



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 13 March 2023 at
10.00 am

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

Also present (as an online participant): Martin Smith (Chair of i4B Holdings Ltd and First Wave Housing Ltd Boards) for Agenda Items 7 and 8.

1. **Apologies for Absence**

None received.

2. **Declarations of Interest**

Peter Gadsdon and Phil Porter declared personal interests in relation to Agenda Item 7 (i4B Business Plan 2023/24) and Agenda Item 8 (First Wave Housing Business Plan 2023/24) as Council appointed Directors on the Boards of i4B and FWH Ltd.

Councillor Grahl declared a personal interest in relation to Agenda Item 10 (Contract for Leaseholder Property Insurance) as a leaseholder in the borough.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous meeting held on Monday 6 February 2023 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 Committee submitted for consideration at the meeting.

7. **i4B Business Plan 2023/24**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report, providing Cabinet with a final draft of the i4B Holdings Ltd (i4B) 2023/24 Business Plan for consideration and approval on behalf of the Shareholder. In considering the report, Cabinet noted the update provided in relation to the operational performance of i4B along with the ongoing work being undertaken to address the key operational issues identified in relation to voids and rent collection. Whilst i4B was continuing to forecast positive cash balances the impact of the current economic environment, particular in relation to higher inflation and interest rates along with pressures affecting the supply chain and labour market, had also been recognised in terms of development and delivery of the current and 2023-24 Business Plan. Given the pressures identified, it was noted that the Board had agreed to temporarily suspend their street property acquisition programme pending further review later in 2023.

Following Councillor Mili Patel's introduction Councillor Muhammed Butt (as Leader of the Council) welcomed Martin Smith, Chair of the i4B Holdings Ltd Board, (as an online participant) and invited him to introduce the key themes in relation to the current performance and strategic priorities for i4B as detailed within the company Business Plan. In commenting on the report, Martin Smith outlined the context in which the 2023-24 Business Plan had been developed along with the progress made against the objectives within the 2022-23 Business Plan and key strategic priorities for 2023-24. In highlighting the challenging economic context within which i4B was operating members were advised:

- of the measures taken to secure available finance at preferential interest rates, as part of i4B's Development Strategy.
- that whilst i4B had made the decision to suspend its street property acquisition programme work would continue to enable further consideration to be given to re-entering the market later in 2023, allowing market conditions to stabilise.

In terms of looking ahead, the strategic priorities identified within the 2023-24 Business Plan had remained focused around increasing the supply of affordable housing in the borough; running a viable business; delivering safe and sustainable homes; and providing a consistently good housing service in support of the Council's wider Housing Strategy. Members were advised these also included, as specific priorities, an approach designed to deliver accessible adapted accommodation as well as meet current environmental and decarbonisation requirements and standards, given the additional costs relating to environmental efficiency works. In working towards these objectives, Cabinet noted the current focus within the Business Plan had therefore been adjusted towards the acquisition of new build block properties utilising the funding available pending any decision to re-enter the street property market.

Members supported and welcomed the contribution being made by i4B towards addressing housing need across the borough through the supply of safe, secure and sustainable affordable housing and in support of the Council's wider Housing Strategy. Having noted the current performance and strategic priorities of i4B, along with the exempt information contained within the appendices of the report, Cabinet therefore **RESOLVED**:

- (1) To approve the i4B 2023/24 Business Plan.

- (2) To approve the content and proposed strategic priorities of i4B's 2023/24 Business Plan.
- (3) To approve the updated financial model contained within the 2023/24 Business Plan.
- (4) To approve the Service Level Agreement for 2023/25 in Appendix 4 of the report.
- (5) To delegate authority to the Corporate Director of Finance & Resources to approve the variation of the Service Level Agreement during 2023/24.

8. **FWH Business Plan 2023/24**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report, providing Cabinet with a final draft of the First Wave Housing Ltd (FWH) 2023/24 Business Plan for consideration and approval on behalf of the Guarantor.

In considering the report Cabinet noted the use of FWH as the preferred body to be used by the Council for the purpose of entering into a formal leasing arrangement for the acquisition of 118 London Living Rent units at the Fulton Road site, which was currently being progressed. This was on the basis of the leasing arrangement being structured around FWH's status as a Registered Provider. In terms of FWH's operational performance, members were advised that the key challenge remained void times. Members also noted the overview provided in relation to delivery of the objectives within their 2022-23 Business Plan and key strategic priorities for 2023-24 which, as for i4B, remained focussed around delivering safe and sustainable homes; increasing the supply of affordable housing in the borough; running a viable business; and providing a consistently good housing service. Whilst the cash position of FWH was forecast to remain positive, the impact of the current economic challenges identified in relation to rising inflation, interest rates, corporation tax and levels of rent along with the pressures created as a result of the cost of living crisis on affordability and rent collection, had been recognised and reflected within development of the Business Plan. As with i4B, members noted the way in which FWH was able to benefit from access to acquisition funds and potential GLA funding with support being provided on how access to the loan and other grant funding could be utilised to support the company's strategic objectives and Council's wider Housing Strategy.

On being invited to comment on the report, Martin Smith, Chair of FWH Ltd Board, advised he had nothing further to add in relation to the introductory comments made. Members therefore thanked him for attending the meeting and once again outlined their support for the contribution being made by FWH towards delivery of the Council's Housing Strategy through the supply of safe, secure and sustainable affordable housing.

Having noted the current performance and strategic priorities outlined in relation to FWH, along with the exempt information contained within the appendices of the report, Cabinet **RESOLVED**:

- (1) To approve FWH's 2023/24 Business Plan.

- (2) To approve the content and proposed strategic priorities of FWH's 2023/24 Business Plan.
- (3) To approve the updated financial model contained within the 2023/24 Business Plan.
- (4) To approve the Service Level Agreement for 2023/25 in Appendix 4 of the report.
- (5) To delegate authority to the Director of Finance to approve the variation of the Service Level Agreement during 2023/24.

9. **Contract for General Insurance Services**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report setting out the proposed arrangements for provision of the Councils Insurance Service contracts.

In presenting the report, Councillor Mili Patel advised that the contract had last been tendered in 2018, with the current arrangements due to expire in September 2023. In noting the main risk classes covered under the current insurance cover, as detailed in section 3.1 of the report, members were advised that the insurance requirements would remain the same except for First Wave Housing, which was due to be removed from the main insurance programme and have a standalone policy similar to the existing arrangements for i4B.

Having noted the report and with no further comments, Cabinet **RESOLVED**:

- (1) To approve inviting tenders for Insurance Services on the basis of the pre-tender considerations set out in paragraph 3.4 of the report.
- (2) To approve officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph 3.4(vi) of the report.
- (3) To delegate authority to the Corporate Director of Finance & Resources, in consultation with the Cabinet Member for Finance, Resource & Reform, to award the contract for Insurance Services for a term of three years with the option to extend for a further two years.

10. **Contract for Leaseholder Property Insurance**

Councillor Knight (Cabinet Member for Housing, Homelessness & Renters Security) introduced a report setting out the proposed arrangements for provision of the Council's Leasehold Property Insurance contract.

In considering the report members noted the main risk clauses due to be included under the contract arrangements, as detailed in section 3.6 of the report. Members also recognised the importance of the way the procurement process had been structured in order to secure best value for leaseholders in the borough, given the current challenging economic conditions.

Having considered the report and with no further comments, Cabinet **RESOLVED**:

- (1) To approve inviting tenders for Leasehold Property Insurance on the basis of the pre-tender considerations set out in paragraph 3.5 of the report.
- (2) To note that the Council would undertake consultation with leaseholders and Recognised Tenants Associations pursuant to Section 20 of the Landlord and Tenant Act 1985 (as amended), as set out in paragraphs 7.1 – 7.7 of the report.
- (3) To approve officers evaluating the tenders referred to in (1) above on the basis of the evaluation criteria set out in paragraph 3.5 (vi) of the report.
- (4) To delegate authority to the Corporate Director of Resident Services, in consultation with the Lead Member for Housing, Homelessness and Renters Security, to award the contract for Leasehold Property Insurance for a term of three years with an option to extend for a further two years.

11. **Procurement of Mechanical & Electrical Services works contract for Council Housing**

Councillor Knight (Cabinet Member for Housing, Homelessness & Renters Security) introduced a report seeking approval to commence procurement of the specialist mechanical and electrical (M&E) contracts that support the maintenance and repairs, planned maintenance, and servicing requirements in relation to the Council housing stock.

In considering the report, Cabinet noted the full range of contracts that would be included under the procurement process and their importance in terms of supporting the maintenance of the Council's housing stock in order to ensure that the Council complied with all of its key regulatory and statutory responsibilities and in terms of protecting and keeping its tenants and residents safe.

Having considered the report Cabinet **RESOLVED**:

- (1) To note the M&E contracts detailed in the table in paragraph 3.6 of the report were coming to an end but would be extended. The Council was aiming to procure the new Qualifying Long-Term Agreements within a maximum period of 12 months. The existing contracts would need to be extended to align with the re-procurement process with new contracts awarded commencing March 2024.
- (2) To note that pursuant to delegated powers officers were procuring a suitably experienced Technical Consultancy that would manage the preparation of the specifications and support the procurement of the new M&E contracts.
- (3) To approve inviting tenders for the M&E Contracts detailed in the table within section 3.6 of the report.
- (4) To delegate authority to the Corporate Director of Resident Services, in consultation with the Cabinet Member for Housing, Homelessness and Renters Security, to agree pre-tender considerations in respect of the M&E

Contracts referred to in (3) above and thereafter evaluate tenders on the basis of the agreed evaluation criteria.

- (5) To delegate authority to the Corporate Director of Resident Services, in consultation with the Cabinet Member for Housing, Homelessness and Renters Security, to award the M&E Contracts referred in (3) above.
- (6) To approve the allocation of £64million exclusive of VAT over a period of 10 years from revenue and capital to fund the M&E Contracts referred to in (3) above, in accordance with the detail set out in section 3.6 of the report.
- (7) To note that the Council would undertake consultation with leaseholders and Recognised Tenants Associations pursuant to Section 20 of the Landlord and Tenant Act 1985 (as amended), as set out in section 7.4 of the report.

12. **National Non-Domestic Rates 2023/24 Retail, Hospitality and Leisure Relief, Supporting Small Business Relief and Transitional Relief Schemes**

Councillor Southwood (Cabinet Member for Jobs, Economy & Citizens Experience) introduced a report seeking approval to implement the Council's National Non-Domestic Rates (NNDR) Discretionary Scheme for 2023/24 in relation to Retail, Hospitality and Leisure Relief and a Supporting Small Business Relief scheme.

In considering the report, members noted that the proposals had been designed to reflect recent guidance published by the Government in relation to the administration of both schemes based on the use of existing discretionary relief powers.

Having considered the report and published guidance, Cabinet **RESOLVED**:

- (1) To approve the Council's National Non-Domestic Rates (NNDR) Discretionary Scheme in relation to 2023/24 Retail, Hospitality and Leisure Relief as set out in Appendix 1 of the report and pursuant to the Council's powers under Section 47 of the Local Government Finance Act 1988, as amended.
- (2) To approve the Council's National Non-Domestic Rates (NNDR) Discretionary Scheme in relation to the 2023 Supporting Small Businesses Relief scheme as set out in Appendix 2 of the report and pursuant to the Council's powers under Section 47 of the Local Government Finance Act 1988, as amended.
- (3) To delegate authority to the Corporate Director of Resident Services, in consultation with the Corporate Director of Finance & Resources, to implement the discretionary schemes set out in Appendix 1 and Appendix 2 of the report.

13. **Continuing the business rates discount for London Living Wage accredited employers**

Councillor Southwood (Cabinet Member for Jobs, Economy & Citizens Experience) introduced a report seeking approval to continue provision of the Business Rates

Discount for London Living Wage (LLW) accredited employers from 1 April 2023 to 31 March 2026 along with a range of incentives and support for non accredited LLW businesses and those moving towards LLW payment and accreditation in support of the “Good Work Standard”.

In considering the report, members noted and endorsed Brent’s long-standing commitment to promoting the LLW recognising the importance of addressing low pay as a cause of poverty and in terms of supporting ongoing economic development and tackling the cost-of-living crisis, post-covid. Whilst supportive of the continuation of the Business Rates Discount, members were also aware of the economic context relating to the make-up of the business sector across Brent and high percentage of small and medium employers not subsequently eligible for the LLW accredited Discount. As a result, members also welcomed the additional proposals outlined within the report designed to offer a more diverse range of incentives and support to meet the needs of the borough’s small and micro businesses who were either paying LLW but were not formally accredited or were working towards offering the LLW payment, as detailed within section 3.21 of the report. In addition, members noted and welcomed the additional focus outlined in support of the Mayor of London’s “Good Work Standard” given the incorporation of measures designed to encourage fair pay, and enhance working conditions, diversity and workplace wellbeing.

In expressing support for the proposals, Cabinet highlighted the responsibility it was felt the Council had to promote good employment and working practices, especially given the current economic context and challenges faced by many businesses across the borough and efforts being made to tackle the impact arising from the cost-of-living crisis. The efforts being made by the Council to promote the LLW, support businesses and incentivise good working and employment standards across the borough were therefore welcomed and as a result Cabinet **RESOLVED**:

- (1) To agree to renew the business rates discount for Living Wage Accredited Employers for a further three years and approve the policy as set out in Appendix A of the report.
- (2) To note the proposed dialogue with a broader range of businesses, bearing in mind the nature of Brent’s businesses base as set out in sections 3.1 to 3.14 of the report. The Good Work Standard Group, which represented Brent’s diversity of businesses, would inform and drive the campaign to enable credible business to business communication.
- (3) To note the proposed targeted communications campaign; the Council’s offer of support to small and micro business, as set out in section 3.27 of the report; and the Council’s offer of priority spaces to businesses committed to joining Brent’s Good Work Standard Business Management/Network. The suite of incentives would be endorsed by the Good Work Standard Group and piloted through the network and the Council’s weekly newsletter, which currently reached over 13,500 businesses.

14. **Corporate Performance - Q3 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 third quarter 2022/23 (October – December 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 newly refreshed Borough Plan (Building a Better Brent) and other key corporate strategies including the Black Community Action Plan, Equality Strategy, Poverty Commission, Climate Emergency Strategy and Joint Health & Wellbeing Strategy. In relation to the Borough Plan indicators, members were advised that of the current 51 key indicators for Quarter 3 within the performance scorecard 22 had been rated Green (on or above target), 1 as just off target (Amber), 15 as off target (Red) with 13 included to provide contextual information.

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 Corporate 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 priorities within the updated Borough Plan. In terms of performance against specific indicators, members noted:

- The current challenges identified in relation to performance against the target for rent collection (currently rated as amber) given the impact of the cost-of-living crisis and changes to Universal Credit along with the work being undertaken to ensure residents were provided with holistic support to manage their finances and in adopting a “rent first” approach as a means of sustaining tenancies.
- Current performance in relation to Council Tax collection rates had been rated as green.
- Whilst performance in relation to the collection of Non-Domestic Business Rates (NNDR) was currently rated amber, overall collection rates remained on track when compared to previous quarters. It was, however, recognised that many businesses were continuing to struggle following the increase in energy costs, which meant the year-end target remained at potential risk.
- Whilst the performance in relation to the target for percentage of care leavers (19-21 year olds) in education, employment or training (EET) had been rated as red, the numbers of young people in EET continued to increase from previous quarters. This was also supported by a programme of investment identified to enhance provision including proposals to develop a Post-16 Skills and Resource Centre, expand the Gordon Brown Centre and core focus in seeking to further utilise the Council’s relationship with Connexions and Brent Works to support young people into post 16 provision.
- The continued focus on performance regarding the percentage of Looked After Children with multiple placements which currently remained rated as red, with placement stability remaining a focus of the Corporate Parenting Committee alongside additional work to enhance support for kinship carers.
- Whilst performance against the target for new admissions to residential & nursing care homes for people aged 65+ continued to be rated as red, this reflected the ambitious nature of the target with Brent continuing to outperform London and national benchmarks. Cabinet recognised the Council’s continued commitment in seeking to support people to live in their own homes, which had also been reflected alongside initiatives such as

provision of the Council's own custom-built assisted living and extra care scheme designed as alternatives to care home placements.

- The ongoing concern in relation to performance against the target for new birth visits which again remained rated as red. Whilst performance was improving with the statutory requirements being met this had been identified as a key risk for the Brent Borough Based Partnership with current performance being impacted as a direct result of difficulties in recruiting and retaining health visitors in the face of a national shortage. A multiagency group had been convened to identify and mitigate system risks related to the shortage of health visitors, and the team continued to prioritise new birth visits to ensure that the most vulnerable were visited first with the recruitment and retention issues identified also having been raised through the North West London Integrated Care System.

With no other issues raised and 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. Exclusion of Press and Public

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

16. Any other urgent business

In thanking members and colleagues for their support during her tenure as a Cabinet Member, Councillor Southwood formally announced her decision to resign as a member of the Cabinet.

In noting that Councillor Southwood would continue to serve as a member of the Council, Cabinet Members expressed their gratitude for the dedication Councillor Southwood had shown to Brent during her time as a Cabinet Member and praised her efforts in supporting the work undertaken to ensure the best outcomes for all of Brent's residents.

The meeting ended at 10.25 am

COUNCILLOR MUHAMMED BUTT
Chair