to attend individual negotiation meetings to be held on the 2nd, 3rd and 4th August.
- 3.20 Council Officers from procurement, finance, legal and the service area attended the relevant aspects of each meeting.
- 3.21 A number of queries in relation to bidder’s submissions were discussed and bidders were invited to discuss proposals for the innovative delivery of services and the financial pressures facing the council and to discuss any issues regarding the contract documentation.
- 3.22 Following the meetings, bidders were asked to submit pricing information in light of the discussions and further clarifications were undertaken with each bidder on an individual basis. This was to aid the council in our considerations for the final ISFT stage.

- 3.23 The main change made to procurement documentation as a result of the discussions, was the removal of the cost of waste disposal from bidders proposals. The disposal is covered by the existing arrangement with West London Waste Authority, which has a separate existing budget.
- 3.24 As part of the review of documentation that would be provided to bidders for the final stage of the procurement process, which was the Invitation to Submit Final Tenders (ISFT), and to provide clear guidance to bidders, the council also sought to amend and lower the pricing point for evaluation in its final tender documentation. All three bidders agreed that they had no objection to the Council revising the pricing point for evaluation.

ISFT Evaluation process

- 3.25 Following a period of document refinement; including the provision of mapping of all BHM and Parks land to be maintained as part of the new contract, three (3) bidders were invited to submit their final tender (ISFT) on the 7 September 2022.
- 3.26 On the 14 September 2022, the council received notification that one of the bidders had decided to formally withdraw from the procurement process, as they felt they could not submit a bid which would meet our requirements and still be competitive. This bidder is referred to as Bidder C in Appendix 1. Two (2) bidders remained at the ISFT stage.
- 3.27 All tenders had to be submitted electronically no later than 19 October 2022 at 2.00pm. Tenders were opened on 20th October 2022 and two (2) tenders were received. The final tender evaluation was carried out individually by a panel of officers from Parks and the Public Realm Teams. Each member of the evaluation panel read the tenders and carried out an individual evaluation of how well they considered each of the award criteria was addressed in the tender. The award criteria for evaluation of final tenders was the same that that for initial tenders as stated in the table at paragraph 3.17 above.
- 3.28 The panel met on 9, 10 and 16 November to moderate the evaluation scores for the Final Tenders and determine the final scores against each quality, social value and commercial and risk award criterion for each tender. The panel agreed a moderated score of 1 for Bidder B in respect of the Commercial and Risk Criterion. This was due to amendments to the contract proposed by Bidder B which the panel determined were a material change to the Contract and/or overall risk position which gave serious cause for concern. The methodology for scoring commercial and risk is included below. This score led to the tender from Bidder B being an overall fail and for it to be excluded from the process. This decision was supported by the guidance set out to bidders in the ISFT document; which stated the following:

Quality/Technical, Social Value and Commercial and Risk Criteria scores and exclusion

A Final Tender response that receives a score profile as outlined below will be deemed to be a fail overall and be excluded from the procurement process:

- a. a score of zero (0) for one (1) or more Tier 2 criterion under the Tier 1 Quality/Technical criterion or Social Value; or
- b. an unweighted score of two (2) or less for the Tier 1 Commercial and Risk criterion; or
- c. an unweighted score of two (2) or less for two (2) or more Tier 2 criterion under the Tier 1 Quality/Technical criterion.

Category	Score	Definition
Unacceptable	0	The Tenderer proposes amendment(s) to the Contract which overall result in a fundamental change in the Contract and/or overall risk position which give significant cause for concern and/or would be wholly unacceptable to the Council; and/or Fails to provide a response or indicate position in relation to the Contract.
Major Reservations	1	The Tenderer proposes amendment(s) to the Contract, some or all of which result in a material change to the Contract and/or overall risk position which gives the Council significant or serious cause for concern.
Some Reservations	2	The Tenderer proposes amendment(s) to the Contract, some or all of which result in a material change to the Contract and/or overall risk position which gives the Council some cause for concern.
Satisfactory	3	The Tenderer proposes amendment(s) to the Contract, some or all of which result in a material change to the Contract and/or overall risk position but represent an acceptable position to the Council.
Good	4	The Tenderer proposes amendment(s) to the Contract which are minor and/or do not result in a material change to the Contract and/or overall risk position.
Outstanding	5	The Tenderer fully accepts the Contract without any amendments; and/or The Tenderer proposes amendment(s) to the Contract which are inconsequential matters of form rather than substance and pose no additional risk to the Council.

- 3.29 The price provided by the remaining bidder (Bidder A) in the Pricing Schedule was evaluated by considering the deviation of the tenderer's price from the Council's Pricing Point for Evaluation as set out in the ISFT guidance document.

- 3.30 The scores received by the tenderers at the final ISFT stage are included in Appendix 2. The names of the tenderers are contained in Appendix 1. Officers recommend the award of the contract to Continental Landscapes Ltd.
- 3.31 The contract will commence on 1 August 2023 subject to the final stage of BHM leaseholder consultation and Council's observation of the requirements of the mandatory standstill period noted in paragraph 5.3 below.

4.0 Financial Implications

- 4.1 Part 3 of the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract. The value of the Grounds Maintenance contract is estimated to be over this threshold.
- 4.2 The annual value of the contract for the provision of Grounds Maintenance Service is estimated to be circa £2.2m at today's prices. The cost of this contract will be fully funded from the existing revenue budgets.
- 4.3 The award of the contract is for an initial period of eight years, with an option to extend for a further eight years. This makes a total contact cost of £17.6m over eight years at today's prices. The contract is subject to inflationary increases and this risk needs to be considered as part of the Council's Medium Term Financial Planning
- 4.4 The grounds maintenance service is currently included in the Public Realm Contract, and therefore an estimate was made as to the element of the existing Public Realm budget that covers Grounds Maintenance. The new GM contract is within this budget estimate so once this contract is embedded this budget will be reviewed alongside the other Public Realm contracts to understand the ongoing budget requirements.
- 4.5 A representative of Brent Financial Services has reviewed the financial pricing schedule submitted by the bidders

5.0 Legal Implications

- 5.1 The value of this contract over its lifetime is in excess of the threshold for Services under the Public Contracts Regulations 2015 (PCR 2015) and the procurement and award of the contract is therefore governed by the PCR 2015. As detailed in Section 3, a procurement process in compliance with the PCR 2015 has been conducted using the Competitive Procedure with Negotiation.
- 5.2 The award is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the procurement is valued at more than £2 million. Part 3 of the Council's Constitution state that contracts for services exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract.

- 5.3 The Council must observe the PCR 2015 relating to the observation of a mandatory minimum 10 calendar day standstill period before the contract can be awarded. Therefore, once the Cabinet has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the PCR 2015. As soon as possible after the standstill period ends, the successful tenderer will be issued with a letter of acceptance and the contract can be entered into.
- 5.4 There are a number of staff who transferred via TUPE to the current contractor, in respect of the Public Realm Contract, who are entitled to pension protection if they transfer to a new contractor for the Grounds Maintenance Contract and continue to work on delivery of the services. Bidder A has indicated that it will apply to be an admitted body of the Local Government Pension Scheme which will require the contractor to enter into an admission agreement with the council in respect of such staff.
- 5.5 The Final RLS Delivery Model includes the insourcing of the park warden function. This will involve the TUPE transfer to the Council of contractor staff currently assigned to that function (6 members of staff). The TUPE transfer will be managed in partnership with Human Resources and in line with current HR Policies and Procedures and legislative requirements. Throughout these processes, consultation will be required with relevant individuals, partners, stakeholders and Trade Unions as appropriate.
- 5.6 The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006) are likely to apply to the current proposal as this is a service provision change. There appears to be 6 members of staff who are dedicated to the service. The Council is advised to undertake due diligence to ensure only the requisite staff are transferred in to the Council's employment.

Leaseholder Consultation

- 5.7 Given that this is a Qualifying Long-Term Agreement (QLTA) for the purposes of Section 20 of the Landlord and Tenant Act 1985 (as amended), the consultation procedure set out in the Service Charges (Consultation Requirements) (England) Regulations 2003 ('the 2003 Regulations') must be followed. The applicable provision in the 2003 Regulations is Schedule 2, as this is a QLTA where Public Notice is required to be given (via the Find a Tender Service at (<https://www.findtender.service.gov.uk/Search>)).
- 5.8 The purpose of the consultation procedure is for leaseholders to be kept informed at the key stages of entering into a new contract for grounds maintenance services in Brent, and to permit leaseholders to make written observations within stipulated time periods, to which the Council is required to have regard.

- 5.9 Although leaseholders may encourage contractors to apply through the Find a Tender Service, given the value of the proposed contract they are not entitled to nominate contractors themselves as part of the consultation process.

6.0 Equality Implications

- 6.1 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.

- 6.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 6.3 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.
- 6.4 In 2020 an Equality Analysis was undertaken in relation to the RLS programme as a whole and no adverse equality or diversity implications were identified. This was updated in July 2021 to include consideration of the Final RLS Delivery Model and again no adverse equality or diversity implications were identified.
- 6.5 The proposals in this report have been subject to screening and Officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

Brent Housing Management Leaseholder Consultation

- 7.1 Grounds maintenance services on housing estates is a core function of the Grounds Maintenance Contract. As stated above in paragraph 7.10, the Council is required (pursuant to section 20 of the Landlord and Tenant Act 1985) to consult with its leaseholders when entering into any Qualifying Long Term Agreement (QLTA).

7.2 The statutory consultation with Council Leaseholders will take place in two stages:

- **First Stage - Notice of Intention:** 29 November 2021 to 10 January 2022
- **Second Stage - Notice of Proposals / Estimates:** 17 January – 20 February 2023

Both notices are to be completed in accordance with Schedule 2 to the Service Charges (Consultation Requirements) (England) Regulations 2003 ('the 2003 Regulations').

7.3 The purpose of the first notice is to provide leaseholders with general information about the proposed contract and to invite their written observations on it, which the Council is required to have regard to. This notice was issued on the 1 December 2021 and 26 observations were received and responded to by the Council.

7.4 The purpose of the second notice is for the Council to send leaseholders information about the proposed agreement, including the name of every contractor involved in that agreement and the leaseholders' estimated contributions (if known; otherwise the estimated costs or if these are also not known at the time, the Council should provide this information to the leaseholders once received). The second notice should also include a copy of the proposal itself, or the option to inspect it, inviting written observations from the leaseholders on the same. The Council would need to respond to such observations within 21 days.

7.5 Furthermore, the Lead Member for Environment has been briefed every two weeks during the procurement process by the lead officer for the RLS Project and the Director for Environment and Leisure, who sat on the Ground Maintenance Project Board.

Let's Talk Climate: Waste and Green Space Edition

7.6 *Let's Talk Climate: waste and green space edition* was an 11-week engagement programme that ran from 15 November 2021 to 4 February 2022. As part of this engagement, ideas were sought on how we can all make Brent greener and how people can be encouraged to spend more time outdoors, including how green spaces are maintained.

7.7 The key themes in relation to green space that emerged from the engagement were:

- More trees, nature and green space in the borough
- Better facilities in parks to encourage more people to visit
- More education, communication and workshops to teach young people about nature and wildlife

- 7.8 This feedback is being acted upon by ensuring that this new contract facilitates an improved level of communication to understand how we can deliver green spaces that meet the needs of parks users.

8.0 Human Resources/Property Implications

- 8.1 This service is currently provided by an external contractor and there are no implications for existing Council staff arising from retendering the contract. However, as indicated in paragraphs 5.5 and 5.6 above, the insourcing of the park warden function will likely result in the TUPE transfer of 6 members of the current contractor's staff to the Council if they are dedicated to the service.
- 8.2 There are seven parks depots that are available for use by the bidders, in a shared capacity with the Integrated Waste Contractor. The Grounds Maintenance Contractor will be the lead contractor and lead tenant for each site. Bidder A has indicated that they would like to use all seven depots as well as having sole use of the depot at Vale Farm. As many of the depots will also be used by the Integrated Waste Provider the new leases to be granted to Bidder A will be in place when the contract commences and that will take into account the expiration of the standstill period of 10 calendar days. Discussions will take place between both the Grounds Maintenance Contractor and the Integrated Waste Contractor, post contract award, with regards to the leases.

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement.
- 9.2 Social value was included as an award criteria for the evaluation of tenders. The tier 1 and tier 2 award criteria for Social Value are included in the table at paragraph 3.18 which sets out the award criteria. Social Value was scored using the scoring methodology in table 5 below.

Table 5 – Social value scoring methodology

Score	Definition	
0	<p>The Social Value offer was omitted or fundamentally failed to meet the relevant Social Value measures.</p> <p>Insufficient evidence to demonstrate that the relevant submission requirements or the Council's requirements can be met.</p>	Unacceptable

Score	Definition	
1	<p>The Social Value offer is adequate but there is insufficient evidence to demonstrate that the relevant Social Value offer can be met.</p> <p>Significant omissions, serious and/or many concerns.</p>	Major reservations
2	<p>The Social Value offer has some minor omissions in respect of the relevant Social Value measures.</p> <p>The Social Value offer satisfies the basic minimum requirements in some respects but is unsatisfactory in other respects and raise some concerns.</p>	Some Reservations
3	<p>The Social Value offer submitted provides some good evidence to meet the relevant Social Value commitments offered in the Council's view.</p> <p>It is satisfactory in most respects and there are no major concerns.</p>	Satisfactory
4	<p>The Social Value offer submitted provides, in the Council's view, good evidence that all the Social Value commitments offered can be met.</p> <p>Full and robust response, any concerns are addressed so that the proposal gives confidence.</p>	Good
5	<p>The Social Value offer submitted provides strong evidence, in the Council's view, that all the Social Value commitments offered can be met and the proposal is outstanding.</p> <p>Provides full confidence and no concerns.</p>	Outstanding

9.3 Bidder A provided the following social value commitments against the themes below; which were found to meet the Council's requirements.

Theme	Commitment
Every Opportunity to Succeed	1 Apprentice per year
A Future Built for Everyone	To spend a certain amount with local businesses every year
A Cleaner, More Considerate Brent	<p>Increase the value of service provided by local partnerships that implement circular economy solutions.</p> <ul style="list-style-type: none"> • Support local communities to draw up

	<p>their own Community Charter or Stakeholder Plan.</p> <ul style="list-style-type: none"> • Target hard to recycle waste, ensuring minimising the amount that goes to landfill. • Provide donations or in-kind contributions to local community projects (£ & materials) • Introduce measures to safeguard the environment, respond to the climate emergency, and enable healthier, safer and more resilient communities. • Provide volunteer hours to local groups.
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Related Document:

Cabinet Report dated 17th January 2022: “Authority to Tender for Ground Maintenance Services Contract”

Report sign off:

Peter Gadsdon

Corporate Director, Resident Services

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

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APPENDIX 2

GROUNDS MAINTENANCE CONTRACT

TENDER EVALUATION GRID

Moderation Sheet

Project title - DN565170

Quality		Weighting	Bidder A		Bidder B	
		5	Score	Result	Score	Result
1	MS1 – Mobilisation Plan	7.5%	4	6.00%	3	4.50%
2	MS2 – Contract Management Plan	15%	3	9.00%	4	12.00%
3	MS3 – ICT, MIS and Customer Care Plan	7.5%	3	4.50%	3	4.50%
4	MS4 – Plant, Resources, Premises and Maintenance Plan	20%	4	16.00%	2	8.00%
5	MS5 – Grounds Maintenance Services Plan	50%	3	30.00%	4	40.00%
Total out of 100%		100%	65.50%		69.00%	
Total out of 40%		40%	26.2%		27.6%	

Social Value		Weighting	Bidder A		Bidder B	
		5	Score	Result	Score	Result
2	Every opportunity to succeed	1%	3	0.60%	3	0.60%
3	A future built for everyone, an economy fit for all	1%	4	0.80%	4	0.80%
4	A cleaner, more considerate Brent	8%	4	6.40%	3	4.80%
Total out of 10%		10%	7.8%		6.2%	

Commercial and Risk		Weighting	Bidder A		Bidder B	
		5	Score	Result	Score	Result
9	Commercial and Risk	5%	5	0.05	1	0.01
Total		5%	5.00%		1.00%	


Pricing Schedule		Weighting	Bidder A		Bidder B	
		5	Score	Result	Score	Result
8	Costs submission	45%	£18,973,960.23		N/A	
Total		45%	38.74%		N/A	

Summary		Weighting	Bidder A		Bidder B	
		5	Score	Result	Score	Result
Quality		40%	26.20%		27.60%	
Social Value		10%	7.80%		6.20%	
Commercial and Risk		5%	5.00%		1.00%	
Pricing		45%	38.74%		N/A	
Total		100%	77.74%		34.80%	

Ranking			Bidder A		Bidder B	
			1		N/A	

*Bidder B - Scored 1 on Commercial and Risk and therefore were deemed to fail overall and are excluded from the process

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	Cabinet 16 January 2023
	Report from the Corporate Director of Resident Services
Green Neighbourhoods Action Plans	

Wards Affected:	Roundwood, Harlesden & Kensal Green, Kingsbury, Queensbury
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	Three Appendix 1: Green Neighbourhoods Action Plan – Church End and Roundwood (CE&RW) Appendix 2: Green Neighbourhoods Action Plan – Kingsbury Appendix 3: Summary of Community Engagement Ideas/Comments
Background Papers:	None
Contact Officer(s):	Tom Welsh Climate Emergency Strategy Manager Tel: 020 8937 6607 Email: tom.welsh@brent.gov.uk Oliver Myers Head of Environmental Strategy, Commissioning & Climate Change Tel: 020 8937 5323 Email: oliver.myers@brent.gov.uk

1 Introduction & Overview

- 1.1 The purpose of this report is to present Cabinet with an update on the development of the Green Neighbourhoods pilot project which formed a key

tenet of the council's Climate and Ecological Emergency 2022-24 Delivery Plan. The report provides Cabinet with an opportunity to review the area-specific action plans which have been put together following community engagement and working with relevant internal teams and services.

- 1.2 The council is taking a progressive and pioneering approach to tackling the climate and ecological emergency through the delivery of several Green Neighbourhood pilots (the first phase being Church End & Roundwood; and Kingsbury). The goal is to focus our resources in these pilot areas to test how they can become as environmentally sustainable as possible, to inform how the whole borough could be net zero and more biodiverse by 2030. The ethos of this programme is to be positive and transformative and to make changes which benefit residents' lives, involving residents and communities in the delivery of this programme and encouraging sustainable behaviours.
- 1.3 Officers have completed the first phase of engagement with communities in these areas and the comments and ideas which came through most strongly focused on: enhanced green infrastructure and biodiversity; sustainable travel infrastructure; and recycling and re-use projects, alongside the need to address parallel issues such as anti-social behaviour and fly tipping more holistically.
- 1.4 Distinct overall 'visions' have emerged for the approach in these two pilot areas. For example, in Church End and Roundwood, there is significant potential for developing an area-wide focus on 'Green Corridors' to promote the healthy streets agenda, enhancing and linking green and active infrastructure. In Kingsbury, there is a cluster of engaged schools that are passionate about tackling climate change with the potential to be the catalyst for change in their local communities. Area action plans to deliver on this work have been developed and will remain as live documents during delivery (February 2023 to December 2024).
- 1.5 As it stands, there are 34 actions in the Church End & Roundwood Action plan and 28 actions in the Kingsbury action plan. The aim is to embed environmental sustainability at the heart of day-to-day life in these locations. The plans will be phased to enable delivery of quick wins that form part of an overall vision to be fully delivered within two years.
- 1.6 It is proposed that the council would begin the next phase of community engagement in the two pilot areas from February 2023. The objectives of this phase of engagement would be to i) start co-producing those projects that would be co-delivered with the community and ii) to consult with the community on council-led infrastructure projects to ensure local stakeholders are supportive of scheme design and are encouraged to participate.

2 Recommendations

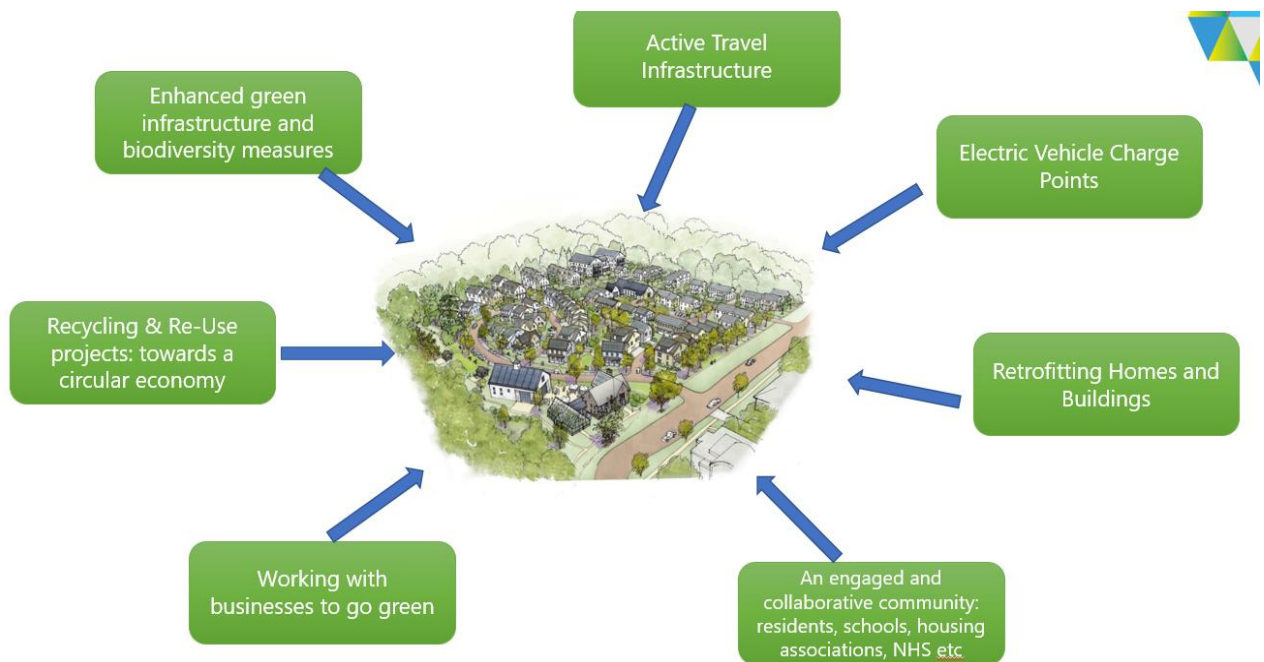
That Cabinet:

- 2.1 Agrees the Green Neighbourhood Action Plans for Church End & Roundwood (Appendix A) and Kingsbury (Appendix B), summarised in section 5 of this report.
- 2.2 Notes the results of community engagement activity undertaken from July to October 2022, outlined in section 4 of this report and detailed in Appendix C.
- 2.3 Agrees the proposals for future engagement with communities in the Green Neighbourhood areas, summarised in section 6 of this report.

3 Context

- 3.1 At its meeting in June 2022, Cabinet approved the council's refreshed Climate and Ecological Emergency Strategy Delivery Plan for 2022-24. The new plan was centred around three new areas of focus which would shape and accelerate the council's activity on tackling the climate and ecological emergency for the next two years. These were:
 - A placed-based approach, through a) piloting up to three sustainable neighbourhoods b) a focus on ensuring the St Raphael's Estate development is as green as possible and c) a review of Brent Local Plan Growth Areas to ensure that sustainability opportunities are maximised.
 - Community wealth building, through climate action that supports local economic growth and helps reduce the cost of business for local businesses and other organisations.
 - Supporting households with the rising cost of living, through specific climate action that aims to boost household income.
- 3.2 Cabinet also agreed the locations for the Green Neighbourhood pilots of which there were four proposed in total: Church End & Roundwood (1), Kingsbury (2); South Kilburn (3) and St Raphael's Estate (4). To manage officer capacity, the council is taking a phased approach and the first two pilot areas, and focus of this report, are Church End & Roundwood, and Kingsbury. A further report outlining the proposed approach for South Kilburn and St Raphael's Estate will be provided in 2023.
- 3.3 The Green Neighbourhood action plans set out in this report are the culmination of the first phase of engagement with communities in parallel with the development of viable plans following discussions with relevant council services. The plans embrace the concept of locality-based working and provide opportunity for phased improvements to the initial pilot areas (Church End & Roundwood; and Kingsbury), ensuring our ability to progress quick wins while making early preparations for more complex infrastructure projects. The aim is to have a rolling and incremental programme of sustainability interventions under the 'Green Neighbourhoods' brand, generating a sense of real momentum on tackling the climate and ecological emergency with an array of projects contributing to an overarching holistic sense of environmental transformation of each pilot area by the end of 2024. Such an approach mirrors the plans of other leading UK councils who are making real, substantive, and exciting progress on this agenda.

High level concept



4 Community Engagement and Internal Workshops

- 4.1 Officers have undertaken an extensive period of community engagement (1,888 face-to-face interactions stimulating circa 536 ideas with communities in both areas) to seek their views and ideas for what they would like to see form part of the Green Neighbourhood action plan for their local area. The comments and ideas from the community have been analysed and grouped according to key environmental themes and more detail is provided within Appendix C. Our interactions with the community thus far indicate support, interest, and enthusiasm for this agenda – with the majority understanding its significance as a priority to be addressed urgently.
- 4.2 The comments and ideas which came through most strongly from the community were around physical and visible sustainability improvements to the public realm. In particular: enhanced green infrastructure and biodiversity; sustainable travel infrastructure; and recycling and re-use projects. There were also concerns raised around anti-social behaviour, particularly in Church End & Roundwood, which appeared to impact on people's willingness to use green spaces or active travel routes. It is suggested that the council should endeavour to factor in seeking to tackle these issues holistically as part of this project. The co-benefits of taking action to tackle the climate and ecological emergency were also apparent, with communities expressing that green spaces, community gardening, active travel schemes and having active community participation on this topic is beneficial to mental health, public health, and community cohesion. These co-benefits are significant and contribute to a host of other council priorities in ensuring that Brent remains a great place to live.

- 4.3 The Climate Emergency Team has also liaised with all the relevant internal services and held workshops to further flesh out potential project ideas for the Green Neighbourhood areas and explore viability. This work has considered cost estimates, funding sources and potential funding and capacity gaps. The delivery plan workstreams overseen by the council's internal, Corporate Sustainability Board members has also been refreshed to embed this work within relevant service areas to be driven forward as a priority.

5 Emerging Action Plans

- 5.1 The development work listed above has informed the creation of two specific actions plans for the pilot areas. The action plans listed in Appendix A and Appendix B will remain live documents which can be added to and tweaked as the project progresses. If opportunities arise for additional resource and funding to upscale some of the projects further, the council will endeavour to capitalise on these.
- 5.2 The development work to this point has helped crystallise the distinct emerging visions in the pilot areas. For example, in the Church End and Roundwood area there is significant potential for developing an area-wide focus on 'Green Corridors' to promote the healthy streets agenda, enhancing and linking green and active infrastructure. The aim of this action would be to develop a series of cycle / pedestrian friendly green corridors and each corridor would be considered in terms of what can be done to achieve routes that are safe, direct, and attractive.
- 5.3 Given the potential transformative scope of this work, the project will be implemented in two phases. Firstly, through commissioning a specialist feasibility study which will seek to consider four potential corridors for further study: two in the north/south of the area, and two in the east/west alignments through the area and consider the potential for more ambitious interventions in the healthy streets agenda which will accelerate the council's public aspirations and support for active travel measures. Once the scope and cost of interventions have been established, work will begin to categorise actions for implementation according to quick wins in the shorter term and medium/longer-term aspirational work which would be dependent on business cases being put together and funding sources being found. There is likely to be a significant role for councillors and ward members in proactively and publicly supporting the proposals arising from this work and leading by example in putting the council's active travel public aspirations into practice.
- 5.4 There is also the potential to use this agenda as a springboard to be addressing several long-standing issues in this area of the borough, particularly around high-emission, polluting transport, and travel patterns. For example, we will use the Green Neighbourhoods agenda to re-engage with relevant partners (Transport for London, London Borough of Hammersmith & Fulham in particular) to reduce the number of Heavy Goods Vehicles (HGVs) which pass through Harlesden and in and around the south of the Church End and Roundwood Green Neighbourhoods area.

- 5.5 In Kingsbury, a differentiating factor between the pilot areas is the importance of the Kingsbury and Kenton schools cluster who are passionate about environmental sustainability and tackling climate change. There are approximately 16 schools in and around the Kingsbury Green Neighbourhood boundary – which provides a substantial potential for reaching into the heart of local communities on this agenda and encouraging local action.
- 5.6 Officers have held two workshops with many of these schools to identify the main issues in the area relating to environmental sustainability and the schools' priorities for working together. These were: sustainable travel, energy efficiency on school sites, recycling, and biodiversity measures.
- 5.7 Highlights from the expected outcomes from the action plans for both areas are listed in the table below. Each action has been categorised as follows:
- Short term, funded (quick wins, to deliver in 2023)
 - Medium term, funded (to deliver in 2024)
 - Short-term, aspirational (subject to identification of funding)
 - Medium/long-term, aspirational (subject to identification of funding)

Church End & Roundwood Green Neighbourhood	Kingsbury Green Neighbourhood
Short term, funded: <ul style="list-style-type: none"> • Area-wide feasibility study on the creation of new Green Corridors, linking active travel routes and green spaces in the area • Exploration of the reduction in flow of Heavy Goods Vehicles in the area • 11 x new Electric Vehicle Charge Points and accompanying comms campaign • 3 x permanent School Street Schemes delivered • 2 x new bike hangars (funding for a further 6 being sought) • New virtual docking bays for Lime Bikes • New biodiversity infrastructure in green spaces (such as Roundwood Park, St Mary's Church, Willesden Cemetery) • New verge greening schemes and rain gardens at selected locations • New internal food waste caddies for eligible flats • New behaviour changes campaigns around re-use, repair, and recycling • 3 x Re-use and Repair Pop-Up Events at community locations • Expanded cargo bike trial scheme for businesses • New offer to businesses: energy saving grants, carbon foot printing tools, climate charter • Development of sustainable, green, School Travel Plans for all schools in the area • New Brent Environmental Network Community Action Group • New standard of energy efficiency improvements with housing associations in the area 	Short term, funded: <ul style="list-style-type: none"> • Develop a dedicated Schools Climate Network with the Kingsbury (& Kenton) Schools Cluster • 6 x permanent School Streets delivered • Development of sustainable, green, School Travel Plans for all schools in the area • Feasibility study on creating a green corridor between Fryent Park and Roe Green Park • 4 x new Electric Vehicle Charge Points and accompanying comms campaign • New biodiversity infrastructure in green spaces (such as Roe Green Park) • New verge greening schemes and rain gardens at selected locations • Expanded cargo bike trial scheme for businesses • New offer to businesses: energy saving grants, carbon foot printing tools, climate charter • New internal food waste caddies for eligible flats • New behaviour change campaigns around re-use, repair and recycling • 3 x Re-use and Repair Pop-Up Events at community locations • New Brent Environmental Network Community Action Group • New standard of energy efficiency improvements with housing associations in the area

<ul style="list-style-type: none"> • Closer cooperation energy efficiency improvements with private sector landlords in the area <p>Medium term, funded:</p> <ul style="list-style-type: none"> • Retrofits of some of the least energy efficient council properties in the area <p>Short term, aspirational:</p> <ul style="list-style-type: none"> • New trees and flowerbeds • New community gardening schemes • New initiative to provide materials (like seeds) to residents to green their homes • New 'Environmental Street Champion' scheme <p>Medium/long-term, aspirational</p> <ul style="list-style-type: none"> • Delivery of Green Corridor programme • Reduction plan for Heavy Goods Vehicles 	<ul style="list-style-type: none"> • Closer cooperation energy efficiency improvements with private sector landlords in the area <p>Medium term, funded:</p> <ul style="list-style-type: none"> • New green infrastructure improvements at Leybourne Open Space • Deliver the council's first exemplar net zero new build as part of the New Council Homes Programme • Retrofits of some of the least energy efficient council properties in the area <p>Short term, aspirational:</p> <ul style="list-style-type: none"> • New trees, flowerbeds and tree planting in selected locations • New community gardening schemes • New initiative to provide materials (like seeds) to residents to green their homes • New 'Environmental Street Champion' scheme <p>Medium/long-term, aspirational</p> <ul style="list-style-type: none"> • Delivery of the Fryent Park to Roe Green Park Green Corridor
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6 Proposals for the next phase of community engagement and timescales for delivery

- 6.1 It is proposed that the next phase of community engagement would begin via public co-design workshops in February 2023 in each pilot area, to focus on the proposed action plans, and work with communities on where they may be able to take a lead or an active role in delivery of these projects and to stimulate interest and support for the proposed new initiatives. Following these, a hyper-local Environmental Network will be established for each area supported by a central advisory group of the most active, passionate stakeholders who wish to support this programme and mechanisms for regular two-way communication. The council would also build on the work we have begun so far through sub-groups such as the climate ambassadors programme, climate faith groups network and youth engagement work. These proposals will be developed and refined in the coming days and weeks with input and oversight from the Communities and Regeneration Directorate.
- 6.2 Delivery will then become the prime focus and the project timescales will run until the end of the 2024 calendar year. To measure the effectiveness of the Green Neighbourhoods project, officers are in the process of developing an internal data dashboard to take a snapshot of key datasets as things currently stand, and then continue to review these datasets as the project progresses and at the end of the programme.

7 Alternative Options Considered

- 7.1 There were no substantive alternative options considered at this time.

8 Financial Implications

- 8.1 The financial implications for each action are set out within Appendix A and Appendix B.
- 8.2 For the Church End & Roundwood Action Plan, of the 34 actions currently proposed, 18 actions have secured funding (via existing budgets or external grant funding) for delivery in either 2023 or 2024 calendar years. A further 11 actions are presently listed as aspirational but are largely low value and are expected to be confirmed and delivered via existing budgets or grant funding for delivery in 2023. A further 5 actions require undertaking further scoping/review work initially to better understand the interventions and costs required in the medium-to-long-term - the review costs of this work are minimal, but implementation may have significant revenue and capital financial implications which will be assessed as more detail is obtained.
- 8.3 For the Kingsbury Action Plan, of the 28 actions currently proposed, 18 actions have secured funding (via existing budgets or external grant funding) for delivery in either 2023 or 2024 calendar years. A further 8 actions are presently listed as aspirational but are largely low value and are expected to be confirmed and delivered via existing budgets or grant funding for delivery in 2023. A further 2 actions require undertaking further scoping/review work initially to better understand the interventions and costs required in the medium-to-long-term – the review costs of this work are minimal, but implementation may have significant revenue and capital implications which will be assessed as more detail is obtained.

9 Legal Implications

- 9.1 The Climate Change Act 2008 (the Act) is the statutory basis for the UK's approach to tackling and responding to climate change. The Act places a legal duty on central government to set legally binding targets to reduce UK greenhouse gas emissions to net-zero by 2050.

10 Equality Implications

- 10.1 The council, as a public authority exercising public functions, is subject to a public sector equality duty (PSED) under section 149 of the Equality Act 2010 (EqA). The PSED requires public authorities to have 'due regard' to:
- The need to eliminate discrimination, harassment, victimisation, and any other conduct that is prohibited by or under the EqA
 - The need to advance equality of opportunity between persons who share relevant protected characteristic and persons who do not share it. This involved having due regard to the need to:
 - Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic

- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
- Encourage persons who share the relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low
- The need to foster good relations between persons who share a relevant and protected characteristic and those who do not share it. This includes having due regard to the need to tackle prejudice and promote understanding.

10.2 A full Equalities Impact Assessment was provided upon the adoption of Brent's Climate Emergency and Ecological Strategy in 2021 and has been published on the council's website. This EIA forms the basis of the development of the action plans as part of this project.

11 Property Implications

11.1 There are no notable property implications at this stage.

12 Environmental Sustainability Implications

12.1 Environmental sustainability considerations are integral to the purpose, content and recommendations in this report.

13 Proposed Consultation with Ward Members and Stakeholders

13.1 The next phase of the engagement process for the neighbourhood-led pilots is set out in paragraph 6.1. Ward Members will be invited to the co-design workshops and will be encouraged to lead local communities in delivering the action plans.

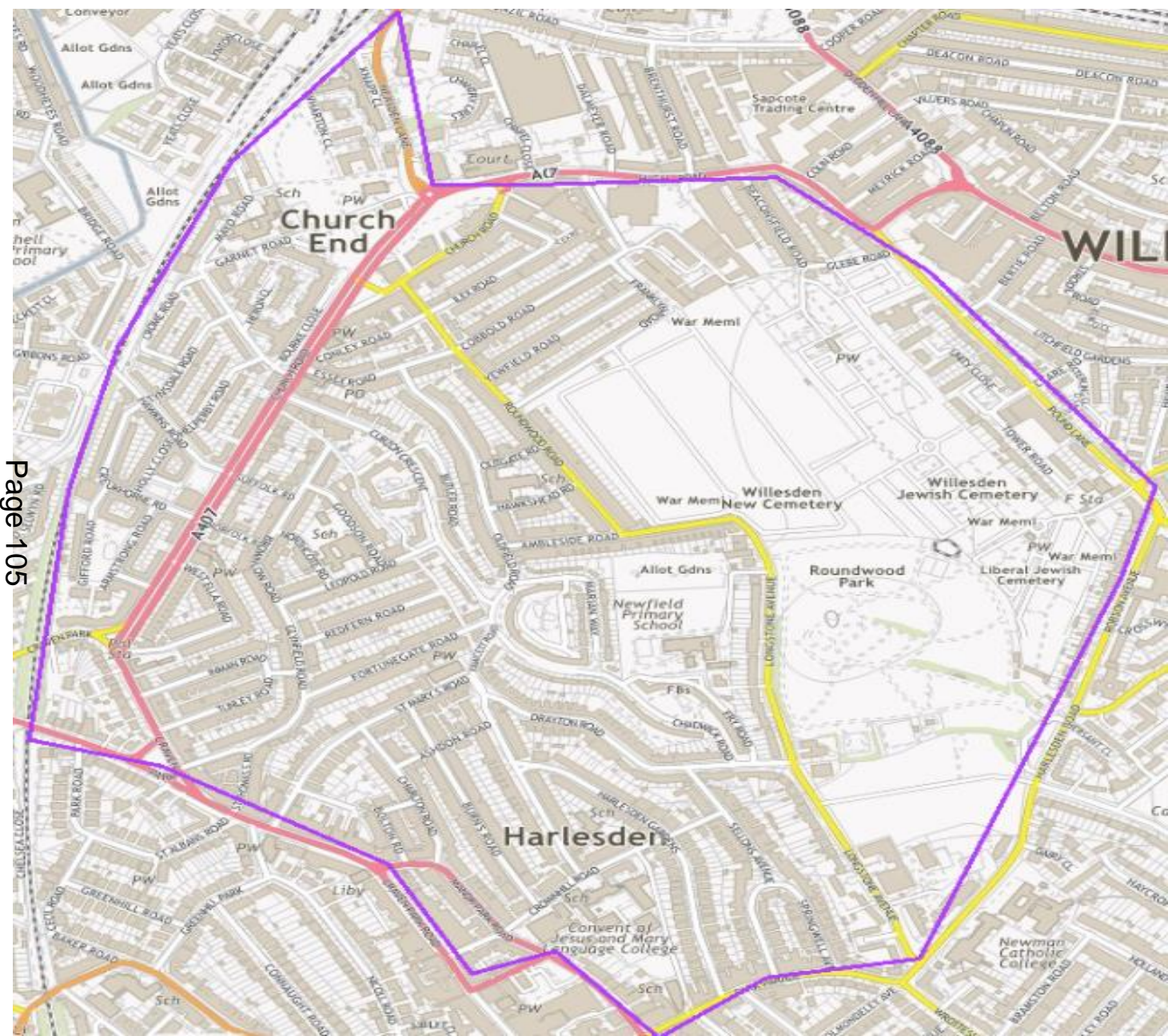
Report sign off:

Peter Gadsdon

Corporate Director, Resident Services

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Appendix A: Green Neighbourhoods Action Plan – Church End and Roundwood (CE&RW)



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CHURCH END & ROUNDWOOD

Financial Implications Categories - Key:

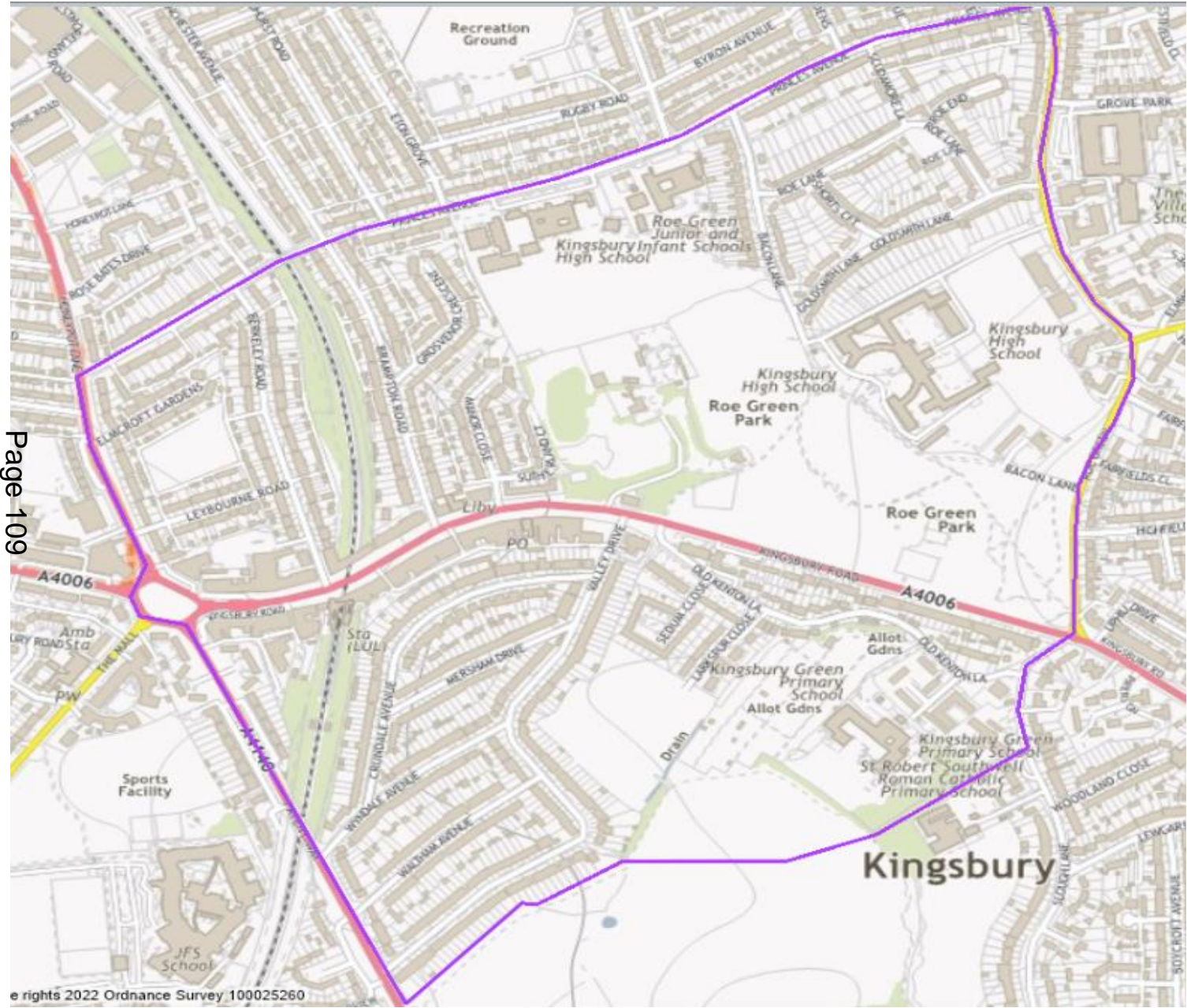
1. Short term funded (quick wins, to deliver in 2023)
2. Medium term funded (to delivery in 2024)
3. Short-term aspirational (subject to identification of funding)
4. Medium/long-term aspirational (subject to identification of funding)

Name of Project		Financial Implications
Theme 1 – Consumption, Resources and Waste		
C1	We will deliver new free internal food caddies to the eligible identified flats in Church End & Roundwood (CE&RW)	1 - Funding fully secured – part of funding previously provided to West London Waste Authority
C2	We will deliver 3 re-use and repair pop-up events at community locations in CE&RW	1 - Funding Fully secured – Borough Plan Fund for 2022-23
C3	We will work with Veolia's Eco-Team to develop further specific projects/campaigns around recycling, re-use and repair education in CE&RW	1 - Funding source fully secured as part of next phase of Redefining Local Services programme
C4	We will launch a community-based 'Environmental Street Champion' scheme in CE&RW - working with local communities on taking greater responsibility for keeping streets clean and guarding against fly tipping	3 - Funding source identified but yet to be confirmed – expected to be funded through existing budgets (Neighbourhood Management or via Borough Plan Fund for 2022-23)
Theme 2 – Sustainable Travel		
C5	We will deliver permanent School Streets at John Keble, Leopold, and St Mary's CofE Primary Schools	1 - Funding fully secured – Transport for London / Local Implementation Plan funded
C6	We will review the feasibility of 5 new permanent school streets at Curzon Crescent Nursery School, Newfield Primary, Newman Catholic College, Capital City Academy and Donnington Primary School	4 - Review costs minimal, but implementation requires further scoping
C7	We will deliver at least 11 new Electric Vehicle Charge Points in Church End & Roundwood (Ubertricity: Armstrong Road/Dixon Road; Charlton Road/Manor Park Road; Church Road High Street; Drayton Road; Longstone Avenue; Marian Way; Mayo Road; West Ella Road) (Lamp Column: Ambleside Road) (Source London: Essex Road; Roundwood Road)	1 - Funding fully secured – agreements with Uber/external Electric Vehicle Charge Point grants
C8	We will deliver at least 2 new Bike Hangars in Church End & Roundwood (Essex Road; Franklyn Road)	1 - Funding fully secured – Section 106
C9	We will seek funding to deliver at least 6 more new bike hangars in Church End and Roundwood (Hawkshead Road; Longstone Avenue; Fawcett Road; Fry Road; Chadwick Road; Suffolk Road)	3 - Funding source identified but yet to be confirmed – expected to be funded through future Section 106 bids
C10	We will undertake bespoke promotion the council's existing cycling offer to residents in CE&RW, such as: cycle training at Willesden Sports Centre and the Peddle My Wheels Scheme	3 - Funding source identified but yet to be confirmed – low value and expected to be funded through existing budgets (Climate Emergency or Healthy Streets teams)
C11	We will engage with local businesses in CE&RW on undertaking an expanded cargo bike trial scheme	1 - Funding fully secured – Borough Plan Fund for 2022-23

C12	We will undertake dedicated School Travel Plan engagement work for all 11 schools in Church End & Roundwood GN boundary of close by - with Capital City Academy, Curzon Crescent Nursery School, Leopold Primary School, Newfield Primary School, Newman Catholic College as these schools are yet to develop a STARS accredited School Travel Plan	1 - Funding fully secured – Borough Plan Fund for 2022-23
C13	We will commission a piece of work to examine existing active travel and green infrastructure in CE&RW and with aim to develop holistic 'Green Corridors' in CE&RW linking active travel routes and green spaces in the area	1 – Area-wide feasibility study. Funding fully secured via Borough Plan funding 4 - Implementation costs require further scoping
C14	We will assess the potential interventions for reducing the flow of Heavy Goods Vehicles through Harlesden and into the Green Neighbourhood area (<i>full implementation of measures unlikely to be affordable, but smaller scaler interventions will be the aim</i>)	1 – Review and exploration work 4 - Implementation of more substantial measures not secured and unlikely at this stage
C15	We will roll-out virtual docking bays for Lime Bikes around Roundwood Park and other appropriate locations in CE&RW	1 - Funding fully secured – Healthy Streets and Parking team
Theme 3 – Homes, Buildings, and the Built Environment		
C16	We will assess the energy efficiency performance of council owned stock in the CE&RW area and deliver retrofit works on the worst performing council properties in the area (<i>subject to the council's Social Housing Decarbonisation Fund bid being successful</i>)	2 - Funding fully secured but scale dependent on success of funding bid outcome
C17	We will use existing links with Housing Association presence in CE&RW and work with them to agree a specific standard of improvements for social housing (with a focus on energy efficiency) in that area regardless of landlord where reasonable	1 – Minimal to no costs expected other than officer time
C18	We will map out the known Private Rented Sector landlords in CE&RW and aim to engage with them via existing forums or new means, providing signposting to available grant funding and best practice for energy efficiency works, raising awareness about Minimum Energy Efficiency Standards (MEES) and the Energy Performance Certificate legislation changes due in 2025	1 – Minimal to no costs expected other than officer time
C19	We will engage with council tenants/leaseholders in CE&RW – with drop-ins and other engagement activity and information sharing about keeping homes warm in a sustainable way	3 - Funding source identified but yet to be confirmed – low value and expected to be funded through existing budgets (Climate Emergency/Energy team or Tenancy and Neighbourhoods)
C20	We will undertake a prominent local campaign to advertise and promote the next phase of the Greater London Authority's Solar Together scheme (<i>subject to the scheme going ahead</i>)	3 - TBC (but usually a consists of a grant from the Greater London Authority – subject to the scheme going ahead)
Theme 4 – Nature and Green Space		
C21	We will undertake new street planting at selected locations within the area, plus deliver a tree planting programme as part of Green and Healthy Streets Programme	3 - Funding source identified but yet to be confirmed – requires further scoping. But expected to be funded through existing tree planting budgets/grant funding
C22	We will implement new biodiversity infrastructure (park noticeboards, bee and bug infrastructure etc) in, at least, Roundwood Park and the open space outside St Mary's Church	1 - Funding fully secured – via parks bid to capital board
C23	We will develop and implement new biodiversity opportunities in Willesden Cemetery	4 - Funding source identified but yet to be confirmed – requires some further scoping potential to use £20k from UK Shared Prosperity Fund (UKSPF) allocation
C24	We will review the potential for new verge greening schemes and rain gardens in CE&RW	1 - Funding fully secured – Borough Plan Fund

C25	We will work with communities (such as mutual aid groups, tenant associations, faith groups and schools) in CE&RW to develop potential for new community growing schemes on appropriate green spaces within the area – to alleviate the demand on council allotment waiting list	3 - Funding source identified but yet to be confirmed – potential to use £15k from UKSPF allocation
C26	We will deliver enhanced green infrastructure (new street trees, flowerbeds and rain gardens along walking routes to schools) around John Keble Primary School, Maple Walk School, St Claudine's and Leopold Primary School as part of the Green and Healthy Streets Programme	2 - Funding fully secured – Via Transport for London
C27	We will launch an comms/engagement initiative akin to 'Greening Grey Britain' initiative to encourage residents to request/purchase a small tree, plants, seeds for their homes/gardens - with a focus on residents/community groups in CE&RW	3 - Funding source identified but yet to be confirmed – expected to apply for 2023-24 Borough Plan Fund
C28	We will promote the work of the council's public health teams in running activities in outdoor spaces in CE&RW to help residents to feel safer and encourage usage of our green open spaces	3 - Funding source identified but yet to be confirmed – expected to be funded through existing budgets (Climate Emergency Team / Public Health)
C29	We will review further environmental sustainability opportunities at Roundwood Park (including usage of the Bowling Green)	4 - Review costs minimal, but implementation requires further scoping
Theme 5 – Supporting Communities		
C30	We will run an engagement campaign with CE&RW businesses to promote council's climate offer: energy savings grant scheme, cargo bikes scheme, climate charter, carbon footprinting tools, green business guides etc	1 - Funding fully secured – Business Support Fund / Climate Emergency Budget
C31	We will develop a dedicated School Climate Network with the Harlesden Schools Cluster	1 - Minimal to no costs expected other than officer time
C32	We will develop a new stimulating comms and engagement campaign the importance of the transition to Electric Vehicles, with elements tailored to CE&RW	3 - Funding source to be confirmed – expected to be funded through existing budgets (Climate Emergency team or 2023-24 Borough Plan Fund)
C33	We will develop a localised Brent Environmental Network Community Action Group for CE&RW	1 - Minimal to no costs expected other than officer time
C34	We will engage with NHS settings in CE&RW (Willesden Centre for Health and Care and Church End Medical Centre) on awareness raising campaign on active travel, air quality and climate change	3 - Funding source identified but yet to be confirmed – expected to be funded through existing budgets (Climate Emergency Team / Health Improvement team)

Appendix B - Green Neighbourhoods Action Plan – Kingsbury



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Financial Implications Categories - Key:

1. Short term funded (quick wins to deliver in 2023)
2. Medium term funded (to deliver in 2024)
3. Short-term aspirational (subject to identification of funding)
4. Medium/long-term aspirational (subject to identification of funding)

Name of Project		Financial Implications
Theme 1 – Consumption, Resources and Waste		
K1	We will deliver new free internal food caddies to the eligible identified flats in Kingsbury	1 - Funding fully secured – part of funding previously provided to West London Waste Authority
K2	We will deliver 3 re-use and repair pop-up events at community locations in Kingsbury	1 - Funding fully secured – Borough Plan Fund
K3	We will work with Veolia's Eco-Team to develop further specific projects/campaigns around re-use, repair and recycling in Kingsbury	1 – Funding fully secured as part of next phase of Redefining Local Services programme
K4	We will launch a community-based 'Environmental Street Champion' scheme in Kingsbury – working with local communities on taking greater responsibility for keeping streets clean and guarding against fly-tipping	3 - Funding source identified but yet to be confirmed – expected to be funded through existing budgets (Neighbourhood Management or via Borough Plan Fund for 2022-23)
Theme 2 – Sustainable Travel		
K5	We will deliver 6 permanent School Streets at Claremont High School, Kingsbury Green Primary School, Mount Stewart Infant School, Mount Stewart Junior School, St Robert Southwell RC Primary School, Uxendon Manor Primary School	1 - Funding fully secured – Transport for London / Local Implementation Plan funded
K6	We will review the feasibility of delivering a further 10 permanent school streets at Brent River College, Roe Green Infant School, Roe Green Junior School, Kingsbury High School, The Village School, Fryent Primary School, JFS, Oliver Goldsmith Primary School, Sinai Jewish Primary School, St Gregory's Catholic Science College	4 - Review costs minimal, but implementation requires further scoping
K7	We will deliver at least 4 new Electric Vehicle Charge Points in Kingsbury (Ubertricity: Brampton Road; Stag Lane; Highfield Avenue) (Source London: Leybourne Road)	1 - Funding fully secured – agreements with Uber/external Electric Vehicle Charge Point grants
K8	We will undertake bespoke promotion the council's existing cycling offer to residents in Kingsbury, such as: cycle training at Willesden Sports Centre and the Peddle My Wheels Scheme	3 - Funding source identified but yet to be confirmed – low value and expected to be funded through existing budgets (Climate Emergency team or Healthy Streets)
K9	We will engage with local businesses in Kingsbury on undertaking an expanded cargo bike trial scheme	1 - Funding fully secured – Borough Plan Fund for 2022-23
K10	We will undertake dedicated School Travel Plan engagement work for all 16 schools in Kingsbury Green Neighbourhood boundary or close by - with Claremount Primary, Fryent Primary, JFS, Kingsbury High, Sinai Jewish Primary School, St Gregory's, The Village School, Southover, Bnos Beis as these schools are yet to deliver a STARS accredited School Travel Plan	1 - Funding fully secured – Borough Plan Fund for 2022-23
K11	We will review existing active travel and green infrastructure in Kingsbury and aim to develop holistic 'Green Corridors' in Kingsbury, linking active travel routes and green spaces in the areas	1 – Areas-wide feasibility study. Funding fully secured via Borough Plan funding 4 - Implementation costs require further scoping

Theme 3 – Homes, Buildings, and the Built Environment		
K12	We will assess the energy efficiency performance of council owned stock in the Kingsbury area and deliver retrofit works on the worst performing council properties in the area <i>(subject to the council's Social Housing Decarbonisation Fund bid being successful)</i>	2 - Funding plan identified but dependent on success of funding bid outcome
K13	We will seek to utilise an upcoming development at Sutherland Court as part of the New Council Homes Programme for an exemplar net zero new build	2 - Funding fully secured – part of the forecast budget for the New Council Homes Programme
K14	We will use existing links with Housing Association presence in Kingsbury and work with them to agree a specific standard of improvements for social housing (with a focus on energy efficiency) in that area regardless of landlord where reasonable	1 – Minimal to no costs expected other than officer time
K15	We will map out the known Private Rented Sector landlords in Kingsbury and aim to engage with them via existing forums or new means, providing signposting to available grant funding and best practice for energy efficiency works, raising awareness about Minimum Energy Efficiency Standards and Energy Performance Certificate legislation changes due in 2025	1 – Minimal to no costs expected other than officer time
K16	We will engage with council tenants/leaseholders etc in Kingsbury – with drop-ins and other engagement activity and information sharing about keeping homes warm in a sustainable way	3 - Funding source identified but yet to be confirmed – low value and expected to be funded through existing budgets (Climate Emergency/Energy team or Tenancy and Neighbourhoods)
K17	We will undertake a prominent local campaign to advertise and promote the next phase of the Greater London Authority's Solar Together scheme <i>(subject to the scheme going ahead)</i>	3 - TBC (but usually a consists of a grant from the Greater London Authority)
Theme 4 – Nature and Green Space		
K18	We will review the potential for new tree planting opportunities in Kingsbury	3 - Funding source identified but yet to be confirmed – requires further scoping. But expected to be funded through existing tree planting budgets/grant funding
K19	We will implement new biodiversity infrastructure (park noticeboards, bee and bug infrastructure) in Roe Green Park and consider other potential locations in liaison with local schools	1 - Funding fully secured via parks bid to capital board
K20	We will review potential for new verge greening schemes and rain gardens in Kingsbury	1 - Funding fully secured – Borough Plan Fund
K21	We will work with communities (such as mutual aid groups, tenant associations, faith groups and schools) in Kingsbury to develop potential for new community growing schemes and growing boxes on appropriate green spaces within the area – to alleviate the demand on council allotment waiting list	3 - Funding source identified but yet to be confirmed – potential to use £15k from UK Shared Prosperity Fund allocation
K22	We will launch an comms/engagement initiative akin to 'Greening Grey Britain' to encourage residents to request/purchase a small tree, plants, seeds for their homes/gardens - with a focus on residents/community groups in Kingsbury	2 - Funding source identified but yet to be confirmed – apply for 2023-24 Borough Plan Fund
K23	We will promote the work of the council's public health teams in running activities in outdoor spaces in Kingsbury to help residents to feel safer and encourage usage of our green open spaces	3 - Funding source identified but yet to be confirmed – expected to be funded through existing budgets (Climate Emergency Team / Public Health)
K24	We will work with residents to make green infrastructure improvements to Leybourne Open Space	2 - Funding fully secured – Neighbourhood Community Infrastructure Levy (NCIL)

Theme 5 – Supporting Communities		
K25	We will run an engagement campaign with Kingsbury businesses to promote council's climate offer: energy savings grant scheme, cargo bikes scheme, climate charter, carbon footprinting tools, green business guides etc	1 - Funding fully secured – Business Support Fund / Climate Emergency Budget
K26	We will develop a dedicated School Climate Network with the Kingsbury (& Kenton) Schools Cluster	1 – Funding fully secured – Borough plan funding for 2023-24
K27	We will develop a new stimulating comms and engagement campaign the importance of the transition to Electric Vehicles, with elements tailored to Kingsbury	3 - Funding source to be confirmed – expected to be funded through existing budgets (Climate Emergency team or 2023-24 Borough Plan Fund)
K28	We will develop a localised Brent Environmental Network Community Action Group for Kingsbury	1 – Minimal to no costs expected other than officer time

Appendix C – Summary of Community Engagement Ideas/Comments

Community engagement on the Green Neighbourhoods took place between July and October 2022 and has included:

- an interactive online map where residents can leave their ideas
- online and physical surveys
- engagement with seldom heard communities
- drop-in sessions
- a youth engagement programme
- developing a faith climate action group
- recruiting several local community groups as climate ambassadors
- climate fairs
- a 'tackling climate inequality communications campaign
- other corporate communication methods.

Specific comments and ideas were raised around several roads and locations, which will be fed into the action plan wherever possible or passed on to the relevant service areas internally to address. This information has been very beneficial in continuing to build localised intelligence and drill down even further as to which areas may require specific focus when formulating actions in the delivery plan in greater degrees of detail.

Church End & Roundwood

Theme	Total of community comments (351 in total)	Example of issues raised
Enhanced Green Infrastructure & Biodiversity Measures	138 (39%)	<ul style="list-style-type: none">• Enhancing green spaces• Trees/planters• Community Gardening• Community Food Growing• Greening public realm• Links to active travel routes (i.e Church Path etc)
Sustainable Travel Infrastructure	85 (24%)	<ul style="list-style-type: none">• Improved active travel infrastructure• Parking restrictions• Electric vehicle charge points• Linking active travel infrastructure to green spaces/green infrastructure• Public transport improvements• Reducing Heavy Goods Vehicles
Recycling & Re-Use Projects: Towards a Circular Economy	69 (20%)	<ul style="list-style-type: none">• Improved waste infrastructure• Reducing fly-tipping and improvements to public realm• Educational programmes about waste hierarchy
An engaged and collaborative community	32 (9%)	<ul style="list-style-type: none">• Importance of the role of faith groups• Educational programmes

		<ul style="list-style-type: none"> Improvements to communication/engagement structures
Other	13 (4%)	<ul style="list-style-type: none"> Anti-social behaviour
Retrofitting Homes & Buildings	9 (3%)	<ul style="list-style-type: none"> Energy efficiency measures Planning process
Working with Businesses to Go Green	5 (1%)	<ul style="list-style-type: none"> Closer working/co-operation with businesses on climate agenda

Kingsbury

Theme	Total of community comments (184 in total)	Example of issues raised
Enhanced Green Infrastructure & Biodiversity Measures	81 (44%)	<ul style="list-style-type: none"> Enhanced green spaces Trees / planters Greening of the public realm Educational programmes Community gardening Community Food Growing
Sustainable Travel Infrastructure	40 (22%)	<ul style="list-style-type: none"> Active Travel Infrastructure Parking restrictions Electric Vehicle Charge Points Links to green spaces / green infrastructure Public transport improvements Highways / Public Realm suggestions
Recycling & Re-Use Projects: Towards a Circular Economy	26 (14%)	<ul style="list-style-type: none"> Improved waste infrastructure Tackling flytipping Tackling littering
An engaged and collaborative community	14 (7%)	<ul style="list-style-type: none"> Educational programmes More opportunities for young people Utilisation of green spaces for climate/environmental events
Other	13 (7%)	<ul style="list-style-type: none"> Public realm improvements more generally
Retrofitting Homes & Buildings	5 (3%)	<ul style="list-style-type: none"> More grants available for energy efficiency improvements
Working with Businesses to Go Green	5 (3%)	<ul style="list-style-type: none"> Collaborating with businesses on this agenda, particularly Kingsbury High Road

GREEN NEIGHBOURHOODS ENGAGEMENT: JULY-OCT 2022



YOUTH ENGAGEMENT

500 young
people engaged



TOTAL ENGAGEMENT

Almost 2k
residents
engaged

CLIMATE FAIRS

- Roe Green Climate Fair (September) - 200 people attended and engaged
- Church End Climate Fair and Festival (October) – 1500 people attended and 200 people engaged



CLIMATE AMBASSADORS

10 Climate
Ambassadors
recruited



CLIMATE ACTION WORKSHOPS

- Black Community Action Plan Group
- Church End Regeneration Team
- Members' Session
- Harlesden Neighbourhood Forum
- Afghan Islamic and Cultural Centre
- Jason Roberts Foundation
- SMVS Swaminarayan Sanstha - Kingsbury
- Kingsbury Islamic Centre - Friday prayers at All Saints' church hall: Session on Green Neighbourhoods: 200
- Muzani Somali Centre: Friday Prayers- Session on Green Neighbourhoods: 300



KINGSBURY LIBRARY

Kingsbury Library hosted a Green Neighbourhood programme throughout October. They held a community event on Saturday 29 October in which 112 adults and children attended. Through out the month they asked residents to complete the Green Neighbourhood surveys.

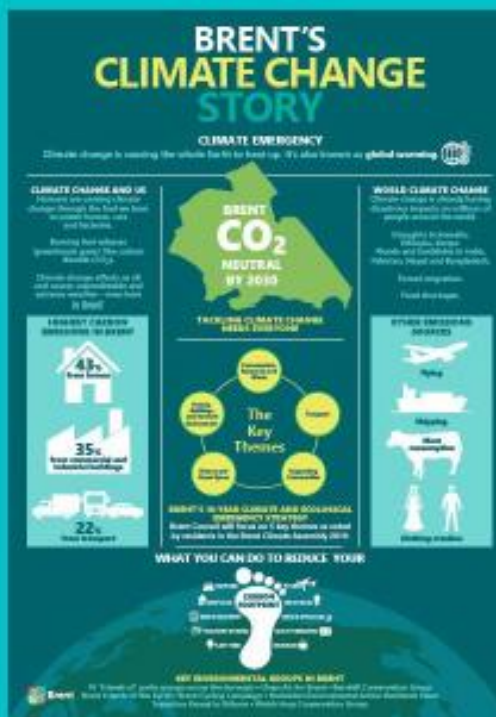
FAITH CLIMATE ACTION GROUP

- Faith Climate Strategy being agreed with members
- Faith Climate Action Plans being developed
- Developing peer to peer training on Climate action in Brent – 'Waste Hero programme' and 'Climate Action'
- Small greening projects being explored across the faith buildings in Green Neighbourhood areas – being led by the group
- Litter picking events being explored – Tue 13 Dec TBC (Church End)
- Invited to lead workshops on Brent's work with faith communities and climate change

TACKLING CLIMATE INEQUALITY CAMPAIGN: SHORT VIDEOS AND CASE STUDIES




CLIMATE ACTION RESOURCES



GREEN NEIGHBOURHOODS ENGAGEMENT: IN PHOTOS



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 Brent	Cabinet 16 January 2023
	Report from the Corporate Director Resident Services
Authority to Award Contracts for Highway Maintenance Services	

Wards Affected:	All
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>	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Three Appendix 1: Name of Tenderers (exempt) Appendix 2: Tender Evaluation Grid (Lot 1) Appendix 3: Tender Evaluation Grid (Lot 2)
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Chris Whyte Director of Environment & Leisure Tel: 020 8937 5342 Email: chris.whyte@brent.gov.uk Tony Kennedy Head of Highways Management Tel: 020 8937 5151 Email: Tony.Kennedy@brent.gov.uk

1.0 Purpose of the Report

1.1 This report concerns the award of contracts for the provision Highway Maintenance Services (collectively referred to as "the contracts") following

approval of Cabinet on 7 February 2022 to tender for the provision of these services. This Cabinet report set out in detail the aims and objectives of the Redefining Local Services programme, the procurement strategy and contract and service improvements.

- 1.2 This report requests authority to award contracts as required by Contract Standing Order 88. This report summarises the process undertaken in tendering this contract and, following the completion of the evaluation of the tenders, recommends to whom the contracts should be awarded.

2.0 Recommendations

Cabinet are recommended to:

- 2.1 Approve the award of the contract “Lot 1” for the provision of Highway Maintenance Services to O’Hara Bros Surfacing Ltd for an initial contract period of seven (7) years, with an option to extend for up to a further three (3) years on an annual basis and notes that the value of the contract is estimated to be circa £4.3m per year, or circa £43m over the 10 year duration of the contract (excluding inflation indexation).
- 2.2 Approve the award of the contract “Lot 2” for the provision of Highway Maintenance Services to GW Highways Ltd for an initial contract period of Seven (7) years, with an option to extend for up to a further three (3) years on an annual basis and notes that the value of the contract is estimated to be circa £3.5m per year, or circa £35m over the 10 year duration of the contract (excluding inflation indexation).

3.0 Detail

- 3.1 The Council entered into a call-off contract to Conway AECOM to deliver highways maintenance and related services on and around the London Borough of Brent Road Network from 1 April 2013 to 31 March 2021. The contract was a call-off from one of the London Highways Alliance Contract (LoHAC) framework agreements, the product of a collaborative procurement which was accessible to all London Boroughs and Transport for London (TfL).
- 3.2 In order to make the contract co-terminus with other environmental contracts as part of the contract review undertaken as part of the RLS process, it was extended by 2 years and novated to FM Conways. The present contract expires on 31st March 2023.
- 3.3 The report to Cabinet on 7th February 2022 titled: “Final Redefining Local Services Delivery Model and Authority to Tender Contract for Highways Maintenance Services” provided information aims and objectives of the Departments Redefining Local Services (RLS) programme and set out the aims and objectives for service improvements, risks and potential mitigations,

along with the approach to the procurement of two highways maintenance services contracts for:

- (a) Highways Maintenance Works contract: Planned Highways Maintenance and Highways Schemes; Reactive Highways Maintenance including emergency call-out; and Cyclical and Reactive Gully cleansing.

Scope of Highways Maintenance Works contract Lot 1:

- (i) Planned schemes and maintenance work in area 1 of the borough
- (ii) Reactive repairs in the whole of the borough
- (iii) Occasional planned schemes and maintenance work in the area 2 of the borough – with no guarantee that any such work will be given

Scope of Highways Maintenance Works contract Lot 2:

- (i) Planned schemes and maintenance work in area 2 of the borough
- (ii) Occasional reactive repairs work across the whole of the borough – with no guarantee that any such work will be given
- (iii) Occasional planned schemes and maintenance work in area 1 of the borough – with no guarantee that any such work will be given

- (b) Highways Consultancy Services contract: the Inspection of Highway Structures, Site Investigations and Surveys and Design Services.

- 3.4 Both Lot 1 and Lot 2 are for an initial term of 7 years but can be extended for a further 3 years annually, for up to 10 years, based on good performance.
- 3.5 The decision to extend the contracts will be based on the respective services being delivered to a minimum satisfactory standard, outlined in up to 12 Primary Performance Indicators and 5 Secondary Performance Indicators, covering the range of services. The PPI for gully cleansing, and the three PPIs for reactive maintenance, would not normally apply to Lot 2 as those services are not expected to be delivered via that contract.
- 3.6 At time of writing (December 2022) the Highways Consultancy Services contract has not yet been progressed. Instead, officers are pursuing other procurement options to provide these services post March 2023.
- 3.7 There were delays to the procurement process due to the complexity of these contracts resulting in a number of clarifications and requests for extensions by bidders.
- 3.8 However, the Contract with FM Conway is currently due to expire on 31 March 2023. Officers consider that the available mobilisation period will be sufficient to avoid disruption of services. It is not expected that planned works will be required to commence at the start of the contract in April 2023, and aspects that are the priorities to be ready for April 1st are the Reactive Maintenance, Emergency Call Out and Gully Cleansing of Lot 1.

The Tender Process

Overview

- 3.8 The RLS programme considered the Council's strategic approach to the delivery of key council services, including parking services. Following statutory best value consultation, the Final RLS Delivery Model, agreed by Cabinet on 16 August 2021, is a "specialist contracts delivery model with low to moderate levels of insourcing". This delivery model comprises outsourcing using discreet, specialist contracts, and the insourcing and enhancement of a small number of client functions that would provide the Council with greater strategic and financial control and improved contract management and stakeholder engagement.
- 3.9 On 2 December 2021 the Council held a Highways Contract Market Warming event to discuss the tender and potential approach to tendering for Highways Services contracts with potential bidders. The soft market engagement opportunity was advertised via the Brent e-tendering portal and 'Find a Tender Service'. Eleven organisations expressed an interest.
- 3.10 The market warming event consisted of two elements. In order to register their interest in attending a meeting with Brent Council, potential bidders were asked to complete a form and questionnaire and return it to the Council. Ten questionnaires were returned. It was made clear that the notice did not commit the Council to any future competition or award
- 3.11 The second element took the form of an on-line meeting where Council briefed the interested parties on its current service status, the changing environment and openness for innovation. Representatives from the organisations attended and there were opportunities for clarification from the attendees collectively.
- 3.12 The main aims of the market engagement were to seek views from potential bidders on the Council's outline procurement strategy and to understand what would make any procurement exercise attractive to the market. The discussions were informative and can be summarised as follows:
- There was general consensus on a long contract duration with an initial term of seven years and with cumulative extensions up to a further three years granted on an annual basis; longevity of a contract provides surety and enables a dedicated resource to deliver the works for the contract.
 - At that time the Council was considering conducting a restricted tender for the procurement of these services, in the end an open tender with an SQ stage was used. Although the prospect of a restricted approach was generally welcomed, views were flexible.

- Regarding the tender structure, there was a balance of views, with both advantages and disadvantages being tabled for either:
 - two contracts each covering all services:
 - or the arrangement taken forward, i.e., one contract covering reactive maintenance for the whole of the borough plus planned works in one half, and another contract for planned works in the other half of the borough

There were no “showstoppers” brought forward for either Option. On request, various alternative options were also put forward, from a single service provider to two contracts both covering planned and reactive maintenance in their geographical areas; and three contracts each covering all services (similar to the three footway contracts which delivered the £20m footway improvements in three geographical areas)

- In response to the question of what opportunities would be created for the local supplier base within the supply chain, generally potential bidders would seek to engage with new suppliers and businesses in Brent to align procurement requirements with their capability

3.13 The Cabinet report of 7 February 2022 set out the approach to procurement, as detailed in section 3.3 above, and the aims and objectives to improve services, as follows. The aim set by members for the RLS programme is to design and implement a better, more integrated and flexible local services delivery model that improves the look and feel of Brent’s public realm. The following RLS programme objectives were defined by Brent’s members following the launch of the programme in May 2019:

- Meet residents’ and businesses’ requirements for the services: fully engage with the community to understand their needs and aspirations
- A clean, green environment: place clean streets, clean air, carbon reduction, quality green spaces, trees & biodiversity at the heart of the programme
- Be bold and innovative: explore all possible delivery options and seek out best practice and innovation from other providers, from the UK and abroad
- Provide the best value possible with available council resources, in the context of post-Covid financial pressures
- Ensure services are flexible and adaptable to change: build in control, flexibility and resilience to manage future change

3.14 Officers from the Highways Management team, with support from an independent specialist highways consultant developed the specification for the contract in consideration of the aims and objectives identified through the RLS programme.

3.15 The New Engineering Contract (NEC) is a suite of documents from the

Institution of Civil Engineers that guides the drafting of documents on civil engineering, construction and maintenance projects for the purpose of obtaining tenders, awarding and administering contracts. The new Highway Services contract will be let using the NEC 4 model contract (with some minor amendments to meet Brent requirements supplemented by special conditions). NEC4 is the most up-to-date suite of NEC Contracts, published in June 2017.

- 3.16 An officer project team was established for the procurement of these contracts, comprising of managers within the Highways Management team supported by an independent specialist Highways Consultant, with representatives from Procurement, Finance and Legal services. A project plan was developed to enable the reported on progress at monthly RLS Board meetings chaired by the Operational Director for Environment.

The Open Tender Process

- 3.17 Advertisements were placed on the 'Find a Tender Service' (FTS) via the London Tenders Portal on 26th August 2022 for both Lots 1 & 2.
- 3.18 This was an open tender, and the process was completed using a single stage with an SQ process. Bidders were provided with the full tender pack and were asked to submit responses for the SQ and the ITT at the same time. Four contractors entered submissions on the portal.

3.19 Selection Questionnaire (SQ)

For the SQ, bidders provided information on the organisations ability to meet the experience requirements. After moderation all four bidders were deemed to have met the requirements. The above mentioned SQ counted for both Lots 1 & 2.

3.20 Invitation to Tender (ITT)

The tendering instructions stated that the contract would be awarded based on the most economically advantageous offer to the Council. For both Lots 1 & 2 at tender evaluation stage, the panel evaluated the tenders against the following criteria as laid out in the "Pre-Tender Considerations for the Highways Maintenance Contracts" section of the 7th February 2022 Cabinet report:

- Price 55%
- Technical/Quality 35%
- Social Value 10%

- 3.21 The quality criteria communicated to tenderers that were used to determine the most economically advantageous bid, are listed in Tables 1 & 2 below:

Table 1 – Quality Criteria Highways Lot 1

MS1	Resources & Mobilisation	10%
MS 1A	Management Team Structure	20%
MS 1B	Contract Personnel	15%
MS 1C	Managing Internal & External Subcontractors	15%
MS 1D	Materials/Plant Procurement	15%
MS 1E	Operational Premises Strategy	15%
MS 1F	Ensuring a Successful Mobilisation	20%
		100%
MS2	Contract Behaviours & Process	10%
MS 2A	Works Management	20%
MS 2B	Works Efficiency	20%
MS 2C	Project Management and Programme control	20%
MS 2D	Health & Safety	15%
MS 2E	Financial Planning	15%
MS 2F	Performance Measurement and Management	10%
		100%
MS3	Service Delivery	10%
MS 3A	Emergency Call Outs & Cat 1s	15%
MS 3B	Reactive Highways Works (Cat 2H & 2M)	20%
MS 3C	Gully Cleaning Annual Works	15%
MS 3D	Footway Maintenance Projects	15%
MS 3E	Carriageway Resurfacing Projects	15%
MS 3F	Public Realm Improvement Projects	10%
MS 3G	Structures Projects	10%
		100%
MS4	Sustainability	5%
MS 4A	Waste management plan	50%
MS 4B	Logistics, traffic and vehicle management plan	50%
	<i>MS4 Total</i>	100%
	Method Statement Quality	35%
	Social Value	10%
	Price	55%
		100%

Table 2 – Quality Criteria Highways Lot 2

MS1	Resources & Mobilisation	10%
MS 1A	Management Team Structure	20%
MS 1B	Contract Personnel	15%
MS 1C	Managing Internal & External Subcontractors	15%
MS 1D	Materials/Plant Procurement	15%
MS 1E	Operational Premises Strategy	15%
MS 1F	Ensuring a Successful Mobilisation	20%
		100%
MS2	Contract Behaviours & Process	10%
MS 2A	Works Management	20%
MS 2B	Works Efficiency	20%
MS 2C	Project Management and Programme control	20%
MS 2D	Health & Safety	15%
MS 2E	Financial Planning	15%
MS 2F	Performance Measurement and Management	10%
		100%
MS3	Service Delivery	10%
MS 3A	Reactive Highways Works (Cat 2H & 2M)	5%
MS 3B	Footway Maintenance Projects	30%
MS 3C	Carriageway Resurfacing Projects	30%
MS 3D	Public Realm Improvement Projects	20%
MS 3E	Structures Projects	15%
		100%
MS4	Sustainability	5%
MS 4A	Waste management plan	50%
MS 4B	Logistics, traffic and vehicle management plan	50%
	<i>MS4 Total</i>	100%
	Method Statement Quality	35%
	Social Value	10%
	Price	55%
		100%

Evaluation process

- 3.22 All tenders had to be submitted electronically no later than Monday 14 November 2022 at 12 noon. Tenders were opened on Monday 14 November 2022 and four tenders were received for each Lot. Each member of the evaluation panel read the tenders independently and carried out an evaluation of how well they considered each of the award criteria was addressed in the tender for Quality and Social Value.

3.23 The tender evaluation process was carried out by a panel of officers from the Highways Management Service. This was followed by a moderation process which also included members of both the Highways Management and Procurement Services. The process consisted of 3 elements: Quality, Social Value and Price being scored separately and the results from each section combined to give an overall MEAT (Most Economically Advantageous Tender) score for each bid.

3.24 The scoring scheme for the quality evaluation for both Lots 1 and 2 is shown below in Table 3.

Table 3 - Scoring for Quality/Technical questions

Score	Definition	
0	<p>The information required is either omitted or fundamentally fails to meet the relevant submission requirements to address the Council's requirements.</p> <p>Insufficient evidence to demonstrate that the relevant submission requirements or the Council's requirements can be met.</p>	Unacceptable
1	<p>The information submitted has insufficient evidence that the specified requirements can be met.</p> <p>Significant omissions, serious and/or many concerns.</p>	Major reservations
2	<p>The information submitted has some minor omissions in respect of the relevant submission requirements.</p> <p>The tender satisfies the basic minimum requirements in some respects but is unsatisfactory in other respects and raises some concerns.</p>	Some Reservations
3	<p>The information submitted provides some good evidence to meet the relevant submission requirements and/or the Council's requirements.</p> <p>It is satisfactory in most respects and there are no major concerns.</p>	Satisfactory
4	<p>The information submitted provides good evidence that all the relevant submission requirements and/or the Council's requirements can be met.</p> <p>Full and robust response, any concerns are addressed so that the proposal gives confidence.</p>	Good

5	<p>The information submitted provides good evidence that all the relevant submission requirements and/or the Council's requirements can be met and the proposal is outstanding.</p> <p>Exemplary in the industry, provides full confidence and no concerns.</p>	Outstanding
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3.25 The scoring scheme for the Social Value aspects for both Lots 1 and 2 is shown below in Table 4.

Table 4 - Scoring for Social Value questions

Score	Definition	
0	<p>The Social Value offer was omitted or fundamentally failed to meet the relevant Social Value measures.</p> <p>Insufficient evidence to demonstrate that the relevant submission requirements or the Council's requirements can be met.</p>	Unacceptable
1	<p>The Social Value offer is adequate but there is insufficient evidence to demonstrate that the relevant Social Value offer can be met.</p> <p>Significant omissions, serious and/or many concerns.</p>	Major reservations
2	<p>The Social Value offer has some minor omissions in respect of the relevant Social Value measures.</p> <p>The Social Value offer satisfies the basic minimum requirements in some respects but is unsatisfactory in other respects and raise some concerns.</p>	Some Reservations
3	<p>The Social Value offer submitted provides some good evidence to meet the relevant Social Value commitments offered in the Council's view.</p> <p>It is satisfactory in most respects and there are no major concerns.</p>	Satisfactory
4	<p>The Social Value offer submitted provides, in the Council's view, good evidence that all the Social Value commitments offered can be met.</p> <p>Full and robust response, any concerns are addressed so that the proposal gives confidence.</p>	Good
5	<p>The Social Value offer submitted provides strong evidence, in the Council's view, that all the Social Value commitments offered can be met and the proposal is outstanding.</p> <p>Provides full confidence and no concerns.</p>	Outstanding

3.26 The panel met on Tuesday 23rd November and Wednesday 24th November 2022 to moderate Lot 1 and on Tuesday 6th December 2022 to moderate Lot 2 to determine the final scores against SQ, Quality and Social Value for each tender. Each submission was reviewed by the whole panel against the award criteria. On Lot 2, the panel agreed a moderated score of '0' for each question from 3.1 – 3.5 'Service delivery' for Contractor H. The bidder failed to submit the appropriate responses that covered the topics in the individual questions

within this section. The panel felt this was unacceptable as the information required was omitted and failed to meet the relevant submission requirements. The methodology for scoring is included in 'Table 3' above. This score led to the tender from Contractor H being an overall Fail and for it to be excluded from the process for Lot 2. This decision was supported by the guidance set out to bidders within the ITT document which stated the following:

Scoring of both Quality/Technical and Social Value questions

A response that is awarded a score of:

- (a) *0 for one or more Quality/Technical or Social Value question(s); or*
- (b) *2 or less for two or more Quality/Technical or Social Value questions will be deemed to be a fail overall and be excluded from the process.*

- 3.27 In terms of price, the price evaluation was based on two commercial models, one for Lot 1 and another for Lot 2. The models replicated an expected annual volume of work for each Lot. The various elements of work were priced according to the rates submitted for the various items by each bidder. For each Lot, the maximum available marks were awarded to the lowest total price calculated against the respective commercial model, and all other submissions awarded marks relative to the variance between their cost and the lowest cost. For Lot 2 only 3 out of 4 bidders were considered due to one bidder not meeting the minimum criteria on Quality and therefore not being taken forward/ excluded in the process
- 3.28 The names of the tenderers are contained in Appendix 1 (classified as exempt). The scores received by the tenderers for Lot 1 are included in Appendix 2. The scores received by the tenderers for Lot 2 are included in Appendix 3. It will be noted that Contractor D was the highest scoring tenderer for Lot 1 and Contractor F was the highest scoring tenderer for Lot 2. Officers therefore recommend the award of Lot 1 to Contractor D, namely, O'Hara Bros Surfacing Ltd, and the award of Lot 2 to Contractor F, namely, GW Highways Ltd.
- 3.29 It is proposed that the contract commence on 1st April 2023, subject to the Council's observation of the requirements of the mandatory standstill period noted in paragraph 5.2 below.

4.0 Financial Implications

- 4.1 The Council's Contract Standing Orders state that contracts for services / supplies exceeding £5 million shall be referred to the Cabinet for approval of the award of the contract. The values of the Highway Services contracts Lots 1 & 2 are estimated to be considerably over the threshold.
- 4.2 The annual value of the contract for the provision Highway Services Lot 1 is estimated to be circa £4.3m, of which £780k is revenue cost and £3.5m is capital. The annual value of the contract Highway Services Lot 2 is estimated

to be circa £3.5m and is fully capital related. The cost of these contracts will be fully funded from the existing revenue and capital budgets.

- 4.3 It should be noted that the cost for the Emergency Call Out service, included in Lot 1, has increased substantially from circa £50k per annum to an estimated £240k per annum (the figures are estimated as the total depends on the number of Call Outs incurred). With the current reactive maintenance budget, this will mean that the funding available for the repair of medium priority highway defects will be considerably reduced.
- 4.4 In terms of the existing contract with FM Conway, the tendered prices represent an estimated average increase of 21% for Lot 1 and 16% for Lot 2, compared to 2022/23 contract prices. It should be noted that, had the existing contract been extended into 2023/24, there would have been a substantial increase in prices due to the application of inflation indices in any case.
- 4.5 The award of both contracts is for an initial period of seven years, with an option to extend for a further three years, making the total contract cost of both contracts an estimated £78m over ten years, at today's prices. Both contracts are subject to inflationary increases and this risk needs to be considered as part of the Council's Medium Term Financial Planning.

5.0 Legal Implications

- 5.1 The estimated values of the Highway Services contracts Lots 1 & 2 over their lifetimes are in excess of the threshold for Services and the award of the contracts are therefore governed by the Public Contracts Regulations 2015 (the "Regulations"). The award of the Highway Services contracts Lots 1 & 2 are subject to the Council's own Standing Orders in respect of High Value contracts and Financial Regulations.
- 5.2 As advised in the report for Cabinet on 7 February 2022 requesting authority to tender these contracts, the Council must observe the mandatory minimum 10 calendar day standstill period before the contract can be awarded. Therefore, once the Cabinet has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decisions. A minimum 10 calendar day standstill period will then be observed before the contracts are concluded – this period will begin the day after all Tenderers are sent notification of the award decisions – and additional debrief information will be provided to unsuccessful tenderers, As soon as possible after the standstill period ends, the successful tenderers of each contract will be issued with a letter of acceptance and the contracts can commence.
- 5.3 The Legal Implications relating to TUPE and Human Rights have been set out in section 8.0 below.

6.0 Equality Implications

6.1 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.

6.2 Under the Public Sector Equality Duty, having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

6.3 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.

6.4 In January 2022 an Equality Analysis was undertaken in relation to Highways Maintenance Services and no adverse equality or diversity implications were identified.

6.5 The proposals in this report have been subject to screening and officers believe that there are no adverse equality implications.

7.0 Consultation with Ward Members and Stakeholders

7.1 Targeted consultation on the RLS Delivery Model Options to comply with Section 3 LGA 1999 took place from 17 May to 28 June 2021 and the results of this exercise and how these have influenced the Final RLS Delivery Model are set out in section 4 of the August 2021 Cabinet Report, with further detail in Appendix 1 of that report.

7.2 The RLS Members' Reference Group has met several times to consider the RLS programme, the RLS Review, the Delivery Model Options and statutory consultation results and the Final RLS Delivery Model.

7.3 Decisions on service changes which are likely to result in a significant change in the services provided to residents require consultation with them on

common law grounds. Whether or not consultation is required will depend on the scale and significance of the proposed changes.

- 7.4 There are no significant changes to services proposed. Service delivery is guided by the Traffic Management Act and related legislation, along with the Secretary of State's Statutory Guidance and the London Councils Code of Practice. Therefore, no resident consultation is required.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 The existing services are currently provided by an external contractor, FM Conway and there are no implications for existing Council staff or property arising from retendering the contract. There is one individual working for the incumbent contractor who has a right to pension protection, provided that they remain working on the Brent contract. Accordingly, there will be a pension admission agreement for the LGPS and pension bond with whichever of the new contractors that individual ends up working for – or potentially both if that individual's employment is split between the two incoming contractors.
- 8.2 Alternative contractors have been recommended for the award of the contracts, therefore the incumbent contractor's staff that are currently employed in the provision of these services will be eligible to transfer pursuant to TUPE. It is expected that the vast majority of the incumbent contractor's staff will transfer under TUPE to the new contractors although it is common practice for the outgoing contractor to offer alternative roles to a small number of people
- 8.3 TUPE information was made available to bidders. The levels of staff required by the new contractors to deliver the services are of a comparative level to those provided by the incumbent contractor and the incoming contractors outlined in their submissions the steps they have in place to deal with any gaps that might arise at the time of TUPE.

9.0 Public Services (Social Value) Act 2012

- 9.1 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 ("the Social Value Act") to consider how services being procured might improve the economic, social and environmental 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. Officers have had regard to considerations contained in the Social Value Act in relation to the procurement and more detail is provided in section 9.2 below.
- 9.2 Social Value was scored against the criteria in Table 4 above.

Lot 1 – Social Value

Contractor D provided commitments against the following 3 themes.

Theme	Commitment
Every opportunity to succeed 2.2 - Employment support and skills provision, including significantly increasing the take-up of apprenticeships 2.7 - Ensuring businesses in the supply chain encourage more awareness and support for the improvement of staff mental health and wellbeing.	<ul style="list-style-type: none"> • A commitment to 158 new recruits over the life of the contract. Inclusive of apprentices and new staff. • Hold 1 workshop per annum for all members of LBB supply chain. • £4250 per year donation to support the 'lighthouse Club' who focus on emotional, physical and financial wellbeing support to construction workers.
Strong Foundations 1.6 - Working alongside residents and organisations in parts of Brent that are particularly disadvantaged, with a view of improving outcomes	<ul style="list-style-type: none"> • Will work with Brent educational establishments to provide three school visits each year of the Contract to promote construction careers. • will attend the annual Connexions 'What's Next' event that takes place in March every year at Brent Civic Centre for 16–19-year-olds looking for training, employment, apprenticeship, college or university opportunities, as well as the annual Jobs Show at Wembley Stadium. • will partner with Brent Family Support Project to help provide families and people from disadvantaged groups with support and counselling, befriending, hospital visits, prison visits, social evenings. • We will commit £1,000 annually to support this organisation. This will be in addition to £1,000 annual donation to a special educational needs school in the borough which will be rotated each year and £1,000 to a local

	sports team that focuses on disadvantaged areas and people.
<p>A Cleaner more Considerate Brent</p> <p>4.2 - Contributing toward increasing the number of trees and biodiverse, bee-friendly and sustainable planting on our streets, in our public spaces, and our award-winning parks</p> <p>4.4 – Helping with Community clear up days and food growing projects</p> <p>4.5 - Promoting greater environmental sustainability: Minimising waste and pollution, supporting carbon reduction initiatives, reduction of waste to landfill.</p>	<ul style="list-style-type: none"> Planting of 26 semi mature trees per year, 25 of which will be within Brent, and one will be in the contractor's Depot in Harrow. Planting of ten 25m sections of wildflowers over the Contract Term. Installation of 25 bird-boxes in agreed locations per year of the Contract. Four employees to volunteer for the Community Litter Pick once a year four volunteers annually to support a 'Sufra NW London edible garden' a local improvement project through maintenance of their edible garden initiative annual donations of £250 to 'Sufra NW food bank' initiative to help the most vulnerable people in North West London access the food and support they need to survive. All new vehicles purchased from 2023 onwards, will be hybrid as a minimum. 97-99% reuse or recycle of all site arisings within the Borough

Lot 2 – Social Value

Contractor F provided commitments against 3 themes.

Theme	Commitment
<p>Strong Foundations</p> <p>1.6 - Working alongside residents and organisations in parts of Brent</p>	<ul style="list-style-type: none"> A minimum of three engagement events in Brent for each contract

that are particularly disadvantaged, with a view of improving outcomes	year. This will be targeted at Secondary schools/ colleges and also Care leavers.
<p>A Cleaner more Considerate Brent</p> <p>4.2 - Contributing toward increasing the number of trees and biodiverse, bee-friendly and sustainable planting on our streets, in our public spaces, and our award-winning parks</p> <p>4.4 - Helping with Community clear up days and food growing projects</p> <p>4.5 - Promoting greater environmental sustainability:</p>	<ul style="list-style-type: none"> • A minimum of 25 x semi-mature trees (e.g. for each year of the contract at locations agreed with Brent Council, e.g. redundant tree pits. The trees will be maintained, e.g. watered, staked and pruned where necessary throughout the contract duration. • A minimum of 10 x bee-friendly wildflower areas on highway verges throughout the 10-year contract duration. These will be established in locations agreed with the council and will measure at least 25m long and around 1m wide, and will be maintained throughout the contract, e.g. annual cutting. • A minimum of Three x local improvement projects per contract year (i.e. 30 in total over the contract duration), e.g. refurbishing greenspaces, relining of car parks, resurfacing playgrounds for a nursery, litter-picking days, creating sensory garden for a residential care home or similar. • Each improvement project will involve a commitment of at least 32 person hours. • Time and monetary contributions to local charity and voluntary organisation for each year of the contract e.g. the Brent Resident Support Fund which provides discretionary support for Brent residents in financial difficulties. • Introduction of a carbon calculator which will enable the bidder to proactively forecast the carbon emissions associated

Minimising waste and pollution, supporting carbon reduction initiatives, reduction of waste to landfill.	<p>with delivering specific services and projects; we commit to introducing the use of this tool in the delivery of this contract during year 1 which will aid in measuring a number of aspects ranging from vehicles, Plant, local supply chain etc.</p> <ul style="list-style-type: none"> • 100% of our plant and vehicles will operate on Shell GTL fuel, an alternative to diesel and which has lower emissions including sulphurs, metals and aromatics resulting in reduced air pollution, and which is 'readily biodegradable' • Waste reduction targets over the contract duration
<p>Every Opportunity to Succeed</p> <p>2.2 - Employment support and skills provision, including significantly increasing the take-up of apprenticeships</p> <p>2.7 - Ensuring businesses in the supply chain encourage more awareness and support for the improvement of staff mental health and wellbeing.</p>	<ul style="list-style-type: none"> • 10 x apprenticeships over the contract duration (1 per year) • Training a minimum of one x mental health first aiders per year for the contract duration (10 in total), who can support colleagues

9.3 The tender submissions for Social Value for both Contractors D and F were found to be meet the Council's requirements.

Related Documents:

Cabinet Report titled: Authority to Tender Contracts for Parking and Traffic Civil Enforcement Services 7th February 2022

Report sign off:

Peter Gadsdon

Corporate Director, Resident Services

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

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APPENDIX 2

HIGHWAYS MAINTENANCE SERVICES – LOT 1

TENDER EVALUATION GRID

Moderation Sheet

Project title - DN574073 - Lot 1

Quality		Weighting	Contractor A		Contractor B		Contractor C		Contractor D		
			5	Score	Result	Score	Result	Score	Result	Score	Result
Resources and Mobilisation											
1	Question 1.1	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%	
2	Question 1.2	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%	
3	Question 1.3	15%	4	12.00%	3	9.00%	4	12.00%	4	12.00%	
4	Question 1.4	15%	4	12.00%	4	12.00%	4	12.00%	3	9.00%	
5	Question 1.5	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%	
6	Question 1.6	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%	
Total out of 100%		100%	80.00%		77.00%		80.00%		77.00%		
Total out of 10%		10%	8.0%		7.7%		8.0%		7.7%		
Contract Behaviours and Process											
7	Question 2.1	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%	
8	Question 2.2	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%	
9	Question 2.3	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%	
10	Question 2.4	15%	3	9.00%	4	12.00%	4	12.00%	4	12.00%	
11	Question 2.5	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%	
12	Question 2.6	10%	4	8.00%	3	6.00%	4	8.00%	4	8.00%	
Total out of 100%		100%	77.00%		78.00%		80.00%		80.00%		
Total out of 10%		10%	7.7%		7.8%		8.0%		8.0%		
Service Delivery											
13	Question 3.1	15%	4	12.00%	4	12.00%	4	12.00%	3	9.00%	
14	Question 3.2	20%	4	16.00%	4	16.00%	4	16.00%	3	12.00%	
15	Question 3.3	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%	
16	Question 3.4	15%	4	12.00%	3	9.00%	4	12.00%	4	12.00%	
17	Question 3.5	15%	4	12.00%	3	9.00%	4	12.00%	4	12.00%	
18	Question 3.6	10%	4	8.00%	4	8.00%	4	8.00%	3	6.00%	
19	Question 3.7	10%	4	8.00%	3	6.00%	4	8.00%	3	6.00%	
Total out of 100%		100%	80.00%		72.00%		80.00%		69.00%		
Total out of 10%		10%	8.0%		7.2%		8.0%		6.9%		
Sustainability											
20	Question 4.1	50%	5	50.00%	4	40.00%	5	50.00%	4	40.00%	
21	Question 4.2	50%	5	50.00%	4	40.00%	5	50.00%	4	40.00%	
Total out of 100%		100%	100.00%		80.00%		100.00%		80.00%		
Total out of 5%		5%	5.0%		4.0%		5.0%		4.0%		
Social Value			Weighting	Contractor A		Contractor B		Contractor C		Contractor D	
		5	Score	Result	Score	Result	Score	Result	Score	Result	
1	Strong foundations	2%	4	1.60%	3	1.20%	4	1.60%	4	1.60%	
2	Every opportunity to succeed	3%	4	2.40%	3	1.80%	4	2.40%	4	2.40%	
4	A cleaner, more considerate Brent	5%	4	4.00%	4	4.00%	4	4.00%	4	4.00%	
Total out of 10%		10%	8.0%		7.0%		8.0%		8.0%		
Commercial			Weighting	Contractor A		Contractor B		Contractor C		Contractor D	
8	Costs submission	55%									
Total		55%	46.20%		52.24%		48.22%		55.00%		
Summary			Weighting	Contractor A		Contractor B		Contractor C		Contractor D	
Quality		35%	28.70%		26.70%		29.00%		26.60%		
Social Value		10%	8.00%		7.00%		8.00%		8.00%		
Commercial		55%	46.20%		52.24%		48.22%		55.00%		
Total		100%	82.90%		85.94%		85.22%		89.60%		
Ranking			4		2		3		1		

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APPENDIX 3

HIGHWAYS MAINTENANCE SERVICES – LOT 2

TENDER EVALUATION GRID


Moderation Sheet

Project title - DN574073 - Lot 2

Quality		Weighting	Contractor E		Contractor F		Contractor G		Contractor H	
		5	Score	Result	Score	Result	Score	Result	Score	Result
Resources and Mobilisation										
1	Question 1.1	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%
2	Question 1.2	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%
3	Question 1.3	15%	4	12.00%	3	9.00%	4	12.00%	4	12.00%
4	Question 1.4	15%	4	12.00%	4	12.00%	4	12.00%	3	9.00%
5	Question 1.5	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%
6	Question 1.6	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%
Total out of 100%		100%	80.00%		77.00%		80.00%		77.00%	
Total out of 10%		10%	8.0%		7.7%		8.0%		7.7%	
Contract Behaviours and Process										
7	Question 2.1	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%
8	Question 2.2	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%
9	Question 2.3	20%	4	16.00%	4	16.00%	4	16.00%	4	16.00%
10	Question 2.4	15%	3	9.00%	4	12.00%	4	12.00%	4	12.00%
11	Question 2.5	15%	4	12.00%	4	12.00%	4	12.00%	4	12.00%
12	Question 2.6	10%	4	8.00%	3	6.00%	4	8.00%	4	8.00%
Total out of 100%		100%	77.00%		78.00%		80.00%		80.00%	
Total out of 10%		10%	7.7%		7.8%		8.0%		8.0%	
Service Delivery										
13	Question 3.1	5%	4	4.00%	4	4.00%	4	4.00%	0	0.00%
14	Question 3.2	30%	4	24.00%	3	18.00%	4	24.00%	0	0.00%
15	Question 3.3	30%	4	24.00%	3	18.00%	4	24.00%	0	0.00%
16	Question 3.4	20%	4	16.00%	4	16.00%	4	16.00%	0	0.00%
17	Question 3.5	15%	4	12.00%	3	9.00%	4	12.00%	0	0.00%
Total out of 100%		100%	80.00%		65.00%		80.00%		0.00%	
Total out of 10%		10%	8.0%		6.5%		8.0%		0.0%	
Sustainability										
20	Question 4.1	50%	5	50.00%	4	40.00%	5	50.00%	3	30.00%
21	Question 4.2	50%	5	50.00%	4	40.00%	5	50.00%	4	40.00%
Total out of 100%		100%	100.00%		80.00%		100.00%		70.00%	
Total out of 5%		5%	5.0%		4.0%		5.0%		3.5%	
Social Value										
		5	Score	Result	Score	Result	Score	Result	Score	Result
1	Strong foundations	2%	4	1.60%	3	1.20%	4	1.60%	4	1.60%
2	Every opportunity to succeed	3%	4	2.40%	3	1.80%	4	2.40%	4	2.40%
4	A cleaner, more considerate Brent	5%	4	4.00%	4	4.00%	4	4.00%	4	4.00%
Total out of 10%		10%	8.0%		7.0%		8.0%		8.0%	
Commercial										
		Weighting	Contractor E		Contractor F		Contractor G		Contractor H	
8	Costs submission	55%								
Total		55%	46.30%		55.00%		50.43%		N/A	
Summary										
		Weighting	Contractor E		Contractor F		Contractor G		Contractor H	
Quality		35%	28.70%		26.00%		29.00%		19.20%	
Social Value		10%	8.00%		7.00%		8.00%		8.00%	
Commercial		55%	46.30%		55.00%		50.43%		N/A	
Total		100%	83.00%		88.00%		87.43%		27.20%	
Ranking			3		1		2			

*Contractor H - Scored 2 or less on more than 2 questions on technical evaluation and therefore were deemed to fail overall and are excluded from the process.

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 Brent	Cabinet 16 January 2023
	Report of the Corporate Director Finance and Resources
Quarter 3 Financial Report 2022/23	

Wards Affected:	All
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:	One: Appendix A: Savings Delivery Tracker
Background Papers:	N/A
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1. Summary

- 1.1. This report sets out the current forecast of income and expenditure versus the revenue budget for 2022/23 and other key financial data. Total pressures for the year are forecast to amount to £3.2m.
- 1.2. The £3.2m forecast overspend is made up of £1.6m pressures within the Dedicated Schools Grant (DSG), £2.3m pressures within the Children and Young People Directorate and partially offset by a £0.7m underspend within the Central Items budget.
- 1.3. The 2022/23 budget was set to accommodate the immediate short-term pressures arising as a result of the COVID-19 pandemic, for example income losses and increased demand in social care. The effects of COVID-19 also pose long-term financial risks to the Council, with the level of income generated potentially at risk, which could materialise through lower Council Tax and Business Rates collections. The 2022/23 budget is shown in the table

below and represents the budgets in the new corporate structure. Appendix B shows how the budget has moved from the old directorates to the new directorates. The 2022/23 budget includes a £2.7m savings target, which was agreed in February 2022, and Appendix A sets out the progress in delivery and any mitigating actions where relevant.

	Budget	Forecast	Overspend / (Underspend)
	£m	£m	£m
Adult Social Care and Health	127.4	127.4	0.0
Children and Young People	62.1	64.4	2.3
Communities and Regeneration	9.3	9.3	0.0
Governance	13.9	13.9	0.0
Finance and Resources	15.4	15.4	0.0
Resident Services	75.1	75.1	0.0
Subtotal Service Area Budgets	303.2	305.5	2.3
Central Items	(303.2)	(303.9)	(0.7)
Grand Total General Fund Budgets	0.0	1.6	1.6
DSG Funded Activity	0.0	1.6	1.6
Housing Revenue Account (HRA)	0.0	0.0	0.0
Net Total	0.0	3.2	3.2

DSG gross income and expenditure			
	Budget	Forecast	(Under)/ Overspend
	£m	£m	£m
DSG			
Income	(207.9)	(207.9)	0.0
Expenditure	207.9	209.5	1.6
Total	0.0	1.6	1.6

HRA gross income and expenditure			
	Budget	Forecast	Under/ (Over)spend
	£m	£m	£m
HRA			
Income	(52.7)	(52.7)	0.0
Expenditure	52.7	52.7	0.0
Total	0.0	0.0	0.0

- 1.4 At the time of writing, there are significant risks and uncertainty associated with inflation and pressures the Council may face as a result of the cost of living crisis. Inflation, as measured by the Consumer Prices Index, reached 11.1% in October and is currently at 10.7%. Given that many contracts increase in price based on inflation as measured at a specific month, (e.g. every September) this creates a significant risk for this financial year that costs could grow faster than forecast if inflation is higher than currently forecast. Should this occur, the Council will need to find in-year efficiencies in order to keep the budget in balance. As a last resort, the Council may need to utilise reserves to fund any further in year pressures.
- 1.5 There are also significant risks in the Council's Capital programme, with a forecast slippage of £35.6m and an underspend of £0.2m. This slippage is largely attributable to South Kilburn, Public Realm and Regeneration, with the underspends being largely offset by overspends in both the General Fund and HRA Housing programmes. The table below shows the forecast position for each Capital Directorate:

Directorate	Original Budget	Revised Budget	Current Forecast	FY Variance	
				£m (Underspend)/ Overspend/	£m (Slippage)/ Brought Forward
	£m	£m	£m		
Corporate Landlord	5.3	17.3	14.1	1.7	(5.1)
Housing GF	103.5	79.3	79.6	0.6	(0.3)
Housing HRA	47.1	59.4	60.1	2.8	(2.1)
PRS I4B	0.8	19.9	18.0	0.0	(1.9)
Public Realm	11.9	21.3	16.2	(0.5)	(4.6)
Regeneration	48.4	9.4	2.9	(1.3)	(5.2)
Schools	10.5	12.4	8.7	(3.5)	(0.2)
South Kilburn	22.5	26.4	10.2	0.0	(16.2)
St Raphael's	2.2	1.9	1.9	0.0	0.0
Total	252.1	247.3	211.7	(0.2)	(35.6)

- 1.6 The provisional Local Government Finance Statement was announced on 19th December 2022. The impact of this will be reported to Cabinet on 6 February

2023 as part of the Budget and Council Tax Setting report with the final settlement figures included in the reported to Full Council on 23 February 2023.

2. Recommendation

- 2.1 That Cabinet note the overall financial position and the actions being taken to manage the issues arising.
- 2.2 That Cabinet note the savings delivery tracker in Appendix A and detailed in Section 3.7 of this report.
- 2.3 That Cabinet approve the virements detailed in Section 3.7 of this report.

3. Revenue Detail

3.1 Adult Social Care and Health

Adult Social Care and Health	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Adult Social Care	104.5	104.5	0.0
Public Health	22.9	22.9	0.0
Integrated Health Partnerships	0.0	0.0	0.0
Total	127.4	127.4	0.0

Summary

- 3.1.1 Adult Social Care and Health is forecasting a breakeven position in Quarter 3.
- 3.1.2 Adult Social Care and Health was also forecasting a breakeven position in Quarter 2. Whilst the Quarter 3 position is still forecast to breakeven, there are some material variances explained in more detail below.
- 3.1.3 Mental Health (MH) are forecast to overspend by £0.9m at Quarter 3, largely due an increase in demand on supported living placements. Since June 2022 we have seen an 11% rise in client numbers (18 service users), and we currently have several long-stay service users being supported.
- 3.1.4 Occupational Therapy has a projected overspend of £0.5m. We have seen an increase in the Millbrook equipment costs, rising by an average of £0.05m a month compared to 2021/22 to date. 62% of costs are recharged to Health, so bear most of the increases, but a review is required to determine the cause of the increase.
- 3.1.5 Partially offsetting these pressures, there is a forecast underspend in Day Care services of £1.0m. The service, both internally and externally, are still being impacted by COVID-19 and it is yet to be seen if they will return to pre-

COVID numbers (369 service users in January 2020 compared to 303 in October 2022).

- 3.1.6 It has now been confirmed that Brent will receive an additional £2.4m funding from Government this financial year (£1.1m funding directly to the Local Authorities and £1.3m via the Integrated Care Board to be pooled together) to support with the pressures continuing to be faced by Local Authorities with delays to discharging people from hospital. The additional funding alongside Council resources will be utilised to provide additional staffing and funding for home care. The resource utilisation and new funding partially mitigates the pressures identified in Q2.

Risks and uncertainties

- 3.1.8 Within Adult Social Care, longer term effects of the pandemic, demographic and inflationary pressures, as well as uncertain implications of the fair cost of care and social care reforms, all pose financial risks to the budget. Whilst the planned social care charging reforms have been delayed from October 2023 to October 2025, the sector must still work to ensure sustainable rates for care are paid with fair cost of care funding from the Government continuing for the next two years.
- 3.1.9 The cost of living crisis and the steep rise in inflation, heating and fuel costs may have an impact on spot placement requests from providers or providers looking for an in-year fee uplift to offset cost pressures. For 2022/23, the Adult Social Care budget was increased in order to meet projected demographic growth demand and inflationary increases. Due to continued rises in inflation this creates additional risk and uncertainty, and care package budgets are therefore being monitored closely whilst any placement fee increase requests from providers are also being reviewed in detail.

Savings and Slippages

- 3.1.10 A £0.1m saving is planned to be delivered from the ASC budget in 2022/23. This is expected from the continued increase in the number of people going through reablement, creating better quality reablement and clearer pathways, and minimised costs. There are currently no slippages anticipated against the delivery of this saving.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
The Adult Social Care providers' costs will increase to the anticipated level in line with inflationary assumptions.	A 1% increase on the cost of care packages could result in a £0.7m pressure.	A 1% decrease on the cost of care packages could result in a £0.7m reduction in	The Council is working closely with the service providers and provides robust challenge of individual package costs based

		anticipated costs.	on evidence as part of placement reviews.
Client numbers and unit costs stay within the forecast range	Additional budget pressures should there be clients beyond those predicted in the forecast	Client numbers falling below those forecast would reduce costs	The Council are monitoring both client numbers and package costs for each service. This should allow for early identification of pressures so mitigating actions can be taken.

3.2 Children and Young People (CYP) (General Fund)

CYP Department	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Central Management	0.9	0.9	0.0
Early Help	4.9	4.6	(0.3)
Inclusion	2.9	2.9	0.0
Localities	21.0	21.7	0.7
Looked After Children and Permanency	7.3	7.5	0.2
Forward Planning, Performance & Partnerships	23.4	25.1	1.7
Safeguarding and Quality Assurance	2.0	2.0	0.0
Setting and School Effectiveness	(0.3)	(0.3)	0.0
Total	62.1	64.4	2.3

Summary

- 3.2.1 There is currently a projected gross expenditure pressure of £4.3m within the Children and Young People department due to increased demand for placements and the impact of the use of agency staff for social work roles. The services where pressures are against are Forward Planning Performance and Partnerships (FPPP) which holds the placements budgets, Localities and Looked after Children and Permanency (LAC&P). However, mitigating actions put in place have reduced the pressure to a projected overspend of £2.3m in Quarter 3. This is a £0.6m increase compared to a reported pressure of £1.7m in Quarter 2. The increase has occurred due to additional pressures arising from placing children in residential homes (FPPP budget). The average number of children placed in residential placements has increased from 25 full-time equivalent (FTE) in 2021/22 to 34 FTE by 2022/23.

3.2.2 Actions undertaken by the department to control spend and mitigate the pressures in year so far amount to £2m and are included in the forecast. These are:

- £1.2m planned stepdown arrangements from residential placements to foster placements and/or semi-independent placements for young people aged 16+, and measures to move 21+ semi-independent placements into independent living arrangements.
- Holding posts vacant where possible across the department and detailed reviews of agency use to reduce the numbers across the department where it is safe to do so - £0.3m.
- Ensuring full adherence to the London-wide pledge that has been in place since June 2022 to manage the agency market more effectively and contain inflationary pressures on hourly rates for social workers and ensuring that all agency staff take a minimum of 20 days holiday during the financial year - £0.4m.
- A freeze on any non-statutory spending with approval for all spend over £1k being escalated to director level - £0.1m.

3.2.3 The department continues to put management actions in place to control spend. There is regular review of the contributions that health is making to individual residential placements with cases taken to a Joint Funding Panel to ensure that relevant agencies are contributing equitably to costs. The Quarter 2 report raised the issue of a forecast pressure against the (CWD) income from Health, and following review meetings, there has been an improvement and this shortfall has reduced from £0.4m to £50k. The additional scrutiny of non-discretionary spend is seeing a reduction in requests made at Children's Placement Panel. The department is prioritising reviews of the current payment processes and a deep dive into placement commissioning to identify opportunities for new approaches and efficiencies. This will report back in February 2023.

Forecast

3.2.4 The Forward Planning, Performance and Partnership service has a pressure against the placements budget of £2.9m. However, the planned mitigating actions as set out in the summary above have reduced the overall forecast pressure to £1.7m, reflecting a £1.2m increase from the Q2 position (£0.5m). The pressure is due to the following factors:

- £1m pressure due to an increase in the number of children placed in residential homes with 5 new placements on high weekly costs ranging from £7,500 per week to £10,600 per week. The pressure is the knock-on effect of an increase in children who require specialist provision that can support complex mental health needs but who do not meet the criteria for a tier 4 hospital setting.

- £0.4m pressure against the semi-independent provision budget supporting care leavers based on an increased demand, where overall numbers have increased by 23% compared to 2021/22. This increase is mainly due to the number of Unaccompanied Asylum-Seeking Children (UASC) who as care leavers need to be accommodated until the Home Office makes an asylum determination. There have been well-publicised national issues with the slowness of the asylum decision making process.
- £0.3m pressure because of the slippage of the savings target against a project to use the Gordon Brown Centre (GBC) to support looked after children and care leavers to develop their life skills for independent living which would result in cost avoidance against the placements budget. Adaptations for buildings to ensure full accessibility and allow expanded use of the GBC alongside core business were planned for completion by December 2023. These are behind schedule with completion anticipated by May 2024. Once in place, extended use of the GBC will generate additional income. As a result of the slippage, the saving cannot be achieved in 2022/23.

3.2.5 The pressure identified against the Localities service of £0.7m is a reduction of £0.1m compared to the reported Quarter 2 position mainly due to an improvement in the health contributions mentioned in the CYP summary section above. However, this is offset by demand led pressures against the Care at Home and Direct payment budgets for Children with Disabilities (CWD) i.e., £0.3m of the forecast overspend in Localities. The other £0.4m of the forecast overspend is due to staffing pressures, as the service currently relies on the use of agency staff to cover vacant positions and some long-term staff absence to manage caseloads. It remains a challenge to recruit permanent social work staff resulting in agency staff being in post for longer. Details of the current challenges were presented to the General Purposes Committee in November 2022 that set out agreed actions.

3.2.6 There is a £0.2m pressure against the LAC&P service which is a reduction from the previously reported position of £0.5m. This reduction is because of the use of £0.18m Unaccompanied Asylum-Seeking Children's (UASC) grant income allocated to fund the associated legal costs and following a review of the assumptions for the use of agency staff in the contact team. The overall pressure is due to the use of agency staff to cover vacant social work positions to keep caseloads manageable.

3.2.7 The underspend of £0.3m in Early Help is mainly due to the impact of in year vacancies which have been held across the service as part of a mitigating action, to support the pressure in the department.

Risks and uncertainties

3.2.8 The main risks and uncertainties impacting on the CYP department include issues such as inflationary pressures resulting in providers increasing costs significantly and the impacts on the cost-of-living crisis on care leavers and on vulnerable families, increasing demand and the impact of the Covid-19

pandemic. Continuing and long-term pressure implications will require additional intervention and solutions to be identified to achieve the outturn illustrated.

- 3.2.9 Recruitment and retention of skilled and experienced social work staff remains a risk in Localities, Looked After Children, and Permanency (LAC&P) services and this is evident with the increased pressure in the Q3 forecast as the services are still reliant on agency staff.
- 3.2.10 Across the Localities service agency staff occupy 44% of the establishment. Caseloads have remained consistently high since last year although the restructure has helped maintain safe caseloads per social worker. As at October 2022, there were 2969 open cases, which is 3% higher than October 2021. If demand continues to grow, this could create added pressure in these areas. Caseload levels and the use of agency staff will continue to be monitored and the drive to recruit permanent staff will continue.
- 3.2.11 The volatility surrounding the placements budget for looked after children (LAC) is a key challenge. If demand for residential placements continue to increase, this will increase the pressure as an individual high cost residential or secure placement can cost over £0.3m per annum. Ofsted are strengthening their reviews of children's Residential Homes and there is a risk that this could lead to a reduction in the number of homes, causing higher demand for the rest of the homes and higher costs for local authorities competing for the same places. In response Brent has been successful in a DfE bid to build and run a children's home which will help to manage costs and improve placement sufficiency. The home is expected to be operational in 2024/25. Brent is also joining a pan-London vehicle to ensure greater sufficiency of secure welfare residential placements which will be operational in 2025.
- 3.2.12 There is the risk of additional cost pressures being passed on to local authorities from semi-independent provisions due to the DfE introducing mandatory national standards from April 2023, which will be overseen by an Ofsted-led registration and inspection regime. The average weekly cost for semi-independent accommodation is c£844 per week for a looked after child and £731 per week for Care Leavers, and there is a risk that the weekly cost of both could increase by as much as 50%
- 3.2.13 The Children with Disabilities budget within the Localities service funds the care costs for children with Education, Care and Health Plans (EHCPs). There remains a risk that further increases in EHCPs would put additional pressure on the care packages budgets in this area and impact on staffing costs. The annual growth of EHCPs, whilst below national average, remains in the 5-7% range. Brent is working with a delivery partner as part of a DfE funded programme to return to a balanced financial position in relation to the High Needs Block of the Dedicated Schools Grant.
- 3.2.14 The forecast position is also dependent on estimated income from the Home Office for (UASC) and Care leavers of c£3m and health contributions from the ICP of £1.9m. There is a risk that, without effective joint operating agreements,

health contributions could reduce, increasing the pressure against the CWD and placement budgets. In summary, any major fluctuations in these income streams would have an impact on the final outturn position. In mitigation, effective work in the last 3 months to build more robust systems for allocating local authority and health funding has reduced this risk.

Savings and Slippages

- 3.2.15 The department has a £0.3m savings target against a project to use the Gordon Brown Centre to support looked after children and care leavers to develop their life skills for independent living. The slippage is currently reflected as a pressure against the placement budget detailed in the FPPP forecast paragraph above.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
LAC and Care Leaver placements forecast assumes numbers of 800 and unit costs reflect current trends.	An increase in the number of high cost residential or secure placements would place pressure on the budget e.g., an increase by 4 placements in year, could cause an in-year pressure of c£0.6m (and £1.2m per annum)	Increased step-down arrangements result in falling number of residential placements. A single stepdown from a residential placement to a semi-independent placement could reduce expenditure by c£0.1m in-year.	Ongoing review of packages for best outcomes and focus on stepdown arrangements to support children to transition from residential to foster and/or semi-independent placements. Supporting the transition of care leavers to their own tenancies, to improve outcomes and independence. Innovative support and partnering with Health for CYP Mental Health and Wellbeing, among other preventative measures.
Health contributions for CYP placements and Children with Disabilities (CWD) packages will be lower than the 2021/22 levels.	The spend will not be mitigated by these contributions in proportion to the overall demand.	It will assist in mitigating overall net spend.	Maximising joint funding approaches with health to ensure contributions to placement costs where applicable. Targeted activity across ICS to ensure consistency in Continuing Health Care funding.

Pressures arising because of the Covid-19 pandemic will be managed within the growth funds allocated in 2022/23 as part of Business As Usual costs (BAU).	It may create overspends which the department may not be able to mitigate.	More likely to stay within budget as growth provided more likely to cover expected increases.	Ongoing monitoring and reporting to ensure management action is taken as early as possible to enable mitigation.
Mix of social work staff and caseloads in the Localities and LAC & Permanency service to include the use of agency staff.	If increases of 15% during the year, there could be up to £1m additional spend on agency social work staff to manage the pressure	There would be a reduction in the use of agency staff and the reduced caseloads could be attractive to social workers seeking permanent roles.	Continued management action to monitor caseloads across the service and review and manage social work resources.

3.3 Communities and Regeneration

Communities and Regeneration	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Communities and Strategy	4.7	4.7	0.0
Regeneration	4.6	4.6	0.0
Total	9.3	9.3	0.0

Summary

- 3.3.1 Communities and Regeneration is currently forecasting a break-even position for 2022/23.

Communities and Strategy

- 3.3.2 The Homes for Ukraine scheme has resulted in 363 hosts having signed up to host 666 guests. 277 guests have already arrived in Brent, and these include 62 children. The government is providing funding of £10,500 per person to cover all the checks required, initial cash payments to refugees, support in areas such as finding work, accessing benefits and learning English, rematching refugees with new hosts should the relationship break down and helping them move on to other suitable accommodation when the hosting comes to an end. The Council is also responsible for administering Thank-you payments to hosts each month for up to a year while they host their Ukrainian guests. Implementing this scheme has placed a significant administrative and financial burden on the Council that requires a cross

council approach, specifically from Adult Social Care, Children's Social Care, Housing and Legal services.

- 3.3.3 The Council have accepted and support seven Afghan refugee families. There is also three family who will be moving to Brent, under the Find Your Own Home part of the Afghan resettlement schemes, which Brent has accepted and will also support. The government is providing time limited funding, based on the number of Afghan refugees in the borough. The successful settlement of Afghan refugees permanently in the borough will require the Council to provide ongoing services to many of the refugees including support to move into permanent secure housing and education. Although there aren't any bridging hotels in Brent, there are some in neighbouring boroughs. If suitable accommodation is not found for refugees there is a real risk that some will become homeless causing additional pressures, Brent has already accepted the homeless duty for seven families. We are able to apply for the same funding under the ARAP or ACRS scheme for these families, but this diminishes year on year. The homelessness costs will fall on the Council along with cost of providing long term support needed by many refugee families.

Regeneration

- 3.3.4 The Regeneration department are forecasting a break-even position for the financial year. There is an under-achievement of income, largely in the Planning department, however this is being offset by an underspend in salaries across the department.

Risks and uncertainties

Communities and Strategy

- 3.3.5 The main financial risks of the Homes for Ukraine scheme are that the government has so far only committed to funding the programme for one year and there remains potential for significant costs helping refugees find alternative accommodation and housing them in temporary accommodation if the host relationship breaks down and/or when the scheme comes to an end.

Regeneration

- 3.3.6 The main risk in Regeneration is the uncertainty surrounding the potential for sustained under-achievement of income as a result of the current economic climate. Income in this area is being closely monitored and mitigating are being explored.

Savings and Slippages

- 3.3.7 A £0.1m efficiency saving is planned to be delivered from the department budgets in 2022/23. This saving is on track and there is currently no slippage anticipated.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
Application and Pre-application fee income will continue to be lower than the income target for the rest of the financial year	Lower than forecast fee income will create budgetary pressures within the Regeneration department	Higher income volumes will generate additional revenue for the Council	Continuous monitoring of the fee income to identify budgetary pressures as early as possible

3.4 Governance

Governance	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Legal Services	5.1	5.1	0.0
HR Services	3.9	3.9	0.0
Executive & Membership	3.9	3.9	0.0
Procurement	1.0	1.0	0.0
Total	13.9	13.9	0.0

Summary

- 3.4.1 The Governance Services are forecasting a break-even position for 2022/23.

Risks and uncertainties

- 3.4.2 There are no materials risk for this department at present.

Savings and Slippages

- 3.4.3 A £0.1m efficiency saving is planned to be delivered from the department's budget in 2022/23. This saving is on track and there is currently no slippage anticipated.

3.5 Finance and Resources

Finance and Resources	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Finance	8.9	8.9	0.0
Audit & Investigations	1.1	1.1	0.0
Shared Technology Services	0.2	0.2	0.0
Property & Assets	5.2	5.2	0.0
Total	15.4	15.4	0.0

Summary

- 3.5.1 Property and Assets are forecasting a breakeven position.
- 3.5.2 Finance, Audit & Investigations and Shared Technology Services are forecasting a breakeven position.

Risks and Uncertainties

- 3.5.3 There are no materials risk for this department at present.

Savings & Slippages

- 3.5.4 A £0.1m efficiency saving is planned to be delivered from the department's budget in 2022/23. This saving is on track and there is currently no slippage anticipated.

3.6 Resident Services

Resident Services	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Resident Services Directorate	0.4	0.4	0.0
Customer Access	16.5	16.5	0.0
Housing	3.1	3.1	0.0
Environment and Leisure	43.9	43.9	0.0
Transformation	11.2	11.2	0.0
Total	75.1	75.1	0.0

Summary

- 3.6.1 Based on current trends and assumptions around the inflation and the rising cost of living implications until the next of the financial year, the Resident Services department is forecasting a break-even position for 2022/23.

- 3.6.2 The department's finances have been significantly impacted by the global pandemic and continue to be affected by the cost of living crisis and high levels of inflation. The 2022/23 budget has been set accordingly, based on assumptions around future demographic and inflationary trends. However, there remain some risks and uncertainties that could impact the final financial outturn position for the year.
- 3.6.3 The department is taking a number of actions to support Brent residents and businesses and mitigate the impact of the cost of living crisis. Payments under the government's Energy Rebate scheme have completed with 90,000 eligible households in Band A to D properties receiving payments totaling £13.5m. Payments totalling £1.8m were made under the council's discretionary scheme to applicants in higher bands and residents on Council Tax support.
- 3.6.4 A Household Support Fund (HSF) grant has been awarded by the government in two tranches. Brent's share of the first tranche was £2.8m, which was used in full to support households with children receiving free school meals, 0-4 years children whose parents/guardians are on Housing Benefits, pensioners and one third has also been used to support families through a Resident Support Fund (RSF). A second tranche was £2.7m, which is used to provide 6 weeks of support for children receiving free school meals, 0-4 year olds whose parents/guardian receive Housing Benefit, disabled residents receiving Housing Benefits and residents who receive Housing Benefits but did not qualify for the £650 from central government. A £0.9m will also be made available for reactive support through RSF applications.
- 3.6.5 The Council made payments to eligible businesses from the much-delayed COVID-19 Additional Relief Fund (CARF). This Fund was intended to support those businesses affected by the pandemic but that have been ineligible for existing support linked to business rates. As of the completion of the CARF scheme on 30 September 2022, £7.0m has been granted to 1,286 businesses.
- 3.6.6 While these measures are much needed by Brent households and businesses, the Council has taken additional steps to provide more support to residents and businesses. The Council's RSF has been in place since August 2020 to provide help with the cost of living. This can include, but is not limited to, household bills, arrears in rent, mortgage, council tax, food, fuel, digital equipment and emergency funds. The RSF has now supported 5,857 households with a total of £9m.
- 3.6.7 In addition to this, the Council is investing £32m in the Council Tax Reduction Scheme, supporting around 28 thousand households in the borough.

Risks and uncertainties

Housing

- 3.6.8 As the cost of living crisis deepens, with energy costs and day-to-day expenditure increasing steeply, there has been a rise in homelessness applications, resulting in an increased use of temporary accommodation (TA).

- 3.6.9 In addition, the affordable Private Rented Sector (PRS) is contracting meaning there is a lack of supply to move households on from TA, which puts further pressures on the budget. Although, the opening of internal provision through Anansi and Knowles house has alleviated this pressure to some extent, both schemes are now full and silted up due to the lack of move on accommodation available.
- 3.6.10 The current economic climate could also have an impact on the rent collection rates and result in increases in rent arrears. Collection rates are being closely monitored and there are ongoing investigations to better understand the drivers for the movements.
- 3.6.11 In November, a top-up to the Homelessness Prevention Grant has been announced to recognise that some vulnerable households may find themselves at risk of homelessness and may need additional support. This results in additional £1.1m to Brent that will be spent on maximising upstream homelessness prevention, as well as helping to meet temporary accommodation costs in areas of increased demand.

Environment and Leisure

- 3.6.12 The Highways service is reliant on a reduced TfL LIP (Local Implementation Plan) funding, which is due to severe financial pressures on TfL. The funding allocated by TfL for 2022/23 is circa £1.3m, a significant reduction from the £2.2m pre-COVID formula based allocation. The service has secured additional S106 funding, and also delivered improvements under the Recovery Programme, which has helped to generate additional capital fees. This resulted in a net under recovery of £0.2m for 2022/23. An additional impact is on the capitalisation of staff fees resulting in a £0.4m budget gap. The service is restructuring to align with future resource requirements.
- 3.6.13 There is uncertainty around the amount of parking income to be received, as the service continues to recover to pre-pandemic levels. A shortfall in income is currently projected to be £0.4m against budget.
- 3.6.14 Within Brent Transport services, increased prices on Taxi routes are putting additional pressures on the budget, which could cost an additional £0.4m. Brent continues to monitor the mitigations in place to reduce the impact of these costs.
- 3.6.15 Within Leisure, reductions in income are experienced due to slower than anticipated recovery of facilities resulting in a £0.2m shortfall. The income levels are being closely monitored and income maximisation strategies are being put in place.
- 3.6.16 As energy costs double for leisure centres, the risk of provider failure is increasing, forcing the Council to make difficult choices. An option is to support operators by subsidising their operating costs. Closing sites due to rising utility costs would also have a significant impact on both communities and income

levels. The Council is working closely with the leisure providers to ensure continuity of the affordable service. A current forecast budgetary pressure of £0.4m is planned to be mitigated through the use of departmental reserves.

- 3.6.17 It is now known that public sector organisations are not eligible for support through the Government's proposed Business Energy Bill Relief Scheme. There is an anticipated £2m budget gap in the energy budgets in 2022/23 that is planned to be mitigated through the use of reserves.
- 3.6.18 The identified pressures are partially mitigated by a £0.2m underspend due to an early delivery of savings.

Savings and Slippages

- 3.6.19 A £1.4m saving is planned to be delivered from the department budgets in 2022/23. The main savings are expected from a continued reduction in demand for Temporary Accommodation through increasing the supply, from achieving operational efficiency within the Brent Transport Services and further efficiency savings within the Customer Access service. There are currently no slippages anticipated against the delivery of these.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
The additional numbers of homeless people can be managed within the existing budgets.	Each person costs on average £340 per week to accommodate, so a delay for 13 weeks (1 quarter) of 20 people will cost an additional £0.1m.	Faster progress on homeless pathways will reduce expenditure by £340 per person per week.	The service is focusing on moving homeless clients along the various pathways. Use of Homelessness Prevention reserves could help to offset the pressures if required.
Rent collection rates for the Housing Needs service will not fall below the anticipated level.	A 5% worsening in the collection rate will cost £0.4m.	A 5% improvement in the collection rate will recover £0.4m.	Collection rates are being closely monitored and investigations into the drivers for the movements in the collection rates are ongoing.
Parking income will continue to recover to pre-pandemic levels.	Increased pressure on the budget if income falls below the current forecast level.	If activity recovers faster than expected, then this would increase the income collected	Income will continue to be monitored. CCTV enforcement has been increased with additional cameras for 22/23, and a review of the existing cameras.

SEN Transport taxi spend is within budget and expected client numbers.	Every additional child requiring transport via taxis costs the Council an average of £11,300 per annum.	Reduction in the growth requirement for future years.	The service is monitored as part of the shared service with Harrow. Client numbers can therefore be planned for. A strategic review of this service is taking place to look for efficiencies.
Energy costs stay within the expected forecast.	Additional pressures on the reserves.	Reduced pressure on the Council's reserves.	The service is working closely with the contractors to build projections and mitigate impacts.

3.7 Central items

Collection Fund

- 3.7.1 The budgeted net collectible amount for Council Tax (after exemptions, discounts and Council Tax support) is £183.8m. The actual net collectible amount as at 30th November 2022 is £186.1m. This increase is attributable to the development of new flats in the borough, with more properties being completed as the borough recovers from the pandemic. However, it is expected that this figure may decrease during the year if relief granted to residents, via Council Tax Support, increases due to the cost-of-living crisis. This is being closely monitored to assess the overall impact over the timeframe of the medium-term financial plan. As at the end of November 2022, the amount collected was 71.0%, an increase of 1.3% when compared to the in-year target. The amount collected in the same period last year was 68.4%, however, pre-pandemic collection rates in the same period were around 2.4% higher (73.4%).
- 3.7.2 The budgeted gross Business Rates payable is £153.4m. The actual gross figure at 30th November 2022 is £153.2m with a net collectible amount (after exemptions, reliefs and discounts) totalling £126.3m. Reductions to this may occur due to reductions in properties and successful appeals against rateable values. As at the end of November 2022, the amount collected was 68.2%. The amount collected in the same period last year was 63.8%. Prior to the pandemic the levels collected during the same period were around 5.8% higher (74.0%). Similar to Council Tax, if the under-collection of Business Rates continues throughout the year it will have an adverse effect on the Council's cashflow and possible implications for the Medium Term Financial Strategy.
- 3.7.3 Movements between the budget and actual collectable amounts affect the overall level of balances held in the Collection Fund at year-end after deducting charges, with deficits requiring repayment by all of the precepting authorities in future years. The income due to the General Fund from the

Collection Fund is forecast on budget with no variation expected in the current year.

Pay Award

- 3.7.4 When setting the budget for 2022/23, it was assumed that the pay award for 2022/23 would cost £3m, equivalent to an approximately 2.5% increase. This represented a 0.75% increase on the pay award for 2021/22, which had also not been agreed as of the time the budget was being prepared. At the time, inflation was increasing (CPI was 5.4% in December 2021), but was only just over half of the current inflation rate (10.7% in November 2022). Therefore, the assumption was considered to be a prudent one as it accounted for the expected increase in pay in line with the increasing cost of living.
- 3.7.5 The significant increase in the inflation rate since December 2021 has been driven primarily by the increase in energy prices, exacerbated by the war in Ukraine. These were events which could not have been predicted with any certainty at the time of setting the budget for 2022/23, but have resulted in a cost of living crisis. The agreed pay award for 2022/23 is for an increase of £2,229 (including London weighting) per employee. The total pay award is estimated to cost the General Fund £8.9m in 2022/23 at an average 5.6% increase per employee, with the largest percentage increases being applied to the lowest grades. The increase has not yet been reflected in the service budgets, but is expected to be applied in December.
- 3.7.6 The increased cost to the General Fund budget from the pay award is to be funded from corporate contingencies, partially offset by the reversal of the National Insurance increase (£0.3m) for November to March. However, it should be noted that this is an ongoing cost, which will itself be subject to inflationary pressures in 2023/24. A further update on this will be provided to Cabinet in the February 2023 budget report.

Savings

- 3.7.7 The 2022/23 budget includes a £2.7m savings target, which was agreed by Full Council in February 2022. Appendix A sets out the progress in delivery against this savings target and any mitigating actions.
- 3.7.8 In the Draft Budget report to Cabinet in November 2022, a package of savings for 2023/24 was presented, which included £1.3m of efficiency savings from the former Regeneration & Environment Directorate budgets (2023-24 CORP6). Following a review of this budget, it has been determined that £0.7m of these savings have been delivered early. This provides an additional £0.7m within the budget in 2022/23 to mitigate some of the pressures described in this report.

Virements

- 3.7.9 The table below shows the virements which have been entered to adjust the budgets at Corporate Directorate level during 2022/23. Cabinet are recommended to approve these virements.

	2022/23 Opening Budget	In-year growth	Transfer of functions between services	Technical Adjustments	2022/23 In- Year Budget at 30.11.2022
	£'000	£'000	£'000	£'000	£'000
Adult Social Care and Health	127,347	0	(809)	(1,529)	125,009
Children and Young People	61,584	0	(17)	95	61,662
Communities and Regeneration	5,854	55	298	(1,127)	5,080
Resident Services	69,631	590	1,332	129	71,682
Governance	14,691	0	91	(1,490)	13,292
Finance and Resources	16,308	8	(408)	(3,584)	12,324
Central Items	(295,415)	(653)	(487)	7,506	(289,049)
Total Budget	0	0	0	0	0

- 3.7.10 In-year growth items are budget movements from the Central Items budget to Departmental budgets which were not actioned at the start of the financial year. These are growth items that were agreed when the 2022/23 budget was set but required evidence of assumed need before being funded.
- 3.7.11 Transfers of functions between services are budget movements between Corporate Directorates, which occur when a department is moved from one service to the other. The virement ensures that department and the related budget remain together. An example of this is the adjustments required to reflect the Corporate Restructure in September 2022.
- 3.7.12 Technical adjustments are budget movements resulting from either events which are provided for in the MTFS, but only confirmed during the year (e.g. pay award), or budget movements resulting from changes to processes (e.g. centralisation of budgets).

3.8 Dedicated Schools Grant (DSG)

Funding Blocks	Overall DSG Funding 2022/23	Forecast Expenditure	Overspend/ (Underspend)
	£m	£m	£m
Schools Block	114.8	114.9	0.1
High Needs Block	67.8	70.6	2.8
Early Years Block	23.2	22.0	(1.2)
Central Block	2.1	2.0	(0.1)
Total DSG	207.9	209.5	1.6

Summary

- 3.8.1 The DSG forecast is reflecting a deficit of £1.6m, against grant funds of £207.9m for 2022/23, an improvement compared to the Quarter 2 position of £2.2m deficit mainly due to an underspend reflected against the Early Years Block. The overall pressure however remains against the High Needs (HN) Block. The overall DSG allocation has reduced by a £0.2m from the position reported in Quarter2 of £208.1m due to a further adjustment by the Department for Education (DfE) to the HN Block funding.
- 3.8.2 The HN budget, excluding the proportion allocated to academies, is £67.8m. This allocation includes a £1.2m transfer from the Schools Block. In November 2022, the HN Block funding was reduced by £0.2m due to a recoupment for school place funding for Brent pupils in other local authority areas, following an import/export review by the DfE in July 2022. This adjustment was included in the forecast spend reported in Quarter 2.
- 3.8.3 At the end of 2021/22, the DSG budget was in deficit of £15.1m. The overall forecast in year deficit of £1.6m will increase the cumulative forecast DSG deficit to £16.7m by the end of this financial year.

Forecast

- 3.8.4 The overall £1.6m DSG deficit is a £0.6m reduction from the reported deficit of £2.2m in Quarter 2. This is mainly due to a £1.2m increase in the EY Block funding offset by a £0.6m increase in the forecast spend against the HN Block.
- 3.8.5 The Early Years (EY) Block is projecting an underspend of £1.2m. This is mainly resulting from the DfE's in-year adjustment to the EY Block funding in July 2022 following the completion of the January 2022 census. This position is likely to change over the next few months as payments to childcare providers for the autumn term would determine if there has been an increase in the number of take up hours for early years' provision from September 2022. In addition to this, there is likely to be an increase in take up hours for 2-year-olds in January 2023, informed by the results a recent sufficiency planning review carried out by the Early Years' team, which will also have an impact on the projected underspend.
- 3.8.6 The Schools Block is projecting a small overspend of £0.1m following an increase in requests from schools experiencing falling rolls to support redundancy costs resulting from restructures required to reduce overall expenditure.
- 3.8.7 The change in the HN forecast position from Quarter 2 is due to an additional £0.6m pressure arising from an estimated 47 full-time equivalent (FTE) EHCPs based on an average cost of £12,700 placed in in-borough mainstream settings.
- 3.8.8 The pressures in the HN Block are due to continual increases in EHCP numbers. The growth in EHCPs is a London and national trend whereby the

number of children assessed as meeting the threshold for support continues to increase. However, the HN funding has not increased in line with the growth in overall pupil numbers creating financial pressures. At the end of October 2022, there were 3160 children with EHCPs, which represents a growth of 7.6% increase compared to the 2021/22.

3.8.9 The HN forecast position consists of a £2.8m pressure mainly arising from increased top-up payments for children with EHCPs where an average mainstream school top-up payment would cost £12,700 per child to an independent non-maintained special school place costing an average of £58,000 per child. The position is further analysed below:

- £1.4m forecast pressures against academies and special schools and in-borough mainstream schools' top up funding due to increased number of pupils with special educational needs placed within the borough. This includes £0.57m for the allocation of the Teacher's Pay and Pensions grant (TPPG) 2021/22 passed onto the Special Schools and Pupil Referral Units.
- £0.8m pressure against the out-of-borough mainstream and academies budget due to increased number of pupils placed in these settings and a HN Block recoupment of funding to be allocated to other local authorities for out of borough placements; following a review by the DfE in July 2022.
- £0.5m pressure against the independent day special schools' budget due to increased number of pupils placed in these settings.
- £0.1m pressure against the SEN services budgets mainly due to the cost of children placed in alternative settings and awaiting placements.

3.8.10 Longer-term actions to recover the deficit are included in the DSG HNB Deficit Management Plan reported to Schools Forum. A task group chaired by the Corporate Director of CYP coordinates and monitors actions in the Plan, which include reducing costs by managing demand for EHCPs through training to improve the capacity of schools to meet pupil needs, developing Alternative Provision education in the borough, improved commissioning arrangements and increasing the amount of special provision within the borough, particularly for secondary phase pupils and 16–25-year-old SEND students. The estimated impact of the mitigating items from the Plan in 2022/23 amount to £4m.

3.8.11 The Council is also part of one of the DfE's programmes to provide dedicated support to help local authorities set a sustainable high needs system called Delivering Better Value (DBV) in SEND programme. The DfE has made provision of £85m over 3 years from 2022/23 and will support 55 local authorities in deficit to reform the high needs systems with the aim of improving delivery of SEND services for children and young people while ensuring services are sustainable.

- 3.8.12 The first tranche of local authorities including Brent, are currently in the diagnostic phase of the DBV programme. This phase will be focused on identifying sustainable changes that will drive high quality outcomes for children and young people and the findings will support Brent in developing a further grant application up to £1m to help implement changes identified. The funding will not mitigate the deficit, but efficiencies identified during the course of the programme along with the longer-term recovery actions and anticipated funding increases will reduce the deficit.

Risk and Uncertainties

- 3.8.13 The risk remains that the number of children and young people with Education Health and Care Plans (EHCPs) will continue to grow but the HN Block funding will not increase in line with continued growth. Over the years, this has created financial pressures with a majority of authorities holding deficit balances. In addition, the impact of the cost-of-living crisis could see providers requesting high inflationary price increases.
- 3.8.14 The DfE in agreement with the Department for Levelling Up, Housing and Communities (DLUHC) has extended the statutory override which permits local authorities to carry forward a deficit balance against the DSG from 2022/23 to 2025/26. There remains a risk for the council if the expectation is that local authorities' balances should cover the DSG deficit beyond this extended period.

3.9 HRA

HRA	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
HRA	0.0*	0.0	0.0

* The HRA budget is comprised of £57.2m expenditure and £57.2m income

Forecast

- 3.9.1 The budgets for the Housing Management function are contained within the ring-fenced Housing Revenue Account (HRA), which has a balanced budget set for 2022/23.
- 3.9.2 The HRA is forecasting a break-even position for 2022/23. Within property services, this is a net result of overspends on voids and disrepair claims being offset by underspends due to staffing vacancies and a reduction of the capital programme. Within customer services, income reductions attributed to major works service charge billing being offset by additional rental income from new builds. There are also a number of other risks and uncertainties in this fund that could pose financial pressures.

Risks and uncertainties

- 3.9.3 High levels of uncertainty around the inflation and rising interest rates pose a financial risk to the HRA. This has an impact on the cost of materials and repairs, as well as the cost of new build contracts. Rising energy costs are to be passed on to tenants and leaseholders resulting in an increased risk of non-collection. Rising cost of living is likely to further impact rent collection rates and consequently result in increased rent arrears. In addition, an increase in service requests relating to damp and mould is likely to put additional pressures on the budgets.
- 3.9.4 Other pressures involve the capital programme as there is no new government funding having been made available to meet environmental priorities and requirements such as carbon reduction works to homes.
- 3.9.5 The increased costs experienced by the HRA would have to be met by rent inflation and modifying service delivery. It is now confirmed that the government will limit social housing rent increases next year to 7% and the HRA will need to find additional savings in order to close the gap between rental income and cost of service delivery.
- 3.9.6 These risks are being continuously monitored and reflected in the HRA Business Plan and the Council's Medium Term Financial Strategy (MTFS).

4. Capital Programme

- 4.1 The table below sets out the Capital Programme current forecast to the revised budget position as at Quarter 3 for 2022/23.

Directorate	Original Budget	Revised Budget	Current Forecast	FY Variance	
				£m (Underspend)/ Overspend/	£m (Slippage)/ Brought Forward
Corporate Landlord	5.3	17.3	14.1	1.7	(5.1)
Housing GF	103.5	79.3	79.6	0.6	(0.3)
Housing HRA	47.1	59.4	60.1	2.8	(2.1)
PRS I4B	0.8	19.9	18.0	0.0	(1.9)
Public Realm	11.9	21.3	16.2	(0.5)	(4.6)
Regeneration	48.4	9.4	2.9	(1.3)	(5.2)
Schools	10.5	12.4	8.7	(3.5)	(0.2)
South Kilburn	22.5	26.4	10.2	0.0	(16.2)
St Raphael's	2.2	1.9	1.9	0.0	0.0
Total	252.1	247.3	211.7	(0.2)	(35.6)

- 4.2 Variances are being forecast on various projects against the current revised budget. Breakdown of such variances into overspend, underspend, accelerated spend or slippage along with explanations are detailed below.

4.3 Corporate Landlord

- 4.3.1 Corporate Landlord has a budget variance of £4m, owing to slippage of £5.1m and an overspend of 1.7m.
- 4.3.2 The Civic Centre and Property Management budget have updated their asset management plan and programme of works required during the year, leaving a budget requirement of £1.4m for which they are considering options on how to meet, including savings that have been achieved across the rest of the board. Digital Strategy has a slippage of £1.1m which will now move forward to the next financial year. This is a 3-year rolling programme, there is currently a pilot being undertaken, and the budget will be required in future years. There is a slippage of £2.6m in ICT infrastructure, project business cases have been approved and they are currently in the procurement process, some of this will be spent in the next financial year. There is also slippage of £0.7m across the remaining programs including the Family Wellbeing Centre.

Risk and Uncertainties

- 4.3.3 There is a risk that the Civic Centre project may not be able to complete all their anticipated asset management programme works in this financial year due to budget constraints.

4.4 Housing General Fund

- 4.4.1 Housing GF has an overall variance of £0.3m, which is made up of slippage of £0.3m and overspend of £0.6m.
- 4.4.2 There is £0.5m slippage forecast on the Clock Cottage project following a non-material amendment which has delayed the project by 16 weeks. The Bridge Park redevelopment project is expecting accelerated spend of 0.2m following the award of Technical Consultancy and Lead Designer contracts. A £0.4m overspend is forecast for the Preston Park project on account of the impact of inflationary pressure on scheme cost. There is currently a £0.2m overspend forecast on Peel Road as the final account negotiation progresses.

4.5 Housing HRA

- 4.5.1 Housing HRA has an overall variance of £0.7m, which is made up of slippage of £2.1m and overspend of £2.8m.
- 4.5.2 A £0.1m slippage on Eskdale Close is due to delays in progress with planning owing to unit mix amendments. Slippage of £0.2m is forecast for Pharamond Fho due to a shortage of piling works sub-contractors in the market resulting in a 12-weeks delay to the scheduled works. The £1.8m slippage forecast on Tower Block major works schemes (Kilburn Square and five other tower blocks) due to delays in commencing the work. A total of £0.2m overspend is forecast for Kilburn Square, Oman Avenue and Gloucester Close as the final account negotiation progresses. An overspend of £1m is forecast on External Fabric works as a result of enhanced work plan and £1.5m is forecast on

Domestic Electrics to cover for backlog Electrical Installation Condition Report (EICR) works. These works are expected to be funded from savings within the major repairs programme. The £0.1m overspend forecast on Aneurin Bevan Ct is on account of the ongoing inflationary pressure on scheme costs.

Risk and Uncertainties – Housing

- 4.5.3 Viability is becoming increasingly challenging for the New Council Homes Programme (NCHP) with the cost of raw materials and labour rising. To mitigate this, all new planning applications from the NCHP are able to commit to 50% affordable housing (or above where possible) however this may not improve viability enough for the scheme to progress. Work is ongoing to address schemes already within the programme with pressures.

4.6 PRS I4B

- 4.6.1 On I4B Private Sector Acquisitions, slippage of £1.9m is forecast as a result of updates reflecting the reduced purchase plan driven by the ongoing macro financial environment

Risk and Uncertainties

- 4.6.2 The impact of rising interest rates is that the purchase price I4B can afford to pay for properties drops, enabling it to access less properties on the market. In order to maintain its ability to purchase the price of properties on the market would have to drop. Whilst there are early indications that property prices may start to fall there has not yet been sufficient decreases to offset the rise in financing costs.

4.7 St Raphael's

- 4.7.1 The St Raphael's project is forecasting to spend to budget. The budget of £1.9m is for works related to planning application for Phase 1 of the scheme, and plans for further works will be firmed up in future subject to viability. The Council is now working towards the delivery of the Estate improvement works of which £12m is forecast for 2023/24 and £18m in 2024/25.

Risk and Uncertainties

- 4.7.2 The development works on the infill masterplan are currently on pause following recent cost estimates for the scheme. The viability will be assessed in the new financial year.

4.8 Public Realm

- 4.8.1 Public realm has a budget variance of £5.1m, owing to slippage of £4.6m and an underspend of £0.5m.
- 4.8.2 The £0.5m underspend relates to projects funded by S106, NCIL and invest to save currently forecasting under the maximum budget allocated. Due to the

nature of funding it can't be used for other projects directly. There is a £0.5m slippage in the parks programme, primarily due to the pitch improvements project caused by a delay in the second phase of the pitch drainage work. There is a £0.5m slippage on landscaping due to all project expenditure being reviewed to now align with Forestry Commission bid, for which we have offered match funding. There is slippage of £2.5m in the highways area, primarily due to a contractor delay on footways, additionally £0.6m set aside for the Kilburn high street project will be spent next year. The remaining slippage £0.5m is forecast across sports and culture for Gladstone Park and S106 projects.

Risk and Uncertainties

- 4.8.3 Although TFL has reached a longer-term deal with the Government, funding for the London Boroughs is not expected to reach pre-covid levels, some of this has been offset by efficiencies and prioritisation, but budget allocation could be required to deal with emergency capital works in the future.

4.9 Regeneration

- 4.9.1 Regeneration has a budget variance of £6.5m, owing to slippage of £5.2m and an underspend of £1.3m
- 4.9.2 The Morland Gardens spend forecast has reduced given major works are not expected to start until January 2023 or later, giving rise to slippage of £5.2m. There is also a projected underspend of £1.3m on Picture Palace and Design works, some of this due to the original acquisition being lower than expected and the current estimate from the contractor for the fit out being lower than the budget, although this might change as the projects progress.

Risk and Uncertainties

- 4.9.3 The ongoing economic pressures are driving up development costs which are expected to have an impact on development activity within the Borough. A slowdown in developments commencing could reduce the expected income available from CIL.

4.10 Schools

- 4.10.1 The Schools Board has a budget variance of £3.7m, owing to slippage of £0.2m and an underspend of £3.5m.
- 4.10.2 £3.0m of the underspend is for the SEND Programme. The program contingency included in the budget and is not required currently as the programme is in its early stages. There is a £0.2m underspend relating to phase 3 primary expansion, primarily Uxendon Manor. The excess budget can be removed once project has completed fully. There is also £0.3m underspend relating to the contingency for the School AMP programme. The slippage of £0.2m is from the dedicated school's facilities grant, which depends on school progression on asset works and will be spent in future years.

Risk and Uncertainties

- 4.10.3 The Council has a statutory duty to provide schools places for children at all levels, so it is important that any forecast requirement is prioritised which may result in challenges with funding.

4.11 South Kilburn

- 4.11.1 South Kilburn has a budget variance of £16.2m, owing to slippage.
- 4.11.2 There is a £5.2m slippage due to acquisitions being forecast in future years primarily on Austen House and Blake Court. A £4.9m SCIL contribution from the NWCC projects will not be used within the financial year. There is a £4m slippage on the Carlton and Granville project, the project has moved into the construction phase after procurement and the forecast now reflects a more realistic schedule. There is slippage of £1m on the District Energy Network project which will be used in future years due to the concept design being reworked to meet the amended requirements of the London Plan. There is also a £1.1m slippage on the infrastructure works at Peel and Carlton Vale Boulevard.

Risk and Uncertainties

- 4.11.3 The mixed-use nature of the scheme relies on developers making the schemes viable and providing the affordable housing alongside the private units. Possible difficulties with high inflation could make this more difficult, so the programme is reviewed regularly to ascertain the potential impact on future phases.

5. Financial Implications

- 5.1 This report is about the Council's financial position in 2022/23, but there are no direct financial implications in agreeing the report.

6. Legal Implications

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

7. Equality Implications

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

8. Consultation with Ward Members and Stakeholders

- 8.1 Not applicable.

9. Human Resources

- 9.1 Not applicable.

Report sign off:

Minesh Patel

Director of Finance

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Appendix A - MTFS Savings Delivery Tracker 2022/23

Department	Index	Reference	2022/23 original saving (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Adult Social Care and Health	2021-23 CWB 001	Reablement	120	120	Delivering the outcomes of the Newton Europe project, to increase the number of people going through Reablement, create better quality Reablement and clearer pathways, and minimise costs. Make further savings by reducing local authority contributions to rehab (health) element of the service.	Green	The saving is on track to be delivered and will be achieved through improved reablement care practices which should reduce the need for ongoing adult social care packages after reablement care packages have been completed.
Sub Total			120	120			
Communities and Regeneration	2021-23 CE 003	Efficiency savings	67	67	Efficiency savings within Engagement & Strategy and Communications	Green	Savings are on track to be delivered
Communities & Regeneration	2021-23 R&E 009	Apprenticeship levy commercial offer	30	30	Offer to businesses on how to use the apprenticeship levy	Green	Alternative savings will be found within R&E. Not achievable in the initially intended form. There are proposals nationally to reform the Apprenticeship Levy. We will await these changes before progressing any proposals.
Sub Total			97	97			


Department	Index	Reference	2022/23 original saving (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Children & Young People	CYP A3	Gordon Brown Centre	300	0	An expanded use of the Centre, either supporting families with children at risk of being taken into care or as a residential provision for Looked After Children, would realise either cost avoidance or additional income.	Red	<p>A new life skills programme has been developed aimed at better preparing care leavers for adulthood through practical and well as theoretical training, using the Gordon Brown Centre (GBC) for training weekends.</p> <p>Findings from pilot weekends indicate positive outcomes with young people feeling more confident about moving into their own tenancies. Cost avoidance will be generated when the programme picks up pace, with the period care leavers are accommodated in semi-independent provision shortening as they move more quickly into their own tenancies. Cost avoidance savings are expected to be realised in financial year 2022/23.</p> <p>A review has been started on a proposed new building to maximise delivery of this activity and work with children at risk of being taken into care.</p> <p>Adaptations for buildings to ensure full accessibility and allow expanded use of the GBC alongside core business were planned for completion by December 2023 but these are behind schedule with completion anticipated by May 2024. Once in place, extended use of the GBC will generate additional income.</p>
Sub Total			300	0			
Finance and Resources	2021-23 CE 002	Efficiency savings	133	133	Efficiency savings within Finance and Audit & Investigations	Green	Savings are on track to be delivered

Department	Index	Reference	2022/23 original saving (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Finance & Resources	CE A1	Efficiency savings	50	50	This saving can be achievable through efficiencies expected from the Oracle Cloud implementation, for example through more efficient working practices	Green	Savings are on track to be delivered
Sub Total			183	183			
Governance	2021-23 CE 001	Efficiency savings	100	100	Efficiency savings within Legal, Human Resources (HR), Executive & Member Services	Green	Savings are on track to be delivered
Sub Total			100	100			
Resident Services	2021-23 CWB 006	Properties to relieve Temporary Accommodation	560	560	Additional properties obtained which reduce demand for Temporary Accommodation.	Green	Savings are on track to be delivered
Resident Services	2021-23 R&E 004	Damage Cost Recovery	50	50	Deploying an officer to more proactively recover the cost of repairs from developers and builders causing damage to the public highway.	Green	Savings are on track to be delivered
Resident Services	2021-23 R&E 006	Brent Transport Services move	150	150	Relocating buses back to Brent from Harrow to reduce operating times and costs	Green	A Consultant has completed an initial review of this service with recommendations. It is anticipated that following these recommendations the saving will be achieved.
Resident Services	R&E A2	Brent Transport Service	100	100	A review of the commercial aspects of the service to identify operational efficiencies, particularly with respect to route rationalisation, parking arrangements and on-bus support requirements. This will extend to a joint review with Children and Young People (CYP) of what opportunities there might be to	Green	A Consultant has completed an initial review of this service with recommendations. It is anticipated that following these recommendations the saving will be achieved.

Department	Index	Reference	2022/23 original saving (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
					promote and facilitate better take-up of independent travel by pupils.		
Resident Services	2021-23 CDS 004	ICT Client and Application support efficiency savings	160	160	ICT Client & Applications staffing efficiencies	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 006	Customer Access efficiency savings	50	50	Merger of Housing and Brent Customer Service (BCS) contact centre	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 007	Customer Access efficiency savings	30	30	Reduction in Postal Costs	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 009	Customer Access efficiency savings	50	50	Increased automation in Customer Services	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 010	Customer Access efficiency savings	75	75	Replace IEG (IEG is external company) (on line benefits form)	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 011	Customer Access efficiency savings	95	95	Staffing efficiencies in Customer Services	Green	Savings are on track to be delivered
Resident Services	2021-23 CDS 012	Transformation efficiency savings	100	100	Staffing efficiencies	Green	Savings are on track to be delivered
Sub Total			1,420	1,420			

Department	Index	Reference	2022/23 original saving (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Corporate	CORP A1	Reduction in procurement spend	500	500	This new work stream consists of an ongoing procurement and contract management review, covering new procurement activity, re-scoping of contracts and reviewing inflationary uplifts.	Green	This saving is expected to be delivered following a review of procurement spend and upcoming contract renewals by the Commissioning and Procurement Board
Sub Total			500	500			
Grand Total			2,720	2,420			

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	Cabinet 16 January 2023
	Report from the Corporate Director Finance and Resources
Treasury Management Mid-Year Report 2022-23	

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	One Appendix 1 - Treasury Management Indicators
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Amanda Healy Head of Finance Email: Amanda.Healy@brent.gov.uk Tel: 020 8937 5912 Sacha Bakhtiar Senior Finance Analyst Email: Sacha.Bakhtiar@brent.gov.uk Tel: 020 8937 4039

1.0 Purpose of the Report

- 1.1 This report updates Members on Treasury activity for the first half of the financial year 2022-23.

2.0 Recommendation(s)

- 2.1 Cabinet is asked to note the 2022-23 Mid-Year Treasury report for reference on to Council, along with the fact that the Council has been fully compliant with the Council's Treasury Management indicators, in compliance with CIPFA's Code of Practice on Treasury Management (the Code).

3.0 Detail

Background

- 3.1 The Council's Treasury Management Strategy is underpinned by the adoption of the Chartered Institute of Public Finance and Accountancy's Code of Practice (the CIPFA Code) on Treasury Management 2011. This requires the Council to approve Treasury Management mid-year and annual reports. The update report is presented here in-line with CIPFA's recommendations.
- 3.2 CIPFA published its revised Treasury Management Code of Practice (the TM Code) in December 2021. The key changes in the two codes are around permitted reasons to borrow, knowledge and skills, and the management of non-treasury investments.
- 3.3 The principles within the Code took immediate effect although local authorities could defer introducing the revised reporting requirements within the revised Codes until the 2023/24 financial year if they wished. The Council has elected to fully adopt the revised reporting requirements from 2023/24.
- 3.4 Treasury Management is defined as: "The management of the local authority's investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks."
- 3.5 The Council's Treasury Management Strategy for 2022/23 was approved by Full Council on 24th February 2022.
- 3.6 In addition to reporting on risk management, the Code requires the Council to report on any financial instruments entered into to manage treasury risks.

Economic Background

- 3.7 There are ongoing impacts to the UK from the war in Ukraine, together with higher inflation, higher interest rates, uncertain economic policy and a deteriorating economic outlook.
- 3.8 The Bank of England increased the official Bank Rate to 3.0% in November 2022, the largest single rate hike since 1989 and the eighth successive rise since December 2021. This was voted for by a 7-2 majority of the Monetary Policy Committee (MPC).
- 3.9 The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than in the August report, due in part to the government's support package for household energy costs, inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.
- 3.10 CPI inflation is expected to peak at around 11% in the last calendar quarter of 2022 and then fall sharply to 1.4%, below the 2% target, in two years' time and

to 0% in three years' time if the Bank Rate follows the path implied by financial markets with a peak of 5.25%. However the BoE has stated it considers this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target.

- 3.11 The labour market remains tight for now, with the most recent statistics showing the unemployment rate fell to 3.5%, driven mostly by a shrinking labour force. Earnings were up strongly in nominal terms by 6% for total pay and 5.4% for regular pay but factoring in inflation means real total pay was -2.4% and regular pay -2.9%. Looking forward, the MPR shows the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.
- 3.12 Interest rates have also been rising sharply in the US, with the Federal Reserve increasing the range on its key interest rate by 0.75% in November 2022 to 3.75%-4.0%. This was the fourth successive 0.75% rise in a pace of tightening that has seen rates increase from 0.25%-0.50% in March 2022. Annual inflation has been slowing in the US but remains above 8%. GDP grew at an annualised rate of 2.6% between July and September 2022, a better-than-expected rise, but with official interest rates expected to rise even further in the coming months, a recession in the region is widely expected at some point during 2023.
- 3.13 Inflation has been rising consistently in the Euro Zone since the start of the year, hitting an annual rate of 10.7% in October 2022. Economic growth has been weakening with an expansion of just 0.2% in the three months to September 2022. As with the UK and US, the European Central Bank has been on an interest rate tightening cycle, pushing up its three key interest rates by 0.75% in October, the third major increase in a row, taking its main refinancing rate to 2% and deposit facility rate to 1.5%.

Financial Markets

- 3.14 Uncertainty remained in control of financial market sentiment and bond yields remained volatile, continuing their general upward trend as concern over higher inflation and higher interest rates continued to dominate. Towards the end of September, volatility in financial markets was significantly exacerbated by the UK government's fiscal plans, leading to an acceleration in the rate of the rise in gilt yields and decline in the value of sterling.
- 3.15 Due to pressure on pension funds, the Bank of England announced a direct intervention in the gilt market to increase liquidity and reduce yields.
- 3.16 Over the period the 5-year UK benchmark gilt yield rose from 1.41% to 4.40%, the 10-year gilt yield rose from 1.61% to 4.15%, the 20-year yield from 1.82% to 4.13% and the 50-year yield from 1.56% to 3.25%. The Sterling Overnight Rate (SONIA) averaged 1.22% over the period.
- 3.17 The movement in standard rates at which local authorities can borrow from the Public Works Loans Board (PWLb) on maturity loans is shown in the table below including the highest and lowest rates during the period.

PWLB Rates %

Period	Mar 22	Jun 22	Sep 22	YTD Low	YTD High
1-year	2.05	2.91	4.28	2.15	5.31
5-year	2.34	3.12	4.41	2.41	5.63
10-year	2.54	3.42	4.46	2.58	5.67
20-year	2.77	3.68	4.73	2.75	6.08
30-year	2.70	3.59	4.63	2.65	5.98

Debt Management

- 3.18 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return. Councils that intend to borrow to invest primarily for yield will not be able to access the PWLB except to refinance existing loans or externalise internal borrowing. This restriction does not prevent regeneration activities where "debt-for-yield" is not the primary purpose of the investment. The Council is not planning to purchase any investment assets primarily for yield and so is able fully access the PWLB borrowing facilities.
- 3.19 Competitive market alternatives may be available for Councils with or without access to the PWLB. However, the financial strength of the individual Council and the borrowing purpose will be scrutinised by commercial lenders.
- 3.20 The UK Infrastructure Bank (UKIB) which is wholly owned and backed by HM Treasury has earmarked £4bn for lending to local authorities. The Bank is currently operating in interim form, without its full suite of staff and functions. The Treasury has provided £22bn in funding to the Bank over its first 5 years.
- 3.21 To date, the Bank has invested in eight deals worth £760m, including subsidy-free solar farms, gigabit broadband infrastructure and green buses. Loans are available for qualifying projects at gilt yields plus 0.6%, which is 0.2% lower than the PWLB certainty rate.
- 3.22 UKIB borrowing proposals must meet a strict set of criteria to be eligible. These include alignment with the government's net zero objectives and the project being an infrastructure asset or network. The UKIB does not support predominantly social infrastructure projects.
- 3.23 The UK Municipal Bonds Agency (UK MBA) is working to deliver loans to UK local authorities to fund capital expenditure. Funding is provided through three lending programmes; long term pooled loans, standalone loans of over £250m, and short term pooled loans. Any authority wishing to engage in long-term borrowing must accept the UK MBA Framework Agreement.

- 3.24 A summary of the Council's borrowing in the first half of 2022/23 is provided below:

	Balance on 01/04/2022	Debt repaid*	New Borrowing	Balance on 30/09/2022
	£m	£m	£m	£m
Short Term Borrowing	119.4	96.2	15.0	38.2
Long Term Borrowing	565.2	0	60.0	625.2
TOTAL BORROWING	684.6	96.2	75.0	663.4
Average Rate of Borrowing %	3.24%	1.03%	2.64%	3.55%

- 3.25 The Council's main objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
- 3.26 In keeping with these objectives, new external borrowing was kept to a minimum of £90m to meet cash flow requirements. This has included borrowing to support the viability and affordability of the Capital Programme during this time of market volatility.
- 3.27 Borrowing costs on new borrowing have increased steadily through the year alongside increased market rates (see 3.7). In light of the increased market volatility, we have worked closely with our Treasury advisors in suggesting optimal points at when to enter the market and borrow. The highest borrowing rate that has been agreed YTD was at 4.1%, significantly below the market peaks shown in 3.16. Subsequent borrowing has been achieved at below 4%.
- 3.28 The Council has an increasing Capital Financing Requirement due to the elements of the capital programme funded by borrowing. An estimated borrowing requirement is determined by the liability benchmark, which takes into account the Council's usable reserves, planned capital expenditure and minimum revenue provision. This has shown that further borrowing in excess of £50m will be required during 2022/23.
- 3.29 Whilst PWLB funding margins have increased in 22/23, there has been no evidence that lower rates can be achieved through alternative sources of long-term funding.
- 3.30 The Council has considered and will continue to monitor the possibility of agreeing forward funded deals if these are at advantageous rates. The Council will continue to monitor alternative sources of funding and pursue the lower cost solutions and opportunities as they arise. The Council will evaluate and pursue these lower cost solutions and opportunities as they arise and will look to take advantage of the low borrowing rates for the HRA to provide certainty for its business plan.
- 3.31 Higher interest rates mean that it would be uneconomic to restructure existing PWLB debt, because interest rates are now higher than those secured on

existing borrowing. However this will be kept under review should interest rates be reduced in future.

- 3.32 The Authority continues to hold £70.5m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate as set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. No lender exercised their option in the first half of the year. However, due to higher market rates, there is now a significant risk that some existing LOBO's may now require refinancing at higher rates or will require repaying. £15m of LOBO's have break points in the second half of the year and may require repayment and refinancing at higher rates.

Treasury Investment Activity

- 3.33 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. During the year, the Council's investment balances ranged between £33.3m and £129.0m due to timing differences between income and expenditure.
- 3.34 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 3.35 The Council's investment position is shown in the table below.

	Balance b/f 01/04/2022	Investments Repaid	Investments Made	Balance c/f 30/09/2022
	£m	£m	£m	£m
Debt Management Account Deposit Facility	0.0	43.6	53.1	9.5
Money Market Funds	98.6	386.8	368.5	80.3
TOTAL INVESTMENTS	98.6	430.4	421.6	89.8
Average Rate of Investments	0.52%	0.92%	1.16%	1.99%

- 3.36 The Council holds most of its cash in Money Market Funds. The return on Money Market Funds has increased reflecting the higher interest rate environment. As at 30th September our Funds were paying rates between 1.8% - 2.09%. The Council also uses the Debt Management Agency's Deposit Facility (DMADF) for short-term cash deposits, which pays comparable rates.
- 3.37 The inter-local authority market has also seen higher interest rates. The return on our deposits vary significantly, reflecting the higher rates achieved on our more recent fixed term deposits. As at 30th September these funds were paying rates between 0.1% and 3.1%.
- 3.38 There was a modest reduction of £8.8m in short term investments in the first half of the year. Investment balances are expected to remain low over the next

6 months as the Council's internal resources have been utilised however may increase as external borrowing is undertaken. The Council is reviewing its borrowing options which may include short-term local authority borrowing, longer-term PWLB borrowing and forward borrowing (agreement to borrow at an agreed future date and rate in the future).

- 3.39 Security of capital has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2022/23. In accordance with the policy, new investments can be made with the following classes of institutions:

- A+ or above rated banks;
- AAA rated Money Market Funds;
- Other Local Authorities;
- Housing Associations;
- UK Debt Management Office;
- Corporate Bonds
- Collective Investment Schemes (Pooled Funds)
- Real Estate Investment Trusts

A short summary of the investment products available to the council along with an indication of relative risk is provided below:

- 3.40 The table below shows the different assets classes available to the council for its investment portfolio together with the major driver of the return and a summary of the key risks for each asset class.

Asset Classes (approx. return)	Cash (2.9%)	Bonds (3.9%)	Equities (3.4%)	Property (4.0%)
Income driven by	Short term interest rates	Medium term interest rates	Dividends / share prices	Rental income / vacancies
Key Risk(s)	Bank defaults	Company defaults	Company performance and perception of future performance	Property prices, least liquid asset class

- 3.41 Investments in Equities and Property classes tend to be considered over a longer time frame, which are not currently suitable for the Council given its significant capital spending plans.

Risks

- 3.42 Regardless of the approach taken, the Council will be required to manage significant risks in relation to its treasury investment portfolio. Some key risks are: -

- Credit risk - the risk that a bank or other institution will not be able to pay back the money invested with it. For longer term investments, the council is more exposed to credit risk. Should a counterparty's credit worthiness change, the council may not be able to get all their money back or may face heavy penalties if it can do so.

Mitigation – see Prudential Indicator 1 – Appendix 1

- Liquidity risk - that is the council having funds tied up in long-term investments when it needs to use that money. Increasing the duration of fixed cash deposits increases liquidity risk, however this can be mitigated through good cash flow management.

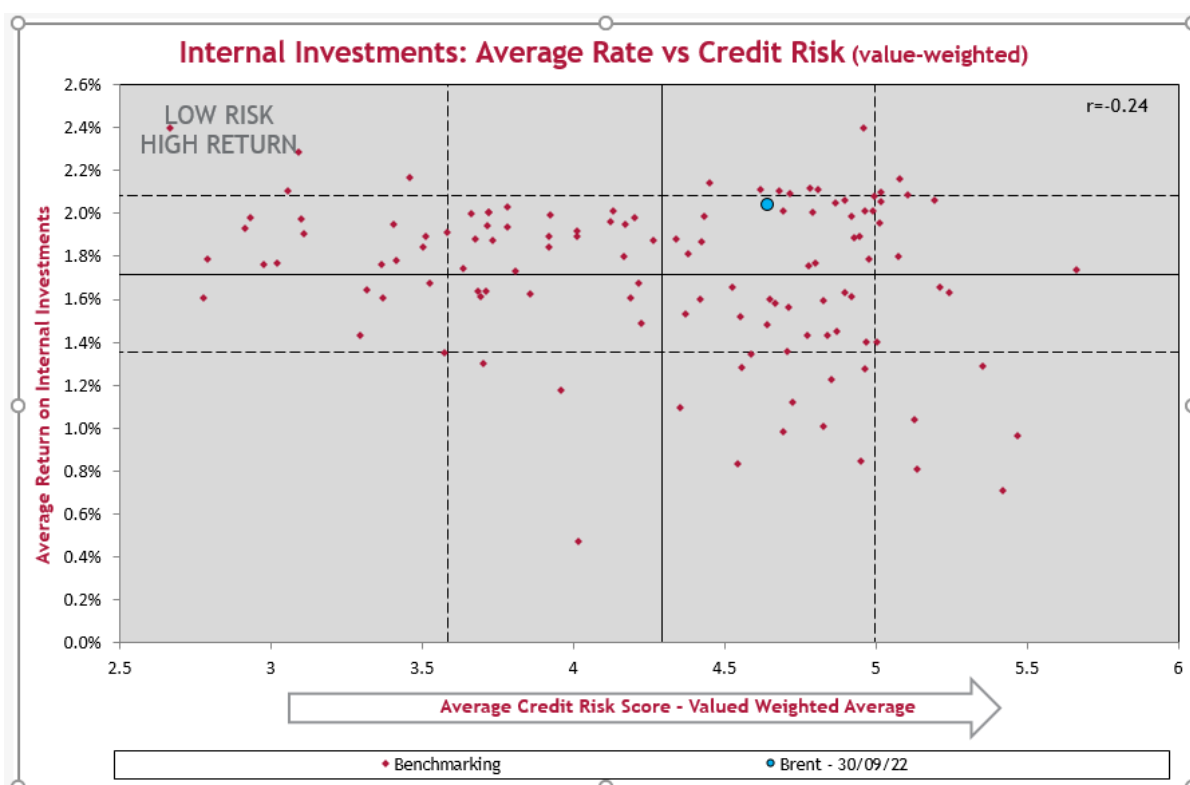
Mitigation – see Prudential Indicator 2 – Appendix 1

- Interest rate risk – the risk of the council's budget being affected by unforeseen changes in interest rates. Longer term cash deposits increase this risk and will negatively affect the council should interest rates rise. On the other hand, the council may benefit should interest rates fall.

Mitigation – see prudential Indicator 3 – Appendix 1

Benchmarking to other councils

- 3.43 The graph below shows a comparison in performance between Brent's investment portfolio and those of Arlingclose's (the Council's treasury advisor) other Local Authority clients. Brent's portfolio has a low risk profile compared with many of the others and our investments are also shorter dated, which also equates to a lower yield.



- 3.44 Our investment portfolio has a credit rating of A+ (equivalent to a Credit Risk Score of 4.7 in the table above). The credit rating achieved on our investments beats our target rating of A (which equates to a Credit Risk Score of 6 in the table above). The lower the Average Credit Risk score in the table above, the better the credit rating of the counterparties with which we hold investments.
- 3.45 A credit rating of 'A' per the Fitch agency indicates that an organisation has low default risk, but may be vulnerable to adverse economic conditions. A credit rating of 'AA' denotes that an organisation has very low default risk and is not significantly vulnerable to foreseeable events. The '+' and '-' are further delineations for each credit rating.

Budgeted Income And Outturn

- 3.46 The Council's external interest budget for the year is £18.2m, and for investment income is £4.7m. The average cash balances, representing the Council's reserves and working balances, were £87.8m during the period to 30 September 2022. The Council expects to receive significantly higher income from its cash and short-dated money market investments than it did in 2021/22 and earlier years due to the higher interest rate environment and the immediate cash requirements, which only allow for short-term investments.

Compliance

- 3.47 Officers confirm that they have complied with its Treasury Management Indicators for 2022/23, which were set in February 2022 as part of the Council's

Treasury Management Strategy Statement (TMSS). Details can be found in Appendix 1.

Summary

- 3.48 In compliance with the requirements of the CIPFA Code of Practice, this report provides Members with a summary report of the treasury management activity during the first half of 2022/23. As indicated in this report, none of the Prudential Indicators have been breached and a prudent approach has been taken in relation to investment activity with priority being given to security and liquidity over yield.

4.0 Financial Implications

- 4.1 These are covered throughout the report.

5.0 Legal Implications

- 5.1 There are no direct legal implications.

6.0 Equality Implications

- 6.1 No direct implications.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 None.

8.0 Human Resources/Property Implications

- 8.1 No direct implications.

Related Document:

Treasury Management Strategy – Report to Full Council as part of the Budget Report (Appendix I) – February 2022

Report sign off:

Minesh Patel

Corporate Director of
Finance and Resources

Appendix 1

Treasury Management Indicators

Security

The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit Risk Indicator	30/09/2022 Target	30/09/2022 Actual
Portfolio average credit rating	A	A+

Liquidity

The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling three-month period, without additional borrowing.

Liquidity Risk Indicator	30/09/2022 Target £m	30/09/2022 Actual £m
Total cash available within 3 months	20	76.2

Interest Rate exposure

This indicators is set to control the Council's exposure to interest rate risk. The impact of a change in interest rates is calculated on the assumption that maturing loans and investment will be replaced at current rates.

	2022/23 Approved Limits £m	30/09/2022 Actual £m
Upper limit on one-year revenue impact of a 1% rise in interest rates Compliance with limits:	5.0	0.1 Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates Compliance with limits:	5.0	0.1 Yes

Maturity Structure of Fixed Rate Borrowing

This indicator is to limit large concentrations of fixed rate debt needing to be replace at times of uncertainty over interest rates. The Council uses the option date as the maturity date for it's LOBO loans.

Maturity Structure of Fixed Rate Borrowing	Upper Limit	Lower Limit	Actual Fixed Rate Borrowing at 30/09/2022	% of Fixed Rate Borrowing at 30/09/2022	Compliance with set limits?
	%	%	£m	%	Yes / No
Under 12 months	40%	0%	122.5	18.5%	Yes
12 months and within 24 months	40%	0%	23.7	3.6%	Yes
24 months and within 5 years	40%	0%	45.2	6.8%	Yes
5 years and within 10 years	60%	0%	39.5	6.0%	Yes
10 years and within 20 years	75%	0%	117.0	17.6%	Yes
20 years and within 30 years	75%	0%	96.9	14.6%	Yes
30 years and within 40 years	75%	0%	213.7	32.2%	Yes
40 years and within 50 years	75%	0%	5.0	0.8%	Yes
50 years and above	75%	0%	0.0	0%	Yes
			663.4	100%	

Prudential Indicator: Capital Financing Requirement

The table below sets out the forecast levels of borrowing expected. As our capital financing requirement grows over the coming years, this is expected to lead to additional external borrowing.

	31.3.22	31.3.23	31.3.24	31.3.25	31.3.26
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Capital financing requirement	998.5	1,146.6	1,395.1	1,571.6	1,632.0
Other debt liabilities *	25.6	25.6	25.6	25.6	25.6
Loans CFR	1,024.1	1,172.3	1,420.7	1,597.3	1,657.6
External borrowing **	(684.6)	(681.7)	(618.3)	(609.9)	(601.6)
Internal (over) borrowing	339.6	490.6	802.4	987.4	1,056.0
Less: Balance Sheet resources	(438.2)	(438.2)	(438.2)	(438.2)	(438.2)
Treasury Investments (or New borrowing)	98.6	(52.4)	(364.2)	(549.2)	(617.8)

* leases and PFI liabilities that form part of the Authority's total debt

** shows only loans to which the Authority is committed and excludes optional refinancing

Prudential Indicator: Liability Benchmark

	31.3.22	31.3.23	31.3.24	31.3.25	31.3.26
	Actual	Forecast	Forecast	Forecast	Forecast
	£m	£m	£m	£m	£m
Loans CFR	1,024.1	1,172.3	1,420.7	1,597.3	1,657.6
Less: Balance sheet resources	(438.2)	(438.2)	(438.2)	(438.2)	(438.2)
Net loans requirement	586.0	734.1	982.5	1,159.1	1,219.4
Plus: Liquidity allowance	20.0	20.0	20.0	20.0	20.0
Liability benchmark	606.0	754.1	1,002.5	1,179.1	1,239.4

Prudential Indicator: Authorised Limit and Operational Boundary for external debt

	2022/23 Forecast £m	2023/24 Budget £m	2024/25 Budget £m	2025/26 Budget £m
Authorised Limit	1,500.0	1,500.0	1,500.0	1,500.0
Operational Boundary	1,300.0	1,300.0	1,300.0	1,300.0

The Authorised Limit sets the maximum level of external borrowing that the Council can incur. The Operational Boundary for External Debt is not a limit and actual borrowing can vary around the boundary. The Operational Boundary acts as an early indicator to ensure that the Authorised Limit is not breached.