



Brent

Cabinet

Monday 13 March 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)	Leader of the Council
M Patel	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	Cabinet Member for Children, Young People & Schools
Knight	Cabinet Member for Housing, Homelessness & Renters Security
Nerva	Cabinet Member for Public Health & Adult Social Care
Krupa Sheth	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

Item	Page
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1 Apologies for Absence

2 Declarations of Interest

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

3 Minutes of the Previous Meeting 1 - 16

To approve the minutes of the previous meeting held on Monday 6 February 2023 as a correct record.

4 Matters Arising (if any)

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

5 Petitions (if any)

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

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

To consider any reports referred by the Community & Wellbeing or Resources & Public Realm Scrutiny Committees.

Chief Executive Reports

7 i4B Business Plan 2023/24 17 - 68

This report provides Cabinet with a final draft of the i4B Holdings Ltd (i4B) 2023/24 Business Plan for approval on behalf of the Shareholder.

Ward Affected:
All Wards

Lead Member: Deputy Leader and Cabinet Member for Finance, Resources & Reform (Councillor Mili Patel)
Contact Officer: Sadie East, Director of Transformation
Tel: 020 8937 1507
Email: sadie.east@brent.gov.uk

This report provides Cabinet with a final draft of the First Wave Housing Ltd (FWH) 2023/24 Business Plan for approval on behalf of the Guarantor.

Ward Affected:

All Wards

Lead Member: Deputy Leader and Cabinet Member for Finance, Resources & Reform (Councillor Mili Patel)

Contact Officer: Sadie East, Director of Transformation

Tel: 020 8937 1507

Email: sadie.east@brent.gov.uk

Finance & Resources reports

9 Contract for General Insurance Services

115 - 128

This report seeks approval to invite tenders in relation to procurement of the Councils Insurance Service contracts.

Ward Affected:

All Wards

Lead Member: Deputy Leader and Cabinet Member for Finance, Resources & Reform (Councillor Mili Patel)

Contact Officer: Janine Nell, Head of Transactional Services

Tel: 020 8937 4034

Email: janine.nell@brent.gov.uk

Resident Services reports

10 Contract for Leaseholder Property Insurance

129 - 144

This report seeks approval to invite tenders in relation to procurement of the Leaseholder Property Insurance contract.

Ward Affected:

All Wards

Lead Member: Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)

Contact Officer: Kate Daine, Head of Housing and Neighbourhoods

Tel: 020 8937 5440

Email: Kate.Daine@brent.gov.uk

11 Procurement of Mechanical & Electrical Services works contract for Council Housing 145 - 152

This report seeks approval to commence procurement of the specialist mechanical and electrical (M&E) contractors that support the maintenance and repairs, planned maintenance and servicing

requirements in relation to the Council housing stock.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)

Contact Officer: Giuseppe Coia, Major Works & Refurbishment Manager

Tel: 07776 665790

Email: Giuseppe.Coia@brent.gov.uk

12 National Non-Domestic Rates 2023/24 Retail, Hospitality and Leisure Relief, Supporting Small Business Relief and Transitional Relief Schemes 153 - 164

This report seeks approval to the discretionary Retail, Hospitality and Leisure Rate Relief Scheme for 2023/24 and a Supporting Small Business Relief scheme for small and medium properties, following guidance published by the Government in December 2022.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Jobs, Economy & Citizen Experience (Councillor Eleanor Southwood)

Contact Officer: Peter Cosgrove, Head of Revenues and Debt

Tel: 020 8937 2307

Email: Peter.Cosgrove@brent.gov.uk

Communities & Regeneration reports

13 Continuing the business rates discount for London Living Wage accredited employers 165 - 180

This report seeks approval to continue provision of the Business Rates Discount for London Living Wage (LLW) accredited employers from 1st April 2023 to 31st March 2026 along with a range of incentives and support for businesses who are (a) paying the LLW but not accredited and (b) moving toward Living Wage payment in support of the "Good Work Standard".

Ward Affected:
All Wards

Lead Member: Cabinet Member for Jobs, Economy & Citizen Experience (Councillor Eleanor Southwood)

Contact Officer: Ala Uddin. Head of Employment, Skills and Enterprise

Tel: 020 8937 2315

Email: ala.uddin@brent.gov.uk

14 Corporate Performance - Q3 2022/23 Performance Report 181 - 202

This report and performance scorecard set out the position on the

Council's performance in the third quarter of 2022/23. The content and format of the report and scorecard have been constructed to focus primarily on the Council's Borough Plan: Building a Better Brent, and its priorities.

Ward Affected:
All Wards

Lead Member: Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Mili Patel)

Contact Officer: Janet Latinwo, Head of Strategy and Partnerships

Tel: 020 8937 4104

Email: janet.latinwo@brent.gov.uk

15 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: i4B Business Plan 2023-24 – Appendix 1 (Business Plan) Financial Appendices & Appendix 4 (SLA Schedule 2 – costs)

These appendices are 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 any particular person (including the authority holding that information)"

Agenda Item 8: FWH Business Plan 2023-24 – Appendix 1 (Business Plan) Financial Appendices & Appendix 4 (SLA Schedule 2 - costs).

These appendices are 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 any particular person (including the authority holding that information)"

16 Any other urgent business

Notice of items to be raised under this heading must be given in writing to the Head of Executive and Member Services or her representative before the meeting in accordance with Standing Order 60.

Date of the next meeting: Monday 17 April 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](#)

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LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 6 February 2023 at 10.00 am

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

Also present: Councillors Afzal, Conneely and Georgiou.

1. **Apologies for Absence**

Apologies for absence were received from Councillor Donnelly-Jackson and Krupa Sheth along with Carolyn Downs (Chief Executive) with Phil Porter (Corporate Director, Adult Social Care and Health) in attendance as her representative.

2. **Declarations of Interest**

Councillors Nerva and Grahl both declared a personal interest in relation to Agenda Item 16 (New Repayment Framework for Major Works Billing for Leaseholders in Brent) as they were leaseholders in the borough.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous meeting held on Monday 16 January 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 Committees submitted for consideration at the meeting.

7. **Budget & Council Tax 2023-24**

Prior to consideration of the main report, Councillor Muhammed Butt (Leader of the Council) advised that he had agreed to a number of requests from councillors to speak in relation to the budget report and proposals, with the comments received as follows.

As the first speaker, Councillor Afzal began by highlighting the need to recognise the challenging economic context in which the budget had been developed, with specific reference to the cumulative detrimental impacts arising from a decade of Government austerity affecting the poorest in society. As a result, he highlighted the importance in the engagement and consultation process which had been undertaken in seeking to finalise the budget proposals for consideration.

The Leader advised he had also received written representations from Councillor Kennelly, who in expressing support for the budget proposals, highlighted:

- The need to recognise their focus in seeking to protect the most vulnerable against the rising costs of living.
- The challenging nature of the decisions forced upon the Council as a result of the stance taken and financial measures introduced by central government. Whilst recognising these challenges he also felt it important to commend the positive initiatives and support which the budget proposals had been designed to continue protecting such as the Resident Support Fund and strategic goals such as reducing carbon emissions and tackling the climate emergency.
- The regressive nature of Council Tax as a means of ensuring (particularly as a result of rising costs and demand in relation to adult social care and children's services) the Council was able to continue supporting and protecting the most vulnerable in society.

Councillor Georgiou, was then invited to speak who, whilst outlining the regressive nature of Council Tax, also expressed concern at the fairness of the proposed increase in Council Tax recommended within the budget proposals given the impact on local residents, particularly those living within Alperton and the surrounding area. Whilst recognising the challenging economic context and impact of austerity, stemming from the 2008 financial crash on local government finances, compounded by Brexit and recent central government fiscal interventions, concerns were raised about the proposed increase in Council Tax when compared to reductions in services locally. Concerns were also highlighted in relation to the impact of the Mayor for London's precept and change in Government policy to move responsibility for funding Adult Social Care to local authorities, again through Council Tax. Given the concerns highlighted, Councillor Georgiou felt there was a need for the Council to ensure that funding collected locally was refocussed and prioritised on local areas of improvement, including:

- The state of roads and pavements – with a call for additional capital investment.
- Street Cleansing – with concerns highlighted in relation to the new intelligence-led approach to street cleaning.
- Investment in young people – with concerns highlighted regarding the reduction in funding over the last decade on youth services and impact on the most underprivileged young people, which it was required the development of a new Youth Offer that would dedicate funding to youth services in Brent.

As a final contribution, Councillor Conneely was then invited, as Chair of the Resources and Public Realm Scrutiny Committee and Budget Scrutiny Task Group, to introduce the main findings and recommendations within the Budget Scrutiny Task Group report, which had been included as an appendix to the Budget and Council Tax 2023/24. In introducing the report, Councillor Conneely highlighted that the Task Group in undertaking their review had recognised the challenging

financial environment in which the Council was operating given the long-term reduction in Government funding and level of savings already delivered as a result, current economic challenges and increasing complexity of demand for Council services along with similar pressures on other statutory and voluntary and community sector support. Taking these issues into account the Budget Scrutiny Task Group had been impressed with the Council's attempts to focus investment on the most vulnerable, particularly in relation to the Resident and Council Tax Support Fund and in seeking to address housing demand and reduce the use of temporary accommodation. Highlighting the recommendations made as a result of their review, the Task Group had:

- Been keen to ensure that the budget proposals were clearly presented with clarity provided regarding cuts and investment proposals.
- Emphasised the importance of ensuring a holistic approach to residents care including ensuring that an effective collaborative mechanism was established between the Council, NHS and other relevant stakeholders to agree patient discharge/step down plans and to leverage sufficient financial contributions from the NHS and other stakeholders to improve the Health and Social Care function in Brent in order to avoid the main cost burden falling on the Council.
- Supported the need to seek additional funding in order to support Brent Schools through the Dedicated Schools Grant
- Supported the need for additional investment in highways infrastructure and to further explore the development of income generation opportunities as a means of supporting strategic priorities.
- Recognised the importance of the ongoing financial support for the Council Tax Support Scheme, given the assistance being provided for those most vulnerable in society and lack of alternative viable options to raising Council Tax as a means of addressing the current financial pressures and challenges on the Council.

In concluding, Councillor Conneely advised that the Task Group had also been keen to ensure the budget clearly set out how the spending proposals were aligned with agreed strategic priorities for the borough and to support the need for continuing lobbying for Local Government funding reforms, again highlighting what was felt to be the regressive nature of Council Tax. On this basis the recommendations made by the Budget Scrutiny Task Group were commended to Cabinet for consideration as part of the budget setting process.

In response to the comments made Councillor Butt felt it important to recognise the detrimental impact of the governments approach towards local government and wider public sector funding which had required the Council to make difficult decisions in seeking to set a balanced budget whilst also maintaining investment in key local services and in addressing the ongoing challenges of the cost-of-living crisis and wider economic pressures as a means of continuing to support residents. He also expressed his thanks for the hard work of members and officers in producing the Task Group report and highlighted its importance to the overall budget setting process, especially given the detailed analysis undertaken in respect of the wider budget and funding implications on services.

Having also thanked members for their contributions, Councillor Mili Patel, as Deputy Leader and Cabinet Member for Finance, Resources & Reform then introduced the report which set out the Council's budget proposals for 2023-24. The

report also set out the results of the budget consultation, scrutiny and equality processes and the overall financial position facing the Council for the medium-term.

In presenting the report, Councillor Mili Patel began by providing a strategic overview to the context in which the budget proposals had needed to be developed. This included the ongoing risks and uncertainties outlined in relation to inflationary pressures, the economic challenges resulting from the war in Ukraine, Government's short term funding settlements and delay in wider local government funding reforms along with the impact of the cost-of-living crisis, recovery from the pandemic and Brexit. Members also noted this followed a twelve-year period of significant reductions in Government funding which had required the Council to make £196m worth of savings, despite an increase in demand for key services and wider social and demographic changes which had resulted in particular pressures on Adult's and Children's Social Care and the homelessness budgets. In noting the challenges these issues had presented in relation to the Council's overall medium-term Financial Strategy, members were advised that the proposals detailed within the report had been designed to address the significant financial impacts arising from the demographic and inflationary pressures identified whilst also seeking to ensure that the Council continued to support those most in need and operate in a prudent, financially sustainable and resilient way and meet its requirements in delivering a balanced budget.

In noting the outcome of the Local Government Finance Settlement for 2023/24 announced by the Government in December, members felt it important to recognise that whilst better than anticipated the increase had also assumed the maximum permitted increase in Council Tax of 4.99% (without triggering the need for a referendum). The maximum allowable therefore represented a 2% increase in the previous limit (based on a 1% uplift in Council Tax and 1% uplift in the Adult Social Care precept), although it was noted that even allowing for this, the additional funding available to support existing services was less than inflation and would still therefore amount to a real term cut alongside the increased demands on services.

In focussing on the detail proposals, Councillor Mili Patel highlighted that aside from the usual updating and adjustments to various technical assumptions the key features within the budget for 2023/24 therefore included:

- a proposed Council Tax rise of 4.99% for the Brent element, which included 2% ring fenced for Adult Social Care. The proposed increase had been designed to reflect the current financial pressures facing the Council and was felt to be the minimum required to ensure the Council was able to continue providing the level of services required given the ongoing nature of demand. It was noted that the final level would also need to include the precept agreed by the Greater London Authority (GLA);
- New budget savings proposals with an aggregate value of £18m, with £4.5m deferred to 2024/25 as detailed within Appendix C(i) of the report.

In concluding her introduction, Councillor Mili Patel once again highlighted how challenging and difficult development of the budget proposals had been and thanked Cabinet Members and officers for their support and efforts in the process.

In supporting the budget proposals, contained within the report, Cabinet Members recognised the ongoing nature of the challenges and financial pressures identified and also took the opportunity to thank the finance team for their work in developing

the budget proposals whilst also seeking to safeguard, as far as possible, key services and support for local residents and businesses focussed around the Council's core strategic priorities. It was noted these priorities included:

- ongoing support for Brent Hubs, Resident & Household Support Fund and Council Tax Support Scheme, including transformative provision for establishment of a Family Food Fund and community shop and kitchen at Bridge Park Leisure Centre working with local partners in order to maintain support for residents across the borough;
- maintaining the ongoing commitment to increase the supply of genuinely affordable and accessible housing alongside the regeneration of the borough and creation of employment opportunities whilst also seeking to keep the borough as clean and green as possible and provide for maintenance of key infrastructure;
- Members also welcomed the aim to continue prioritising the most vulnerable in society whilst also seeking to protect essential services particularly in relation to health and adult social care with the key priority to continue working in collaboration with local providers (given the significant pressure on health service and social care funding) and work being undertaken to address wider health inequalities.
- continued support for local schools and Special Educational Needs provision, with specific reference to the enhancement of SEND provision through capital investment in a new school and to the establishment of a scheme to support local provision of childcare residential placements, alongside various initiatives to enhance youth provision across the borough including use of NCIL, given the significant cuts in this area as a result of the Government's programme of austerity.

In summing up, Councillor Muhammed Butt highlighted the challenging nature of the budget setting process given the ongoing impact of the cost-of-living crisis, wider economic challenges and continued uncertainty in relation to central government's funding of local authorities. He felt it was important to recognise that members and officers had looked at every aspect of their services to ensure budgets could be managed whilst delivering core strategic priorities and protecting the most vulnerable residents in the borough. Despite recognising the significance of the financial challenges identified, cumulative impact of austerity and the Government's approach towards local government funding (including the regressive nature of Council Tax) along with the level of cuts already delivered by the Council and identified for 2023-24 and beyond, he advised that the measures outlined had been designed to ensure the Council was able to operate in a financially sustainable and resilient way. Whilst development of the proposals had required difficult choices to be made, including the proposed level of increase in Council Tax, he ended by highlighting the aim to ensure they were focussed on enabling the Council to deliver a balanced budget alongside key services and essential support and protection for residents across the borough during such challenging times and ensure the best possible outcomes for all.

Having noted the comments provided, and welcomed and supported the approach outlined within the report along with the recommendations made by the Budget Scrutiny Task Group, Cabinet **RESOLVED:**

- (1) To agree to recommend to Full Council an overall 4.99% increase in the Council's element of Council Tax for 2023/24, with 2% as a precept for Adult Social Care and a 2.99% general increase.
- (2) To agree to recommend to Full Council the General Fund revenue budget for 2023/24, as summarised in Appendices A and B of the report.
- (3) To agree to recommend to Full Council the savings proposals for 2023/24 and deferral of savings to 2024/25 as set out in Appendix C (i) of the report.
- (4) To note the report from the Budget Scrutiny Task Group in Appendix D of the report.
- (5) To agree to recommend to Full Council the HRA budget for 2023/24 and business plan, as set out in section seven and Appendix Q of the report.
- (6) To agree the HRA rents for council dwellings, tenant service charges and garages, as set out in section seven of the report.
- (7) To agree the rents set under the Housing General Fund for Brent Housing PFI and traveller's site pitches and to note the rents for Hillside dwellings as set out in section seven of the report.
- (8) To note the Dedicated Schools Grant, as set out in section eight of the report.
- (9) To agree to recommend to Full Council the changes to the existing Capital Programme in relation to additions of new schemes and reprofiling, as set out in section 10 of the report and Appendix E, and note the Capital Pipeline Schemes in Appendix F.
- (10) To agree to recommend to Full Council the Capital Strategy, the Investment Strategy, the Treasury Management Strategy and the Minimum Revenue Provision Statement as set out in Appendices G, H, I and J of the report.
- (11) To agree to recommend to Full Council the Reserves Strategy and schedule of reserves, as set out in Appendix K of the report.
- (12) To agree the action plan to implement CIPFA's Financial Management Code and conduct a Financial Resilience Assessment, as set out in Appendix L of the report.
- (13) To agree, and where relevant agree to recommend to Full Council, the schedule of fees and charges for 2023/24, as set out in Appendix M report.
- (14) To note the results of the budget consultation, as set out in section six and detailed in Appendix N of the report.
- (15) To note the advice of the Corporate Director of Governance, as set out in Appendix O of the report.

- (16) To note the decision of the Corporate Director of Finance and Resources to continue as part of the Eight Authority Business Rates pool in 2023/24 as set out in Section five of the report.
- (17) To also note and approve the specific recommendations identified for consideration by Full Council as detailed in section 2.17 – 2.36 of the report.

8. **Acquisition of 294 Homes at Fulton Road, Wembley**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report seeking permission to the purchase of a long leasehold interest in 294 homes (flats) located on the former Euro Car Parks site, Fulton Road, Wembley.

In considering the report, Cabinet was advised that the development on the former Euro Car Parks site, Fulton Road (for which planning permission had been granted in March 2022) comprised a mixed-use delivering retail space, industrial floorspace and housing. As a result of the developer seeking a buyer for 294 of the homes, an in-principle agreement had been reached with the Council for their purchase based on the breakdown of affordable housing units as detailed within section 3.2 of the report.

Members noted that the purchase of the blocks identified would represent an increase in the original level of affordable housing and improvement in the tenure(s) available as part of the development proposals, which would assist in meeting current levels of housing demand across the breakdown of units identified. As part of the funding package to support the purchase the Council had also submitted an application to the GLA for £8.2m grant funding, which reflected the overall percentage of affordable housing being provided.

In supporting the proposed acquisitions, Members were keen to recognise the ongoing work being undertaken to support households who were either homeless, at risk of homelessness or in housing need and in terms of increasing the supply of safe, secure and appropriately sized affordable accommodation across the borough, working in partnership with the GLA and other key stakeholders.

As a result, Cabinet **RESOLVED**:

- (1) To approve a budget of £85.6m plus VAT (if any) to purchase the long leasehold interest in 294 homes from Crown Wembley LP, subject to contract and subject to a) clean and marketable title b) financial and legal due diligence and c) vacant possession, with a target completion date in March 2023.
- (2) To delegate authority to the Corporate Director of Finance & Resources in consultation with the Finance, Resources & Reform to negotiate and agree the terms and thereafter enter a development sale and purchase contract with the vendor for the purchase of these homes by way of a long lease of 999 years (less 3 days).
- (3) To note the Corporate Director, Finance & Resources using powers delegated under the Constitution would tender and award relevant contracts for

professional services relating to the construction supervision of the 294 homes that would be transferred to Brent Council.

- (4) To delegate authority to the Corporate Director, Resident Services to enter into a grant agreement with the Greater London Authority (GLA) for purchase of the Section 106 block of apartments at Fulton Road in the sum of £8.2m.
- (5) To delegate authority to the Corporate Director of Finance & Resources in consultation with the Cabinet Member for Finance, Resources & Reform to secure the necessary pre-requisite consents and thereafter agree the terms for entering a lease of the 118 units to a Council owned subsidiary.

9. **Airco Close Lease Assignment**

Mili Patel (Deputy Leader and Cabinet Member for Finance, Resources & Reform) introduced a report seeking approval to the transfer of a 999-year lease from the developer of 399 Edgware Road to the Council for a concrete podium above a basement car park, as part of a s106 Agreement for the development.

In considering the report, Cabinet noted that the original planning consent for the site had comprised a mixed-use development including the provision of a two-form entry primary and nursery school for which the Council had entered into a s.106 Agreement to secure the transfer of the land. Having approved initial proposals and a lease to provide and operate the proposed new school on the site, the project had subsequently been halted based on a review of pupil numbers and demand identified which had meant there was no longer any requirement to provide a Primary School in that part of the borough.

As a result, members noted that the site had remained vacant since completion, with the developer having undertaken protective measures and repairs to ensure that the site remained in a reasonable and appropriate site prior to any subsequent transfer. Given the Council had the right, within the terms of the lease to seek landlords consent for other uses and its location within a significant growth area, it was therefore proposed that the site be formally acquired in order for alternative options regarding its future use and development to be progressed.

In supporting and welcoming the development opportunities identified in relation to the potential future use of the site Cabinet **RESOLVED** having also noted the exempt information included within Appendix 2 of the report, to agree a transfer of a 999-year lease from the Developer of 399 Edgware Road to the Council for a concrete podium above a basement car park as part of a s106 agreement for the development.

10. **Borough Plan 2023-27**

Councillor Muhammed Butt (Leader of the Council) introduced a report presenting the outcome of the consultation and engagement undertaken on the draft Borough Plan and setting out the changes and updates proposed in terms of adoption of the final Borough Plan 2023-27 and accompanying documents to be recommended to Full Council for final adoption.

In considering the report Cabinet noted the work undertaken in developing the Borough Plan to capture the achievements made during the previous four-year period, whilst also providing the context and narrative in relation to the Administrations strategic priorities and ambitions over the next four-year period in order to best support the borough, its local residents and diverse communities in continuing to thrive.

Members noted and welcomed the comprehensive nature of the process undertaken to frame, shape and consolidate the ambitions and commitments as an overarching strategy within the Borough Plan along with the flexibility retained in order to adapt to any needs and challenges as they arose moving forward, recognising the difficult economic and financial context in which the Council was having to operate.

In noting the extent and outcome of the engagement and consultation process, as detailed within Appendix A to the report, alongside use of the evidence base, attached as Appendix C of the report, to support development of the key themes, strategic priorities and outcomes within the Plan, members were keen to ensure this work continued in order to share the ambitions identified and encourage further engagement with stakeholders, particularly young people and members of the Black, Asian and Minority Ethnic communities as part of the next steps in delivering the Plan.

Whilst recognising the ongoing financial challenges and increased level of demand on services, members welcomed the ambition within the Borough Plan to continue prioritising the most vulnerable whilst also seeking to protect essential services in order to support all residents across the borough and in noting the progress made were keen to endorse the five overarching strategic priorities identified within the final Plan along with the key changes that had been made, following feedback from the consultation and engagement process, as detailed in section 5.3 of the report. Members particularly welcomed the update of Strategic Priority (SP)1 to focus on “Prosperity and Stability” and include the objective in relation to “safe, secure and decent housing”, which members were also pleased to note had been expanded to include a focus around housing quality across Brent.

Officers were thanked for their efforts in developing the final version of the Plan, with work now ongoing to agree the key measures and milestones to be included within the new corporate performance matrix for delivery, which it was recognised would also require an ongoing joint focus between Cabinet Members and their relevant Corporate Directors.

Having considered the report, Cabinet **RESOLVED** to endorse the following to be progressed to Full Council for finalisation and adoption:

- a. Borough Plan Engagement and Consultation Findings 2023-27 (attached as Appendix A to the report)
- b. Brent Borough Plan 2023 – 27 (attached as Appendix B to the report)
- c. Borough Plan evidence base (attached as Appendix C to the report)
- d. Equality Impact Assessment (attached as Appendix D to the report)

11. **Draft Sustainable Environment and Development Supplementary Planning Document**

Councillor Tatler (Cabinet Member for Regeneration & Planning) introduced a report seeking approval to undertake consultation on a draft Sustainable Environment and Development Supplementary Planning Document (SPD) and delegate authority in relation to its final adoption.

In considering the report, Cabinet noted and welcomed the aim in developing the SPD to provide clarity, given the extent of new development across the borough and Council's commitments in relation to tackling the climate emergency, on how developments within Brent would be required to address climate change factors, taking account of the Brent Local Plan and Climate and Ecological Emergency Strategy.

Members were advised of the extensive range of both internal and external engagement undertaken to inform the content of the SPD, which had included the Local Plan Member Working Group. As a result, it had been recognised that the SPD would be expected to clarify the guidance and requirements in relation to the creation and delivery of more sustainable developments at both major and minor level within the borough, including reference to relevant London Plan policies, Supplementary Planning Guidance, London Plan Guidance as well as Brent's Local Plan policies.

Having noted the outline of the proposed consultation process and recognised the way in which the SPD had been designed to support delivery of the Council's wider development and climate emergency commitments, Cabinet **RESOLVED**:

- (1) To approve progressing consultation on the Sustainable Environment and Development draft Supplementary Planning Document (SPD) as set out in Appendix A of the report.
- (2) To delegate authority to the Strategic Director for Communities and Regeneration in consultation with the Cabinet Member for Regeneration and Planning to consider consultation responses, along with any necessary changes, and the decision on whether to adopt the final SPD.

12. **Draft Residential Amenity Space & Place Quality Supplementary Planning Document**

Councillor Tatler (Cabinet Member for Regeneration & Planning) introduced a report seeking approval to undertake consultation on a draft Residential Amenity Space and Place Quality Supplementary Planning Document (SPD).

In considering the report, members were advised that the SPD had been developed to clarify and provide clear guidance in relation to the Council's expectations for well-designed places and existing requirements in terms of residential amenity and good urban design in Brent's Local Plan.

Cabinet endorsed the scope of the SPD, which it was noted would cover a wide range of amenity space types, sizes and scales of development designed to

improve residents' quality of life by seeking to ensure high quality environmental design aimed at improving health, wellbeing and social cohesion and address wider inequalities such as those exposed during the covid pandemic. As part of this approach, members noted how the scope of the SPD extended beyond the typical design guidance, through introduction of a new "Place Quality Framework" setting out a new system for the assessment of design quality framed around health, wellbeing, social sustainability and quality of life outcomes building on emerging guidance that would be a material consideration in determining future planning applications.

Members were advised of the extensive range of both internal and external engagement undertaken to inform the content of the SPD and having considered and welcomed the approach in seeking to improve quality of life through the design of places, Cabinet **RESOLVED** to approve the Draft Residential Amenity Space and Place Quality Supplementary Planning Document (SPD), as set out in Appendix A of the report, to be issued for statutory public consultation.

13. Authority to Award a Contract for Services relating to the Supply, Installation, Operation and Maintenance of Electric Vehicle Charging Points

As a result of Councillor Krupa Sheth (Cabinet member for Environment, Infrastructure and Climate Action) having submitted her apologies for the meeting Councillor Muhammed Butt (as Leader of the Council) introduced a report outlining the procurement process undertaken for the supply of a Vehicle Charging Infrastructure Solution – Supplier Funded – End to End Service and seeking approval for final award of the contract.

In support of the provision of additional electric vehicle charging points, given increasing demand particularly within the Private Hire Vehicle sector, members were also keen to recognise the wider benefits identified through the contract and supply of local charging facilities as a means of addressing the Council's climate change and air quality objectives.

As a result, and having noted the exempt information contained within Appendix A of the report, Cabinet **RESOLVED**:

- (1) To approve the award of the call off contract for the supply, installation, operation and maintenance of electric vehicle charge points for 10 years with an option to extend for a further 5 years (up to 15 years) to Zest Eco Ltd following completion of the further competition from the Crown Commercial Services' Dynamic Purchasing System and note that, depending on charge point models used, the value of the Contract was estimated to range between circa £952,000 and £1,936,000 plus a total revenue share projection over 10 years of £200,678.53.
- (2) To approve a maximum capital budget of £1.04m for supply and installation of the electric vehicle charging points.

14. Improving the Customer Experience in Brent Civic Centre

Councillor Southwood (Cabinet Member for Jobs, Economy & Citizens Experience) introduced a report outlining proposals for the redesign of face-to-face public

spaces in Brent Civic Centre aimed at delivering an improved service to residents and the Council's customers.

As context to the proposals, members noted the background to the Customer Access project and shift in customer behaviour following the covid pandemic impacting on the way customers were now accessing services and profile of those now presenting at the Civic Centre and Community Hub for support, often involving more complex needs. Members were advised that the redesign project had therefore been designed to improve public spaces in the Civic Centre, with a focus on the Hub, Library, Mezzanine floor and Customer Service Centre in order to support an expanded offer and ensure that all customer spaces within the Civic Centre were fully utilised, safe, comfortable and accessible for residents and staff and able to unlock efficiencies in how customer facing services and the Civic Centre were able to operate.

In noting the key changes proposed in terms of the building redesign, members were advised that these had been shaped following extensive engagement and feedback from residents as well as frontline staff and would enable the current challenges in terms of the existing layout to be addressed whilst providing a range of additional benefits (as outlined within section 4.31 of the report) also ensuring customer facing services would be able to operate in a more integrated and holistic way.

Having welcomed the review and recognised the benefits identified in terms of supporting the way customer-facing services were operating whilst also delivering a space that would be welcoming, comfortable, accessible and could support the delivery of an expanded offer and future efficiencies, Cabinet **RESOLVED:**

- (1) To approve the plans to redesign customer spaces in Brent Civic Centre.
- (2) To approve a budget of £1.96m for the redesign work and inclusion within the Capital Programme.
- (3) To support the Libraries, Arts and Heritage Service in submission of a National Lottery Heritage Fund bid and delegate authority to the Corporate Director of Resident Services to make decisions regarding this funding bid on the Council's behalf.

15. **Council Tax Support Fund 2023/24**

Councillor Southwood (Cabinet Member for Jobs, Economy & Citizens Experience) introduced a report outlining recent changes introduced for 2023/24 and beyond in relation to Council Tax liability and support for those in receipt of Council Tax Support and in relation to households in need and seeking approval to an amendment to the Council's existing 13A(1)(c) Policy in order to introduce the related new discretionary relief policy.

In considering the report, Cabinet was advised that the updated funding regulations and guidance had been issued by the Government on 23 December 2022. Members welcomed the additional support provided, which it was noted would enable the Council to further reduce Council Tax bills for those in receipt of Council

Tax Support and to use the remaining funding to further support households in need.

In commending the ongoing inclusion of support for care leavers within Brent's Council Tax Support Scheme and wider relief being made available for vulnerable local residents, Cabinet **RESOLVED**:

- (1) To approve the proposed discretionary reduction Policy pursuant to section 13A(1)(c) of the Local Government Act 1992 as set out in Appendix 1 to the report.
- (2) To note that the proposed Policy pursuant to section 13A(1)(c) of the Local Government Act 1992 links to council support for vulnerable residents alongside other support mechanisms such as Discretionary Housing Payments (DHP) and Resident Support Fund (Local Welfare Assistance).
- (3) To delegate authority to the Corporate Director for Resident Services in consultation with the Corporate Director of Finance and Resources in respect of decisions on individual applications for reducing Council Tax payable pursuant to the proposed policy under section 13A(1)(c) of the Local Government Finance Act 1992 as set out in Appendix 1 of the report.

16. New Repayment Framework for Major Works billing for Leaseholders in Brent

Councillor Knight (Cabinet Member for Housing, Homelessness and Renters Security) introduced a report providing an overview of recent changes in legislation relating to leasehold management and how these were expected to impact on leaseholders in Brent. The report also outlined both a new and improved existing offer for leaseholders when they received service charges/major works bills from the Council designed to increase repayment options and flexibility taking account of current economic pressures and challenges.

In considering the report, Cabinet noted the details of the current offer available to leaseholders and proposed new offer, as detailed in section 8 and Appendix 1 of the report, the development of which had been subject to an extensive benchmarking exercise with other local authorities. The results of the benchmarking, which had been detailed within section 7 and Appendix 2 of the report, had demonstrated that the proposed offer would ensure Brent remained competitive when compared with other London Boroughs, whilst ensuring that payment terms were updated to provide the best options available enabling leaseholders to benefit from necessary improvement, modernisation and energy efficiency works.

In recognising the wider improvements made in relation to the service offer available to leaseholders, members also welcomed the timely nature of the report as a further means of assisting to mitigate the impact of the cost-of-living crisis and in recognition of the challenging position faced by many leaseholders as a result of rising costs for building maintenance, repair and safety works. The offer outlined within the report was therefore welcomed and supported by members in recognition of the efforts made to provide fair, affordable, manageable and sustainable repayment options aimed at minimising the risk of debt and financial hardship being experienced by leaseholders (often outside of their direct control) and to support

them in sustaining their residency, whilst also balancing the need to recover charges as efficiently as possible.

In supporting the approach outlined and efforts being made to enhance the offer available to leaseholders, Cabinet **RESOLVED**:

- (1) To extend the interest free periods in respect of major works for resident leaseholders from 2 years (currently) to 5 years.
- (2) To agree the repayment offer as set out in section 8 of the report.
- (3) To promote the option to all resident leaseholders (in those blocks scheduled for major works as set out in 5.1 of the report) for the Council to 'Buy Back' their home at market value (reduced to 75% of market value, if they choose to become secure tenants), and for non-resident leaseholders of those same blocks to have the option for the Council to buy back their leasehold property at 100% of the market value.

17. Authority to award contract for the provision and management of bike hangars in Brent

As a result of Councillor Krupa Sheth (Cabinet member for Environment, Infrastructure and Climate Action) having submitted her apologies for the meeting Councillor Muhammed Butt (as Leader of the Council) introduced a report outlining the procurement process and recommended award of a contract for the purchase and management of future bike hangars and transfer of the management and maintenance of current bike hangars.

In considering the report, Cabinet noted the progress made in the supply and installation of bike hangars alongside the increasing level of demand across the borough, with the procurement process outlined within the report having been designed to increase supply whilst standardising annual costs for future and existing bike hanger users.

Having considered the report Cabinet **RESOLVED**:

- (1) To approve the award of a contract for the purchase and management of future bike hangars and the transfer of the management and maintenance of current bike hangars to Lock It Safe Ltd for an initial contract period of three (3) years, with an option to extend for up to a further two (2) years on an annual basis.
- (2) To note that the value of the contract referred to in (1) above was estimated to be £90,000 for year 1 but that this value may increase if further funding was made available through S106 developer funding and Transport for London Local Implementation Plan funding in future years.

18. Determination of Brent Council's School Admission Arrangements for Community Primary Schools 2024-25

Councillor Grahl (Cabinet Member for Children, Young People & Schools) introduced a report seeking approval to the proposed admission arrangements and

schemes of coordination for Brent Community Primary Schools for 2024-25, following the required consultation and in accordance with statutory requirements.

In noting the rationale provided for the proposed changes to the admission arrangements and outcome of the consultation process on them, as detailed within section 4 of the report, Cabinet **RESOLVED** to agree the admission arrangements for Brent community schools and the scheme of co-ordination for maintained schools in Brent for the 2024/2025 academic year, as detailed within Appendices 2 and 3 of the report.

19. **Exclusion of Press and Public**

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


20. **Any other urgent business**

There were no items of urgent business.

The meeting ended at 11.12 am

COUNCILLOR MUHAMMED BUTT
Chair

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	Cabinet 13 March 2023
	Report from the Chief Executive
i4B Holdings Ltd Business Plan 2023/24	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 of the Business Plan (attached as Appendix 1 to the main report) and Schedule 2 of the SLA (attached as Appendix 2 to the main report) 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:	Four Appendix 1 i4B 2023/24 Company Business Plan (part exempt – forms an appendix to the Business Plan) Appendix 2 Company Risk Register (forms an appendix to the Business Plan) Appendix 3 i4B 2023/24 Key Tasks (forms an appendix to the Business Plan) Appendix 4 i4B 2023/25 SLA (part exempt – forms an appendix to the Business Plan)
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Sadie East Director of Transformation Sadie.East@brent.gov.uk Tel: 020 8937 1507

1.0 Purpose of the Report

- 1.1 This report provides Cabinet with a final draft of the i4B Holdings Ltd (i4B) 2023/24 Business Plan. Cabinet is asked to approve the Business Plan on behalf of the Shareholder.

2.0 Recommendations

- 2.1 Cabinet approve i4B's 2023/24 Business Plan.
- 2.2 Cabinet approves the content and proposed strategic priorities of i4B's 2023/24 Business Plan.
- 2.3 Cabinet approves the updated financial model contained within the 2023/24 Business Plan.
- 2.4 Cabinet approves the Service Level Agreement for 2023/25 in Appendix 4.
- 2.5 Cabinet delegates authority to the Corporate Director of Finance & Resources to approve the variation of the Service Level Agreement during 2023/24.

3.0 Background

- 3.1 In November 2016, Cabinet agreed to establish a wholly owned investment company – i4B Holdings Limited. The Company was set up to own and manage private rented sector (PRS) properties, in order to support the Council's homelessness agenda.
- 3.2 i4B's Shareholder Agreement states that the Company should produce an annual Business Plan for Shareholder approval.
- 3.3 This report provides a final draft version of i4B's Business Plan for 2023/24. This version incorporates feedback from CMT at its 16th February 2023 meeting as well as the i4B Board meeting on 24th January 2022 and the Company Shareholder meeting on 11th January 2022.

4.0 Update on Operational Performance

- 4.1 Table One below gives a summary of operational performance at January 2023. The two main operational issues continue to be void times and rent collection. A voids improvement project is being set up covering both housing companies and the Council's Housing Revenue Account; progress will be closely monitored and reported to the Company Board during 2023/24. A dedicated Tenancy Sustainment Officer has been appointed to ensure that tenants are set up on the relevant benefits and are able to make regular payments. A wider project looking at tenancy sign-up, rent collection and arrears management processes and systems is also being set up to begin in early 2023.

Table One – Key Performance Indicators

Indicator	Target	Performance at December 2021 (YTD)	Performance at January 2023 (YTD)
Number of units	418 by April 2023	PRS: 354 Key Worker: 153	PRS: 391 Key Worker: 153
Instruction to Legal to Purchase	120 days	132 days	147 days
Minor void re-let times	35 days	19 days	New purchases: 111 days Re-lets: 162 days
Major void re-let times	72 days	151 days	New purchases: 126 Re-lets: 206 days
Rent collection	98.50%	88.5%	BHM – 92.1% Mears – 90.5%
Void Rent Loss	1%	9%	5%*
Emergency repairs completed within 24 hours	100%	100%	97%
Urgent repairs completed within 7 days	95%	81%	80%
Routine repairs completed within 28 days	95%	91%	75%
% of properties with a valid gas safety certificate	100%	BHM – 99.57% Mears – 92.42%	BHM – 100% Mears – 95.2%

*figure is for December 2022 as this is reported on a bi-monthly basis

5.0 Progress in Implementing 2022/23 Business Plan

5.1 In February 2022, the 2022/23 i4B Business Plan was approved.

5.2 The 2022/23 Business Plan outlined the following as the Company's medium-to long-term objectives:

- 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

5.3 The following summarises each of the priorities and reports on progress against these.

5.4 Increasing the supply of affordable housing in the borough

5.4.1 The 2022/23 Business Plan outlined that i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs. A Development Strategy was agreed alongside the 2022/23 Business Plan with the aim of utilising remaining and potential future funding to develop a portfolio of affordable new build accommodation which:

- Supports the Council's Housing Strategy and relieves housing need;
- Supports the financial viability of the Companies; and
- Is feasible and realistic.

5.4.2 The strategy was implemented during 2022/23. However, this has been impacted by the current economic environment, principally higher global inflation rates driven by COVID supply chain issues and the war in Ukraine. In the UK, skills shortages and a tight labour market are adding to these pressures.

5.4.3 The Company's ongoing street property purchase programme has been significantly impacted by increased interest rates, which reduce the amount i4B can spend on new acquisitions. As of January 2023, i4B has purchased 21 properties in the financial year against an initial target of 48. The Board has agreed to a pause on committing any new loan funding and to therefore suspend the acquisition programme until May.

5.4.4 During 2022/23, i4B also carried out a pilot of purchasing adaptable properties to meet high demand from homeless families requiring adapted accommodation. Additional funding of up to £100,000 per property was allocated to the pilot, but i4B's price caps have proven restrictive, especially as i4B primarily operates in the south of Brent where the majority of properties are flats and terraced houses and therefore not typically suitable for adaptation. Therefore, a large amount of additional funding would be required in order to make this a viable purchasing stream for i4B. Due to the significant amount of funding required, the Council is now exploring alternative options for housing this Cohort; options involving i4B are being considered as part of this.

5.5.1 Running a Viable Business

5.5.1. The i4B Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issues for i4B continue to be high void times and levels of arrears. There has been a lack of improvement in void times during 2022/23. In order to address this, a void improvement project is being set up, which covers both the housing companies and the Council's Housing Revenue Account, and is chaired by senior management.

5.5.2. Rent collection rates remain below target. Some reasons for this include delays in processing Universal Credit claims leading to build-up of arrears in the initial stages of a tenancy and the potential unaffordability of rents for some tenants; this has been further compounded by the ongoing cost of living crisis. To

address this, a dedicated i4B Tenancy Sustainment Officer has been appointed, who will ensure new tenants are set up on the correct benefits and begin making regular rent payments, and will work with existing tenants in arrears.

5.5.3. In addition to this, a wider project to improve rent collection and reduce arrears is being set up. This will involve examining the sign-up process and the support offered to tenants, reviewing rent collection and arrears management processes, and reviewing i4B's highest arrears cases to consider ongoing tenant affordability and any necessary action including the allocation of Homelessness Prevention Grant funding.

5.5.4. i4B has also commissioned a programme of stock condition surveys. Initial results have been received, and the final report is expected in February 2023; this will be used to develop a long-term asset management strategy for the company.

5.6 Delivering safe and sustainable homes

5.6.1 During 2022/23, i4B commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Management. Following the audit, a monitoring tracker has been produced that tracks all compliance elements for all i4B properties. i4B has also initiated increased clienting of the compliance certification process to provide further assurance, and the results of the audit follow-up are due to be presented to the Board in early 2023.

5.6.2. BHM also procured the True Compliance system as a longer-term approach to the monitoring and reporting of compliance. True Compliance will allow BHM to manage all areas of compliance on one system including storage of certification, and the first area of compliance, gas safety, will go live in early 2023. i4B will track the implementation of True Compliance during 2023/24, and will continue its increased clienting and monitoring of health and safety compliance until True Compliance is fully embedded and regular reporting to the Board is in place.

5.6.3. The decarbonisation of i4B's stock is set to be a major capital expense for the Company. During 2022/23, i4B commissioned a programme of stock condition and energy surveys, which outlined the requirements and estimated costs for bringing i4B properties up to an Energy Performance Certificate rating of B. The results of this work have been received, and i4B now have EPC data for all of its properties. A decarbonisation strategy for the Company will be developed during 2023/24, which will outline works that will be undertaken to improve performance. This may include stock rationalisation in some cases.

5.6.4. The company has also applied for the Green Homes Grant, and the managing agent of the grant is working to book in surveys with tenants with the view to completing a programme of energy efficiency works at properties by the end of 2022/23, in order to improve the Energy Performance Certificate (EPC) rating of properties to at least a C.

5.7 Providing a consistently good housing service

5.7.1. i4B aims to ensure tenant satisfaction and monitor this regularly. During 2022/23, some transactional tenant satisfaction data has been collected. However, no full survey of tenant satisfaction has been carried out as new measures are being piloted and are due to be introduced early 2023/24.

5.7.2. The Regulator of Social Housing has introduced a new suite of tenant satisfaction measures which will be in place from April 2023. While i4B is not regulated by the Regulator, it follows its standards in line with the approach of the Council's HRA and First Wave Housing. BHM are carrying out a pilot of the new surveys, and reporting to the i4B Board will begin from early 2023/24. In addition, i4B will look to improve its oversight of complaints and transactional satisfaction surveys in order to review tenant satisfaction and implement any actions to improve this.

6.0 **2023/24 Business Plan**

6.1 Appendix 1 contains a final draft of the Company's 2023/24 Business Plan. The i4B Board met on the 24th January 2023 to discuss the business plan. Officers have used the feedback provided and developed the Business Plan further. Cabinet is asked to approve the Business Plan.

6.2 The 2023/24 Business Plan outlines the Company's strategic priorities for the year. Priorities for 2023/24 are set out within the framework of the medium to long-term objectives of Brent's Housing Companies. These objectives are:

- 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.

6.3 Increasing the supply of affordable housing in the borough

6.3.1. i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs. i4B has available finance and aims to ensure this is spent in a way that adds maximum value to the Council, whilst also being feasible and supporting the Company's financial viability. i4B has currently suspended new offers on street properties to focus on acquiring a new build scheme during 2023/24. During 2023/24, i4B will work with partners to appraise schemes, and will look to re-enter the market later in the year. Strategic priorities for 2023/24 that relate to this objective are:

- Priority 1: Explore future financing arrangements with Council
- Priority 2: Review feasibility of a block acquisition
- Priority 3: Review feasibility of new build purchases
- Priority 4: Review feasibility of re-entering street property market

6.4 Running a Viable Business

6.4.1. This objective relates to improving the operational and financial performance of i4B in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2023/24 will be on improving void times and rent collection rates, as well as implementing its value for money strategy to reduce costs and improve financial performance. The 2023/24 strategic priorities that relate to this objective are:

- Priority 5: Carry out project to reduce arrears
- Priority 6: Implement VfM strategy
- Priority 7: Reduce void costs
- Priority 8: Significantly improve void turnaround times
- Priority 9: Explore potential stock rationalisation

6.5 Delivering Safe and Sustainable Homes

6.5.1. This objective involves ensuring that i4B's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2023/24, the Company's focus will be on compliance through ensuring the development of necessary policies and the successful implementation of True Compliance. i4B will also seek to respond to the new Building Safety Act, requirements to improve the energy efficiency of its stock, and the ongoing rise in disrepair cases. The 2023/24 strategic priorities that relate to this objective are:

- Priority 10: Monitor health and safety compliance
- Priority 11: Implement plan in response to Building Safety Act
- Priority 12: Develop decarbonisation strategy
- Priority 13: Develop disrepair policy

6.6 Providing a Consistently Good Housing Service

6.6.1. This objective relates to improving tenant satisfaction. While not regulated by the Regulator, i4B will review initial responses to the Regulator's new tenant satisfaction measures, and will seek to improve its oversight of complaints handling. The 2023/24 strategic priorities for this objective are:

- Priority 14: Review tenant satisfaction
- Priority 15: Improve complaints oversight and monitoring

7.0 2023/25 Service Level Agreement

7.1 i4B has worked with service area leads to review and update its Service Level Agreement with the Council for the provision of services including operational and financial support, legal and internal audit support, and all housing management services.

7.2 The schedule is contained in Appendix 4. This outlines the services provided to i4B, service standards, and management costs. The SLA will run from 2023/24

to 2024/25, and costs will be reviewed on an annual basis. All costs and service standards have been agreed between the relevant Council heads of service and i4B.

- 7.3 Cabinet is asked to approve the updated SLA which has been taken to PCG and Cabinet alongside the Business Plan.
- 7.4 i4B is carrying out a review into its housing management arrangements, which may lead to a revised Service Level Agreement during 2023/24. Cabinet is asked to delegate authority to the Director of Finance to approve any variation during the year.

8.0 Fulton Road

- 8.1 The Council is progressing the purchase of 294 properties at Fulton Road, under which 118 London Living Rent Units are planned to be leased to one of the housing companies.
- 8.2 During the year, the agreed upon company will work with the Council to agree heads of terms and enter into a formal leasing agreement for the 118 units.

9.0 Financial Implications

- 9.1 The detailed financial implications are set out in the business plan. These include the key assumptions used and the stress testing carried out to test the business' financial viability should assumptions vary from those forecasted.
- 9.2 Over the year, cost inflation has increased, income inflation has not kept pace with cost inflation and interest rates have risen. This has significantly reduced the financial capacity in the business plan. This effect can be seen at a national level in the global accounts and indices published by the Regulator for Social Housing (RSH).
- 9.3 The cash position of i4B is initially positive but reduces over two years due to the cost of the refurbishment works to the Granville blocks. The cash balance then remains broadly stable for five years to 2030/31 as rental growth offsets the cost of decarbonisation works through the stock. From 2031/32 onwards cash balances start to increase as rental growth continues and capital costs associated with the decarbonisation works end.
- 9.4 i4B is forecasting positive cash balances of around £0.5m for the five years up unto 2030/31. These balances are relatively small in terms of the size of the organisations. As a result all the stress test scenarios modelled in the business plan put the organisation into deficit. The business plan sets out that further work will be required on contingency plans to ensure the organisation can maintain its financial viability.
- 9.5 i4B does have £23m of financial capacity to acquire additional properties. The costs of this borrowing are reflected in the business plan as the loan finance has already been drawn down. No rental income or management and

maintenance cost assumptions are included in the plan as decisions are still to be made on how this financial capacity will be utilised. Any additional purchases will make a positive cash flow contribution to the business plan.

10.0 Legal Implications

- 10.1 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole shareholder in i4B Holdings Limited and the intention is to seek Cabinet approval on 13th March 2023.
- 10.2 i4B is a wholly-owned local authority company, controlled by the Council, which was established to own and manage private rented sector (PRS) properties, in order to support the Council's homelessness agenda. Though i4B owns the out-of-Borough properties referred to in the Report, they ultimately serve the Council's housing purposes. The Council exercises a degree of control over disposal of these properties given the requirements of the Shareholder Agreement as to Council consent for disposal. In exercise of that control, the Council ought to ensure that, the spirit and purpose of section 123 Local Government Act 1972, is complied with, so that any sale of i4B's out-of-Borough land is for best consideration reasonably achievable by i4B.
- 10.3 In the context of the various delivery routes referred to in the report and Business Plan, it should be noted that companies such as i4B, established and solely owned by a council parent, are regarded as "contracting authorities" in their own right for the purposes of the Public Contracts Regulations 2015 ("PCR"). As a result, services or works over the relevant PCR financial threshold that i4B commissions from another organisation, even those commissioned from its own parent or other providers, potentially have to be competitively tendered, unless relevant exemptions available under the PCR apply.
- 10.4 The Building Safety Act 2022 has implications for i4B as a Landlord which include the following:
- the introduction of a 'Building Safety Regulator';
 - a new regulatory regime that applies to the planning, construction and occupation of 'higher-risk buildings';
 - increased governmental powers to regulate construction products, and the introduction of new regulations for the safety of construction products in the UK;
 - protections for leaseholders in respect of the costs of remediating building safety defects in their properties;
 - establishment of a new homes ombudsman scheme and a developers' code of practice, and government powers relating to new homes warranties;
 - provisions relating to the professional competence of architects and provisions to regulate the building control profession

11.0 Equality Implications

- 11.1 N/A

12.0 Consultation with Ward Members and Stakeholders

12.1 N/A

13.0 Human Resources/Property Implications (if appropriate)

13.1 N/A

Report sign off:

Carolyn Downs
Chief Executive



i4B Holdings Limited

2023/24 Business Plan

i4B Holdings Ltd 2023-24 Business Plan

1. Introduction

- 1.1. i4B Holdings Ltd (i4B; the Company) was established to reduce homelessness, provide affordable, good quality homes, and invest to deliver regeneration and financial benefits for its sole shareholder, Brent Council (the Council).
- 1.2. The following document is i4B's 2023-24 Business Plan. The Business Plan outlines how the Company will grow and diversify its products and increase its contribution to the Council's ambition of creating a borough with "a future built for everyone, an economy fit for all".
- 1.3. The Business Plan takes the following format:
 - 2.0 Purpose of the Company
 - 3.0 Performance against Overall Purpose
 - 4.0 Progress against the Company's 2022-23 Business Plan
 - 5.0 Context for 2023-24 Business Plan
 - 6.0 Strategic Priorities for 2023-24
 - 7.0 Appendices
 - A1 Closed Financial Appendix – Financial Implications of Proposals
 - A1a 30 Year Profit and Loss Account
 - A1b 30 Year Balance Sheet
 - A2 Risk Register
 - A3 2023-24 Key Tasks
 - A4 2023/25 SLA

2. Purpose of the Company

- 2.1. Between 2010 and 2015, homelessness doubled in Brent. This growth in homelessness was driven by the loss of private rented sector (PRS) tenancies due to affordability issues.
- 2.2. As a response to this challenge, on 14 March 2016, Brent Council's Cabinet approved the Council's Temporary Accommodation (TA) Reform Plan. The plan proposed that the Council set up a private company to acquire a large portfolio of affordable PRS accommodation for letting to homeless households.
- 2.3. In November 2016, Cabinet agreed to establish its wholly owned investment company, i4B Holdings Ltd. The Company was set up with the purpose of acquiring, letting, and managing a portfolio of affordable, good quality PRS properties. Properties would be let to homeless families at Local Housing Allowance (LHA) levels. This would enable the Council to either prevent or discharge its homelessness duty and therefore reduce TA costs.
- 2.4. The Company was allocated an initial PRS phase one loan of £109m to purchase 300 units of private rented sector accommodation by September 2019. The 2018-19 business plan increased this target to 600 units and allocated additional PRS phase two funding of £110.5m. However, this target has been impacted by current interest rates which means that after the remaining loan funding has been spent it is unlikely that i4B will be able to acquire properties. The Company's core business plan still anticipates a financial breakeven position over 30 years.
- 2.5. The Company is set up with the following requirements:
 - The Company has discretion over the individual properties it acquires provided that:
 - They are in a suitable location for the Council to comply with its duty under the Homelessness Suitability of Accommodation Order of 2011;
 - They are within the affordability criteria set out in the Company investment plan and Capital financing agreement with the Council; and
 - The rental income will be broadly equivalent to the relevant Local Housing Allowance.
 - The Board of i4B has limited discretion to let properties at discounted market rents, higher than LHA rates, where this is affordable for the tenant household and provides additional funding stability for the Company. The total mix of properties that may be let at greater than LHA rates is 25% of the portfolio, which may be flexed by prior agreement with the shareholder.

3. Performance against Overall Purpose

- 3.1. Since 2016, i4B has performed well against its purpose. i4B has purchased PRS accommodation and let it to families in TA. i4B has also brought financial savings to the Council.
- 3.2. As of January 2023, i4B has purchased 391 private sector homes and switched the tenure to an affordable PRS product. All properties have been refurbished to a high standard. Table One provides a breakdown of i4B's portfolio and pipeline as of January 2023.

Table One – i4B portfolio as of January 2023

	1b	2b	3b	4b+	All
Purchased properties	47	164	129	51	391

- 3.3. i4B has housed 404 families and 930 children. The majority of these families were previously housed in stage one TA. The number of families housed is higher than i4B's PRS portfolio due to certain properties being re-let.

Table Two – Breakdown of families accommodated by i4B as of December 2022

Previous Accommodation	no. of families	no. of children
Direct to i4B	99	206
Women's Refuge	2	15
TA Stage one – B&B	267	600
TA Stage two – Leased	36	109
Total	404	930

- 3.4. i4B also owns a 153-unit block which is let to public sector key workers; the building has now been operational for two years.
- 3.5. The Council receives financial benefits from i4B, mainly through reducing the use of TA. i4B brings a gross annual benefit of £1.784 million to the Council. This saving will increase as purchases increase.
- 3.6. The Council has also received the following one-off financial benefits:
- PRS phase one loan: loan arrangement fee of £872k and non-utilisation charge of £330k
 - PRS phase two loan: loan arrangement fee of £884k and non-utilisation charge of £408k

4. Progress against the Company's 2022-23 Business Plan

4.1. The medium- to long-term objectives of Brent's Housing Companies are:

- 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.

4.2. This section outlines performance in 2022-23 against each of the Company's strategic objectives.

4.3. Summary of performance

4.3.1. During 2022-23 i4B has implemented the housing companies' Development Strategy, agreed alongside the 2022-23 Business Plan. The strategy outlined how i4B and First Wave Housing would seek to utilise remaining and potential future funding in order to increase the Council's affordable housing offer. This has, however, been impacted by the economic environment. Inflation is at its highest rate in the UK for over 40 years, which has led to increased interest rates.

4.3.2. i4B has price caps which represent the maximum amount the Company can pay in order for acquisitions to meet its financial viability criteria. Increased interest rates have reduced the amount i4B can pay for properties, meaning the Company is less able to be competitive on the market. As a result, i4B has not been able to purchase at its anticipated rate of 48 properties in the year. As of January 2023, the Company has purchased 21 properties, with a further 9 in the pipeline.

4.3.3. In response to this, i4B has drawn down loan funding at an affordable rate, and has held discussions on how to use this money. As part of this, the Company has reviewed a number of new build schemes, and has taken the decision to suspend new offers for street property acquisitions until purchasing becomes more viable. In the first months of the year, the Company will focus its efforts on exploring block purchases, and will regularly review the property market throughout 2023-24 with the view to re-enter the market during the year; this will be discussed further in the Strategic Priorities for 2023-24 in Section 6.

4.3.4. During 2022-23 i4B carried out a pilot scheme for purchasing adapted accommodation to meet demand from the Council. The pilot concluded that significant additional funding would be required to purchase adapted properties, and that even with additional funding supply in and around Brent is limited. Therefore, i4B is working with the Council to determine potential additional support for this purchasing stream.

4.3.5. Table Three below provides a summary of operational performance at December 2022:

Table Three – Summary of Performance

Indicator	Target	Performance at December 2021 (YTD)	Performance at January 2023 (YTD)
Number of units	418 by April 2023	PRS: 354 Key Worker: 153	PRS: 391 Key Worker: 153
Instruction to Legal to Purchase	120 days	132 days	147 days
Minor void re-let times	35 days	19 days	New purchases: 111 days Re-lets: 162 days
Major void re-let times	72 days	151 days	New purchases: 126 Re-lets: 206 days
Rent collection	98.50%	88.5%	BHM – 92.1% Mears – 90.5%
Void Rent Loss	1%	9%	5%*
Emergency repairs completed within 24 hours	100%	100%	97%
Urgent repairs completed within 7 days	95%	81%	80%
Routine repairs completed within 28 days	95%	91%	75%
% of properties with a valid gas safety certificate	100%	BHM – 99.57% Mears – 92.42%	BHM – 100% Mears – 95.2%

*figure is for December 2022 as this is reported on a bi-monthly basis

4.3.6. Void times and rent collection continue to be the major operational issues for i4B, with minor and major void times and rent collection rates all out of target. In order to address this, a void improvement project is being set up covering both the housing companies and the Council's Housing Revenue Account. Regarding rent collection, a dedicated Tenancy Sustainment Officer has been appointed for i4B to ensure that tenants are set up on the relevant benefits and are able to make regular rent payments. A wider project looking at tenancy sign-up, rent collection and arrears

management processes and systems is being set up to begin in early 2023.

- 4.3.7. The following paragraphs provide a more detailed update on progress against the sub-objectives for each Housing Company objective in the 2022-23 Business Plan.

4.4. Performance against strategic objectives

4.5. *Increasing the supply of affordable housing in the borough*

- 4.5.1. i4B acquires and lets properties in Brent and neighbouring boroughs to improve the Council's affordable housing offer. A Development Strategy for the Council's two housing companies, i4B and First Wave Housing, was agreed alongside the 2022-23 Business Plans with the aim of utilising remaining and potential future funding to develop a portfolio of affordable new build accommodation which:

- Supports the Council's Housing Strategy and relieves housing need;
- Supports the financial viability of the Companies; and
- Is feasible and realistic.

- 4.5.2. The strategy has been implemented during 2022-23. However, this has been and continues to be impacted by the current economic environment, principally higher global inflation rates driven by COVID supply chain issues and the war in Ukraine. In the UK, skills shortages and a tight labour market are adding to these pressures.

- 4.5.3. Inflation in the UK is at its highest for 40 years and this is a pattern being experienced more widely in the global economy. It is unclear how long inflation will remain at these levels, but it is likely to be a longer-term trend.

- 4.5.4. The Company's ongoing street property purchase programme has been significantly impacted by increased interest rates, which reduce the amount i4B can spend on new acquisitions. As of January 2023, i4B has purchased 21 properties in the financial year against an initial target of 48. Despite this, i4B has continued to purchase higher yielding properties.

- 4.5.5. In response to this, i4B has renegotiated its loan with the Council, meaning it can now borrow at the reduced 50-year PWLB rate. The Board has agreed to drawdown £40m of remaining loan funding. This has been drawn down at a rate of 3.45% at 50 years.

- 4.5.6. i4B now has £19.89m of remaining loan funding yet to be committed. Once this funding has been used, i4B would need to agree new loan funding at a new interest rate. Advice from the Council's Treasury team is that rates are likely to trend upwards in the future, negatively impacting the number of properties that meet i4B's viability criteria. The Board has agreed to a pause on committing any new loan funding, for example by making offers on properties. i4B has also appraised a number of new build schemes in 2022-23, although no suitable opportunities have materialised thus far. Exploring block acquisitions will be a priority for 2023-24, alongside regularly reviewing the street property market to review the viability of resuming street property purchases.

- 4.5.7. During the year i4B has also carried out a pilot of purchasing adaptable properties to meet high demand from homeless families requiring adapted accommodation. Additional funding of up to £100,000 per property was allocated to the pilot, but i4B's price caps have proven restrictive, especially as i4B primarily operates in the south of Brent where the majority of properties are flats and terraced houses and therefore not typically suitable for adaptation. Therefore, a large amount of additional funding would be required in order to make this a viable purchasing stream for i4B. Due to the significant amount of funding, the Council is now exploring alternative options for housing this Cohort; options involving i4B are being considered as part of this.
- 4.5.8. i4B's 153-unit block of key worker accommodation is now fully let, with a small number of void properties due to move-outs. Properties are let at 65% of market rent.
- 4.5.9. On 4 April 2022, 25 intermediate rented units were transferred from First Wave Housing to i4B as part of the transfer of Granville New Homes.
- 4.6. *Running a viable business*
- 4.6.1. The i4B Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issues for i4B continue to be high void times and levels of arrears. There has been a lack of improvement in void times during 2022-23. In order to address this, a void improvement project is being set up, which covers both the housing companies and the Council's Housing Revenue Account, and is chaired by senior management.
- 4.6.2. i4B's rent collection rates are below target. Some reasons for this include delays in processing Universal Credit claims leading to build-up of arrears in the initial stages of a tenancy and the potential unaffordability of rents for some tenants; this has been further compounded by the ongoing cost of living crisis. To address this, a dedicated i4B Tenancy Sustainment Officer has been appointed. The officer's role is to ensure new tenants are set up on the correct benefits and begin making regular rent payments, and working with existing tenants in arrears to improve payment behaviours. In addition to this, a wider project to improve rent collection and reduce arrears is being set up. This will involve examining the sign-up process and the support offered to tenants, reviewing rent collection and arrears management processes, and reviewing i4B's highest arrears cases to consider ongoing tenant affordability and any necessary action including the allocation of Homelessness Prevention Grant funding.
- 4.6.3. i4B has commissioned a programme of stock condition surveys. Initial results have been received, and the final report is expected in February 2023; this will be used to develop a long-term asset management strategy for the company.
- 4.6.4. Another key issue for i4B is value for money. A value for money strategy for i4B and First Wave Housing has been prepared and will be in place before the beginning of the 2023/24 financial year. In addition, i4B is working to commission a consultant to carry out a value for money review of voids and repairs. The results of this are expected back in early 2023-24.
- 4.7. *Delivering safe and sustainable homes*

- 4.7.1. During 2022-23, i4B commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Management.
- 4.7.2. In response to the audit, a monitoring tracker has been produced that tracks all compliance elements for all i4B properties and blocks. All compliance certification is being located and saved in a central place. i4B has also initiated increased clienting of the compliance certification process to provide further assurance, and the results of the audit follow-up are due to be presented to the Board in early 2023.
- 4.7.3. As a longer-term approach to the monitoring and reporting of compliance, BHM have now procured the True Compliance system. True Compliance will allow BHM to manage all areas of compliance on one system including storage of certification, and the first area of compliance, gas safety, will go live in early 2023. i4B will track the implementation of True Compliance during 2023-24, and will continue its increased clienting and monitoring of health and safety compliance until True Compliance is fully embedded and regular reporting to the Board is in place.
- 4.7.4. In addition to this, a programme of updated compliance policies and procedures is being presented to the i4B Board. Gas and electrical safety policies have been signed off by the Board, with asbestos, legionella and fire safety policies due to be signed off by the end of 2022-23.
- 4.7.5. The decarbonisation of i4B's stock is set to be a major capital expense for the Company. During 2022/23, i4B commissioned a programme of stock condition and energy surveys, which outlined the requirements and estimated costs for bringing i4B properties up to an Energy Performance Certificate rating of B. The results of this work have been received, and i4B now have EPC data for all of its properties. A decarbonisation strategy for the Company will be developed during 2023/24, which will outline works that will be undertaken to improve performance. This may include stock rationalisation in some cases.
- 4.7.6. i4B has also applied for the Green Homes Grant, and the managing agent of the grant are working to book in surveys with tenants with the view to completing a programme of energy efficiency works at properties by the end of 2022-23, in order to improve the Energy Performance Certificate (EPC) rating of properties to at least a C.
- 4.8. *Providing a consistently good housing service*
- 4.8.1. i4B aims to ensure tenant satisfaction and monitor this regularly. During 2022-23, some transactional tenant satisfaction data has been collected. However, no full survey of tenant satisfaction has been carried out.
- 4.8.2. The Regulator of Social Housing has introduced a new suite of tenant satisfaction measures which will be in place from April 2023. While i4B is not regulated by the Regulator, it follows its standards in line with the approach of the Council's HRA and First Wave Housing. BHM are carrying out a pilot of the new surveys, and reporting to the i4B Board will begin from early 2023-24. In addition, i4B will look to improve its oversight of complaints and transactional satisfaction surveys in order to review tenant satisfaction and implement any actions to improve this.

5. Context for 2023-24 Business Plan

5.1. This section outlines the various contextual factors that have influenced the i4B Business Plan and how they influence the Company. These include, but are not limited to:

- Current economic context;
- The state of the housing market;
- Current demand and housing need within Brent;
- The regulatory environment;
- Net zero and climate change; and
- The key risks the Company currently faces.

5.2. These factors have influenced the proposals outlined in Section 6.

5.3. *Current Economic Context*

5.3.1 Inflation in the UK is at its highest for 20 years and this is a pattern being experienced more widely in the global economy. These higher global inflation rates have been driven by COVID supply chain issues and the war in Ukraine. In the UK, the impacts of Brexit, particularly skills shortages and a tight labour market, are adding to these pressures.

5.3.2 CPI is expected to remain over 10% in the short-term, and fall sharply from mid-2023. The ongoing cost of living crisis is also expected to reduce affordability for tenants and lead to impacts on rent collection.

5.3.3 Inflation is generally fairly positive at moderate levels for the i4B business plan. This is based on the assumption that rental income, which exceeds operating costs, increases at the same rate and that i4B's financing costs are fixed and are therefore eroded by inflation. The risk to i4B is that if rent levels are frozen, for example by capping the housing allowance (LHA) increases, whilst cost inflation rises. This will continue to be monitored closely.

5.4 *The Housing Market*

5.4.1 During this financial year, property prices have continued to rise and remain high, and this has led to a decrease in the amount i4B is able to pay for a property and a similar decrease in the amount of properties that meet i4B's financial viability criteria. As i4B is less competitive on the market, especially as demand in the borough

remains high, it has not been able to purchase at business plan assumptions in 2022-23.

- 5.4.2 It is expected that purchasing will continue to be difficult in early 2023-24, and as a result i4B has suspended its acquisition programme. It is anticipated that house prices will reduce throughout 2023. Forecast decreases in national house prices range from around 5% to 12%¹. For example, the Office for Budget Responsibility forecasts a reduction of 9% between Q4 of 2022 and Q3 of 2024², while Savills anticipate a reduction of 10% nationally, and 12.5% in London³.
- 5.4.3 This reduction may represent an opportunity for i4B to re-enter the market in 2023-24, and this will be regularly reviewed throughout the year.

5.5 *Current Demand and Housing Need within Brent*

- 5.5.1 Since 2016, i4B has been housing Council homelessness nominees. The recent pressures on Housing Needs Service have been driven by increased demand from homeless households, a contraction of private rented sector (PRS) properties, and evictions from the PRS, which are linked to affordability issues, due to rising rents across London. Demand has continued to grow during 2022-23, leading to an increase in the use of Temporary Accommodation. There are currently 187 families living in TA, for 112 of which the Council has accepted the main homelessness duty. A table broken down by bed size is below:

Bed Size	Number of accepted families	Number of non-accepted families	Total
2	64	45	109
3	32	22	54
4+	16	8	24
Total	112	75	187

- 5.5.2 There continues to be increasing demand from families who require adapted properties due to mobility issues or disabilities. As of November 2022 there are 72 families requiring adapted properties, of whom 48 have no suitable offer of accommodation in the pipeline. Approximately five new families join this cohort each month.
- 5.5.3 The bespoke nature of i4B properties is one of the main benefits of the Company: therefore, i4B carried out a pilot scheme to review the feasibility of purchasing properties that are suitable to be used as adapted accommodation. The pilot showed

¹ <https://www.theguardian.com/business/2022/dec/26/experts-predict-housing-market-will-cool-in-2023-as-uk-enters-a-recession>

² <https://obr.uk/forecasts-in-depth/the-economy-forecast/housing-market/#houseprices>

³ <https://www.savills.co.uk/insight-and-opinion/research-consultancy/residential-market-forecasts.aspx>

that significant additional subsidy from the Council would be required to purchase a large number of adapted properties. The Council is currently reviewing its options regarding how to best house the cohort of families requiring adapted accommodation.

5.6 *The Regulatory Environment*

- 5.6.1 While i4B is not regulated by the Regulator of Social Housing, it aims to comply with its standards in line with requirements for the Council's HRA and First Wave Housing. The regulatory environment for housing is set to become increasingly stringent, with the introduction of new legislation such as the Building Safety Act and more proactive regulation in areas such as tenant satisfaction.
- 5.6.2 Alongside this, risk is increasing across the sector due to a combination of increased uncertainty in the operating environment (due to Brexit, Covid-19 and the war in Ukraine impacting supply chains and driving high inflation and costs), a rise in disrepair cases, and upcoming requirements in relation to building safety and decarbonisation. This has already led to a number of housing providers having their Governance and Viability ratings downgraded by the Regulator.
- 5.6.3 The Regulator's new tenant satisfaction measures will be effective from April 2023; i4B will follow these measures and will begin reporting on these to Board in early 2023-24. This forms part of a wider move towards more proactive regulation alongside the new Social Housing Regulation Bill, which will also offer new powers to the Regulator such as the ability to carry out inspections of and issue performance improvement plan notices to underperforming landlords.
- 5.6.4 Stock condition is another key theme. Alongside decarbonisation requirements discussed below, the sector is seeing a rise in disrepair cases and complaints to the Housing Ombudsman, principally in relation to property condition and damp and mould. In response, i4B will review and report on its disrepair cases, and develop a clear disrepair policy for such cases.
- 5.6.5 Finally, the new Building Safety Act will bring the introduction of a new Building Safety Regulator and a New Homes Ombudsman. The Act covers residential high-rise buildings at all stages from design and planning to construction and occupancy, and requires the provision of a 'golden thread' of detailed building information both to the Regulator and residents. It also introduces greater protections for leaseholders against historical defects as well as the requirement for a resident engagement strategy. The implications of the Act for i4B will be reviewed with BHM in advance of 2023-24, and a programme of work will be implemented to ensure compliance with the Act.

5.7 *Net Zero and Climate Change*

- 5.7.1 Brent Council declared a climate and ecological emergency in 2019 and committed to do all reasonable in its gift to aim for carbon neutrality for 2030, and to work with government to achieve the national 2050 target. The target for Brent's housing in its Climate & Ecological Emergency Strategy (2021-2030) is to achieve an average EPC rating of B by 2030, in line with the London Councils target. Brent Council's housing

companies' environmental sustainability targets are aligned with the Council's own environmental sustainability targets.

- 5.7.2 i4B has entered into a contract with the managing agent for the Green Homes Grant. The Grant offers funding for the installation of energy efficiency works at properties with an EPC rating of D or below. Around 20 properties have been or are due to be surveyed for inclusion in the scheme
- 5.7.3 Stock decarbonisation will be a significant capital expense for the Company. Modelling from the Green Homes Grant project shows an indicative average cost per property of £18,000 for reaching EPC C and £20,500 for reaching EPC B; this has the potential to increase with inflation.

5.8 *Risk Context*

- 5.8.1 The Company currently faces a number of risks. Key risks include:
- Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in i4B being non-compliant with its statutory obligations.
 - i4B lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.
 - Tenant non-payment of rent increases due to unaffordability of rent.
 - High Capital Programme costs, including future climate change obligations, undermine the viability of the business plan.
 - Greater uncertainty in the external operating environment brings greater risk to i4B's financial modelling.
- 5.8.2 At the current time there is considerable uncertainty around the prospects for a sustained period of high inflation and the consequences for interest rates, housing prices and rental affordability for tenants. The impacts of this are being closely monitored and modelled by the Board, and have led to the current pause on new street property purchases.
- 5.8.3 Mitigating measures are in place to help to minimise the impact of all risks. A copy of the full Company risk register has been included in Appendix 2.

6. Strategic Priorities for 2023-24

6.1. This section outlines the Company's strategic priorities for 2023-24. In 2023-24 i4B will seek to consolidate its position while reviewing development opportunities in the borough. Priorities for the year are set out within the framework of the medium- to long-term objectives of Brent's Housing Companies. These objectives are:

- 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.

6.2 Increasing the supply of affordable housing in the borough

6.2.1 i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs. i4B has available finance and aims to ensure this is spent in a way that adds maximum value to the Council, whilst also being feasible and supporting the Company's financial viability. i4B has currently suspended new offers on street properties to focus on acquiring a new build scheme during 2023-24. During 2023-24, i4B will work with partners to appraise schemes, and will look to re-enter the market later in the year. The strategic priorities are as follows:

6.2.2 Priority 1: Explore future financing arrangements with Council

6.2.3 It is likely on any new build scheme i4B will have to make phased payments to a developer. i4B will therefore work with the council to explore financing arrangements that give it greater certainty over finance rates whilst minimising carry costs.

6.2.4 Priority 2: Review feasibility of a block acquisition

6.2.5 i4B will work with consultants to review the market for potential block acquisitions. These will review the number of live schemes against i4B's viability criteria, as well as site finding. As the Council is seeing greater demand from homelessness nominees with specific need for adapted units, this will also include adapted properties.

6.2.6 Priority 3: Review feasibility of new build purchases

6.2.7 As well as block acquisitions, i4B will also work with consultants to review the market for new build opportunities, aiming to identify viable options. As above, this will also include adapted properties.

6.2.8 The Council is looking to purchase 294 properties at Fulton Road, and has agreed heads of terms with the developer of the scheme. As part of the scheme, leasing 118 London Living Rent units to one of the housing companies is being explored. The Council is finalising arrangements with the GLA, and during the year the agreed company will look to agree heads of terms and enter into a lease agreement with the Council for the 118 units.

6.2.9 Priority 4: Review feasibility of re-entering street property market

6.2.10 In June 2023, i4B will review the feasibility of re-entering the street property market and, dependent on this review, may re-join the market. If the company does re-enter

the market, the company's acquisition criteria will be more restrictive; for example, i4B would avoid purchasing properties that do not meet energy performance requirements or properties in blocks with third party freeholders.

6.3 Running a Viable Business

6.3.1 This objective relates to improving the operational and financial performance of i4B in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2023-24 will be on improving void times and rent collection rates, as well as implementing its value for money strategy to reduce costs and improve financial performance. The 2023-24 strategic priorities that relate to this objective are:

6.3.2 Priority 5: Carry out project to reduce arrears

6.3.3 During 2023-24 i4B will carry out a project alongside BHM to reduce arrears. This will include: allocating Homelessness Prevention Grant funding; reviewing the Company's sign-up process and tenancy sustainment approach; examining i4B's highest arrears cases to assess ongoing affordability and suitability for tenants; and reviewing rent collection and arrears management processes to identify efficiencies and improvements.

6.3.4 Priority 6: Implement VfM strategy

6.3.5 The value for money (VfM) strategy will be presented separately and will be in place before the beginning of 2023/24 financial year. This will outline how i4B defines VfM, how it will improve VfM, and plans for monitoring this. This process will involve setting specific VfM targets with service areas through the service level agreement (SLA) with the Council. During 2023-24, i4B will therefore begin the implementation of the action plan in the VfM strategy.

6.3.6 Priority 7: Reduce void costs

6.3.7 The Council are currently carrying out a void improvement project and an end-to-end review of voids processes. Voids will continue to be closely monitored by officers and at Board meetings during the financial year to review the impact of this.

6.3.8 Priority 8: Significantly improve void turnaround times

6.3.9 Alongside the void improvement project and review, which will include the introduction of a simplified voids process, i4B will work with BHM to take actions to significantly reduce void times.

6.3.10 Priority 9: Explore potential stock rationalisation

6.3.11 Following the completion of the energy modelling work, i4B will review the financial and energy performance of properties. Additionally, in 2023-24 i4B will consider the potential disposal of under-performing properties, as well as continuing to carry out other disposals as appropriate, including properties in Home Counties when they go void if they cannot meet immediate demand from Brent's Housing Needs teams. In such cases i4B will work with the Property Team to begin the disposal process.

6.4 Delivering Safe and Sustainable Homes

6.4.1 This objective involves ensuring that i4B's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2023-24, the Company's focus will be on compliance through ensuring the development of necessary policies and the successful implementation of True Compliance. i4B will also seek to respond to the new Building Safety Act, requirements to improve the energy efficiency of its stock, and the ongoing rise in disrepair cases. The 2023-24 strategic priorities that relate to this objective are:

6.4.2 Priority 10: Monitor health and safety compliance

6.4.3 i4B will continue short-term monitoring and reporting of each compliance area, providing reassurance to the Board that the Company remains compliant with all relevant law. Additionally, i4B will monitor the implementation of the True Compliance system during 2023-24, ensuring all properties and certifications are uploaded to the system.

6.4.4 Priority 11: Implement plan in response to Building Safety Act

6.4.5 In 2023-24, i4B carry out a programme of work with BHM to ensure the Company complies with the newly introduced Building Safety Act.

6.4.6 Priority 12: Develop decarbonisation strategy

6.4.7 Following the completion of the energy modelling work, i4B will use the results to develop a decarbonisation strategy to ensure its stock reaches target Energy Performance Certificate levels, which may include stock rationalisation where appropriate.

6.4.8 Priority 13: Develop disrepair policy

6.4.9 To address the sector-wide rise in disrepair cases, i4B will develop a disrepair policy based on a review of its recent cases and work with BHM to implement this.

6.5 Providing a Consistently Good Housing Service

6.5.1 This objective relates to improving tenant satisfaction. While not regulated by the Regulator, i4B will review initial responses to the Regulator's new tenant satisfaction measures, and will seek to improve its oversight of complaints handling. The 2023-24 strategic priorities for this objective are:

6.5.2 Priority 14: Review tenant satisfaction

6.5.3 Following the implementation of new tenant satisfaction measures in April 2023, i4B will review initial results from these surveys as well as transactional feedback from its tenants to identify and carry out any necessary actions to improve tenant satisfaction. Regular reporting to the Board on tenant satisfaction will be introduced.

6.5.4 Priority 15: Improve complaints oversight and monitoring

6.5.5 Additionally, i4B will review its policies and management procedures for complaints and from this identify and implement any required process improvements.

Appendix 1 – Closed Appendix – Financial Analysis

Please refer to the i4B Closed Financial Appendix document.

Appendix 2 – Risk Register

See Appendix 2 of accompanying cover report.

Appendix 3 - 2023-24 Key Tasks

See Appendix 3 of accompanying cover report.

Appendix 4 – Partially Closed Appendix – 2023/25 SLA

See Appendix 4 of accompanying cover report.

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Ref	Business Plan Objective	Strategic Risk	Risk	Trigger	Previous			Updated			Risk Trend	Mitigation	Actions	Owner	SLA Lead	Due Date	Action Update
					Likelihood	Impact	Score	Likelihood	Impact	Score							
	Safe and Sustainable Homes	i4B does not meet H&S requirements	Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in i4B being non-compliant with its statutory obligations.	Inadequate controls on record creation	4	5	20	4	5	20		Review asset records and the controls around creation and update. Produce a regular compliance report to Board covering all compliance requirements.	Implement actions from health and safety compliance internal audit action plan to address all areas of non-compliance	Strategic Support Officer		Mar-23	Audit follow-up due to come to Board by March 2023
1	Safe and Sustainable Homes	i4B does not meet H&S requirements	Poor contractor performance and information control results in i4B properties being non-compliant with statutory H&S objectives.	Lack of KPIs and monitoring processes	3	5	15	3	5	15		Set up effective monitoring processes on compliance.	Implement new compliance management system and review compliance processes	Head of Property Services	Strategic Support Officer	Mar-23	BHM have now signed an agreement with True Compliance. Regular compliance reporting will be introduced following this. Programme of updated compliance policies being presented to Board.
2	Safe and Sustainable Homes	i4B does not meet H&S requirements	There is no affordable or technical solution for i4B to meet enhanced building standards.	Changing legal obligations	2	4	8	2	4	8		Monitor changes in building standards and report on viability of implementing any changes.	BHM monitor all changes in law/building standards that will affect housing stock. In some cases BHM are ahead i.e. carbon monoxide and smoke alarms. In this instance BHM will use systems such as True Compliance to monitor by putting this information from LGSRs and EICRs	Head of Property Services	Strategic Support Officer	Mar-23	BHM have now signed an agreement with True Compliance. Regular compliance reporting will be introduced following this. Programme of updated compliance policies being presented to Board.
3	Safe and Sustainable Homes	i4B does not meet H&S requirements	i4B lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.	Lack of reliable monitoring reports to Board	5	4	20	5	4	20		Review policies, controls and reporting arrangements.	Implement actions from health and safety compliance internal audit action plan to address all areas of non-compliance, including review of all compliance policies	Head of Property Services	Strategic Support Officer	Mar-23	Ongoing action - True Compliance automatically records information on e.g. smoke alarm testing
4	Running a Viable Business	i4B cannot trade as a going concern	Changing inflation or Government policy on rents and benefits means i4B cannot increase rents at business plan assumptions.	Change in Government policy or change in rental inflation	2	3	6	2	3	6		Regular modelling and business plan reviews, and monitoring of changes in Government policy.	Re-test business plan once final account outturn is agreed.	Senior Finance Analyst		Completed	Completed: no increases in target rents or LHA have been modelled for the next 5 years in the business plan, and LHA has been frozen for 2023-24. Impacts of inflation added to risk
5	Running a Viable Business	i4B cannot trade as a going concern	Reductions and changes in market demand mean i4B cannot increase rents at business plan assumptions.	Change in market demand	3	3	9	3	3	9		Regular modelling and business plan reviews.	Stress test model as part of business plan.			Completed	Completed as part of the final accounts outturn for 2022-23.
6	Running a Viable Business	i4B cannot trade as a going concern	Tenant non-payment of rent increases due to unaffordability of rent.	Change in market demand	5	4	20	5	4	20		Regular modelling and business plan reviews, effective recovery processes, and identifying the main reasons for high arrears levels.	Re-test business plan once final account outturn is agreed.	Senior Finance Analyst		Completed	Completed. No increases in target rents or LHA have been modelled for the next 5 years in the business plan. Market rents would need to reduce for this risk to materialise, which is currently unlikely
7	Running a Viable Business	i4B cannot trade as a going concern	High void rent loss due to long void turnaround times.	Poor void management processes and reporting	5	3	15	5	3	15		Improved void management processes and reporting.	Benchmark on rent collection rates.	Income and Sustainment Manager	Strategy Delivery Manager	Dec-22	Overdue. Awaiting annual HouseMark return: this is with the performance team and is being chased.
8	Running a Viable Business	i4B cannot trade as a going concern	High Capital Programme costs, including future climate change obligations, undermine the viability of the business plan.	Uncertainty on investment requirements in stock, including decarbonisation and compliance	5	5	25	5	5	25		Development of a costed asset management plan with viable options.	Carry out review of arrears, including: allocation of Homelessness Prevention Grant; review of sign-up and rent collection processes; and review of long-term viability of high arrears cases.	Senior Finance Analyst	Strategy Delivery Manager	Mar-23	Action updated to reflected arrears project work.
9	Running a Viable Business	i4B cannot trade as a going concern	A lack of transparency around costs means i4B cannot effectively report on its costs.	Lack of direct payment systems and reliance on recharges	4	2	8	4	2	8		Fully set up Oracle for the companies, and transfer all suppliers to direct billing.	Carry out a deep dive review of voids performance. Identify poor performance. Implement a new voids improvement project with robust governance arrangements to ensure performance improves.	Voids Manager	Strategic Support Officer	Oct-22	The review of the voids process has begun over the last few months which has included improvements to offline processes, as well as an overhaul of the Microsoft Dynamics void management functionality. The review is due to be wrapped up early in the new financial year.
10	Running a Viable Business	i4B cannot trade as a going concern	Costs of remediation to the Granville and Princess Road blocks exceed business plan estimates.	Higher construction costs bid as part of the procurement process.				3	2	6	New risk	Identify alternative efficiencies in the business plan	Develop long-term asset management and investment plan, incorporating the impact of the climate change agenda.	Head of Property Services	Strategy Delivery Manager	Mar-23	Stock condition and energy performance surveys have been carried out for all properties, and the energy modelling work is expected back in early 2023. i4B has also applied to the Green Homes Grant for funding for energy efficiency works.
11	Running a Viable Business	i4B cannot trade as a going concern	Company cash flow (capital and revenue) is insufficient to manage expenditure.	Cost inflation exceeds income inflation resulting in a reduced surplus	1	5	5	3	5	15		Guarantee from Council/Council to consider lower financing rates. Regular review of business plan and potential efficiency and stock rationalisation options.	Set up fully independent company finances as part of Oracle Cloud to allow direct payments.	Senior Finance Analyst		Mar-23	Core systems are now set up with the facility for direct billing. Discussions to be held on suppliers to prioritise for direct payments, and deadlines to be agreed with SLA leads.
12	Running a Viable Business	i4B cannot trade as a going concern	Delays in processing utilities and other payments result in poor financial reporting, complaints and financial & reputational damage	The Company fails to set up suppliers and make payments in a timely manner	5	2	10	5	2	10		Fully set up Oracle for the companies, and transfer all suppliers to direct billing.	Receive regular updates from council on procurement process	Strategy and Delivery Manager		Mar-23	Risk has been revised as the biggest risk to cash flow is no longer a lack of property acquisitions but costs rising faster than income.
13	Running a Viable Business	Financial and reputational damage	Fraud results in a loss of income and/or reputational damage to the company and the Council.	Poor internal controls, or lack of compliance with these	2	3	6	2	3	6		Annual review of internal controls.	Engage with suppliers to ensure direct payments, and ensure inter-company recharges	Senior Finance Analyst		Mar-23	Core systems are now set up with the facility for direct billing. Discussions to be held on suppliers to prioritise for direct payments, and deadlines to be agreed with SLA leads.
14	Running a Viable Business	Financial and reputational damage	i4B is deemed to have failed a statutory requirement in its corporate role following developments in the regulatory environment such as the Hackitt Review.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of regulatory requirements and compliance with these.	Carry out review of internal controls with SLA leads and agree resulting set of actions.	Strategic Support Officer		Mar-23	Board to be asked to sign up to 2020 National Housing Federation Code of Governance. Resulting actions will be implemented alongside regulatory compliance review project plan, and will include review of internal controls
15	Running a Viable Business	Financial and reputational damage	Greater uncertainty in the external operating environment brings greater risk to i4B's financial modelling.	Cost inflation exceeds income; rent collection levels decrease; new unaffordable expenditure requirements such as decarbonisation costs are identified	3	5	15	3	5	15		Regular review of costs and assumptions, and stress testing of the business plan.	Implement actions from compliance project plan presented at June Board meeting.	Strategic Support Officer		Feb-23	Update on compliance project plan to be included as part of 2023-24 business planning. Wider review of assurance against compliance with regulatory legislation to be carried out as part of implementation of RNF code of governance review
16	Running a Viable Business	Financial and reputational damage	Disrepair in properties leads to poor tenant satisfaction, reputational damage and an increase in costs through legal settlements.	Increase in disrepair claims through deterioration in condition of stock	3	3	9	3	3	9		Review reasons for disrepair and develop resulting action plan.	Stress test 2023-24 business plan	Senior Finance Analyst		Completed	More detail added to headline risk. Action completed.
17	Increasing Supply of Affordable Housing	i4B cannot increase affordable housing supply	There is an insufficient volume of properties on the market that meet i4B's financial criteria.	Change in market conditions	5	3	15	5	3	15		Regular review of market and financial viability model.	Develop cost estimates on decarbonisation works	Strategic Support Officer		Jan-23	Stock condition and energy survey work to come back in early 2023.
18	Increasing Supply of Affordable Housing	i4B cannot increase affordable housing supply	There is an insufficient amount of development opportunities that meet i4B's development criteria.	Change in market conditions	3	3	9	3	3	9		Regular review of market and financial viability model.	Develop clear disrepair policy, and ensure oversight and reporting on this action plan.	Strategic Support Officer		Sep-23	Action updated to reflect business plan key task for 2023-24
19	Increasing Supply of Affordable Housing	i4B cannot increase affordable housing supply	A lack of affordable financing options means i4B cannot fund acquisitions.	Change in market interest rates	5	3	15	5	3	15		Monitoring of market rates and agreeing financing options with the Council.	Carry out a strategic review of property demand and supply in the borough which will result in a property acquisition strategy.	Strategy and Delivery Manager		Completed	
20	Providing an Excellent Housing Service	Drop in customer satisfaction and damage to reputation	Contractor performance is not effectively managed and monitored, leading to poor customer service.	The supply chain is not effectively managed	2	3	6	2	3	6		Clear service standards, regular performance management and engagement with supply chain.	Carry out a strategic review of property demand and supply in the borough which will result in a property acquisition strategy.	Strategy and Delivery Manager		Completed	
21	Providing an Excellent Housing Service	Drop in customer satisfaction and damage to reputation	Poor service delivery results and complaints management procedures give rise to low tenant satisfaction.	A lack of clear service standards and complaints management procedures means complaints are not effectively dealt with	2	3	6	2	3	6		Clear service standards and monitoring of complaints performance.	Discussions to take place between i4B Board and Council around future investment in Company.	Senior Finance Analyst		Apr-23	Affordable financing rates secured in short-term following loan drawdown. House prices and development in borough to be monitored for future opportunities with focus on new build and stock acquisitions
22													Review our interest rate forecasts and impact on the investment model price caps.	Senior Finance Analyst		Completed	
													Implementation of tenant satisfaction measures	Head of Housing & Neighbourhoods	Strategy Delivery Manager	Jun-23	Action updated - awaiting confirmation of deadline from BHM.
													None - complaints policy in place.	Strategic Support Officer		N/A	

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i4B 2023/24 Key Tasks				
Housing Company objective	Priority for 2023/24	Key tasks for 2023/24	Task owner	Due date
Increasing the supply of affordable housing in the borough	1. Explore future financing arrangements with Council	Explore new financing arrangement with Council that allows companies to forward borrow	Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	2. Review feasibility of a block acquisition	Work with consultants to review market for potential block acquisitions, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	3. Review feasibility of new build purchases	Work with consultants to review market for new build opportunities, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	4. Review feasibility of re-entering street property market	Review street property market in June 2023	Operational Director Property and Assets / Strategy and Delivery Manager	Jun-23
		Dependent on review, consider re-entering street property market	Operational Director Property and Assets / Strategy and Delivery Manager	Jul-23
Running a viable business	5. Carry out project to reduce arrears	Review sign-up process and tenancy sustainment approach	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23
		Review rent collection and arrears management processes	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23
		Evaluate historic highest arrears cases to assess ongoing suitability	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23
Running a viable business	6. Implement VfM strategy	Implement actions outlined in value for money strategy	Strategic Support Officer	Dec-23
Running a viable business	7. Reduce void costs	Implement project plan to reduce void costs	Head of Housing Property Services	May-23
Running a viable business	8. Significantly improve void turnaround times	Implement project plan to significantly improve void turnaround times	Head of Housing Property Services	May-23

Running a viable business	9. Explore potential stock rationalisation	Review financial and energy performance of properties following energy modelling work	Strategic Support Officer	Jun-23
		Consider potential disposals for under-performing properties	Strategic Support Officer	Jul-23
		Carry out other disposals as appropriate, e.g. Home Counties properties	Strategic Support Officer	Ongoing
Delivering safe and sustainable homes	10. Monitor health and safety compliance	Continue short-term monitoring and reporting of each compliance area	Head of Housing Property Services / Strategic Support Officer	Jun-23
		Monitor implementation of True Compliance system for i4B	Head of Housing Property Services / Strategic Support Officer	Dec-23
Delivering safe and sustainable homes	11. Implement plan in response to Building Safety Act	Develop and implement project plan to ensure compliance with Building Safety Act	Head of Housing Property Services / Strategic Support Officer	May-23
Delivering safe and sustainable homes	12. Develop decarbonisation strategy	Use results of energy modelling work to develop an i4B decarbonisation strategy, which may include stock rationalisation where appropriate	Strategic Asset Manager / Strategic Support Officer	Sep-23
Delivering safe and sustainable homes	13. Develop disrepair policy	Review disrepair cases	Head of Housing Property Services / Strategic Support Officer	Jun-23
		Develop disrepair policy	Head of Housing Property Services / Strategic Support Officer	Jun-23
Providing a consistently good housing service	14. Review tenant satisfaction	Review initial results following implementation of new tenant satisfaction measures	Head of Housing and Neighbourhoods	Jun-23
		Review results of transactional feedback from tenants	Head of Housing and Neighbourhoods	Jun-23
		Identify and carry out actions to improve tenant satisfaction	Head of Housing and Neighbourhoods	Dec-23
Providing a consistently good housing service	15. Improve complaints oversight and monitoring	Review complaints policies and procedures for i4B	Complaints and Casework Manager / Strategic Support Officer	Sep-23

Appendix 4 i4b Buiness Plan SLA Schedule One - Services and Service Requirements

Corporate Services									
Ref	Services	Description	Period	i4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
1a	Strategic Support	The Service Provider shall provide company secretary services. This will include: Providing support and guidance to the Board, Chair and Shareholder; Ensuring that all operations of the Company comply with the necessary statutory and regulatory requirements; Facilitating the acquisition of information by board members; Assisting with the compilation of board papers and filtering to ensure compliance with required standards of good governance; Communicating with the shareholder; Supporting regular board meetings; Carrying out research and policy development work to support the work of the Company; Any other duties to coordinate and support the work of the Company. The Service Provider will provide services to enable the Company to comply with requirements for management of data and freedom of information and complaints handling. The Service Provider will support the company to maintain and improve its performance. The Service Provider shall be responsible for collating and coordinating the performance information of sub-contractors and directly delivered services. This will include the inputting and creation of reports from the Northgate and Lifespan asset management system and for collating reports from sub-contractor weekly and monthly reports.	2023 to 2025	Corporate Services	Company Support	Transformation	Director of Transformation	N/A	Supporting monthly board meetings Providing any returns required to external organisations Monthly reports on the performance of sub-contractors are compiled and reported to the Board Ensuring 100% of complaints, FOIs, SARs etc are responded to within statutory timescales
1b	Strategy Delivery Manager	The Service Provider shall provide delivery support. The Service Provider will be responsible for coordinating service areas and providing a clienting service on behalf of i4B. The Service provider will act in a client role between the Companies and the Council, including negotiating and managing Service Level Agreements, raising any issues with service delivery and ensuring action plans are developed and implemented in response to these.	2023 to 2025	Corporate Services	Company Support	Transformation	Director of Transformation	N/A	Support monthly board meetings Attend monthly SLA meetings on behalf of i4B. Provide an annual performance review
1c	Financial Services and Administration	The Service Provider shall provide the board with financial and business plan support and financial management services including: Financial reports to the Board; Providing an analysis of financial performance against business plan assumptions; Managing the Company's accounts; Providing advice to the Company as requested; Inputting and management of the Company's financial management systems including Oracle; Invoicing and payments to sub-contractors; FSC, Management and reconciliation of payments to the Company including the 4 weekly electronic payment of rent and other items to the Company's account from housing management contractors; Treasury Management; Developing and amending the Service Providers/companies business model; administering the loan agreement.	2023 to 2025	Financial Management & Support	Financial Management & Support	Finance	Head of Finance - Companies	N/A	Adhering to all accounting deadlines Ensuring all sub-contractors are invoiced and paid within specified deadlines Monthly financial reports to be provided to the board Providing financial support for annual business planning Annual review of the Company's financial model Monthly rent reconciliations
1d	Commercial Legal Support	The Service Provider shall provide the board with legal advice and support in relation to a range of company and commercial matters: to include legal advice in relation to the procurement and preparation of service contracts for the company; the preparation of legal documentation and procedures for the company; advice and assistance in relation to any joint arrangements or merger proposals including all necessary due diligence.	2023 to 2025	Legal Services	Commercial Legal Support	Legal Services	Corporate Director - Governance	N/A	Provide advice by agreed deadlines
1e	Insurance	The service provider will administer the company's insurance requirements including property, directors, public liability and any others such as professional indemnity, vehicle and employee liability as required.	2023 to 2025	Financial Management & Support	Insurance	Finance	Head of Finance - Insurance	N/A	The service provider will insure all properties purchased by the company on the same day of purchase and renew insurances on an annual basis unless informed not to do so. The service provider will inform the Board of insurance costs and manage claims on behalf of the company. The service provider shall renew other insurances required by the company and directors as required to protect the company, employees, directors, customers and public. The service provider will undertake any additional project work as agreed between the Company and the service provider
1f	Senior corporate management	The service provider's corporate management team will oversee tasks within their departments to ensure performance and standards are maintained.	2023 to 2025	Corporate Services	Service Provider Corporate Governance (All service areas)	Finance	Head of Finance - Companies	N/A	Monthly board meetings
1g	Internal Audit & Investigation	To deliver a suite of risk-based Internal Audit work that provides assurance to the Board and key stakeholders regarding the effectiveness of the company's governance, internal control and risk management arrangements. Anti-fraud and corruption support will also be provided, where required.	2023 to 2025	Corporate Services	Internal Audit	Audit and Investigation	Head of Audit and Investigation	N/A	Agreement of annual internal audit plan. Investigation support as required. Additional project work as agreed between the Company and service provider
1h	Information Governance	Information Governance support to support good company governance and data processing.	2023 to 2025	Corporate Services	Information Governance	Digital Transformation	Information Governance Lead	N/A	Information Governance support as required

Landlord Function									
Ref	Services	Description	Period	i4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
2a	Housing Management - Payments	The Service Provider will procure or use their own resources to make payments on behalf of i4B. The Service Provider will request approval from i4B to set up purchase orders. The Service provider will work with suppliers to ensure invoices are paid on time. The Service Provider will request approval from i4B to pay invoices. All invoices will be scrutinised to ensure they are accurate.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. All invoices paid within 30 days Purchase Orders and Invoices approved by i4B. Invoices are reviewed to ensure they are accurate
2b	Housing Management - Neighbourhood Services	The Service Provider will be responsible for liaising with residents, customer care, ASB cases, complaints, tenancy verification visits and management of tenancies	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Monthly performance SLA meetings. Issue appropriate notices or terminations within a reasonable time (monitored by the void turn around time) All complaints dealt with within statutory timescales. The Service Provider shall keep and maintain accurate records of all action taken on neighbour disputes, allegations of harassment, anti-social behaviour (ASB) etc. and shall provide information relating to the nature and status of these matters in its monthly performance reports. Visits carried out at all properties every six months
2c	Housing Management - Leasehold Support	The service provider will manage the i4B Leasehold database to include annual check of insurance, freeholder contact details, service charge and ground rent monitoring, Servicing and administering S20 notices on behalf of i4B, monitoring and tracking s20 notices and service charges received by i4B. The Service Provider will also carry out annual reviews of leasehold compliance information e.g. Fire Risk Assessments. The Service Provider will liaise with legal services to ensure lease obligations are not breached. Provision of leasehold data to i4B. The Service Provider will work with the Asset Management Team to ensure future capital investment costs on third party leasehold properties are accurate. This will involve ensuring all external s20 notices are recorded on Asset Management systems. The Service Provider will procure or use their own resources to make payments for service charges and grounds rents to freeholders where i4B own a leasehold property. All payments will be logged on the Housing Management CRM. The service provider will provide i4B and the councils insurance team proof of freeholder insurance. An annual confirmation check of all freeholders will take place including - update of freeholders details, insurance certificate, check of service charge and check of the ground rent charges.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. All third party service charges and s20 notices logged on the CRM. Service charges and s20s are reviewed and challenged before payment to ensure VIM Annual report submitted to i4B in September on all i4B leasehold properties which includes: freeholder details, i4B repair responsibilities, insurance details, lease start end date, current s20 notices, annual service charge costs and charge dates, block reference number, and compliance info. Property Inspections in line with an agreed schedule Work with the payments team to ensure service charge and s20 invoices are paid within 30 days Liaise with freeholders on future budget costs
2d	Housing Management - Income Team	The Service Provider shall be responsible for all aspects of rent and service charge collection and arrears management including the conduct and management of legal proceedings. The target collection rate is 100% of all rent and service charges due. A minimum collection rate of 98.5% is expected across the portfolio. The Service Provider will also be responsible for collecting former tenant arrears. The Service Provider will provide i4B with an annual report outlining historic debts that are deemed unrecoverable. Where the Service Provider deems a debt unrecoverable they will follow i4B procedures to seek permission from i4B to write off the debt.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Monthly performance SLA meetings. Rent and any other charges collected will be paid to i4B on a monthly basis. Monthly reports on all i4B accounts, and when accounts are in arrears what action is being taken. Rents are paid to i4B on a monthly basis
2e	Housing Management - Rent Accounting	The Service Provider will ensure rents accounts are correctly set up and charged. The Service Provider will be responsible for managing and maintaining rent accounts on Northgate. Rents are set annually by the i4B Board. i4B will work with the Service Provider annually to implement new rents. The Service Provider will be responsible for notices and communication with all tenants and leaseholders on changes to rent and service charges.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Monthly performance SLA meetings. Rent accounts are set up on the day the tenancy start date. Monthly reconciliations are carried out between Lettings data and rent accounts to ensure all rent accounts have been set up. Notice of annual rent increases are sent out in accordance with relevant regulations prior to rent increases being implemented.
2f	Housing Management - Estate Caretaking	The Service provider will provide cleaning and maintenance services at i4B blocks	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Regular programme of cleaning and maintenance
2g	Property Management - Responsive Repairs	The Service Provider will be responsible for managing a responsive repair service for i4B properties. The Service provider will inspect repairs to ensure quality and VIM. There will be an emphasis on resolving repairs at the first visit	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Monthly Performance Meetings Photos taken before and after repairs with inspection of repairs to monitor VIM Monthly report on repairs carried out within the fixed price Monthly report on repairs carried out outside the fixed price Repair jobs will be provided on a monthly basis broken down by PPP contract or exclusion. Monthly report on outcome of inspection samples Monthly repairs monitoring reports submitted

2h	Property Management - Asset Management and Capital Programme	The service provider will produce an annual, 5 year, and 30 year Capital Investment Plan for works and services required to maintain i4B properties. These plans will include service charge and compliance responsibilities for i4B. The service provider will be responsible for overseeing the plan and the management of all capital works.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Annual stock condition surveys Component data updated by every component replacement Review of capital investment requirements on an annual basis leading to a 5 year detailed programme and a 30 year financial plan Outturn review of last year's spend in July Next year's 5 year plan agreed in September Monthly capital programme monitoring Asset management standard agreed and compliance monitored Monthly capital monitoring reports submitted
2i	Property Management - M&E and Compliance	The Service Provider will be responsible for the management out mechanical and electrical works as well as compliance works for i4B properties. The Service Provider will ensure that all i4B properties meet statutory and regulatory requirements. The Service Provider will assist i4B in producing a comprehensive set of compliance policies that outline i4B's compliance responsibilities. The Service Provider will have suite of reporting metrics that they will use to report on compliance on a monthly basis.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Full compliance list for i4B properties Legal and policy requirements set out in governance documents Compliance standards agreed KPI list and targets produced Monthly monitoring in place Collating data from third parties (Mears and third party freeholders) Quarterly reconciliations between compliance systems and other systems to ensure data is accurate
2j	Performance reports	The service provider will input sufficient data onto the CRM Northgate and Lifespan housing management and asset management systems and provide monthly monitoring reports for the service provider to analyse and to inform the Board.	2023 to 2025	Corporate Services	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly report detailing: rent collection, complaints, void turnaround times, tenancy verification visits, repairs, legal cases, void properties, FTA, compliance submitted 10 days before the monthly Board meeting. Quarterly reconciliations are carried out to ensure information on systems is accurate.
2k	Legal support - Housing Management and Civil Litigation	The service provider will provide legal service to i4B regarding housing management matters such as rent increases, disrepair, and ASB. This will include providing litigation services relating to possession proceeding and ASB action.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	N/A	Information on all legal cases included in monthly performance report. Quarterly updates on case numbers and hours worked.
2l	Housing Management - Call Centre	The service provider will provide Call Centre services to ensure tenants can approach them with management and repair matters during the hours of 8.00am to 6.00 pm Monday to Friday and a 24/7 and 365 days per year emergency service.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	
2m	Property Management - Re-let Voids	The Service Provider will deliver void and compliance works during void periods. The service will liaise with contractors, housing management, and the Housing Needs Service to ensure void periods are kept to a minimum.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Monthly performance meetings. Pre and post void inspection of works to ensure VIM and quality. Monthly invoicing of costs Biannual review of void costs and void standard. All void cases are correctly logged on void management CRM. Monthly report on outcome of voids handover inspections Monthly voids monitoring report submitted All properties must achieve the statutory compliance requirements for the private rented sector

Acquisitions

Ref	Services	Description	Period	i4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
3a	Property Acquisitions - PRS Street Properties	The Service Provider will act as a buyer's agent for the Company. The role of the buyer's agent will commence with the identification of potential portfolio properties and end with the provision of keys and a complete property handover pack within 2 working days of purchase. The buyer's agent will identify properties which meet the Company's specification, business plan, targets and spend profile as provided by the company from time to time. The Service Provider will procure or deliver directly valuation and surveying services for the Company. Portfolio properties will be purchased directly for the Company and the company will fund the Council at the time of purchase the purchase price, disbursements, disbursements and SDLT. Other costs such as valuation and legal fees will be recharged to the company at intervals agreed by the Council. Properties will be registered in the name of the Company and the Service Provider will be provided with sufficient authority to manage the purchase on behalf of the Company. The Service Provider will comply with the Company's acquisition process which includes agreed points at which Board authority is required to proceed with the purchase. The Service Provider will act as a representative of i4B when working with solicitors.	2023 to 2025	Property Services	Property Services	Regeneration and Environment	Head of Property	See Schedule 3	Purchase of PRS street properties Monthly Performance Meetings All relevant documentation and information uploaded to the CRM Handover of PRS street properties to the refurbishment team within two working days of purchase. Quarterly market update reports to the Board. All costs incurred in the acquisition of properties are entered into financial systems. Properties purchased meet i4B's financial acquisition criteria.

3b	Property Disposals and Market Lets - PRS Street Properties	The Service Provider will act as an agent on behalf of i4B when disposing of properties and sourcing external agents to let at market rates. The Service Provider will be responsible for sourcing agents, procuring valuations negotiating leasing agreements and organising viewings	2023 to 2025	Property Services	Property Services	Regeneration and Environment	Head of Property	N/A	The Service Provider will attend fortnightly performance meetings.
3c	Future Development, Block Purchases and Projects	The service provider manage the relationships with agents on behalf of the i4B board. Bringing forward both land and block purchase opportunities for review with i4B officers. These opportunities will be presented to the board monthly through the Future Developments Update report at each board meeting.	2023 to 2025	Property Services	Property Services	Regeneration and Environment	Head of Property	See Schedule 3	The service provider will be tasked with bringing forwards at least 6 opportunities throughout a financial year.
3d	Conveyancing Legal Support (Purchases)	The Service Provider will procure or deliver directly legal conveyancing services for the Company. The Service Provider will act on behalf of i4B when purchasing and disposing of properties. The Service Provider will manage and recharge i4B Holdings Ltd through costs/adjustments and record and net off any retained monies as a result of the acquisition process.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	See Schedule 3	Purchase of PRS street properties Fortnightly operational meetings Monthly SLA performance meetings. All relevant documentation and information uploaded to the CRM
3e	Legal Services - Project Costs	The Service Provider will provide conveyancing services for the Company on large new build acquisitions and disposals. The Service Provider will manage and recharge i4B Holdings Ltd through costs/adjustments and record and net off any retained monies as a result of the acquisition process.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	See Schedule 3	
3f	Property Management - New PRS Voids	The Service Provider will deliver void and compliance works during for PRS void. The service will liaise with contractors, housing management, and the Housing Needs Service to ensure void periods are kept to a minimum.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Monthly performance meetings. Pre and post void inspection of works to ensure VIM and quality. Monthly invoicing of costs Bi annual review of void costs and void standard. All void cases are correctly logged on void management CRM. Monthly report on outcome of voids handover inspections Monthly voids monitoring report submitted All properties must achieve the statutory compliance requirements for the private rented sector

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

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Appendix 4 - i4b Business Plan SLA Schedule Three - KPIs

Service	Service Area	Owner	KPI	Target	Measure
Housing Management	Income Collection	Head of Housing and Neighbourhoods	Rent Collection	98.5%	Rent collected as a % of rent due. This is measured on a 4 weekly cycle in line with BACs payments to i4B.
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Perception Customer Satisfaction	80% satisfied with the condition of the property	Biannual Survey
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Perception Customer Satisfaction	80% satisfied with the management of the property.	Biannual Survey
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	80% satisfied with the responsive repairs service.	Monthly reporting
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Anti-Social Behaviour	Monthly Reporting
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Lettings	Monthly Reporting
Housing Management	Housing Management -	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Communal Repairs	Monthly Reporting
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Complaints	100% resolved within statutory timescales	Complaints resolved through management agents agreed procedures.
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Home Visits	100%	% of Portfolio properties home visited every two years. All properties to have been visited by end of 2021
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Arrears	Contextual	Current tenant arrears as percentage of projected annual rent debit

Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered	80%	Percentage of calls answered
Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered in 3 min	80%	Percentage of calls answered in 3 min
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	Instructing Legal – Legal reporting to property	85	The average number of calendar days between property instructing legal to legal reporting to property. Activity included in this period includes legal due diligence and title reporting.
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	Legal reporting to property – DA approval agreed	18	The average number of calendar days between legal reporting to property to delegated approval agreed. Activity during this period includes delegated authority approval
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	DA approval – Keys handed to refurbishment	18	Period in calendar days between delegated authority approval to the purchase of the property including the period taken to provide keys/handover pack to refurbishment.
Property Management	Re-let Voids	Head of Housing Property Services	Average re-let void cost	Contextual	Total cost of re-let voids divided by total number of re-let voids
Property Management	PRS Voids	Head of Housing Property Services	Average PRS void cost	Contextual	Total cost of PRS voids divided by total number of PRS voids
Property Management	Re-let Voids and PRS Voids	Head of Housing Property Services	Minor void turnaround time	35 days	Void period from tenancy end date to tenancy start date for minor voids

Property Management	Re-let Voids and PRS V	Head of Housing Property Services	Major void turnaround time	75 days	Void period from tenancy end date to tenancy start date for major voids
Property Management	Repairs	Head of Housing Property Services	Average repair cost per property, per annum, including common areas.	£750	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing).
Property Management	Re-let Voids and PRS V	Head of Housing Property Services	Void rent loss	1%	% of total annual rental income lost to void periods
Property Management	Repairs	Head of Housing Property Services	% of Emergency Repairs completed within 24 hours	100%	The % of all emergency repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Urgent Repairs completed within 7 days	95%	The % of all urgent repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Routine Repairs Completed within 28 days	95%	The % of all routine repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	Customer satisfaction with Repairs Service	85%	The % of customer who are satisfied with their repairs service

Property Services	PRS Acquisitions	Head of Property	Property Negotiation – PRS panel to instructing legal	60	The average number of calendar days in the reporting period between PRS panel instruction to property instructing legal. Activity in this period includes the negotiation of property price and the vendor's acceptance of offer.
Property Services	Future Development and block purchases	Head of Property	At least 6 viable opportunities to be reviewed each financial year	N/A	6 options reviewed with the board by year end.
Property Services and Legal Services	Property Acquisitions - PRS Street Properties and Conveyancing legal support (Purchases)	Corporate Director - Governance/Head of Property	Instruction to keys	130	Period in calendar days between property instructing legal to the purchase of the property including the period taken to provide keys/handover pack to refurbishment.
Property Services and Legal Services	Property Acquisitions - PRS Street Properties and Conveyancing legal support (Purchases)	Corporate Director - Governance/Head of Property	Properties purchased a year	48	48 Properties purchased a year

	Cabinet 13 March 2023
	Report from the Chief Executive
First Wave Housing Ltd Business Plan 2023/24	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 of the Business Plan (attached as Appendix 1 to the main report) and Schedule 2 of the SLA (attached as Appendix 4 of the main report) 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:	Four Appendix 1 FWH 2023/24 Company Business Plan (part exempt) Appendix 2 Company Risk Register (forms an appendix to Business Plan) Appendix 3 FWH 2023/24 Key Tasks (forms an appendix to the Business Plan) Appendix 4 FWH 2023/25 SLA (part exempt – forms an appendix to the Business Plan)
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Sadie East Director of Transformation Sadie.East@brent.gov.uk Tel: 020 8937 1507

1.0 Purpose of the Report

- 1.1 This report provides Cabinet with a final draft of the First Wave Housing Ltd (FWH) 2023/24 Business Plan. Cabinet is asked to approve the Business Plan on behalf of the Guarantor.

2.0 Recommendations

- 2.1 Cabinet approve FWH's 2023/24 Business Plan.
- 2.2 Cabinet approves the content and proposed strategic priorities of FWH's 2023/24 Business Plan.
- 2.3 Cabinet approves the updated financial model contained within the 2023/24 Business Plan.
- 2.4 Cabinet approves the Service Level Agreement for 2023/25 in Appendix 4.
- 2.5 Cabinet delegates authority to the Director of Finance to approve the variation of the Service Level Agreement during 2023/24.

3.0 Background

- 3.1 FWH is a housing company wholly owned by the London Borough of Brent. FWH is limited by guarantee.
- 3.2 As a registered provider of social housing, FWH is required to produce an annual business plan. The company is currently drafting its 2023/24 Business Plan.
- 3.3 This report provides a final draft version of FWH's Business Plan for 2023/24. This version was presented to the Company Guarantor on the 11th January 2023, the FWH Board on the 24th January 2023 and CMT on the 16th February 2023. Feedback from the Board and Guarantor as well as CMT has been incorporated into the final draft presented to Cabinet.
- 3.4 *Stock Breakdown*
- 3.5 On the 4th April 2022, the transfer of 110 properties at Granville New Homes was completed – 84 social housing units, 1 leasehold unit, and the freehold for the site (including the Tabot Centre) were transferred to the Council's HRA, and 25 intermediate units were transferred to i4B Holdings Ltd (i4B).
- 3.6 FWH now manages a total of 216 properties. Of these properties, 166 are settled homes, 45 are market rented and 5 are general needs. The annual rent figure is £3,448,224.

4.0 Update on Operational Performance

- 4.1 Table One below provides a summary of operational performance at January 2023. FWH has not purchased any new properties, therefore performance is based on housing management. FWH's overall performance is reasonable, although void times continue to be an issue and repairs performance is below target. The Company continues to provide a good housing service to residents, and rent collection performance is strong.

Table One – Key Performance Indicators

Indicator	Target	Performance at December 2021 (YTD)	Performance at January 2023 (YTD)
Minor void re-let times	35 days	78 days	157 days
Major void re-let times	72 days	85 days	193 days
Rent collection	98.50%	100.35%	98%
Void rent loss	1.50%	6.5%	9%*
Emergency repairs completed within 24 hours	100%	99%	99%
Urgent repairs completed within 7 days	95%	79%	82%
Routine repairs completed within 28 days	95%	91%	74%
% of properties with a valid gas safety certificate	100%	99%	100%

*figure is for December 2022 as this is reported on a bi-monthly basis

5.0 Progress in Implementing 2022/23 Business Plan

5.1 In February 2022, the 2022/23 FWH Business Plan was approved. The plan outlined the following as the Company's medium- to long-term objectives:

- Delivering safe and sustainable homes
- Increasing the supply of affordable housing in the borough
- Running a viable business
- Providing a consistently good housing service

5.2 The following summarises each of the priorities and reports on progress against these.

5.3 Delivering safe and sustainable homes

5.3.1. The transfer of Granville New Homes took place on 4th April 2022. Under this, 84 social housing units, 1 leasehold unit, and the freehold for the site (including the Tabot Centre) were transferred to the Council's HRA and 25 intermediate units were transferred to i4B Holdings Ltd.

5.3.2. During 2022/23, FWH commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Management (BHM). Following the audit, a

monitoring tracker has been produced that tracks all compliance elements for all FWH properties. FWH has also initiated increased clienting of the compliance certification process to provide further assurance, and the results of the audit follow-up are due to be presented to the Board in early 2023.

- 5.3.3. BHM also procured the True Compliance system as a longer-term approach to the monitoring and reporting of compliance. True Compliance will allow BHM to manage all areas of compliance on one system including storage of certification, and the first area of compliance, gas safety, will go live in early 2023. FWH will track the implementation of True Compliance during 2023/24, and will continue its increased clienting and monitoring of health and safety compliance until True Compliance is fully embedded and regular reporting to the Board is in place.
- 5.3.4. The decarbonisation of FWH's stock is set to be a major capital expense for the Company. During 2022/23, FWH commissioned a programme of stock condition and energy surveys, which outlined the requirements and estimated costs for bringing FWH properties up to an Energy Performance Certificate rating of B. The results of this work have been received, and FWH now have EPC data for all of its properties. A decarbonisation strategy for the Company will be developed during 2023/24, which will outline works that will be undertaken to improve performance. This may include stock rationalisation in some cases.
- 5.3.5 FWH has also applied to the Social Housing Decarbonisation Fund in a consortium bid alongside the Council, which would award grant funding at a small number of FWH properties for energy efficiency works. The result of this are awaited in the coming months.

5.4 Increasing the supply of affordable housing in the borough

- 5.4.1. FWH is one of several funding and delivery routes the Council has to increase the amount of affordable housing in the borough. FWH remains available as an RP to support the Council's affordable housing aspirations.
- 5.4.2. A Development Strategy has been drafted for both of the Council's housing companies and has been implemented during 2022/23. However, this has been and continues to be impacted by the current economic environment, principally higher global inflation rates driven by COVID supply chain issues and the war in Ukraine and ensuing rises in interest rates.
- 5.4.3. During 2022/23, new build opportunities for FWH have been appraised, but none have been progressed during the year. The focus for 2023/24 will be on bringing forward suitable schemes.

5.5 Running a Viable Business

- 5.5.1. The FWH Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issue for FWH continues to be high void times, and there has been a lack of improvement here during 2022/23. In order

to address this, a void improvement project is being set up, which covers both the housing companies and the Council's Housing Revenue Account, and is chaired by senior management.

5.6 Providing a consistently good housing service

5.6.1. FWH aims to ensure tenant satisfaction and monitor this regularly. During 2022/23, some transactional tenant satisfaction data has been collected. However, no full survey of tenant satisfaction has been carried out as new measures are being piloted and are due to be introduced early 2023/24.

5.6.2. The Regulator of Social Housing has introduced a new suite of tenant satisfaction measures which will be in place from April 2023. BHM are carrying out a pilot of the new surveys, and reporting to the FWH Board will begin from early 2023/24. In addition, FWH will look to improve its oversight of complaints and transactional satisfaction surveys in order to review tenant satisfaction and implement any actions to improve this.

6.0 2023/24 Business Plan

6.1 Appendix 1 contains a final draft of the Company's 2023/24 Business Plan. The FWH Board met on the 24th January 2023 to discuss the business plan. Officers have used the feedback provided and developed the Business Plan further. Cabinet is asked to approve the Business Plan.

6.2 The 2023/24 Business Plan outlines the Company's strategic priorities for the year. Priorities for 2023/24 are set out within the framework of the medium to long-term objectives of Brent's Housing Companies. These objectives are:

- 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.

6.3 Delivering safe and sustainable homes

6.3.1. This objective involves ensuring that FWH's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2023/24, the Company's focus will be on compliance through ensuring the development of necessary policies and the successful implementation of True Compliance. FWH will also seek to respond to the new Building Safety Act, requirements to improve the energy efficiency of its stock, and the ongoing rise in disrepair cases. The 2023/24 strategic priorities that relate to this objective are:

- Priority 1: Monitor health and safety compliance
- Priority 2: Review implications of Building Safety Act
- Priority 3: Develop decarbonisation strategy
- Priority 4: Develop disrepair policy

6.4 Increasing the supply of affordable housing in the borough

6.4.1. As a registered provider (RP), FWH remains available for any opportunities that supports the Council's affordable housing targets. Given its status as an RP FWH is able to act in ways the Council cannot, for example letting properties at market and affordable rates, and accessing certain grants. The 2023/23 strategic priorities that relate to this objective are:

- Priority 5: Explore future financing arrangements with Council
- Priority 6: Review feasibility of a block acquisition
- Priority 7: Review feasibility of new build purchases
- Priority 8: Review feasibility of re-entering street property market

6.5 Running a Viable Business

6.5.1. This objective relates to improving the operational and financial performance of FWH in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2023/24 will be on improving void times, as well as implementing its value for money strategy to reduce costs and improve financial performance. The 2023/24 strategic priorities that relate to this objective are:

- Priority 9: Carry out project to reduce arrears
- Priority 10: Implement VfM strategy
- Priority 11: Reduce void costs
- Priority 12: Significantly improve void turnaround times
- Priority 13: Explore potential stock rationalisation

6.6 Providing a consistently good housing service

6.6.1. This objective relates to improving tenant satisfaction. FWH will review initial responses to the Regulator's new tenant satisfaction measures, and will seek to improve its oversight of complaints handling. The 2023/24 strategic priorities for this objective are:

- Priority 14: Review tenant satisfaction
- Priority 15: Improve complaints oversight and monitoring

7.0 2023/25 Service Level Agreement

7.1 FWH has worked with service area leads to review and update its Service Level Agreement with the Council for the provision of services including operational and financial support, legal and internal audit support, and all housing management services.

7.2 The schedule is contained in Appendix 4. This outlines the services provided to FWH, service standards, and management costs. The SLA will run from 2023/24 to 2024/25, and costs will be reviewed on an annual basis. All costs

and service standards have been agreed between the relevant Council heads of service and FWH.

- 7.3 Cabinet is asked to approve the updated SLA which has been taken to PCG and Cabinet alongside the Business Plan.
- 7.4 FWH is carrying out a review into its housing management arrangements, which may lead to a revised Service Level Agreement during 2023/24. Cabinet is asked to delegate authority to the Director of Finance to approve any variation during the year.

8.0 Fulton Road

- 8.1 The Council is progressing the purchase of 294 properties at Fulton Road, under which 118 London Living Rent Units are planned to be leased to one of the housing companies.
- 8.2 During the year, the agreed upon company will work with the Council to agree heads of terms and enter into a formal leasing agreement for the 118 units.

9.0 Financial Implications

- 9.1 The detailed financial implications are set out in the business plan. These include the key assumptions used and the stress testing carried out to test the businesses financial viability should assumptions vary from those forecast.
- 9.2 Over the year, cost inflation has increased, income inflation has not kept pace with cost inflation and interest rates have risen. This has significantly reduced the financial capacity in the business plan. This effect can be seen at a national level in the global accounts and indices published by the Regulator for Social Housing (RSH).
- 9.3 The cash position of First Wave Housing has benefited from a capital receipt of £3.5m from the sale of 25 intermediate housing units to i4B. This is providing a financial cushion that is offsetting the impacts of the worsening economic environment.
- 9.4 As a result the cash position of FWH remains positive through the life of the plan even when the negative stress tests are applied to the core business planning assumptions.
- 9.5 The cash position at the start of the plan has increased as a result of the £3.5m capital receipt. Annual negative cash flows are experienced as decarbonisation works are carried out to the stock. The overall cash position remains in surplus throughout this period. Once decarbonisation works are completed the business starts to generate positive cash flows and rebuild its cash balances.

10.0 Legal Implications

- 10.1 FWH is a wholly-owned local authority company, controlled by the Council, established in order to support the Council's homelessness agenda, by owning and managing housing stock previously held by Brent Housing Partnership. FWH is a company limited by guarantee.
- 10.2 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole Guarantor in FWH and the intention is to seek Cabinet approval on 13th March 2023. In addition to being a local authority company, FWH is a registered provider subject to regulation by the Social Housing Regulator.
- 10.3 Local Housing Allowance rates (LHA) apply to private rented sector rather than to the social housing sector. FWH needs to ensure that the levels of "eligible rent" charged by FWH do not fall outside the scope of the statutory Rent Standard set by the Social Housing Regulator, for property let from April 2020. This is not necessary if the relevant property is exempt from the Rent Standard.
- 10.4 Wholly-owned local authority companies such as FWH, established and solely owned by a Council Parent, will be regarded as "contracting authorities" in their own right, for the purposes of the Procurement Regulations 2015 ("PCR"). This means that unless relevant PCR exemptions apply any services or works that FWH commissions from another organisation will have to be competitively tendered on the open market, if the total value is above the relevant PCR threshold.
- 10.5 The Building Safety Act 2022 due to be fully implemented by October 2023 has implications for FWH as a Registered Social Housing Provider which include the following:
- the introduction of a 'Building Safety Regulator';
 - a new regulatory regime that applies to the planning, construction and occupation of 'higher-risk buildings';
 - increased governmental powers to regulate construction products, and the introduction of new regulations for the safety of construction products in the UK;
 - protections for leaseholders in respect of the costs of remediating building safety defects in their properties;
 - establishment of a new homes ombudsman scheme and a developers' code of practice, and government powers relating to new homes warranties;
 - provisions relating to the professional competence of architects and provisions to regulate the building control profession.
- 10.6 As a landlord, FWH is under a statutory obligation to carry out repair works in respect of properties it lets out to its assured tenants. Under section 11 of the Landlord and Tenant Act 1985, it has a duty to keep in repair and proper working order the structure and the exterior of the residential properties it owns as well as certain installations for the supply of water, gas and electricity.

- 10.7 The Social Housing Regulation Bill 2022(The Bill) is currently going through Parliament and if passed, the Bill will aim to improve the regulation of social housing by introducing a number of provisions to enhance the powers of both tenants and the Regulator of Social Housing. The Housing Secretary, Michael Gove, announced on the 9th February 2023 that social landlords will have to investigate and fix damp and mould in their properties within “strict new time limits”, in a new amendment to The Bill, the Department for Levelling Up, Housing and Communities has said that a consultation will be launched later this year to “set the timeframes within which landlords will have to act to investigate hazards and make repairs”. The regulator of social Housing has called on landlords to “act now” to ensure they comply with the standards - including on issues relating to damp and mould - before the legislation is enacted.
- 10.8 The effect of the Fire Safety Act 2021 is to require fire risk assessments of buildings with two or more sets of domestic premises to be updated to take account of structure, external walls and doors, if they have not already done so - the Fire Safety Act 2021 amends The Regulatory Reform (Fire Safety) Order 2005 to bring this into effect. Failure to comply with fire safety regulations can lead to enforcement action against FWH by the London Fire Brigade.
- 10.9 The Fire Safety (England) Regulations 2022, which implement most of the Grenfell Tower Inquiry recommendations, came into force 23 January 2023. The new provision requires ‘responsible persons’ of mid and high-rise blocks of flats to provide information to fire and rescue services to “assist them with operational planning and provide additional safety measures”. All multi-occupied residential buildings, residents should now be provided with fire safety instructions and information on fire doors.

11.0 Equality Implications

11.1 N/A

12.0 Consultation with Ward Members and Stakeholders

12.1 N/A

13.0 Human Resources/Property Implications (if appropriate)

13.1 N/A

Report sign off:

Carolyn Downs
Chief Executive

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First Wave Housing Limited

2023/24 Business Plan

First Wave Housing Ltd 2023-24 Business Plan

1. Introduction

- 1.1. First Wave Housing Limited (FWH; the Company), formerly Brent Housing Partnership (BHP), is a local authority owned company of the London Borough of Brent (the Council), and is limited by guarantee.
- 1.2. FWH is a registered provider of social housing (RP). The Regulatory Framework for Social Housing in England governs registered social housing providers. The Framework includes a code of practice, guidelines for rent levels, accounting practices and disposals. There are a number of benefits associated with being an RP.
- 1.3. The following document is FWH's 2023-24 Business Plan. The Business Plan outlines how the Company plans to improve the quality of its stock, grow, and increase its contribution to the Council's ambition of creating a borough with "a future built for everyone, an economy fit for all".
- 1.4. The Business Plan takes the following format:
 - 2.0 Purpose of the Company
 - 3.0 Progress against the Company's 2022-23 Business Plan
 - 4.0 Context for 2023-24 Business Plan
 - 5.0 Strategic Priorities for 2023-24
 - 6.0 Appendices
 - A1 Closed Financial Appendix – Financial Implications of Proposals
 - A1a 30 Year Profit and Loss Account
 - A2 Risk Register
 - A3 2023-24 Key Tasks
 - A4 2023/25 SLA

2. Purpose of the Company

2.1. Purpose of the Company

2.2. FWH's primary purpose is to provide good quality, affordable, secure, and well managed homes to Brent residents and to contribute to Brent's Housing Strategy. It does this by managing, maintaining and improving its stock of 216 rental properties.

2.3. As a registered social landlord, FWH will aim to increase the size of its portfolio if this is appropriate to the Council's housing aspirations; for example, where this supports the Council's social housing strategy and expands the Council's affordable housing offer.

2.4. Stock Breakdown

2.5. On the 4 April 2022, the transfer of 110 properties at Granville New Homes was completed – 84 social housing units, 1 leasehold unit, and the freehold for the site (including the Tabot Centre) were transferred to the Council's HRA, and 25 intermediate units were transferred to i4B Holdings Ltd (i4B).

2.6. FWH now manages a total of 216 properties. Of these properties, 166 are settled homes, 45 are market rented and 5 are general needs. The annual rent figure is £3,448,224.

2.7. General Needs – These tenancies are Assured Shorthold Tenancy Agreements with rents protected at social rent levels which are below 50% of market rent. FWH has five new build social rented houses.

2.8. Settled Homes – These properties were purchased with a grant providing the tenants with protected rights including the right to buy their home. Settled homes are a form of long-term temporary accommodation. They are let on assured shorthold tenancies. When business plan surpluses are sufficient, properties will be converted, on an incremental basis, to affordable rents on assured tenancies.

2.9. Market rents – When market rented properties become void, they are let at LHA levels to households through a nomination agreement between the Council and FWH. This helps assist the Council's homelessness reduction agenda. FWH has 45 one bedroom market rent properties.

3. Progress against the Company's 2022-23 Business Plan

3.1. The medium- to long-term objectives of Brent's Housing Companies are:

- 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.

3.2. This section outlines performance in 2022-23 against each of the Company's strategic objectives.

3.3. Summary of performance

3.3.1. As part of the agreed solution to remedy deficiencies with the external wall system at four of FWH's blocks in South Kilburn, FWH transferred these properties to the Council and i4B on 4 April 2022. This represents the quickest solution for the necessary works to be carried out, while ensuring that tenants remain within the Brent Council group and there is no additional homelessness, as well as providing capital receipts to FWH which will benefit its future financial viability.

3.3.2. In regards to operational performance, FWH has not purchased any new properties, therefore performance is based on housing management. FWH's overall performance is reasonable, although void times continue to be an issue and repairs performance is below target. The Company continues to provide a good housing service to residents, and rent collection performance is strong.

3.3.3. Table Two below provides a summary of operational performance at January 2023:

Table Two – Summary of Performance

Indicator	Target	Performance at December 2021 (YTD)	Performance at January 2023 (YTD)
Minor void re-let times	35 days	78 days	157 days
Major void re-let times	72 days	85 days	193 days
Rent collection	98.50%	100.35%	98%
Void rent loss	1.50%	6.5%	9%*
Emergency repairs completed within 24 hours	100%	99%	99%
Urgent repairs completed within 7 days	95%	79%	82%

Routine repairs completed within 28 days	95%	91%	74%
% of properties with a valid gas safety certificate	100%	99%	100%

*figure is for December 2022 as this is reported on a bi-monthly basis

3.3.4. High void times continue to represent the principal operational issue for FWH, with both minor and major void times remaining out of target. In order to address this, a void improvement project is being set up covering both the housing companies and the Council's Housing Revenue Account.

3.3.5. The following paragraphs provide a more detailed update on progress against the sub-objectives for each Housing Company objective in the 2022-23 Business Plan.

3.4. Performance against strategic objectives

3.5. *Delivering safe and sustainable homes*

3.5.1. The transfer of Granville New Homes took place on 4 April 2022. Under this, 84 social housing units, 1 leasehold unit, and the freehold for the site (including the Tabot Centre) were transferred to the Council's HRA and 25 intermediate units were transferred to i4B Holdings Ltd.

3.5.2. During 2022-23, FWH commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Management.

3.5.3. In response to the audit, a monitoring tracker has been produced that tracks all compliance elements for all FWH properties and blocks. All compliance certification is being located and saved in a central place. FWH has also initiated increased clienting of the compliance certification process to provide further assurance, and the results of the audit follow-up are due to be presented to the Board in early 2023.

3.5.4. As a longer-term approach to the monitoring and reporting of compliance, BHM have now procured the True Compliance system. True Compliance will allow BHM to manage all areas of compliance on one system including storage of certification, and the first area of compliance, gas safety, will go live in early 2023. FWH will track the implementation of True Compliance during 2023-24, and will continue its increased clienting and monitoring of health and safety compliance until True Compliance is fully embedded and regular reporting to the Board is in place.

3.5.5. In addition to this, a programme of updated compliance policies and procedures is being presented to the FWH Board. Gas and electrical safety policies have been signed off by the Board, with asbestos, legionella and fire safety policies due to be signed off by the end of 2022-23.

3.5.6. The decarbonisation of FWH's stock is set to be a major capital expense for the Company. During 2022/23, FWH commissioned a programme of stock condition and energy surveys, which outlined the requirements and estimated costs for bringing FWH properties up to an Energy Performance Certificate rating of B. The results of this work have been received, and FWH now have EPC data for all of its properties. A decarbonisation strategy for the Company will be developed during 2023/24, which will outline works that will be undertaken to improve performance. This may include stock rationalisation in some cases.

3.5.7. FWH has also applied to the Social Housing Decarbonisation Fund in a consortium bid alongside the Council, which would award grant funding at a small number of FWH properties for energy efficiency works. The result of this are awaited in the coming months.

3.6. *Increasing the supply of affordable housing in the borough*

3.6.1. FWH is one of several funding and delivery routes the Council has to increase the amount of affordable housing in the borough. FWH remains available as an RP to support the Council's affordable housing aspirations

3.6.2. A Development Strategy has been drafted for both of the Council's housing companies and has been implemented during 2022-23. However, this has been and continues to be impacted by the current economic environment, principally higher global inflation rates driven by COVID supply chain issues and the war in Ukraine and ensuing rises in interest rates.

3.6.3. During 2022-23, new build opportunities for FWH have been appraised, but none have been progressed during the year. The focus for 2023-24 will be on bringing forward suitable schemes.

3.7. *Running a viable business*

3.7.1. The FWH Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issue for FWH continues to be high void times, and there has been a lack of improvement here during 2022-23. In order to address this, a void improvement project is being set up, which covers both the housing companies and the Council's Housing Revenue Account, and is chaired by senior management.

3.7.2. Another key issue for FWH is value for money. A value for money strategy for FWH and i4B has been prepared and will be in place before the beginning of the 2023/24 financial year. In addition, FWH is working to commission a consultant to carry out a value for money review of voids and repairs. The results of this are expected back in early 2023-24.

3.8. *Providing a consistently good housing service*

3.8.1. FWH aims to ensure tenant satisfaction and monitor this regularly. During 2022-23, some transactional tenant satisfaction data has been collected. However, no full

survey of tenant satisfaction has been carried out.

- 3.8.2. The Regulator of Social Housing has introduced a new suite of tenant satisfaction measures which will be in place from April 2023. BHM are carrying out a pilot of the new surveys, and reporting to the FWH Board will begin from early 2023-24. In addition, FWH will look to improve its oversight of complaints and transactional satisfaction surveys in order to review tenant satisfaction and implement any actions to improve this.

4. Context for 2023-24 Business Plan

4.1 This section outlines the various contextual factors that have influenced the FWH Business Plan and how they influence the Company. These include, but are not limited to:

- Current economic context;
- The state of the housing market;
- The regulatory environment;
- Net zero and climate change; and
- The key risks the Company currently faces.

4.2 These factors have influenced the proposals outlined in Section 5.

4.3 *Current Economic Context*

4.3.1 Inflation in the UK is at its highest for 20 years and this is a pattern being experienced more widely in the global economy. These higher global inflation rates have been driven by COVID supply chain issues and the war in Ukraine. In the UK, the impacts of Brexit, particularly skills shortages and a tight labour market, are adding to these pressures.

4.3.2 CPI is expected to remain over 10% in the short-term, and fall sharply from mid-2023. The ongoing cost of living crisis is also expected to reduce affordability for tenants and lead to impacts on rent collection.

4.4 *The Housing Market*

4.4.1 During this financial year, property prices within Brent have risen and remain high, while demand has also increased. It is anticipated that house prices will reduce throughout 2023. Forecast decreases in national house prices range from around 5% to 12%¹. For example, the Office for Budget Responsibility forecasts a reduction of 9% between Q4 of 2022 and Q3 of 2024², while Savills anticipate a reduction of 10% nationally, and 12.5% in London³.

4.4.2 The property market will be regularly reviewed throughout 2023-24, including for any opportunities appropriate to FWH.

4.5 *The Regulatory Environment*

4.5.1 As a Registered Provider of social housing, FWH is required to comply with the standards of the Regulator of Social Housing. The regulatory environment in which FWH operates is set to become more stringent, with the introduction of new

¹ <https://www.theguardian.com/business/2022/dec/26/experts-predict-housing-market-will-cool-in-2023-as-uk-enters-a-recession>

² <https://obr.uk/forecasts-in-depth/the-economy-forecast/housing-market/#houseprices>

³ <https://www.savills.co.uk/insight-and-opinion/research-consultancy/residential-market-forecasts.aspx>

legislation such as the Building Safety Act and more proactive regulation in areas such as tenant satisfaction.

- 4.5.2 Alongside this, risk is increasing across the sector due to a combination of increased uncertainty in the operating environment (due to Brexit, Covid-19 and the war in Ukraine impacting supply chains and driving high inflation and costs), a rise in disrepair cases, and upcoming requirements in relation to building safety and decarbonisation. This has already led to a number of providers having their Governance and Viability ratings downgraded by the Regulator.
- 4.5.3 The Regulator's new tenant satisfaction measures will be effective from April 2023, and FWH will begin reporting on these to Board in early 2023-24. This forms part of a wider move towards more proactive regulation alongside the new Social Housing Regulation Bill, which will also offer new powers to the Regulator such as the ability to carry out inspections of and issue performance improvement plan notices to underperforming landlords.
- 4.5.4 Stock condition is another key theme. Alongside decarbonisation requirements discussed below, the sector is seeing a rise in disrepair cases and complaints to the Housing Ombudsman, principally in relation to property condition and damp and mould. In response, FWH will review and report on its disrepair cases, and develop a clear disrepair policy for such cases.
- 4.5.5 Finally, the new Building Safety Act will bring the introduction of a new Building Safety Regulator and a New Homes Ombudsman. The Act covers residential high-rise buildings at all stages from design and planning to construction and occupancy, and requires the provision of a 'golden thread' of detailed building information both to the Regulator and residents. It also introduces greater protections for leaseholders against historical defects as well as the requirement for a resident engagement strategy. The implications of the Act for FWH will be reviewed with BHM in advance of 2023-24, and a programme of work will be implemented to ensure compliance with the Act.

4.6 *Net Zero and Climate Change*

- 4.6.1 Brent Council declared a climate and ecological emergency in 2019 and committed to do all reasonable in its gift to aim for carbon neutrality for 2030, and to work with government to achieve the national 2050 target. The target for Brent's housing in its Climate & Ecological Emergency Strategy (2021-2030) is to achieve an average EPC rating of B by 2030, in line with the London Councils target. Brent Council's housing companies' environmental sustainability targets are aligned with the Council's own environmental sustainability targets.
- 4.6.2 FWH has also applied to the Social Housing Decarbonisation Fund in a consortium bid alongside the Council, which would award grant funding at a small number of FWH properties for energy efficiency works. The result of this are awaited in the coming months.
- 4.6.3 Stock decarbonisation will be a significant capital expense for the Company. Modelling shows an indicative average cost per property of £18,000 for reaching EPC C and £20,500 for reaching EPC B; this has the potential to increase with inflation.

4.7 *Risk Context*

4.7.1 The Company currently faces a number of risks. Key risks include:

- Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in FWH being non-compliant with its statutory obligations.
- FWH lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.
- Changing inflation or Government policy on rents and benefits means FWH cannot increase rents at business plan assumptions.
- High Capital Programme costs, including future climate change obligations, undermine the viability of the business plan.
- Greater uncertainty in the external operating environment brings greater risk to FWH's financial modelling.

4.7.2 At the current time there is considerable uncertainty around the prospects for a sustained period of high inflation and the consequences for interest rates, housing prices and rental affordability for tenants. The impacts of this are being closely monitored and modelled by the Board.

4.7.3 Mitigating measures are in place to help to minimise the impact of all risks. A copy of the full Company risk register has been included in Appendix 2.

5. Strategic Priorities for 2023-24

5.1 The following section outlines the Company's strategic priorities for 2023-24. In 2023-24 FWH will seek to consolidate its position while reviewing development opportunities in the borough. Priorities for the year are set out within the framework of the medium- to long-term objectives of Brent's Housing Companies. These objectives are:

- 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.

5.2 Delivering Safe and Sustainable Homes

5.2.1 This objective involves ensuring that FWH's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2023-24, the Company's focus will be on compliance through ensuring the development of necessary policies and the successful implementation of True Compliance. FWH will also seek to respond to the new Building Safety Act, requirements to improve the energy efficiency of its stock, and the ongoing rise in disrepair cases. The 2023-24 strategic priorities that relate to this objective are:

5.2.2 Priority 1: Monitor health and safety compliance

5.2.3 FWH will continue short-term monitoring and reporting of each compliance area, providing reassurance to the Board that the Company remains compliant with all relevant law. Additionally, FWH will monitor the implementation of the True Compliance system during 2023-24, ensuring all properties and certifications are uploaded to the system.

5.2.4 Priority 2: Review implications of Building Safety Act

5.2.5 In 2023-24, FWH carry out a programme of work with BHM to ensure the Company complies with the newly introduced Building Safety Act.

5.2.6 Priority 3: Develop decarbonisation strategy

5.2.7 Following the completion of the energy modelling work, FWH will use the results to develop a decarbonisation strategy to ensure its stock reaches target Energy Performance Certificate levels, which may include stock rationalisation where appropriate.

5.2.8 Priority 4: Develop disrepair policy

5.2.9 To address the sector-wide rise in disrepair cases, FWH will develop a disrepair policy based on a review of its recent cases and work with BHM to implement this.

5.3 Increasing the supply of affordable housing in the borough

5.3.1 As a registered provider (RP), FWH remains available for any opportunities that supports the Council's affordable housing targets. Given its status as an RP FWH is

able to act in ways the Council cannot, for example letting properties at market and affordable rates, and accessing certain grants. The strategic priorities for this objective in 2023-24 are:

5.3.2 Priority 5: Explore future financing arrangements with Council

5.3.3 It is likely on any new build scheme FWH will have to make phased payments to a developer. FWH will therefore work with the council to explore financing arrangements that give it greater certainty over finance rates whilst minimising carry costs.

5.3.4 Priority 6: Review feasibility of a block acquisition

5.3.5 FWH will work with consultants to review the market for potential block acquisitions. These will review the number of live schemes against FWH's viability criteria, as well as site finding. As the Council is seeing greater demand from homelessness nominees with specific need for adapted units, this will also include adapted properties.

5.3.6 Priority 7: Review feasibility of new build purchases

5.3.7 As well as block acquisitions, FWH will also work with consultants to review the market for new build opportunities, aiming to identify viable options. As above, this will also include adapted properties.

5.3.8 The Council is looking to purchase 294 properties at Fulton Road, and has agreed heads of terms with the developer of the scheme. As part of the scheme, leasing 118 London Living Rent units to one of the housing companies is being explored. The Council is finalising arrangements with the GLA, and during the year the agreed company will look to agree heads of terms and enter into a lease agreement with the Council for the 118 units.

5.3.9 Priority 8: Review feasibility of re-entering street property market

5.3.10 In June 2023, FWH will review the feasibility of re-entering the street property market and, dependent on this review, may re-join the market. If the company does re-enter the market, the company's acquisition criteria will be more restrictive; for example FWH would avoid purchasing properties that do not meet energy performance requirements or properties in blocks with third party freeholders.

5.4 Running a Viable Business

5.4.1 This objective relates to improving the operational and financial performance of FWH in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2023-24 will be on improving void times, as well as implementing its value for money strategy to reduce costs and improve financial performance. The 2023-24 strategic priorities that relate to this objective are:

5.4.2 Priority 9: Carry out project to reduce arrears

5.4.3 During 2023-24 FWH will carry out a project alongside BHM to reduce arrears. This will include: allocating Homelessness Prevention Grant funding; reviewing the Company's sign-up process and tenancy sustainment approach; examining highest arrears cases to assess ongoing affordability and suitability for tenants; and

reviewing rent collection and arrears management processes to identify efficiencies and improvements.

5.4.4 Priority 10: Implement VfM strategy

5.4.5 The value for money (VfM) strategy will be presented separately and will be in place before the beginning of 2023/24 financial year. This will outline how FWH defines VfM, how it will improve VfM, and plans for monitoring this. This process will involve setting specific VfM targets with service areas through the service level agreement (SLA) with the Council. During 2023-24, FWH will therefore begin the implementation of the action plan in the VfM strategy.

5.4.6 Priority 11: Reduce void costs

5.4.7 The Council are currently carrying out a void improvement project and an end-to-end review of voids processes. Voids will continue to be closely monitored by officers and at Board meetings during the financial year to review the impact of this.

5.4.8 Priority 12: Significantly improve void turnaround times

5.4.9 Alongside the void improvement project and review, which will include the introduction of a simplified voids process, FWH will work with BHM to take actions to significantly reduce void times.

5.4.10 Priority 13: Explore potential stock rationalisation

5.4.11 Following the completion of the energy modelling work, FWH will review the financial and energy performance of properties. Additionally, in 2023-24 FWH will consider the potential disposal of under-performing properties, as well as continuing to carry out other disposals as appropriate. In such cases FWH will work with the Property Team to begin the disposal process.

5.5 Providing a Consistently Good Housing Service

5.5.1 This objective relates to improving tenant satisfaction. FWH will review initial responses to the Regulator's new tenant satisfaction measures, and will seek to improve its oversight of complaints handling. The 2023-24 strategic priorities for this objective are:

5.5.2 Priority 14: Review tenant satisfaction

5.5.3 Following the implementation of new tenant satisfaction measures in April 2023, FWH will review initial results from these surveys as well as transactional feedback from its tenants to identify and carry out any necessary actions to improve tenant satisfaction. Regular reporting to the Board on tenant satisfaction will be introduced.

5.5.4 Priority 15: Improve complaints oversight and monitoring

5.5.5 Additionally, FWH will review its policies and management procedures for complaints and from this identify and implement any required process improvements.

Appendix 1 – Closed Appendix – Financial Analysis

Please refer to the FWH Closed Financial Appendix document.

Appendix 2 – Risk Register

See Appendix 2 of accompanying cover report.

Appendix 3 - 2023-24 Key Tasks

See Appendix 3 of accompanying cover report.

Appendix 4 – Partially Closed Appendix – 2023/25 SLA

See Appendix 4 of accompanying cover report.

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Ref	Business Plan Objective	Strategic Risk	Risk	Trigger	Previous			Updated			Risk Trend	Mitigation	Actions	Owner	SLA Lead	Due Date	Action Update
					Likelihood	Impact	Score	Likelihood	Impact	Score							
1	Safe and Sustainable Homes	FWH does not meet H&S requirements	Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in FWH being non-compliant with its statutory obligations.	Inadequate controls on record creation	4	5	20	4	5	20		Review asset records and the controls around creation, and update. Produce a regular compliance report to Board covering all compliance requirements.	Implement actions from health and safety compliance internal audit action plan to address all areas of non-compliance	Strategic Support Officer		Mar-23	Audit follow-up due to come to Board by March 2023. The Regulator of Social Housing agreed to take no action in response to FWH's self-referral regarding its compliance status.
													Implement new compliance management system and review compliance processes	Head of Property Services	Strategic Support Officer	Mar-23	BHM have now signed an agreement with True Compliance. Regular compliance reporting will be introduced following this. Programme of updated compliance policies being presented to Board.
2	Safe and Sustainable Homes	FWH does not meet H&S requirements	Poor contractor performance and information control results in FWH properties being non-compliant with statutory H&S objectives.	Lack of KPIs and monitoring processes	3	5	15	3	5	15		Set up effective monitoring processes on compliance.	Implement new compliance management system and review compliance processes	Head of Property Services	Strategic Support Officer	Mar-23	BHM have now signed an agreement with True Compliance. Regular compliance reporting will be introduced following this. Programme of updated compliance policies being presented to Board.
3	Safe and Sustainable Homes	FWH does not meet H&S requirements	There is no affordable or technical solution for FWH properties to meet enhanced legal standards.	Changing legal obligations	2	5	10	2	5	10		Monitor changes in building standards and report on viability of implementing any changes.	BHM monitor all changes in law/building standards that will affect housing stock. In some cases BHM are ahead i.e. carbon monoxide and smoke alarms. In this instance BHM will use systems such as True Compliance to monitor by pulling this information from LGSRs and ECRs.	Head of Property Services	Strategic Support Officer	Mar-23	Ongoing action - True Compliance automatically records information (e.g. smoke alarm testing)
4	Safe and Sustainable Homes	FWH does not meet H&S requirements	FWH lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.	Lack of reliable monitoring reports to Board	5	4	20	5	4	20		Review policies, controls and reporting arrangements.	Implement actions from health and safety compliance internal audit action plan to address all areas of non-compliance, including review of all compliance policies	Head of Property Services	Strategic Support Officer	Mar-23	Monthly compliance reports presented to Board. Programme of updated compliance policies being presented to Board. BHM to implement True Compliance during 2022-23
5	Running a Viable Business	FWH cannot trade as a going concern	Changing inflation or Government policy on rents and benefits means FWH cannot increase rents at business plan assumptions.	Change in Government policy or change in rental inflation	4	3	12	4	4	16		Regular modelling and business plan reviews, and monitoring of changes in Government policy.	Re-test business plan once final account outturn is agreed.	Senior Financial Analyst		Dec-22	Completed. Rental valuation review has been commissioned. Early indications are that rent freezes may need to be instated in the business plan for longer than currently modelled. Risk to be formally reviewed once the results of this work are finalised.
													Stress test model as part of business plan.			Completed	Completed as part of the final accounts outturn for 2022-23.
6	Running a Viable Business	FWH cannot trade as a going concern	Reductions and changes in market demand mean FWH cannot increase rents at business plan assumptions.	Change in market demand	3	2	6	3	2	6		Regular modelling and business plan reviews, effective recovery processes, and identifying the main reasons for high arrears levels.	Re-test business plan once final account outturn is agreed.	Senior Financial Analyst		Completed	Action completed.
													Stress test model as part of business plan.			Completed	Action completed.
7	Running a Viable Business	FWH cannot trade as a going concern	Tenant non-payment of rent increases due to unaffordability of rent.	Change in market demand	3	3	9	3	3	9		Regular modelling and business plan reviews, and effective recovery processes.	Benchmark on rent collection rates.	Income and Sustainment Manager	Strategy and Delivery Manager	Dec-22	Overdue. Awaiting annual HouseMark return; this is with the performance team and is being chased.
8	Running a Viable Business	FWH cannot trade as a going concern	High void rent loss due to long void turnaround times.	Poor void management processes and reporting	5	3	15	5	3	15		Improved void management processes and reporting.	Carry out a deep dive review of voids performance, identify poor performance. Implement a new voids improvement project with robust governance arrangements to ensure performance improves.	Voids Manager	Strategic Support Officer	Oct-22	The review of the voids process has begun over the last few months which has included improvements to offline processes, as well as an overhaul of the Microsoft Dynamics void management functionality. The review is due to be wrapped up early in the new financial year.
9	Running a Viable Business	FWH cannot trade as a going concern	High Capital Programme costs, including future climate change obligations, undermine the viability of the business plan.	Uncertainty on investment requirements in stock, including decarbonisation and compliance	5	5	25	5	5	25		Development of a costed asset management plan with viable options.	Develop long-term asset management and investment plan, incorporating the impact of the climate change agenda.	Head of Property Services	Strategy Delivery Manager	Mar-23	Stock condition and energy performance surveys have been carried out for all properties, and the energy modelling work is expected back in early 2023. FWH has also applied alongside the Council to the Social Housing Decarbonisation Fund
10	Running a Viable Business	FWH cannot trade as a going concern	A lack of transparency around costs means FWH cannot effectively manage its costs.	Delay in invoicing transactions to FWH	4	2	8	4	2	8		Fully set up Oracle for the companies, and transfer all suppliers to direct billing.	Set up fully independent company finances as part of Oracle Cloud to allow direct payments.	Senior Financial Analyst		Mar-23	Core systems are now set up with the facility for direct billing. Discussions to be held on suppliers to prioritise for direct payments, and deadlines to be agreed with SLA leads.
11	Running a Viable Business	FWH cannot trade as a going concern	Delays in processing utilities and other payments result in poor financial reporting, complaints and financial & reputational damage.	The Company fails to set up suppliers and make payments in a timely manner	4	2	8	4	2	8		Fully set up Oracle for the companies, and transfer all suppliers to direct billing.	Set up fully independent company finances as part of Oracle Cloud to allow direct payments.	Senior Financial Analyst		Mar-23	Core systems are now set up with the facility for direct billing. Discussions to be held on suppliers to prioritise for direct payments, and deadlines to be agreed with SLA leads.
12	Running a Viable Business	Financial and reputational damage	Fraud results in a loss of income and/or reputational damage to the company and the Council.	Poor internal controls, or lack of compliance with these	2	3	6	2	3	6		Annual review of internal controls.	Carry out review of internal controls with SLA leads and agree resulting set of actions.	Strategic Support Officer		Mar-23	Board to be asked to sign up to 2020 National Housing Federation Code of Governance. Resulting actions will be implemented alongside regulatory compliance review project plan, and will include review of internal controls.
13	Running a Viable Business	Financial and reputational damage	FWH is deemed to have failed a regulatory requirement in its corporate role.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of economic regulatory requirements and compliance with these.	Implement actions from compliance project plan presented at June Board meeting.	Strategic Support Officer		Feb-23	Update on compliance project plan to be included as part of 2023-24 business planning. Wider review of assurance against compliance with regulatory legislation to be carried out as part of implementation of NHF code of governance review
14	Running a Viable Business	Financial and reputational damage	FWH is deemed to have failed a statutory requirement in its corporate role following developments in the regulatory environment such as the Hackitt Review.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of consumer regulatory requirements and compliance with these.	Implement actions from compliance project plan presented at June Board meeting.	Strategic Support Officer		Feb-23	Update on compliance project plan to be included as part of 2023-24 business planning. Wider review of assurance against compliance with regulatory legislation to be carried out as part of implementation of NHF code of governance review
15	Running a Viable Business	Financial and reputational damage	Greater uncertainty in the external operating environment brings greater risk to FWH's financial modelling	Cost inflation exceeds income; rent collection levels decrease; new unaffordable expenditure requirements such as decarbonisation costs are identified	3	5	15	3	5	15		Regular review of costs and assumptions, and stress testing of the business plan.	Stress test 2023-24 business plan	Senior Finance Analyst		Completed	More detail added to headline risk. Action completed.
													Develop cost estimates on decarbonisation works	Strategic Support Officer		Jan-23	Stock condition and energy survey work to come back in early 2023.
16	Running a Viable Business	Financial and reputational damage	Disrepair in properties leads to poor tenant satisfaction, reputational damage and an increase in costs through legal settlements.	Increase in disrepair claims through deterioration in condition of stock	3	3	9	3	3	9		Review reasons for disrepair and develop resulting action plan.	Develop clear disrepair policy, and ensure oversight and reporting on this	Strategic Support Officer		Sep-23	Action updated to reflect business plan key task for 2023-24
17	Providing an Excellent Housing Service	Drop in customer satisfaction and damage to reputation	Contractor performance is not effectively managed and monitored, leading to poor customer service.	The supply chain is not effectively managed	2	3	6	2	3	6		Clear service standards, regular performance management and engagement with supply chain.	Implementation of tenant satisfaction measures	Head of Housing & Neighbourhoods	Strategy and Delivery Manager	Jun-23	Action updated - awaiting confirmation of deadline from BHM
18	Providing an Excellent Housing Service	Drop in customer satisfaction and damage to reputation	Poor service delivery and complaints management procedures give rise to low tenant satisfaction.	A lack of clear service standards and complaints management procedures means complaints are not effectively dealt with	2	3	6	2	3	6		Clear service standards and monitoring of complaints performance.	None - complaints policy in place.	Strategic Support Officer		N/A	

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FWH 2023/24 Key Tasks				
Housing Company objective	Priority for 2023/24	Key tasks for 2023/24	Task owner	Due date
Delivering safe and sustainable homes	1. Monitor health and safety compliance	Continue short-term monitoring and reporting of each compliance area	Head of Housing Property Services / Strategic Support Officer	Jun-23
		Monitor implementation of True Compliance system for FWH	Head of Housing Property Services / Strategic Support Officer	Dec-23
Delivering safe and sustainable homes	2. Implement plan in response to Building Safety Act	Develop and implement project plan to ensure compliance with Building Safety Act	Head of Housing Property Services / Strategic Support Officer	Apr-23
Delivering safe and sustainable homes	3. Develop decarbonisation strategy	Use results of energy modelling work to develop an FWH decarbonisation strategy, which may include stock rationalisation where appropriate	Strategic Asset Manager / Strategic Support Officer	Sep-23
Delivering safe and sustainable homes	4. Develop disrepair policy	Review disrepair cases	Head of Housing Property Services / Strategic Support Officer	Jun-23
		Develop disrepair policy	Head of Housing Property Services / Strategic Support Officer	Jun-23
Increasing the supply of affordable housing in the borough	5. Explore future financing arrangements with Council	Explore new financing arrangement with Council that allows companies to forward borrow	Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	6. Review feasibility of a block acquisition	Work with consultants to review market for potential block acquisitions, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	7. Review feasibility of new build purchases	Work with consultants to review market for new build opportunities, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23
Increasing the supply of affordable housing in the borough	8. Review feasibility of re-entering street property market	Review street property market in June 2023	Operational Director Property and Assets / Strategy and Delivery Manager	Jun-23
		Dependent on review, consider re-entering street property market	Operational Director Property and Assets / Strategy and Delivery Manager	Jul-23
Running a viable business	9. Carry out project to reduce arrears	Review sign-up process and tenancy sustainment approach	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23
		Review rent collection and arrears management processes	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23
		Evaluate historic highest arrears cases to assess ongoing suitability	Head of Housing and Neighbourhoods / Strategic Support Officer	Jun-23

Running a viable business	10. Implement VfM strategy	Implement actions outlined in value for money strategy	Strategic Support Officer	Dec-23
Running a viable business	11. Reduce void costs	Implement project plan to reduce void costs	Head of Housing Property Services	May-23
Running a viable business	12. Significantly improve void turnaround times	Implement project plan to significantly improve void turnaround times	Head of Housing Property Services	May-23
Running a viable business	13. Explore potential stock rationalisation	Review financial and energy performance of properties following energy modelling work	Strategic Support Officer	Jun-23
		Consider potential disposals for under-performing properties	Strategic Support Officer	Jul-23
		Carry out other disposals as appropriate	Strategic Support Officer	Ongoing
Providing a consistently good housing service	14. Review tenant satisfaction	Review initial results following implementation of new tenant satisfaction measures	Head of Housing and Neighbourhoods	Jun-23
		Report on new tenant satisfaction measures to Regulator of Social Housing	Head of Housing and Neighbourhoods	Jun-23
		Review results of transactional feedback from tenants	Head of Housing and Neighbourhoods	Jun-23
		Identify and carry out actions to improve tenant satisfaction	Head of Housing and Neighbourhoods	Dec-23
Providing a consistently good housing service	15. Improve complaints oversight and monitoring	Review complaints policies and procedures for FWH	Complaints and Casework Manager / Strategic Support Officer	Sep-23

Appendix 4 - FWH Business Plan SLA Schedule One - Services and Service Requirements

Ref	Services	Description	Period	FWH Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
Corporate Services									
1a	Strategic Support	The Service Provider shall provide company secretary services. This will include: Providing support and guidance to the Board, Chair and Shareholder; Ensuring that all operations of the Company comply with the necessary statutory and regulatory requirements; Facilitating the acquisition of information by board members; Assisting with the compilation of board papers and filtering to ensure compliance with required standards of good governance; Communicating with the shareholder; Supporting regular board meetings; Carrying out research and policy development work to support the work of the Company; Any other duties to coordinate and support the work of the Company. The Service Provider will provide services to enable the Company to comply with requirements for management of data and freedom of information and complaints handling. The Service Provider will support the company to maintain and improve its performance. The Service Provider shall be responsible for collating and coordinating the performance information of sub-contractors and directly delivered services. This will include the inputting and creation of reports from the Northgate and Lifespan asset management system and for collating reports from sub-contractor weekly and monthly reports.	2023 to 2025	Corporate Services	Company Support	Transformation	Director of Transformation	N/A	Supporting monthly board meetings Providing an annual performance review Providing any returns required to external organisations Monthly reports on the performance of sub-contractors are compiled and reported to the Board Ensuring 100% of complaints, FOIs, SARs etc are responded to within statutory timescales
1b	Strategy Delivery Manager	The Service Provider shall provide delivery support. The Service Provider will be responsible for coordinating service areas and providing a clienting service on behalf of FWH. The Service provider will act in a client role between the Companies and the Council, including negotiating and managing Service Level Agreements, raising any issues with service delivery and ensuring action plans are developed and implemented	2023 to 2025	Corporate Services	Company Support	Transformation	Director of Transformation	N/A	Support monthly board meetings Attend monthly SLA meetings on behalf of FWH. Provide an annual performance review
1c	Financial Services and Administration	The Service Provider shall provide the board with financial and business plan support and financial management services including: Financial reports to the Board; Providing an analysis of financial performance against business plan assumptions; Managing the Company's accounts; Providing advice to the Company as requested; Inputting and management of the Company's financial management systems including Oracle; Invoicing and payments to sub-contractors; FSC; Management and reconciliation of payments to the Company including the 4 weekly electronic payment of rent and other items to the Company's account from housing management contractors; Treasury Management; Developing and amending the Service Providers/companies business model; administering the loan agreement.	2023 to 2025	Financial Management & Support	Financial Management & Support	Finance	Head of Finance - Companies	N/A	Adhering to all accounting deadlines Ensuring all sub-contractors are invoiced and paid within specified deadlines Monthly financial reports to be provided to the board Providing financial support for annual business planning Annual review of the Company's financial model Monthly rent reconciliations
1d	Commercial Legal Support	The Service Provider shall provide the board with legal advice and support in relation to a range of company and commercial matters: to include legal advice in relation to the procurement and preparation of service contracts for the company; the preparation of legal documentation and procedures for the company; advice and assistance in relation to any joint arrangements or merger proposals including all necessary due diligence.	2023 to 2025	Legal Services	Commercial Legal Support	Legal Services	Corporate Director - Governance	N/A	Provide advice by agreed deadlines
1e	Insurance	The service provider will administer the company's insurance requirements including property, directors, public liability and any others such as professional indemnity, vehicle and employee liability as required.	2023 to 2025	Financial Management & Support	Insurance	Finance	Head of Finance - Insurance	N/A	The service provider will insure all properties purchased by the company on the same day of purchase and renew insurances on an annual basis unless informed not to do so. The service provider will inform the Board of insurance costs and manage claims on behalf of the company. The service provider shall renew other insurances required by the company and directors as required to protect the company, employees, directors, customers and public. The service provider will undertake any additional project work as agreed between the Company and the service provider
1f	Senior corporate management	The service provider's corporate management team will oversee tasks within their departments to ensure performance and standards are maintained.	2023 to 2025	Corporate Services	Service Provider Corporate Governance (All service areas)	Finance	Head of Finance - Companies	N/A	Monthly board meetings
1g	Internal Audit & Investigation	To deliver a suite of risk-based Internal Audit work that provides assurance to the Board and key stakeholders regarding the effectiveness of the company's governance, internal control and risk management arrangements. Anti-fraud and corruption support will also be provided, where required.	2023 to 2025	Corporate Services	Internal Audit	Audit and Investigation	Head of Audit and Investigation	N/A	Agreement of annual internal audit plan. Investigation support as required. Additional project work as agreed between the Company and service provider
1h	Information Governance	Information Governance support to support good company governance and data processing.	2023 to 2025	Corporate Services	Information Governance	Digital Transformation	Information Governance Lead	N/A	Information Governance support as required
Landlord Function									
Ref	Services	Description	Period	FWH Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
2a	Housing Management - Payments	The Service Provider will procure or use their own resources to make payments on behalf of FWH. The Service Provider will request approval from FWH to set up purchase orders. The Service provider will work with suppliers to ensure invoices are paid on time. The Service Provider will request approval from FWH to pay invoices. All invoices will be scrutinised to ensure they are accurate.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. All invoices paid within 30 days Purchase Orders and Invoices approved by FWH. Invoices are reviewed to ensure they are accurate

2b	Housing Management - Neighbourhood Services	The Service Provider will be responsible for liaising with residents, customer care, ASB cases, complaints, tenancy verification visits and management of tenancies	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	<p>Monthly performance SLA meetings.</p> <p>Issue appropriate notices or terminations within a reasonable time (monitored by the void turn around time)</p> <p>All complaints dealt with within statutory timescales.</p> <p>The Service Provider shall keep and maintain accurate records of all action taken on neighbour disputes, allegations of harassment, anti-social behaviour (ASB) etc. and shall provide information relating to the nature and status of these matters in its monthly performance reports.</p> <p>Visits carried out at all properties every six months</p>
2c	Housing Management - Leasehold Support	<p>The service provider will manage the FWH Leasehold database to include annual check of insurance, freeholder contact details, service charge and ground rent monitoring, Servicing and administering S20 notices on behalf of FWH, monitoring and tracking s20 notices and service charges received by FWH. The Service Provider will also carry out annual reviews of leasehold compliance information e.g. Fire Risk Assessments. The Service Provider will liaise with legal services to ensure lease obligations are not breached. Provision of leasehold data to FWH.</p> <p>The Service Provider will work with the Asset Management Team to ensure future capital investment costs on third party leasehold properties are accurate. This will involve ensuring all external s20 notices are recorded on Asset Management systems.</p> <p>The Service Provider will procure or use their own resources to make payments for service charges and grounds rents to freeholders where FWH own a leasehold property. All payments will be logged on the Housing Management CRM.</p> <p>The service provider will provide FWH and the councils insurance team proof of freeholder insurance. An annual confirmation check of all freeholders will take place including - update of freeholders details, insurance certificate, check of service charge and check of the ground rent charges.</p>	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	<p>Monthly performance SLA meetings.</p> <p>All third party service charges and s20 notices logged on the CRM.</p> <p>Service charges and s20s are reviewed and challenged before payment to ensure VIM</p> <p>Annual report submitted to FWH in September on all FWH leasehold properties which includes: freeholder details, FWH repair responsibilities, insurance details, lease start end date, current s20 notices, annual service charge costs and charge dates, block reference number, and compliance info.</p> <p>Property Inspections in line with an agreed schedule</p> <p>Work with the payments team to ensure service charge and s20 invoices are paid within 30 days</p> <p>Liaise with freeholders on future budget costs</p>
2d	Housing Management - Income Team	<p>The Service Provider shall be responsible for all aspects of rent and service charge collection and arrears management including the conduct and management of legal proceedings. The target collection rate is 100% of all rent and service charges due. A minimum collection rate of 98.5% is expected across the portfolio.</p> <p>The Service Provider will also be responsible for collecting former tenant arrears. The Service Provider will provide FWH with an annual report outlining historic debts that are deemed unrecoverable. Where the Service Provider deems a debt unrecoverable they will follow FWH procedures to seek permission from FWH to write off the debt.</p>	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	<p>Monthly performance SLA meetings.</p> <p>Rent and any other charges collected will be paid to FWH on a monthly basis.</p> <p>Monthly reports on all FWH accounts, and when accounts are in arrears what action is being taken.</p> <p>Rents are paid to FWH on a monthly basis</p>
2e	Housing Management - Rent Accounting	<p>The Service Provider will ensure rents accounts are correctly set up and charged. The Service Provider will be responsible for managing and maintaining rent accounts on Northgate.</p> <p>Rents are set annually by the FWH Board. FWH will work with the Service Provider annually to implement new rents. The Service Provider will be responsible for notices and communication with all tenants and leaseholders on changes to rent and service charges.</p>	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	<p>Monthly performance SLA meetings.</p> <p>Rent accounts are set up on the day the tenancy start date.</p> <p>Monthly reconciliations are carried out between Lettings data and rent accounts to ensure all rent accounts have been set up.</p> <p>Notice of annual rent increases are sent out in accordance with relevant regulations prior to rent increases being implemented</p>
2f	Housing Management - Estate Caretaking	The Service provider will provide cleaning and maintenance services at FWH blocks	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Regular programme of cleaning and maintenance
2g	Property Management - Responsive Repairs	The Service Provider will be responsible for managing a responsive repair service for FWH properties. The Service provider will inspect repairs to ensure quality and VIM. There will be an emphasis on resolving repairs at the first visit	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	<p>Monthly Performance Meetings</p> <p>Photos taken before and after repairs with inspection of repairs to monitor VIM</p> <p>Monthly report on repairs carried out within the fixed price</p> <p>Monthly report on repairs carried out outside the fixed price</p> <p>Repair jobs will be provided on a monthly basis broken down by PPP contract or exclusion.</p> <p>Monthly report on outcome of inspection samples</p>
2h	Property Management - Asset Management and Capital Programme	<p>The service provider will produce an annual, 5 year, and 30 year Capital Investment Plan for works and services required to maintain FWH properties. These plans will include service charge and compliance responsibilities for FWH.</p> <p>The service provider will be responsible for overseeing the plan and the management of all capital works.</p>	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	<p>Annual stock condition surveys</p> <p>Component data updated by every component replacement</p> <p>Review of capital investment requirements on an annual basis leading to a 5 year detailed programme and a 30 year financial plan</p> <p>Outturn review of last year's spend in July</p> <p>Next year's 5 year plan agreed in September</p> <p>Monthly capital programme monitoring</p> <p>Asset management standard agreed and compliance monitored</p> <p>Monthly capital monitoring reports submitted</p>

2i	Property Management - M&E and Compliance	<p>The Service Provider will be responsible for the management out mechanical and electrical works as well as compliance works for FWH properties. The Service Provider will ensure that all FWH properties meet statutory and regulatory requirements.</p> <p>The Service Provider will assist FWH in producing a comprehensive set of compliance policies that outline FWH's compliance responsibilities. The Service Provider will have a suite of reporting metrics that they will use to report on compliance on a monthly basis.</p>	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	<p>Full compliance list for FWH properties</p> <p>Legal and policy requirements set out in governance documents</p> <p>Compliance standards agreed</p> <p>KPI list and targets produced</p> <p>Monthly monitoring in place</p> <p>Collating data from third parties (Mears and third party freeholders)</p> <p>Quarterly reconciliations between compliance systems and other systems to ensure data is accurate</p>
2j	Performance reports	The service provider will input sufficient data onto the CRM Northgate and Lifespan housing management and asset management systems and provide monthly monitoring reports for the service provider to analyse and to inform the Board.	2023 to 2025	Corporate Services	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	<p>Monthly report detailing: rent collection, complaints, void turnaround times, tenancy verification visits, repairs, legal cases, void properties, FTA, compliance submitted 10 days before the monthly Board meeting.</p> <p>Quarterly reconciliations are carried out to ensure information on Northgate is accurate.</p>
2k	Legal support - Housing Management and Civil Litigation	The service provider will provide legal service to FWH regarding housing management matters such as rent increases, disrepair, and ASB. This will include providing litigation services relating to possession proceeding and ASB action.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	N/A	<p>Information on all legal cases included in monthly performance report.</p> <p>Quarterly updates on case numbers and hours worked.</p>
2l	Housing Management - Call Centre	The service provider will provide Call Centre services to ensure tenants can approach them with management and repair matters during the hours of 9.00am to 6.00 pm Monday to Friday and a 24/7 and 365 days per year emergency service.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	.
2m	Property Management - Re-let Voids	The Service Provider will deliver void and compliance works during void periods. The service will liaise with contractors, housing management, and the Housing Needs Service to ensure void periods are kept to a minimum.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	<p>Monthly performance meetings.</p> <p>Pre and post void inspection of works to ensure VIM and quality.</p> <p>Monthly invoicing of costs</p> <p>Bi annual review of void costs and void standard.</p> <p>All void cases are correctly logged on void management CRM.</p> <p>Monthly report on outcome of voids handover inspections</p> <p>Monthly voids monitoring report submitted</p> <p>All properties must achieve the statutory compliance requirements for the private rented sector</p>

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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 4 - FWH Business Plan SLA Schedule Three - KPIs

Service	Service Area	Owner	KPI	Target	Measure
Housing Management	Income Collection	Head of Housing and Neighbourhoods	Rent Collection	98.5%	Rent collected as a % of rent due. This is measured on a 4 weekly cycle in line with BACs payments to FWH.
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Perception Customer Satisfaction	80% satisfied with the condition of the property	Biannual Survey
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Perception Customer Satisfaction	80% satisfied with the management of the property.	Biannual Survey
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	80% satisfied with the responsive repairs service.	Annual Survey
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Anti-Social Behaviour	Monthly Reporting
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Lettings	Monthly Reporting
Housing Management	Housing Management - All	Head of Housing and Neighbourhoods	Transactional Customer Satisfaction	TBC % Satisfaction with Communal Repairs	Monthly Reporting
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Complaints	100% resolved within statutory timescales	Complaints resolved through management agents agreed procedures.
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Home Visits	100%	% of Portfolio properties home visited every two years. All properties to have been visited by end of 2021
Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Arrears	Contextual	Current tenant arrears as percentage of projected annual rent debit
Property Management	Re-let Voids	Head of Housing Property Services	Average re-let void cost	tbc	Total cost of re-let voids divided by total number of re-let voids
Property Management	Re-let Voids	Head of Housing Property Services	Minor void turnaround time	35 days	Void period from tenancy end date to tenancy start date for minor voids

Property Management	Re-let Voids	Head of Housing Property Services	Major void turnaround time	75 days	Void period from tenancy end date to tenancy start date for major voids
Property Management	Repairs	Head of Housing Property Services	Average repair cost per property, per annum, including common areas.	£750	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing).
Property Management	Re-let Voids and PRS Voids	Head of Housing Property Services	Void rent loss	1%	% of total annual rental income lost to void periods
Property Management	Repairs	Head of Housing Property Services	% of Emergency Repairs completed within 24 hours	100%	The % of all emergency repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Urgent Repairs completed within 7 days	95%	The % of all urgent repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Routine Repairs Completed within 28 days	95%	The % of all routine repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	Customer satisfaction with Repairs Service	85%	The % of customer who are satisfied with their repairs service
Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered	80%	Percentage of calls answered
Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered in 3 min	80%	Percentage of calls answered in 3 min

 Brent	<p align="center">Cabinet 13 March 2023</p>
	<p align="center">Report from the Corporate Director of Finance and Resources</p>
<p align="center">Authority to Tender for Insurance Services Contract</p>	

Wards Affected:	All Wards
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 1 Equality Impact Assessment
Background Papers¹:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	<p>Janine Nell Head of Transactional Finance 020 8937 4034 Janine.nell@brent.gov.uk</p> <p>Esther Abe Insurance Manager 020 8937 2789 Esther.abe@brent.gov.uk</p>

1.0 Purpose of the Report

- 1.1 This report concerns the provision of the Councils Insurance Service contracts. This report requests approval to invite tenders in respect of Insurance Services as required by Contract Standing Orders 88 and 89.

¹ [Insert a description of relevant background papers. There is a statutory requirement to include a list of those documents relating to the subject matter on which the report is based and which have been relied on to a material extent in preparing the report. These might include previous reports and records of decisions on the same matter. These papers are open to public inspection, unless they contain exempt or confidential information. It is not necessary to make reference to any published works where it is reasonable to expect that a member of the public could make their own arrangements to get a copy of the document.]

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approve inviting tenders for Insurance Services on the basis of the pre - tender considerations set out in paragraph 3.4 of the report.
- 2.2 Approve Officers evaluating the tenders referred to in 2.1 above on the basis of the evaluation criteria set out in paragraph 3.4(vi) of the report.
- 2.3 Approves Delegated authority to the Corporate Director of Finance and Resources in consultation with the Cabinet Member for Finance, Resource and Reform to award the contract for Insurance Services for a term of three years with the option to extend for two years.

3.0 Detail

- 3.1 The current Insurance Service contracts provide for comprehensive insurance cover for the Council for the following risk classes;

- Motor
- Claims handling
- Property
- Casualty (including Fidelity Guarantee, Employer's and Public Liability)
- Engineering and Inspection
- Terrorism
- Business Travel
- Property All Risks

The current contract is due to expire on 30 September 2023. The Insurance requirements remain the same except for First Wave Housing which will be removed from the main insurance programme and have a standalone policy. Similar to I4B.

The new tender will be split into lots to allow bidders to tender for all or any of the risk classes detailed above.

The contract was last tendered in a similar manner in 2018 and resulted in two suppliers being awarded the contract. Zurich Municipal were awarded to cover all the risks apart from Terrorism which was awarded to a Charles Taylor Services Ltd.

- 3.2 Aligning the presentation of Brent's risk profile favourably with market expectations will put the Council in a position to benefit from keen premium rates, terms and conditions. On this basis, it is intended to request tenders on the basis of 3 year initial contract period with an option to extend for a further 2 years at the council's discretion.

- 3.3 The procurement of insurance policies can be complex and the use of brokers is common in this area across both the public and private sectors. JLT Specialty Limited have therefore been engaged to provide professional support, access specialist limited markets and input into the tender process. JLT are the Council's Risk and Insurance adviser.
- 3.4 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response	
(i)	The nature of the service	Insurance Services to cover <ul style="list-style-type: none"> • Motor • Claims handling • Property • Casualty (including Fidelity Guarantee, Employer's and Public Liability) • Engineering and Inspection • Terrorism • Business Travel • Property All Risks 	
(ii)	The estimated value.	£1.1 million per year (based on figures 22/23) Total contract value £5.5 million	
(iii)	The contract term.	3 years plus 2 year extension option	
(iv)	The tender procedure to be adopted.	Open	
v)	The procurement timetable.	Indicative dates are:	
		Authority to Tender Cabinet approval	13 March 2023
		Adverts placed	26 April 2023
		Invite to tender	28 April 2023
		Deadline for tender submissions	9 June 2023
		Panel evaluation	12 June – 21 July 2023
		Authority to Award Delegated Authority Approval	2-12 Aug 2023

Ref.	Requirement	Response	
		call in period of 5 days (mandatory unless and minimum 10 calendar day standstill period –	
		Contract Mobilisation	14 Aug – 30 Sept 2023
		Contract start date	1 Oct 2023
		A legal duty applies to certain services contracts but Council policy is wider. Obtain legal advice. If not applicable then insert "Not applicable"]	Not applicable
(vi)	The evaluation criteria and process.	<p>Open Procedure is the preferred tender procedure, there will be no shortlisting of providers, but all providers will be required to complete a selection questionnaire demonstrating that they meet the Council's financial standing requirements, technical capacity, technical expertise, industry and regulatory compliance</p> <p>The tender will be split into lots to allow bidders to tender for all or any of the risk classes detailed above.</p> <p>All risk classes listed will be evaluated against the following weighting criteria: Price 60% Quality: 30% Social Value 10%</p> <p>Accept Casualty (including Fidelity Guarantee Employer's and Public Liability) and Claims Handling which will be evaluated against the following weighting criteria: Price 40% Quality: 50% Social Value 10%</p>	
(vii)	Any business risks associated with entering the	Insurance company Financial risks: These are not envisaged as they are covered by – FCA regulations and FSA application.	

Ref.	Requirement	Response
	contract.	
(viii)	The Council's Best Value duties.	A competitive procurement process will be undertaken through inviting bids from the open market and awarding the contract based on Most Advantageous Tender.
(ix)	Consideration of Public Services (Social Value) Act 2012	Social Value will be included and given a weighting of 10% of the overall evaluation criteria.
(x)	Any staffing implications, including TUPE and pensions.	none
(xi)	The relevant financial, legal and other considerations.	See sections 4.0 and 5.0 below.
(xii)	Sustainability	A question under Cleaner and Considerate Brent social value theme will be included
(xiii)	Key Performance Indicators / Outcomes	Appropriate Key Performance Indicators / Outcomes will be included in the Contract.
(xiv)	London Living Wage	The Contract will require the payment of the London Living Wage to London based staff working on the contract.
(xv)	Contract Management	A contract manager will be appointed and appropriate contract management provisions will be included in the Contract.

3.5 Cabinet is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

4.1 The total estimated value of the Insurance contract is £5.5m over 5 years or £1.1m on average per annum, at today's prices. Contract costs will be adjusted accordingly to reflect the ever changing property portfolio numbers, claims experience and annual indexations to the contract.

4.2 The annual cost of the contract is covered by the general fund budget allocation for Insurance.

5.0 Legal Implications

- 5.1 The estimated value of the Contract is above the threshold for Services under the Public Procurement Regulations 2015 (the “PCR 2015”) and the procurement is therefore governed by the PCR 2015.
- 5.2 The procurement is subject to the Council’s own Standing Orders and Financial Regulations in respect of High Value Contracts given the procurement is valued at £5.5m. For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in paragraph 3.2 above (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 5.3 In accordance with Recommendation 2.3, once the tendering process is undertaken, Officers will report to the Corporate Director, Resident Services explaining the process undertaken in tendering the Contract and recommending award.
- 5.4 As this procurement is subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the PCR 2015 before the Contract can be awarded. The requirements include notifying all tenderers in writing of the Council’s decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council’s award decision if such challenge is justifiable. However, if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the Contract may commence.
- 5.5 Any other legal issues including TUPE and human rights matters. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006) are unlikely to apply to the current proposal as the service is currently provided by an external contractor so there are no implications for Council staff.

6.0 Equality Implications

- 6.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

- 6.2 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 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 1.
- 6.4 As this paper is seeking to secure a new insurance provider there are no negative equalities implications considered. However, as detailed in the Equality Analysis steps will be taken to ensure the service provider, provision and the tendering process aligns with our responsibilities within the public sector equality duty. For example the councils terms and conditions state:

“The Service Provider shall not unlawfully discriminate within the meaning and scope of the Equality Act 2010 (“the 2010 Act”) in relation to any of the protected characteristics set out in the 2010 Act in connection with its employment practices. The Service Provider shall adopt policies in relation to its statutory obligations in respect of these matters and shall supply copies to the Council on request.”

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Cabinet Member for Finance, Resource and Reform will be consulted. The Insurance Manager for the contracts is the main stakeholder and is involved in the tender process requirements.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract

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 There is a 10% evaluation score associated with the social value themes

selected. Providers will be asked how they plan to provide social value through this contract.

Report sign off:

Minesh Patel

Corporate Director of Finance and
Resources

EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Insurance Services Tender
DEPARTMENT:	Finance
TEAM:	Insurance
LEAD OFFICER:	Esther Abe / Janine Nell
DATE:	09 th February 2023

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.

We are carrying out a tender for the provision of Insurance for the council. This is both for the councils stock, assets and staff (General Insurance) and the Councils Leasehold Tenants.

There are various policies to cover different risks. The policies include – Public Liability, Employers Liability, Material Damage, Fidelity Guarantee, Business Travel and Personal Accident.

One of the most important policies is the Employers Liability Act in place to protect employees of the council regardless of age, disability, sex, race, sexual orientation, pregnancy or maternity and marriage. This applies only to the General Insurance Tender.

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

The purpose of insurance is to transfer risks and protect the council.

All staff and members of the public will be affected positively by the procurement of Insurance

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.

No, there is no concern of discrimination of any kind. To mitigate against discrimination within the tendering process or delivery our terms and conditions outline the requirement and expectation of contractors to align with our public sector equality duty responsibilities.

Insurance is in place to protect the councils staff, assets and members of the public. Insurance will protect against injury, personal accident, and other perils such as fire, theft and flood.

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

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

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.

We obtain details of the councils insurance needs from various areas such as HR.

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>For example – All staff are covered under the Employers Liability Act. This policy aims to cover staff from personal injury or death arising from negligence. This will cover them whilst acting in the course of their employment.</p> <p>The policy applies regardless of age, disability, sex, race, sexual orientation, pregnancy or maternity and marriage.</p>
DISABILITY	
Details of impacts identified	As above
RACE	
Details of impacts identified	As above
SEX	

Details of impacts identified	As above
SEXUAL ORIENTATION	
Details of impacts identified	As above
PREGANCY AND MATERNITY	
Details of impacts identified	As above
RELIGION OR BELIEF	
Details of impacts identified	As above
GENDER REASSIGNMENT	
Details of impacts identified	As above
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	As above

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?

no

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

n/a

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

n/a

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

We will work with the Equalities team during the course of the Tender updating on any changes.

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.

Overall, the Tender should provide sufficient cover and assist the council in mitigating our risks.

SECTION D – RESULT

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

SECTION E - ACTION PLAN


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

Action	Expected outcome	Officer	Completion Date

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	Esther Abe
REVIEWING OFFICER:	
HEAD OF SERVICE:	Janine Nell

 Brent	Cabinet 13 March 2023
	Report from the Corporate Director, Resident Services
Authority to Tender Contract for Leasehold Property Insurance	

Wards Affected:	All Wards
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:	Appendix 1 – Equalities Impact Assessment
Background Papers¹:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Kate Daine Head of Housing and Neighbourhoods 020 8937 5440 Kate.daine@brent.gov.uk Esther Abe Insurance Manager 020 8937 2789 Esther.abe@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report concerns the future provision of the council's Leasehold Insurance Services contract. This report requests approval to invite tenders in respect of Leasehold Property Insurance to start on the 01st November 2023.

2.0 Recommendation(s)

That Cabinet:

¹ [Insert a description of relevant background papers. There is a statutory requirement to include a list of those documents relating to the subject matter on which the report is based and which have been relied on to a material extent in preparing the report. These might include previous reports and records of decisions on the same matter. These papers are open to public inspection, unless they contain exempt or confidential information. It is not necessary to make reference to any published works where it is reasonable to expect that a member of the public could make their own arrangements to get a copy of the document.]

- 2.1 Approves inviting tenders for Leasehold Property Insurance on the basis of the pre - tender considerations set out in paragraph 3.5 of the report.
- 2.2 Notes that the Council will 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.
- 2.3 Approve Officers evaluating the tenders referred to in 2.1 above on the basis of the evaluation criteria set out in paragraph 3.5 (vi) of the report.
- 2.4 Delegate authority to the Corporate Director, Resident Services in consultation with the Lead Member for Housing, Homelessness and Renter Security to award the contract for Leasehold Property Insurance for a term three years with an extension of two years.

3.0 Detail

- 3.1 The current contract for Leasehold Property Insurance is due to end on 31st October 2023. In the circumstances it is proposed to procure replacement Leasehold Property Insurance to cover the following perils:
 - Storm and flood
 - Escape of water or oil from fixed systems
 - Riot and civil commotion
 - Malicious damage
 - Theft or attempted theft
 - Subsidence heave or landslip
 - Impact
 - Falling trees or aerals
 - Accidental damage
 - Property Owners Liability
 - Terrorism
- 3.2 Officers also consider that the Leasehold Property Insurance should cover the provision of accidental damage cover for properties that are let or sub-let.
- 3.3 The procurement of insurance policies can be complex and the use of brokers is common in this area across both the public and private sectors. Marsh Limited have therefore been engaged to provide professional support, access specialist limited markets and input into the tender process. Marsh Ltd are the Council's Risk and Insurance adviser.
- 3.4 Aligning the presentation of Brent's risk profile favourably with market expectations will put the Council in a position to benefit from keen premium rates, terms and conditions. On this basis, it is intended to request tenders on the basis of a 3 year initial contract period with an option to extend to a further 2 years at the Council's discretion.

- 3.5 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations for the procurement of a contract for Leasehold Property Insurance have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response	
(i)	The nature of the services	Leasehold Property Insurance	
(ii)	The estimated value.	£1.1 million per year (based on figures 22/23) Total contract value £5.5 million	
(iii)	The contract term.	3 years plus 2 year extension option	
(iv)	The tender procedure to be adopted.	Open Tender Process	
v)	The procurement timetable.	Indicative dates are:	
		Authority to Tender Cabinet approval	13 March 2023
		Section 20 – Stage 1 Notice of Intention to be sent to leaseholders / RTAs	20 March 2023
		Adverts placed	10 April 2023
		Invite to tender	10 April 2023
		Section 20 – Stage 1 deadline for written observations from leaseholders / RTAs	24 April 2023
		Deadline for tender submissions	17 May 2023
		Panel evaluation	23 May – 23 June 2023
		Report recommending interim Contract award circulated internally for comment	3 July 2023
		Interim Authority to Award under delegated powers	4-14 July 2023

Ref.	Requirement	Response	
		having regard to Section 20 consultation	
		Section 20 – Stage 2 Notice of Proposal / Estimates to be sent to leaseholders / RTAs	17 July 2023
		Section 20 – Stage 2 deadline for written observations from leaseholders / RTAs	22 Aug 2023
		Section 20 – Stage 2 Period for Council's responses to individual leaseholders / RTAs	23 Aug – 12 Sept 2023
		Authority to Award having regard to Section 20 consultation	20 Sept 2023
		Key Decision Call-in Period	21-27 Sept 2023
		Standstill Period	21 Sept - 2 Oct 23
		Contract Mobilisation	3 – 31 Oct 2023
		Contract start date	1 Nov 2023
(vi)	The evaluation criteria and process.	<p>The Open Procedure is the preferred tender Procedure as there are limited number of suppliers in the market.</p> <p>There will be no shortlisting of providers, but all providers will be required to complete a selection questionnaire demonstrating that they meet the Council's financial standing requirements, technical capacity, technical expertise, industry and regulatory compliance.</p> <p>At tender evaluation stage, the panel will evaluate the tenders against the following criteria:</p> <ul style="list-style-type: none"> • Price 60% • Quality 30% • Social Value 10% 	
(vii)	Any business risks associated	There is a limited supplier market for Leasehold Property Insurance. There is a risk that the tender may	

Ref.	Requirement	Response
	with entering the contract.	result in no bids being received.
(viii)	The Council's Best Value duties.	A competitive procurement process will be undertaken through inviting bids from the open market and awarding the contract based on Most Advantageous Tender
(ix)	Consideration of Public Services (Social Value) Act 2012	Social Value will be included and given a weighting of 10% of the overall evaluation criteria.
(x)	Any staffing implications, including TUPE and pensions.	None
(xi)	The relevant financial, legal and other considerations.	See sections 4 and 5 below for finance and legal comments.
(xii)	Sustainability	A question under Cleaner and Considerate Brent social value theme will be included
(xiii)	Key Performance Indicators / Outcomes	Appropriate Key Performance Indicators / Outcomes will be included in the Contract.
(xiv)	London Living Wage	The Contract will require the payment of the London Living Wage to London based staff working on the contract.
(xv)	Contract Management	A contract manager will be appointed and appropriate contract management provisions will be included in the Contract.

3.6 Cabinet is asked to give its approval to these proposals as set out in the recommendations and in accordance with Standing Order 89.

4.0 Financial Implications

4.1 The total estimated value of the leasehold property insurance contract is £5.5m over 5 years or £1.1m on average per annum, at today's prices. Contract costs will be adjusted accordingly to reflect leasehold property numbers, claims experience and annual indexations to the contract.

4.2 The annual cost of the contract is incurred in the Housing Revenue Account (HRA) and is fully recoverable through service charges to leaseholders,

resulting in a balanced position for the Council.

5.0 Legal Implications

- 5.1 The estimated value of the Contract is above the threshold for Services under the Public Procurement Regulations 2015 (the “PCR 2015”) and the procurement is therefore governed by the PCR 2015.
- 5.2 The procurement is subject to the Council’s own Standing Orders and Financial Regulations in respect of High Value Contracts given the procurement is valued at £5.5m. For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in paragraph 3.3 above (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 5.3 In accordance with Recommendation 2.4, once the tendering process is undertaken, Officers will report to the Corporate Director, Resident Services explaining the process undertaken in tendering the Contract and recommending award.
- 5.4 As this procurement is subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10 calendar day standstill period imposed by the PCR 2015 before the Contract can be awarded. The requirements include notifying all tenderers in writing of the Council’s decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council’s award decision if such challenge is justifiable. However if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the Contract may commence.
- 5.5 Given the nature of the service, the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE 2006) are unlikely to apply to the current proposal
- 5.6 In order to be able to demand service charges of over £100.00 towards the costs of the insurance services from any one leaseholder, the Council must follow a consultation process under Section 20 of the Landlord and Tenant Act 1985 (as amended) (“LTA 1985”) or obtain dispensation from the First-Tier Tribunal (Property Chamber). Officers have concluded that it is more appropriate to pursue a Section 20 consultation process.
- 5.7 Given that this is a Qualifying Long-Term Agreement (QLTA) for the purposes of Section 20 of the LTA 1985, the consultation procedure set out in the Service Charges (Consultation Requirements) (England) Regulations 2003 (“the 2003 Regulations”) must be followed. In light of the value of the contract, Schedule 2 of the 2003 Regulations is applicable and public notice is required to be given via [Find a Tender \(find-tender.service.gov.uk\)](https://find-a-tender.service.gov.uk).

- 5.8 The purpose of the Section 20 consultation procedure is for leaseholders and Recognised Tenants Associations (“RTAs”) to be kept informed at the key stages of the Council’s entering into the new long-term Leasehold Property Insurance contract for Brent, and to permit leaseholders / RTAs to make written observations within stipulated time periods, to which the Council is required to have regard.
- 5.9 In light of the high value of the contract, although leaseholders / RTAs may encourage insurance providers to apply through the online Find a Tender Service, they are not entitled to nominate such providers to the Council directly themselves as part of the consultation process.

6.0 Equality Implications

- 6.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.
- 6.2 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 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 1.
- 6.4 As this paper is seeking to secure a new insurance provider there are no negative equalities implications of this decision. However, as detailed in the Equality Analysis, steps will be taken to ensure the service provider, provision and the tendering process aligns with the Council’s responsibilities within the public sector equality duty.

7.0 Consultation with Ward Members and Stakeholders

Section 20 Leaseholder Consultation

- 7.1 As stated at paragraphs 5.6 - 5.9 above, the Council is required to consult with leaseholders and RTAs prior to entering into QLTA's.
- 7.2 The statutory consultation with the Council's leaseholders and any RTAs will take place in two stages, the dates for which are set out in the timetable at paragraph 3.3 above and consist of:
- First Stage - Notice of Intention
 - Second Stage - Notice of Proposal / Estimates
- 7.3 Both notices are to be completed in accordance with Schedule 2 to the 2003 Regulations.

First Stage

- 7.4 The purpose of the Notice of Intention is for the Council to notify leaseholders and RTAs of its intention to enter into a QLTA for Leasehold Property Insurance, the reasons why this is necessary, the services which will be provided (in general terms), etc and to invite written observations on the same, to which the Council is required to have regard.
- 7.5 The Council is required to have regard to any such observations prior to making any interim authority to award a contract.

Second Stage

- 7.6 The purpose of the Notice of Proposal / Estimates is to provide information about the proposed insurance contract, including the name of every party involved, leaseholders' estimated contributions (if known), etc. The Notice of Proposal / Estimates should also include a copy of the proposal itself, or the option to inspect this, again inviting written observations from leaseholders / RTAs in response to the notice, to which the Council is required to have regard.
- 7.7 The Council is required to have regard to any such observations prior to making a final decision to award the Leasehold Property Insurance contract.

8.0 Human Resources/Property Implications (if appropriate)

- 8.1 This service is currently provided by an external contractor and there are no implications for Council staff arising from retendering the contract.
- 8.2 The contract is to be managed by the Brent Insurance Team

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 There is a 10% evaluation score associated with the social value themes selected. Providers will be asked how they plan to provide social value through this contract.

Report sign off:

Peter Gadsdon

Corporate Director, Resident Services.

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EQUALITY ANALYSIS (EA)

POLICY/PROPOSAL:	Insurance Services Tender
DEPARTMENT:	Finance
TEAM:	Insurance
LEAD OFFICER:	Esther Abe / Janine Nell
DATE:	09 th February 2023

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.

We are carrying out a tender for the provision of Insurance for the council. This is both for the councils stock, assets and staff (General Insurance) and the Councils Leasehold Tenants.

There are various policies to cover different risks. The policies include – Public Liability, Employers Liability, Material Damage, Fidelity Guarantee, Business Travel and Personal Accident.

One of the most important policies is the Employers Liability Act in place to protect employees of the council regardless of age, disability, sex, race, sexual orientation, pregnancy or maternity and marriage. This applies only to the General Insurance Tender.

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

The purpose of insurance is to transfer risks and protect the council.

All staff and members of the public will be affected positively by the procurement of Insurance

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.

No, there is no concern of discrimination of any kind. To mitigate against discrimination within the tendering process or delivery our terms and conditions outline the requirement and expectation of contractors to align with our public sector equality duty responsibilities.

Insurance is in place to protect the councils staff, assets and members of the public. Insurance will protect against injury, personal accident, and other perils such as fire, theft and flood.

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

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

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.

We obtain details of the councils insurance needs from various areas such as HR.

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>For example – All staff are covered under the Employers Liability Act. This policy aims to cover staff from personal injury or death arising from negligence. This will cover them whilst acting in the course of their employment.</p> <p>The policy applies regardless of age, disability, sex, race, sexual orientation, pregnancy or maternity and marriage.</p>
DISABILITY	
Details of impacts identified	As above
RACE	
Details of impacts identified	As above
SEX	

Details of impacts identified	As above
SEXUAL ORIENTATION	
Details of impacts identified	As above
PREGANCY AND MATERNITY	
Details of impacts identified	As above
RELIGION OR BELIEF	
Details of impacts identified	As above
GENDER REASSIGNMENT	
Details of impacts identified	As above
MARRIAGE & CIVIL PARTNERSHIP	
Details of impacts identified	As above

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?

no

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

n/a

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

n/a

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

We will work with the Equalities team during the course of the Tender updating on any changes.

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.

Overall, the Tender should provide sufficient cover and assist the council in mitigating our risks.

SECTION D – RESULT

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

SECTION E - ACTION PLAN


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

Action	Expected outcome	Officer	Completion Date

SECTION F – SIGN OFF

Please ensure this section is signed and dated.

OFFICER:	Esther Abe
REVIEWING OFFICER:	
HEAD OF SERVICE:	Janine Nell

	Cabinet 13 March 2023
	Report from the Corporate Director of Resident Services
Procurement of Mechanical and Electrical Services Works Contracts for Council Housing	

Wards Affected:	All Wards
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:	None
Background Papers¹:	None
Contact Officer(s): (Name, Title, Contact Details)	Giuseppe Coia, Major Works and Refurbishments Manager 07776 665790 Giuseppe.Coia@brent.gov.uk

1.0 Purpose of the Report

- 1.1 The Council is in contract with a number of specialist mechanical and electrical (M&E) contractors. They support the maintenance and repairs, planned maintenance and servicing requirements specifically for mechanical and electrical, and fire safety services in relation to the Council housing stock, to ensure that the Council meets all of the key requirements of regulatory and statutory legislation, in relation to the Council's compliance responsibilities. This is in addition to the standard repairs and maintenance contract currently with Wates.

¹ [Insert a description of relevant background papers. There is a statutory requirement to include a list of those documents relating to the subject matter on which the report is based and which have been relied on to a material extent in preparing the report. These might include previous reports and records of decisions on the same matter. These papers are open to public inspection, unless they contain exempt or confidential information. It is not necessary to make reference to any published works where it is reasonable to expect that a member of the public could make their own arrangements to get a copy of the document.]

- 1.2 The M&E contracts are all coming to an end of their procured term, and thus the Council needs to re-procure the M&E contracts to deliver relevant services and works.
- 1.3 This report requests approval to procure M&E contracts as required by Contract Standing Orders.

2.0 Recommendations

That Cabinet:

- 2.1 Note the M&E contracts detailed in the table at paragraph 3.6 are coming to an end but will be extended. The Council is aiming to procure the new Qualifying Long-Term Agreements within a maximum period of 12 months. The existing contracts will need to all be extended to align with the re-procurement process with new contracts awarded commencing March 2024.
- 2.2 Note that pursuant to delegated powers Officers are procuring a suitably experienced Technical Consultancy that will manage the preparation of the specifications and support the procurement of the new M&E contracts.
- 2.3 Approve inviting tenders for the M&E Contracts detailed in the table at paragraph 3.6.
- 2.4 Delegate authority to the Corporate Director, Residents Services in consultation with the Cabinet Member for Housing, Homelessness & Renters Security to agree pre-tender considerations in respect of the M&E Contracts referred to in recommendation 2.3 above and thereafter evaluate tenders on the basis of agreed evaluation criteria.
- 2.5 Delegate authority to the Corporate Director, Resident Services, in consultation with the Cabinet Member for Housing, Homelessness & Renters Security, to award M&E contracts referred to in Recommendation 2.3 above.
- 2.6 Approve the allocation of £64 Million exclusive of VAT over a period of 10 years from revenue and capital to fund the M&E contracts referred to in recommendation 2.3 above in accordance with the detail set out in paragraph 3.6 of the report.
- 2.7 Note that the Council will undertake consultation with leaseholders and Recognised Tenants Associations ("RTAs") pursuant to Section 20 of the Landlord and Tenant Act 1985 ("LTA 1985") (as amended), as set out in paragraph 7.4.

3.0 Background

- 3.1 The Council has legal responsibilities to maintain the various areas of compliance. Many of these are mechanical and electrical (M&E) services such

as gas and electrical, others are not, such as asbestos, and others are both, such as fire safety.

- 3.2 These services are important for maintaining and protecting our housing stock, and for keeping our residents safe. Therefore, it is essential that these services are maintained.
- 3.3 The scope of service includes maintenance and repairs, planned maintenance and servicing.

Maintenance and Repairs – this is generally a same-day service where there is a complete service failure. The objective is to restore the full service or adequate service (where specialist parts have to be ordered) to ensure that residents can safely access, stay in, and egress their homes. This includes out-of-normal working hours.

Planned Maintenance – this is where components, plant and equipment are nearing the end of their serviceable life. The replacement of the components, plant and equipment are planned in advance so that the work can be undertaken with minimal disruption to residents and the property. This is generally planned for on a yearly basis to coincide with budget allocation.

Servicing – this is the periodic inspection and servicing visits of all mechanical and electrical, health and safety, and fire safety installations. These inspections are undertaken on a fixed schedule which is either weekly, monthly, quarterly, six-monthly, or yearly depending upon the regulatory or statutory requirements. Any immediate or imminent failures identified at the inspection are also resolved, either immediately or as planned maintenance.

- 3.4 The mechanical and electrical contracts performance is monitored with key performance indicators measuring response times, service down-times and customer satisfaction.
- 3.5 Most of the mechanical and electrical, and compliance contracts were procured as long-term contracts approximately ten years ago. They are now reaching the end of their contractual term.
- 3.6 The list of contracts that require tendering is as follows:

Ref	Contract	Estimated Contract Value over the Proposed 10 Year Term
1	Door Entry, CCTV & Automated barriers	£ 1,680,000.00
2	Communal Electrical Contract	£ 4,410,000.00
3	Communal Electrical Contract & Electrical Safety Maintenance	£ 6,510,000.00
4	Lift Contract - Servicing and repairs	£ 4,882,500.00
5	Mobility Lift Contract - Annual servicing and repairs	£ 1,890,000.00
6	Gas Contract - Domestic Gas Servicing and Repairs; Communal Heating Systems	£ 35,700,000.00
7	Water Servicing Contract - External Cold Water Mains from network to building point of Entry	£ 315,000.00
8	Asbestos Consultant Analysts	£ 1,050,000.00
9	Asbestos Removal Contract	£ 2,625,000.00
10	Fire Risk Assessments and Fire Safety Advice	£ 4,725,000.00
	Total	£ 63,787,500.00

4.0 Appointment of the Technical Consultant

- 4.1 In view of the specialist nature of the M&E contracts and the need to procure a large number of High Value Contracts in a limited time, Officers have concluded that they require a Technical Consultant to write the specification for the main M&E contracts and support the procurement. Using delegated powers, Officers are therefore in the process of procuring a Technical Consultant. This is being done through the use of a specialist third party framework operated by Fusion

21. It will take 4 months to write the specification and to agree the procurement strategy.

5.0 Procurement of the Mechanical and Electrical Contracts

- 5.1 The Council is required to maintain its Housing stock to a good standard and comply with all relevant statutory and regulatory requirements. This includes ensuring all M&E services and works are delivered appropriately. Most of these are governed by regulatory and statutory legislation, but the Council also is required to deliver certain services under the Housing Act, tenancy and leasehold agreements, and the like.
- 5.2 In view of the nature of the M&E services and works, it is considered that they are best delivered by specialist contractors.
- 5.3 Officers have considered the various options on how to procure the contracts, including use of the Open and Restricted procedures under the Public Contracts Regulations 2015 as well as the use of frameworks. Officers consider that input from the Technical Consultant will assist with determining which procurement approach is most suitable for individual contracts.
- 5.4 It is possible to procure one or two multi-disciplinary specialist M&E contractors. However, these tend to be very large contractors who have to buy in many of the trades and specialisms that they don't employ. This contributes to longer more difficult communication channels. The contracts are also more difficult to manage. In addition, the contractor operates as a management contractor with additional management overheads.
- 5.5 Whilst there is an attraction to a one-stop shop, the negative aspects far outweigh any benefits that there may be. A one-stop shop contractor arrangement would involve a management contractor employing a number of specialist mechanical and electrical, and fire safety subcontractors. This would create communication and transparency issues as the contact with officers and residents would be much less direct, as there would be an additional one or two layers of management, with associated costs. Issues would take longer to resolve with a potential negative impact on the service and residents. Resolution of issues would take longer as officers would not always be able to deal directly with the specialist contractors as they do now.
- 5.6 The current contracts have operated on an individual specialist basis and have largely been successful. Officers can easily contact the right contractor and person with the contractor's organisation. There is greater transparency regarding service delivery and costs.
- 5.7 It is therefore proposed that there is the procurement with individual specialist contractors similar to the existing contracts.
- 5.8 The contract term is proposed as an initial 5 years with extensions of 2 years, and then three years; a total of 10 years. This provides the best balance with

rewarding good contractor performance, and minimising the time spent reprocurring and extending contracts.

- 5.9 Whilst the above is felt by Officers to offer the best approach to re-procure M&E contracts, Officers consider that input from the Technical Consultant once appointed will assist with recommending the final pre-tender considerations for the procurement of contracts. For that reason, Officers recommend delegating authority to Corporate Director, Residents Services in consultation with the Lead Member for Housing, Homelessness & Renters Security to agree pre-tender considerations in respect of the M&E Contracts.
- 5.10 The new contractors will be expected to use, populate, and update the Council's asset management and compliance systems.
- 5.11 The contracts that require procuring, and their estimated value (NPV) over the proposed 10-year contract term is set out in 3.6 above.
- 5.12 Given the complexity and numbers of M&E contracts being procured, the procurements are likely to take up to 12 months. In order to avoid any delay with award of contracts, Officers seek delegated authority to the Corporate Director, Resident Services, in consultation with the Cabinet Member for Housing, Homelessness & Renters Security, to award M&E contracts.

6.0 Financial Implications

- 6.1 The estimated value of the contract for technical consultancy to support with the re-procurement process is £0.2m and will be funded within existing resources in the Housing Revenue Account (HRA).
- 6.2 The mechanical and electrical servicing and repair works contract over ten-year period is estimated to cost £63.8m (excluding VAT) in the HRA, this works out to be an average spend of £6.38m per annum and is aligned with estimated budget profile in the HRA Business Plan over the long term.
- 6.3 The contracts will consist of providing a responsive service in addition to planned maintenance, there is some risk of encountering overspend, which will require mitigating cost reductions to be identified to offset against in year budget pressures, should the need arise.
- 6.4 Uncertainties in the economic environment and cost inflationary uplifts in the construction industry could potentially impact future budgets, this will be managed as part of the budget setting and monitoring process.
- 6.5 Programmed annual servicing to communal areas will be applicable for service charges to leaseholders. Effective cost recovery will enable ongoing investment in Council housing stock.

7.0 Legal Implications

- 7.1 The proposed procurement of the M&E contracts is collectively and in cases individually above the threshold for contracts for works and also for services under the Public Contract Regulations 2015 (“PCR 2015”). The estimated value of the procurement of the M & E contracts is £63,787,500.
- 7.2 A number of the M & E Contracts listed in the table at paragraph 3.4 are classed as High Value Contracts. For High Value Contracts, Cabinet approval is required for approval to tender, agree pre-tender considerations, evaluate tenders and award contracts. Cabinet approval is sought to procure M&E Contracts, with approval sought to delegate subsequent steps in the procurement to the Corporate Director, Residents Services in consultation with the Lead Member for Housing, Homelessness & Renters Security.
- 7.3 As a number of the M & E contracts are subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10 calendar [day](#) standstill period imposed by the PCR 2015 before the contract can be awarded where an Open or Restricted procurement procedure is used. The requirements include notifying all tenderers in writing of the Council’s decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council’s award decision if such challenge is justifiable. However, if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the contract may commence.
- 7.4 Given that the M & E contracts are Qualifying Long-Term Agreements (“QLTA”s) for the purposes of Section 20 of the LTA 1985 and may cost leaseholders more than £100.00 each in any given accounting period, the Council is required to consult with leaseholders and RTAs under the relevant legislation. The stages and timings of the Section 20 consultation process will be included in any report seeking approval of pre-tender considerations.

8.0 Human Resources/Property Implications

- 8.1 There are no direct implications for council staff arising from the procurement itself of the contracts.

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 will incorporate social value into the specification, award criteria and contract for these Frameworks to ensure that a contribution of 10% of the contract value delivered is made to Brent’s Social Value commitments.

10.0 Equality Implications

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

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

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

10.2 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.

10.3 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.

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

11.0 Consultation with Ward Members and Stakeholders


11.1 The Cabinet Member for Housing, Homelessness & Renters Security has been consulted in regard to this report.

11.2 Ward members will be consulted in regard to the procurement of the M&E contracts.

Report sign off:

Peter Gadsdon

Corporate Director, Resident
Services

 Brent	Cabinet 13 March 2023
	Report from the Strategic Director of Customer and Digital Services
National Non Domestic Rates 2023/24 Retail, Hospitality and Leisure Relief, Supporting Small Business Relief and Transitional Relief Schemes	

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:	Four Appendix 1 The Council's NNDR Discretionary Scheme; 2023/24 Retail, Hospitality and Leisure Relief Scheme Appendix 2 The Council's 2023/24 Supporting Small Business Relief Scheme to 2025/26 Appendix 3 Government Guidance to Local Authorities: Business Rates Relief: 2023/24 Retail, Hospitality and Leisure Scheme - GOV.UK (www.gov.uk) Appendix 4 Government Guidance to Local Authorities: Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance - GOV.UK (www.gov.uk)
Background Papers:	Business Rates Information Letter (7/2022): Business Rates guidance and general information (publishing.service.gov.uk)
Contact Officer(s):	Peter Cosgrove Head of Revenue and Debt 020 8937 3453

	<p>Email: peter.cosgrove@brent.gov.uk</p> <p>Thomas Cattermole Director of Customer Access 020 8937 5446 Email: Thomas.Cattermole@brent.gov.uk</p>
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1.0 Purpose of the Report

- 1.1 The powers to grant local discounts in respect of non-domestic rates are contained within section 47 of the Local Government Finance 1988 as amended by section 69 of the Localism Act 2011. To award discounts under this provision any discount scheme requires Cabinet approval.

- 1.2 This report sets out a discretionary Retail, Hospitality and Leisure Relief Scheme for 2023/24 and a Supporting Small Business Relief scheme for small and medium properties.

No local scheme is required for the Transitional Relief that the government will apply from 1 April 2023.

- 1.3 The Government announced the rate relief for 2023/24 in its autumn statement of 17 November 2022 and published the guidance on 21 December 2022 for the 2023/24 Retail, Hospitality and Leisure Relief Scheme. In addition guidance was also published on the same day regarding the Business Rate Supporting Small Business Relief 2023/24 to 2025/26. In order to award the reliefs set out by Government, the Council needs to approve a discount scheme as described in paragraph 1.1 above. This new scheme will be funded by Government. Relief under this scheme will be utilised after other pre-existing relief schemes have been applied. In view of the numbers of ratepayers who will be entitled to relief, this report also seeks approval to delegate authority to the Corporate Director, Resident Services in consultation with the Corporate Director, Finance and Resources to implement the scheme so that officers and the designated service provider can award these discretionary reliefs where the set criteria are met.

2.0 Recommendation(s)

- 2.1 That Cabinet approves 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 this report and pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988 as amended.
- 2.2 That Cabinet approves the Council's National Non Domestic Rates (NNDR) Discretionary Scheme in relation to the 2023 Supporting Small Business Relief scheme as set out in Appendix 2 of this report and pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988 as amended.

- 2.3 That Cabinet delegates authority to the Corporate Director, Resident Services in consultation with the Corporate Director, Finance and Resources to implement the discretionary schemes as set out in Appendix 1 and Appendix 2 of this report.

3.0 Detail

2023/24 Retail, Hospitality and Leisure Relief Scheme:

- 3.1 The Government announced the rate relief for 2023/24 in its autumn statement of 17 November 2022 and published the guidance on 21 December 2022 for the 2023/24 Retail, Hospitality and Leisure Relief Scheme.
- 3.2 The relief will provide eligible, occupied, retail, hospitality and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business. This is an increase from 50% that the government included in the 2022/23 scheme.
- 3.3 The Government anticipates that local authorities will include details of the relief to be provided to eligible ratepayers for 2023/24 in their bills for the beginning of the billing cycle.
- 3.4 The detailed guidance from the Government regarding this scheme is set out at appendix 3, which can be located in the weblink in section 9 of this report.

2023 Supporting Small Business Relief Scheme

- 3.5 The Government published guidance for the financial years 2023/24 to 2025/26 for the administration of the Supporting Small Business Relief Scheme (SSBR) on 21 December 2022. It was previously expected that the existing scheme would end on 31 March 2023. In its guidance, the Government recommends that billing authorities use their discretionary relief powers, under section 47 of the Local Government Finance Act 1988, to grant relief.
- 3.6 The detailed guidance from the Government regarding this scheme is set out at appendix 4, which can be located in the weblink in section 9 of this report.
- 3.7 The government's Autumn Statement stated that the 2023 Supporting Small Business (SSB) scheme will cap bill increases at £600 per year for any business losing eligibility for some or all Small Business Rate Relief or Rural Rate Relief at the 2023 revaluation. The scheme is intended to run until 2025/26.

4.0 Financial Implications

- 4.1 The financial implications are set out throughout this report, however in summary all grants and reliefs provided to eligible businesses will be reimbursed by Government.

5.0 Legal Implications

- 5.1 Local authorities have powers to grant local discounts in respect of non-domestic rates pursuant to section 47 of the Local Government Finance 1988 as amended by section 69 of the Localism Act 2011.
- 5.2 A billing local authority in England, when making a decision under section 47(3) of the Local Government Finance Act 1988 (as amended), must have regard to any relevant guidance issued by the Secretary of State, which includes the government guidance of December 2022 in relation to the two schemes that are set out in appendices 3 and 4 to this report.

Retail, Hospitality and Leisure Relief Scheme 2023/24

- 5.3 In relation to the Retail Hospitality and Leisure Relief Scheme 2023/24, as this is a temporary measure for 2023/24, the government is not changing the legislation relating to the reliefs available to properties. Instead, the government has stated that it will, in line with the eligibility criteria set out in the government guidance, reimburse local authorities that use their discretionary relief powers under section 47 of the Local Government Finance Act 1988 (as amended) ("LGFA 1988") to grant relief. It will be for individual local billing authorities to adopt a local scheme and determine in each individual case when, having regard to the government's guidance, to grant relief under section 47 of the LGFA 1988. The government has stated that it will fully reimburse billing authorities and major precepting authorities for their loss of income under the rates retention scheme as a result of awarding the relief that falls within the relevant definitions in the government's guidance, using a grant under section 31 of the Local Government Act 2003.
- 5.4 The Retail Hospitality and Leisure Relief Scheme 2023/24 is likely to amount to subsidy. Any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations. To the extent that a local authority is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act 2022 allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a 3-year period (consisting of the 2023/24 year and the 2 previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or Service of Public Economic Interest [SPEI] financial assistance'. Expanded Retail Discount granted in 2021/22 does not count towards the £315,000 allowance but BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted.
- 5.5 Under the cash cap pursuant to the Retail Hospitality and Leisure Relief Scheme, no ratepayer can exceed the £110,000 cash cap across all of their hereditaments in England.

2023 Supporting Small Business Relief Scheme

- 5.6 For 2023/24 to 2025/26, the government will, in line with the eligibility criteria set out in this guidance, reimburse local authorities that use their discretionary

relief powers under section 47 of the Local Government Finance Act 1988 (as amended) ("LGFA 1988"), to grant 2023 Supporting Small Business Relief. It will be for individual local authorities, which administer the 2023 Supporting Small Business Relief, to adopt a local scheme and determine in each individual case when, having regard to this guidance, to grant relief under section 47 of the LGFA 1988. The government has stated that it will reimburse billing authorities and major precepting authorities for the actual cost to them under the rates retention scheme of the 2023 Supporting Small Business Relief that falls within the relevant definitions in the government guidance.

- 5.7 The 2023 Supporting Small Business Relief scheme is likely to amount to a subsidy. Therefore, any relief provided by local authorities under this scheme will need to comply with the UK's domestic and international subsidy control obligations. To the extent that a local authority is seeking to provide relief that falls below the Minimal Financial Assistance (MFA) thresholds, the Subsidy Control Act 2022 allows an economic actor (e.g. a holding company and its subsidiaries) to receive up to £315,000 in a three-year period (consisting of the 2023/24 year and the two previous financial years). MFA subsidies cumulate with each other and with other subsidies that fall within the category of 'Minimal or Service of Public Economic Interest [SPEI] financial assistance'. BEIS COVID-19 business grants and any other subsidies claimed under the Small Amounts of Financial Assistance limit of the Trade and Cooperation Agreement should be counted under the £315,000 allowance.

6.0 Equality Implications

- 6.1 The public sector equality duty requires public bodies to pay due regard to the need to:
- eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010;
 - 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.
- 6.2 The Equality Act 2010 and the Public Sector Equality Duty (outlined above) cover the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation
- 6.3 There are not thought to be any direct equalities implications arising from the report at this stage. Indeed, the schemes will provide help to small businesses with needed financial support. Those businesses awarded grants will be asked to advise us if they fail to meet the State Aid criteria through the application process.

7.0 Consultation with Ward Members and Stakeholders

7.1 The Scheme referred to in this report comes as part of the Government's proposals from its autumn statement and guidance published on 21 December 2022. As such, there has been no consultation as guidance has been issued by the Government on how this scheme should be operated, and the Government expects local authorities to implement it using its section 47 powers.

8.0 Human Resources/Property Implications (if appropriate)

8.1 8.1 None

Report sign off:

Peter Gadsdon

Corporate Director, Resident
Services

APPENDIX 1

NNDR Discretionary Scheme

- i. In respect of the 2023/24 Retail, Hospitality and Leisure Relief Scheme, the Government confirmed the rate relief for 2023/24 in guidance published on 21 December 2022 for the 2023/24 Retail, Hospitality and Leisure Relief Scheme. The Council's discretionary scheme is aligned to the government guidance, including the eligibility criteria, as set out in Part 1 paragraphs 8 to 13 and Part 2 of the government's guidance entitled "Business Rates Relief: 2023/24 Retail, Hospitality and Leisure Scheme".
- ii. The relief will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.

APPENDIX 2

NNDR Discretionary Scheme

2023/24-2025/26 Supporting Small Business Relief Scheme

- i. The Government published guidance on 21 December 2022 in relation to the 2023 Supporting Small Business Relief Scheme. The Council's discretionary scheme is aligned to the government guidance, including the eligibility criteria as set out in Section 2 of the government's guidance entitled "Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance".
- ii. The 2023 Supporting Small Business Rate Relief will cap increases helping those ratepayers who would otherwise face a steeper increase.

APPENDIX 1

NNDR Discretionary Scheme

- i. In respect of the 2023/24 Retail, Hospitality and Leisure Relief Scheme, the Government confirmed the rate relief for 2023/24 in guidance published on 21 December 2022 for the 2023/24 Retail, Hospitality and Leisure Relief Scheme. The Council's discretionary scheme is aligned to the government guidance, including the eligibility criteria, as set out in Part 1 paragraphs 8 to 13 and Part 2 of the government's guidance entitled "Business Rates Relief: 2023/24 Retail, Hospitality and Leisure Scheme".
- ii. The relief will provide eligible, occupied, retail, hospitality, and leisure properties with a 75% relief, up to a cash cap limit of £110,000 per business.

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APPENDIX 2

NNDR Discretionary Scheme

2023/24-2025/26 Supporting Small Business Relief Scheme

- i. The Government published guidance on 21 December 2022 in relation to the 2023 Supporting Small Business Relief Scheme. The Council's discretionary scheme is aligned to the government guidance, including the eligibility criteria as set out in Section 2 of the government's guidance entitled "Business Rates Relief: 2023 Supporting Small Business Relief, local authority guidance".
- ii. The 2023 Supporting Small Business Rate Relief will cap increases helping those ratepayers who would otherwise face a steeper increase.

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	Cabinet 13 March 2023
	Report from the Corporate Director of Communities and Regeneration
Continuing the business rates discount for London Living Wage accredited employers	

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:	Three Appendix A Criteria for Awarding NNDR Discount to Businesses Accredited with Living Wage Foundation Appendix B Current members of the Brent Good Work Standard working group Appendix C London Boroughs ranked by % of below LW jobs
Background Papers:	None
Contact Officer(s):	Ala Uddin Head of Employment, Skills and Enterprise 020 8937 2135 ala.uddin@brent.gov.uk Peter Cosgrove Head of Revenue and Debt 020 8937 3453 Email: peter.cosgrove@brent.gov.uk

1.0 Purpose of the Report

- 1.1 To propose to Cabinet the continuation of the Business Rates Discount for London Living Wage (LLW) accredited employers from 1st April 2023 to 31st March 2026. It should be noted that significant exemptions and rates relief apply to small businesses, those in properties with a low rateable value and those

who do not operate from a premises, which excludes a high number of businesses from rates and therefore this discount¹.

- 1.2 To propose to Cabinet a more diverse range of incentives and support for businesses who are (a) paying the LLW but not accredited with the Foundation and (b) moving toward Living Wage payment. This diversification is required to reflect the needs of the 93% of the Borough's businesses who are micros (with fewer than 10 employees) and have low GVA (gross value added) per business compared to London. A list of incentives is set out at 3.21 and includes options suitable for micros / SMEs who wish to move toward Living Wage Payment. The aim is for a suite of incentives to help the council create a two-way dialogue with its diverse range of businesses, and to reward business on each step of the journey toward LLW payment and accreditation.
- 1.3 Cabinet to recall wider organisational efforts to increase payment of the London Living Wage in Brent since 2013. Campaigning is now focused around the Mayor's 'Good Work Standard' which incorporates fair pay and conditions (including payment of the London Living Wage; £11.95 per/hour); workplace wellbeing, skills and progression and diversity and recruitment.
- 1.4 Cabinet to consider low pay as an equalities issue which disproportionately affects some Brent residents and is experienced by many employees and self-employed business owners alike. Brent's BAME and particularly Black communities are over-represented in self-employment, which likely reflects structural challenges to accessing traditional employment opportunities.
- 1.5 Cabinet to note recent research which shows that while business survival is most prescient at the moment, there is an encouraging level of goodwill from businesses towards paying the Living Wage. This report states that our communications must be informed, sensitive, well targeted and two-way.

2.0 Recommendations for Cabinet

- 2.1 Cabinet to agree to renew the business rates discount for Living Wage Accredited Employers for a further three years and approve the policy at appendix A.
- 2.2 Cabinet to note the proposed dialogue with a broader range of businesses – bearing in mind the nature of Brent's businesses base (see 3.1-3.14). The Good Work Standard Working Group – which represents Brent's diversity of businesses – will inform and drive the campaign, to enable credible business-to-business communication.
- 2.3 Cabinet to note the proposed targeted communications campaign, the council's offer of support for small and micro businesses (see 3.27) and offer priority

¹ c4000 of the borough's c16000 enterprises pay business rates in full. c9000 businesses have a premises. Of those, c9,000 premises c.3,000 are receiving small business rate relief with the majority having zero rate liability as the rateable value is less than £12,000. A further 4,100 are paying the reduced small business multiplier, and 2,000 businesses are receiving the 50% retail rate relief and could be entitled to 75% relief following the announcement of changes in levels announced in the Autumn Statement¹. Many businesses benefit from more than one of these discounts.

spaces to businesses committed to joining Brent's Good Work Standard Business Membership/Network. The suite of incentives will be endorsed by the Good Work Standard Working Group and can be piloted through the network and the council's weekly newsletter which reaches over 13,500 businesses.

3.0 Detail

The economic context in Brent compared to Greater London

- 3.1 The median gross weekly salary in Brent is £678.60 compared to £765.40 in London and £642.20 nationwide. 23.6% earn less than the London Living Wage, as shown at appendix C.
- 3.2 Compared with London, Brent has fewer jobs in the professional, finance and information sectors and more jobs in the health, wholesale, manufacturing, construction and transport sectors.
- 3.3 Only 45 businesses in Brent (less than 1%) are large businesses with over 250 employees according to the most recent data. Of these, most are in Park Royal and Wembley, and other industrial areas where the council has limited reach or capacity for engagement. Historically, many of the bigger businesses in Brent have not needed the support services offered by the council, and include some corporate organisations such as Ikea, and supermarket chains. Key strategic decisions, for example on pay, are usually made at a national level rather than locally. Some are, however, beginning to engage more, attending the annual Jobs Fair and using Brent Works for vacancies.
- 3.4 93% of our businesses are micro-businesses employing 10 or fewer people. Very few small, medium or micro enterprises in the Borough are accredited LLW employers.
- 3.5 In terms of employment, the largest industry sectors are: health (providing 20,000 jobs), retail (12,000 jobs), business administration & support (12,000 jobs), education (11,000 jobs). Together, these sectors make up 23% of businesses in the borough but provide 44% of the jobs.
- 3.6 Brent town centres comprise 3,376 commercial units supporting 25,400 jobs, which is over 20% of all employment in the borough. Recent research states *"many of these businesses are privately owned, some family run operating in areas of Brent categorised as low income, they acknowledge that paying employees the LLW is a good thing, however, the recurring question was affordability in the current climate and what support the borough will provide."*

Background to the business rates discount

- 3.7 To help address low pay as a cause of poverty, the council has taken several measures over the last decade. In 2013, the council sought accreditation to become a LLW council and for the LLW to be applied to Brent's new contracts, subject to Finance, Procurement and Legal advice.

- 3.8 The Economic Development team have encouraged the take up of accredited LLW employers in Brent 2014-2018 through the following methods:
- Writing annually to every business in the borough promoting the scheme and advising of the benefits of paying their employees the London Living Wage at the same time as their business rates bills are sent.
 - Publicising the scheme on the council website, as well as through the Brent Business Newsletter (weekly email publication).
 - Running sector-specific events promoting the London Living Wage.
 - Regulatory Services and Town Centre Managers distributed leaflets about the business rates discount to local businesses.
 - Speaking on the scheme at registered housing providers forums
 - Featuring the scheme in the head teachers' bulletin - a publication that is received by all schools in the borough
 - Annual Living Wage Week events and promotion in November – engaging businesses from across the borough to celebrate the impact paying a Living Wage can have on employees and business resilience.
- 3.9 Once initial accreditations from public sector and charitable organisations were gained, take up was low. A package of training, businesses support, and promotional activity was created to incentivise uptake. The payment made to the LLW Foundation and the process to become officially accredited was seen as a particular barrier, so the council sought to find a way to cover the costs.
- 3.10 In January 2015 Brent became the first local authority to award a Business Rates discount to companies who agreed to pay employees the LLW and became accredited with the Living Wage Foundation. As a majority of businesses in Brent do not pay full business rates, it was intended to support those who do. Cabinet agreed to award a discount of five times the costs of accreditation as a one-off discount where accreditation was complete. The cost of accreditation varies depending on the size and sector of the business; in 2015 the highest tier was £1,000 and the highest discount offered was therefore £5,000. The scheme was reviewed in 2016 and a 3-year extension to the programme was agreed. In 2019 Cabinet approved the continuation of the scheme for a further four years until March 2023. Since its inception, £9,755 of business rates relief has been awarded to 18 business.
- 3.11 In addition to the discount, the council offered promotional support for accredited businesses and sought to celebrate accredited businesses with a photo call with the relevant Cabinet Member. Businesses were offered the opportunity to promote their businesses and news of their accredited status with a short write-up, circulated in Brent's business e-newsletter, which has a subscription of over 13,500 local businesses.
- 3.12 Research from 2022 found that a sample of Brent businesses were unaware of the scheme despite high levels of communication. Officers have noted the lack of interest from local businesses and that the discount is not perceived as a strong or attractive incentive for becoming accredited by the London Living Wage Foundation and paying employees the LLW at a precarious time for businesses. Many Brent businesses fed back that they did not have the resources or written/digital skills needed to apply for LLW accreditation.

- 3.13 Recognising the limitations of focusing only on LLW accreditation, Brent started to focus on the Mayor's Good Work Standard (GWS) as well as LLW payment. In November 2021, Brent launched a three-year campaign to understand the uptake of the GWS and LLW in Brent. This was in part prompted by the recommendations following the Poverty Commission Report, July 2020.
- 3.14 More recently, external researchers identified businesses for a Good Work Standard Working Group, who are representative of the borough in terms of size and sector. It is set up as a task and finish group; there is good-will and engagement and the option to review and continue.

Next steps – incentives package

- 3.15 The local Federation of Small Businesses, when asked for advice on this issue, gave the following response:
- “FSB supports the objectives of the National Living Wage, provided any increases do not impact on employment or investment decisions by businesses and decisions to increase the National Living Wage are taken while considering the wider context of significant business cost increases. The phraseology ‘agree to work towards paying the LLW’ would work better as it provides a carrot approach rather than the stick to a lot of businesses with low profit margins.”*
- 3.16 Therefore, while only LLW accredited businesses will be entitled to the Business Rates Discount, business who agree to work toward meeting the GWS (including payment of a living wage) and join the Good Work Standards Network will have priority access to incentives 2 and 3 listed below.
- 3.17 The working group provides an opportunity to engage on the subject of wages and employer standards in a collaborative and sensitive way, which can influence the tone of our wider communication on the issue. At a meeting in February 2023, the group will feed back on further shaping the incentives package and a business-friendly communications strategy.
- 3.18 This approach could be piloted through a communications campaign, running March – May 2022, which could engage a range of businesses such as:
- Park Royal businesses via The Forge;
 - The Black Business Network;
 - Brent's Business Associations/ groupings of town centre based retailers and services;
 - All recipients of the weekly newsletter.

Incentives package

- 3.19 The UK Shared Prosperity Fund (UKSPF) is the Government's replacement for European Regional Development Fund and Social Fund. It provides £2.6 billion for local investment by March 2025, with all areas of the UK receiving an allocation via a funding formula. London has been allocated £144,444,970 for 2022 to 2025. The GLA has been designated as Lead

Authority in London. Brent's allocation is £3.33m. centred around 3 themes; Community & Places, Supporting Local Business, and People and Skills

- 3.20 Businesses are encouraged to choose **2 of the 3 options** below. It should be noted that funding for business support programmes covered in options 2 and 3 is external and therefore is subject to change as current funding streams come to an end and new ones are sourced

3.21 Incentives

[illegible]

<p>Option 2</p>	<p>Priority access to a comprehensive business support package <i>for businesses with fewer than 9 employees</i></p>	<ul style="list-style-type: none"> - Federation of Small Business membership to support businesses for 2 years, funded through UKSPF. - Business Events planned in the next year for smaller businesses. - Support to win work from the council. Businesses can sign up to the local supplier database online. This allows the council to engage with businesses and promote upcoming contracts. Businesses requiring additional support, such as how to write a successful bid, can sign up to the council's regular 'Doing Business with Brent Webinars'. - Rebel Business School Business start-up training programme - 2-week training course teaching residents the fundamentals of creating and launching a business. In person and virtual options. Two rounds offered in October 2022 and February 2023. This project will be scaled up in 2023/24 using UKSPF funds.
<p>Option 3</p>	<p>Priority access to Brent works recruitment support</p>	<ul style="list-style-type: none"> - Brent Works employment related services helps match local businesses with local talent. Businesses can advertise their vacancies for free on the job site, promote vacancies via a weekly vacancy bulletin, sent to our resident database of over 6000 people, promote job opportunities at events and invite businesses as stall holders at our annual Jobs Fair; undertake brokerage including screenings and assessments of potential candidates. - Brent Works will provide businesses with up-to-date information about schemes and initiatives that businesses can access under the Apprenticeship Levy Transfer Scheme which can lead to savings for businesses as training costs are covered for apprentices. - Support with Disability Confident accreditation: officers and partners will

		help and guide businesses through the accreditation process and provide appropriate training and development to reach level 3 (final stage).
Plus	All GWS and LLW employers are encouraged to apply for our “best employer” award in our Annual Small Business Awards: Winners are promoted through council channels and in our Shop Local campaign.	

4.0 Alternative Options Considered

- 4.1 Discontinuing the business rates scheme.
- 4.2 Discontinuing our efforts to maximise Living Wage payment due to the challenging economic circumstances in which businesses are operating.
- 4.3 Continuing to focus on incentivising Living Wage Foundation accreditation rather than simultaneously incorporating the wider Good Work Standards and expanding our reach to businesses who are paying the LLW but not do wish to pay fees to the Living Wage Foundation or complete the accreditation process.
- 4.4 Continue to incentivise only those paying the LLW rather than those working towards it.

5.0 Financial Implications

- 5.1 The cost of Business Rates Discount is shared across the Collection Fund recipients, with Brent Council’s share being 30% of any discount, the Greater London Authority’s share being 37%, and central government’s 33%.
- 5.2 The provision of a Business Rates Discount for newly accredited London Living Wage employers would result in a reduction in Business Rates income to the Brent Collection Fund of up to a maximum of £15k per accredited employer (£4.5k cost to Brent Council, i.e. 30% of £15k). Any discount is made as a one-off for one year only.
- 5.3 It should be noted that only 18 businesses have benefitted from the scheme.
- 5.4 Funding for the business support programmes outlined above are from external sources and each programme will only be provided while the funding streams are available. New business support programmes may replace these options as new funding becomes available. Therefore, there is a zero net financial impact on Brent Council from the provision of the business support programmes detailed in Options 2 and 3. The service believes it has sufficient funding to meet demand, if demand is much greater than expected then access to the scheme may have to be capped, or additional funding may need to be found.

6.0 Legal Implications

- 6.1 The liability for Business Rates is set out in the Local Government Finance Act 1988. Section 47, as amended by section 69 of the Localism Act 2011, gives

local authorities the power to grant discretionary business rate relief subject to the condition that the local authority may only grant the relief if satisfied that it would be reasonable to do so having regard to the interests of council taxpayers in its area. Therefore, Cabinet will need to consider whether the proposal in relation to the business rate relief as set out in the recommendations in **paragraph 3.27** of this report is reasonable having regard to the interests of those persons who are liable to pay council tax that is set by Brent Council.

6.2 Since January 2023, entitlement to a local discount award is subject to control under the Subsidy Control Act 2022. This is the regime that has replaced State Aid controls which were the means by which the European Union regulated state funded support to businesses, and the subsequent arrangements under the Trade and Cooperation Agreement with the EU.

6.3 **Under the new regime Minimal Financial Assistance (MFA)** allows public authorities to award low value subsidies. To rely on MFA, no recipient can receive more than £315,000 over the “applicable period”. The applicable period is the elapsed part of the current financial year (i.e., from 1 April), and (ii) the two financial years immediately preceding the current financial year. Officers will need to familiarise themselves with the terms of this new allowance when considering whether to award a discount”

7.0 Equality Implications

7.1 The driving principle of this proposal is that the needs of Brent residents on low incomes must be considered and a nuanced response is needed, which promotes the significant benefits of living wage payment while recognising the lived experience of many employers in Brent who are on low incomes themselves. It is for this reason that we propose using inclusive and sympathetic language toward small and micro businesses with lower turnover, high levels of consultation and collaboration with businesses and a range of incentives that speak to a more diverse range of business people in Brent.

8.0 Any Other Implications (HR, Property, Environmental Sustainability - where necessary)

8.1 Funding secured for one year for a role through the Borough Plan funding to support the take up of the Good Work Standards.

9.0 Proposed Consultation with Ward Members and Stakeholders

9.1 This has been discussed with the Lead Member.

Report sign off:

Zahur Khan

Corporate Director Communities
and Regeneration

Appendix A: Criteria for Awarding NNDR Discount to Businesses Accredited with Living Wage Foundation

1. The scheme will apply to all employers who occupy a non-domestic property within Brent Council's area and are liable for the payment of Business Rates.
2. A business must become accredited with the Living Wage Foundation (the Foundation) i.e., have a signed accreditation license agreement in order to be considered for the rates discount.
3. Email confirmation of accreditation with the Foundation will be conclusive proof and the accreditation fee charged by the LWF will be evidence of the size of the organisation.
4. A business must become accredited by 31st December 2023 in order to be entitled to the rates discount.
5. A discount equivalent to 5 times the accreditation cost up to a maximum of £15,000 will be credited to eligible organisations' NNDR account.
6. The discount is a one-off award from the NNDR account. Where the organisation occupies more than one property in Brent only one award will be made. The organisation can elect which account the discount should be applied to.
7. Entitlement to the discount is subject to control under the Subsidy Control Act 2022, which replaces 'State Aid' legislation.
8. National / multi-national companies with branches or offices in Brent will not be entitled to apply unless they are headquartered in the borough. If they are liable for more than one property in the council's area they will only be entitled to one discount.

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Appendix B – Current members of the Brent Good Work Standard working group


Name of Organisation
Wates
Financial Harmony
Cleshar
Garden Studios
Network Homes
Veolia
London Designer Outlet
Chop Chop London
HS2, SCS Railways, BBVS
Forward Trust
Young Brent Foundation

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Appendix C - London Boroughs ranked by % of below LW jobs

London Borough	% of below LW jobs 2021	No of below LW jobs 2021
1. Bexley	40.7%	23,000
2. Enfield	34.8%	28,000
3. Harrow	34.2%	18,000
4. Sutton	33.5%	22,000
5. Havering	32.3%	22,000
6. Redbridge	31.9%	14,000
7. Haringey	28.1%	18,000
8. Waltham Forest	28.0%	14,000
9. Bromley	27.7%	26,000
10. Barnet	27.3%	26,000
11. Barking & Dagenham	26.9%	12,000
12. Ealing	26.0%	30,000
13. Hillingdon	24.9%	32,000
14. Croydon	24.4%	26,000
15. Lambeth	23.6%	16,000
16. Brent	23.6%	23,000
17. Merton	23.6%	34,000
18. Wandsworth	22.2%	20,000
19. Hounslow	21.0%	20,000
20. Kensington & Chelsea	20.9%	17,000
21. Hackney	20.5%	14,000
22. Lewisham	20.5%	19,000
23. Greenwich	19.5%	14,000
24. Newham	18.1%	16,000
25. Richmond upon Thames	16.7%	11,000
26. Kingston upon Thames	15.7%	14,000
27. Westminster	11.6%	56,000
28. Islington	10.9%	19,000
29. Hammersmith & Fulham	10.7%	10,000
30. Southwark	10.4%	23,000
31. Camden	10.1%	28,000
32. Tower Hamlets	7.1%	17,000
33. City of London	3.8%	18,000

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	Cabinet 13 March 2023
	Report from the Corporate Director, Communities and Regeneration
2022/23 Quarter 3 (October – December) Performance Report	

Wards Affected:	All
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
No. of Appendices:	One Appendix A Corporate Performance Scorecard
Background Papers:	None
Contact Officer(s): <small>(Name, Title, Contact Details)</small>	Janet Latinwo Head of Strategy and Partnerships 020 8937 4104 janet.latinwo@brent.gov.uk Tom Pickup Policy, Partnerships and Scrutiny Manager tom.pickup@brent.gov.uk Chatan Popat – Strategy Lead – Performance 020 8937 5068 chatan.popat@brent.gov.uk

1.0 Purpose of the Report

- 1.1 This report and the performance scorecard (**Appendix A**) set out the position on the Council's performance in the third quarter of 2022/23. The content and format of the report and scorecard have been constructed to focus primarily on the Council's Borough Plan: Building a Better Brent, and its priorities.

- 1.2 This report will provide Cabinet with a corporate overview of performance in key Borough Plan priority areas, to support informed decision-making and to manage performance effectively.
- 1.3 The Borough Plan: Building a Better Brent refresh was agreed by Full Council in February 2021. This refresh updated the Borough Plan 2019-23. It provides a strategic picture of where the Council would like to be by 2023 and how it intends to get there. The Borough Plan has five overarching strategic priorities, each with detailed desired outcomes. To assist in the delivery of these outcomes, specific key activities have been identified - these are known as annual Delivery Plan Priorities.
- 1.4 The five priorities set out in the Borough Plan and their desired outcomes are as follows:
- Every opportunity to succeed:
 - Improvement in Key Stage results for boys of Black Caribbean heritage, looked-after children and care leavers
 - High-level skills achievement
 - Increase in average wage
 - Increased opportunities for children and young people to succeed
 - A future built for everyone, an economy fit for all:
 - Increased levels of labour market participation and training support
 - Increase in inward investment achieved via the council
 - Adopt our new Local Plan, setting out our vision, priorities and areas for future development in the Borough.
 - Increase in housing supply
 - Reduction in the number of households in temporary accommodation
 - Reduction in number of people who are homeless in the Borough and effective support for those who are homeless
 - Keep traffic moving and our roads and pavements in good repair
 - A cleaner, more considerate Brent:
 - Considerable and measurable progress made in reaching net zero carbon emissions, improving air quality and reducing fuel poverty
 - A cleaner more attractive borough
 - A borough where we can all feel safe, secure, happy and healthy:
 - Reduction in anti-social behaviour, the risk of harm and re-offending
 - Reduction in violent crime, including gang and knife crime
 - Support our most vulnerable adults, enabling them to choose and control the services they receive, to remain independent and lead active lives
 - Improve the health of Brent residents and reduce health inequalities
 - Make Brent a place where culture is celebrated and vibrant
 - Strong foundations:
 - Address digital exclusion and enable residents to get online
 - Making every pound count
 - Building services around residents and their needs

- Increase in resident satisfaction
 - Increase in resident involvement
- 1.5 The Corporate Performance Scorecard (Appendix A) sets out the suite of key performance indicators (KPIs) being monitored corporately.
- 1.6 Where data is not provided, the following apply:
- The measure is annual
 - The data is not yet available due to seasonal services and data collection
 - The data has not yet been released by a partner organisation e.g., NHS, Met Police etc.

2.0 Recommendations for Cabinet

- 2.1 Cabinet has been asked to:
- a. Note the performance information contained in the performance report.
 - b. Consider the current and future strategic risks associated with the information provided and agree remedial actions on strategic risks as appropriate.
 - c. Challenge progress with responsible officers as necessary.

3.0 Detail

The Policy and Performance Framework

- 3.1 A new performance framework has been developed for 2021/22 and 2022/23 that sets out how the council will manage its performance. The new framework ensures focus on delivering improved outcomes by driving improvement throughout the organisation. The performance framework covers:
- Tier 1 – the Borough Plan and delivery plan (refreshed)
- Tier 2 – key corporate strategies and plans: Black Community Action Plan, Equality Strategy, Poverty Commission, Climate Emergency Strategy and Joint Health and Wellbeing Strategy.
- 3.2 The framework has been developed with a number of principles in mind:
- There should be a clear golden thread from the Borough Plan to front line delivery
 - The Borough Plan and key strategies/plans are interlinked and cross-referenced
 - Performance measures must be proportionate and meaningful and include the use of 'journey' indicators to demonstrate progression.
- 3.3 Following a recommendation from our external auditors, we've now added Direction of Travel indicators to the reporting profile. These are for indicators which receive a Red, Amber or Green RAG rating, and show whether performance in this quarter was better or worse than in the preceding quarter.

- 3.4 The Corporate Performance Team are in the process of launching the annual Service Planning and KPI refresh exercises for 2023-24. The aim is to have Service Plans and a new suite of KPIs for corporate reporting finalised and approved by the end of May 2023.

Borough Plan indicators

- 3.5 Overall, there are currently 51 Borough Plan key indicators in the Q3 performance scorecard. The number of Red ratings has reduced from 17 in Q2 to 15 in Q3 (Borough Plan measures only).
- 3.6 KPIs are rated Red, Amber or Green depending on their performance:
- Green KPIs have met or exceeded their target
 - Amber KPIs are between 0.01% and 5% outside of their target
 - Red KPIs are 5% or greater outside of their target

Of the 51 Borough Plan indicators for Q3:

- 22 are on or above target (Green)
- 1 is just off target (Amber)
- 15 off target (Red)
- 13 provide contextual information

Internal business performance indicators

- 3.7 An additional 7 internal business indicators are included in the corporate performance scorecard.
- 5 are on or above target (Green)
 - 1 is just off target (Amber)
 - 1 off target (Red)
- 3.8 A summary of performance is outlined in the following sections. Targets set for some measures are more ambitious than statutory recommendations.

Every opportunity to succeed

Red KPIs

- 3.9 74.6% of Looked After Children are in education, employment or training (EET) (Year 12 and 13). This measure is Red against a target of 80%; this equates to 100 LAC who are EET compared to 107 target and is an improvement in performance from Q2. Of the 134 young people in this cohort, 34 young people are NEET or awaiting confirmation of enrolment in education, employment or training. Work is ongoing with partners, including Prospects, to support young people into post-16 provision. Ensuring children and young people engage in education, training and employment is one of the priorities of Children and Young People Department and was a key focus at the Children and Young People staff conference in December 2022.

- 3.10 The percentage of care leavers (19 - 21-year-olds) in education, employment or training (EET) is 54%, slightly below the 57% target (Red RAG rating). Figures have improved from 50% in Q2 to 61% in Q3. Of the young people who are EET, a couple of young people are parents and so are not working and one young person is in custody. The majority are actively looking for work and are being supported by Prospects, who continue to undertake targeted work with young people who are NEET alongside Personal Advisers. Brent Works continues to support the Leaving Care team to help Care leavers secure education and training opportunities by supporting the Care Leaver Covenant, for example signing up local employers.
- 3.11 There were 111 employment and apprenticeship outcomes from Brent Works to the end of Q3 (target – 150, Red RAG rating). Performance has improved in Q3 with 48 outcomes, compared to 47 in Q2 and only 16 in Q1 when performance was greatly impacted by staff vacancies. The expectation is that the end of year target will be met.

Amber, Green and Contextual KPIs

- 3.12 The number of students enrolled on Brent Start courses at the end of Q3 has again performed well with 4,026 positive outcomes against a target of 4,000. Outcomes were delivered through Adult Skills learning and the remainder through Community learning and non-funded learning schemes.
- 3.13 26 local apprenticeships or work experience opportunities for disadvantaged groups and young people through SVEPP (Social Value and Ethical Procurement Policy) have been secured by the end of Q3 giving this measure a Green rating. The Procurement team continue to work with directorates and delivery partners to ensure placements or apprenticeship opportunities consider social value as an additional benefit when procuring.

A future built for everyone, an economy fit for all

Red KPIs

- 3.14 The average re-let time is 252 days for major voids (target – 72, Red rating) and 135 for minor voids (target – 36, Red rating). Performance for both measures has dipped further in Q3 from Q2. These measures have now been Red rated for seven quarters in a row. The dip in performance has been attributed to the impact of a high turnover of both staff and management, meaning the consistent leadership we hoped to have at this stage of the year has not materialised. Several actions have now been confirmed by Housing to ensure there is a turnaround in Voids performance in the coming months. The CRM system is currently being updated to provide visibility to managers for their direct reports outstanding actions. Housing and Void & Lettings (V&L) teams are working with the transformation project team to carry out user acceptance testing (UAT) to ensure system does what we want it to do. Homes and Communities have resumed pre termination inspections. The purpose of the visits is to inspect the condition of the property and to remind the resident of their responsibilities and obligations when a tenancy is terminated. Housing

officers will ensure that V&L teams are provided with communal door key or fob for all void properties with a communal front entrance door. Housing management will resume ending tenancies, liaising with Rents to end the rent account and notify the Allocation Team so they can start the nomination and verification process. The department are engaging with British Gas and subject to signing contracts, will replace Energy Angels as our preferred partner in managing energy during the void period. This will cut out the 'middle person' and enable the team to provide energy for contractors to carry out works to empty homes and this will improve void turnaround time, particularly when there is debt on a meter. An away day has been arranged for 17th March 2023 to discuss the impact of void performance on the HRA encouraging Housing Neighbourhoods and Property Services to work collegiately and find solutions to improve performance. A void repairs masterclass is being delivered by HQN on 22/23 March for all officers involved in the Voids and Lettings process.

- 3.15 23 homes have been purchased by i4B against a target of 45, making this KPI Red. Due to market conditions i4B has suspended private rented sector purchasing for 2022/23. It is anticipated that total purchased properties for this year will be 30, and i4B will review re-entering the market in 2023-24. As purchasing has now been suspended for the remainder of the year, it is recommended that they year-end target for this measure is adjusted to reflect this decision.
- 3.16 The percentage of Cat 2 defects repaired on time is Red RAG rated for Q3, with a year-to-date overall performance of 73.4% (Target – 90%). Performance has improved this quarter, with Q3 scoring 76% compared to 69% in Q2. The inclement weather in November and December impacted the delivery of some rectification works. A catch-up plan will be discussed with the contractor to complete the outstanding works at the next contract management meeting.

Amber, Green and Contextual KPIs

- 3,17 Both measures for the percentage of properties having a valid gas certificate and percentage of properties with a valid Fire Risk assessment have achieved their 100% targets and are rated Green.
- 3,18 60.3% of homelessness this year has been prevented or relieved. This is currently made difficult due to the contraction of affordable accommodation being available in the private rented sector. A high level of performance has been achieved by continuing to engage with households who are threatened with homelessness at the earliest possible stage. A review of the single homeless service is currently being done to design a more holistic approach to meeting the needs of single homeless people in Brent.
- 3.19 There are 1,766 households in temporary accommodation against a target of 2,000; although this KPI is rated Green, this is an increase on the 1,705 households seen in the last quarter. This increase is common across London and is being driven by a combination of an increase in demand, due to the cost of living crisis, as well as a contraction in affordable accommodation being available in the private rented sector, used to prevent and relieve

homelessness.

- 3.20 4,515 Houses of Multiple Occupation are licensed within the borough (Target – 4,400, Green rating). Brent continues to outperform all other London Boroughs and this has been affirmed by the Local Authority Housing Statistics who have stated Brent has successfully licenced more Mandatory HMOs than any other London borough. The licencing of HMOs is complemented by a robust approach to enforcement.
- 3.21 The number of empty properties refurbished and brought back in to use within the borough at the end of Q3 is 52, above the 50 target and rated Green and an increase of 30 in comparison to the end of Q2. The target is very challenging and it is anticipated that some of larger grant aided schemes may not be completed by the end of Q4; this is out of the council's hands as the contracts are privately run.
- 3.22 The three Employment & Skills indicators for this priority are rated Green, with 1,355 students participating in Brent ESOL classes (target – 1,200), 38 residents in employment following participation in Moving On Up (target – 31), and 33 employment outcomes in growth sectors (target – 1). The service continues to report positive numbers as it has done throughout the year.
- 3.23 To date there has been a lower than expected number of new council homes completed, with 20 completed for Q3 (Contextual). Delays are due to labour and supply shortages, which have increased the build times. A further 139 homes are due for handover in quarter 4 and are on track to complete by March 2023. In terms of homes completed by external providers, 543 homes have been delivered to date with a further 382 due for handover this financial year. The council is on track to achieve the overall target of 5,000 new affordable homes in the borough.
- 3.24 £16,925,332 has now been collected in CIL. (Contextual measure). This figure is Brent CIL only and does not include Mayoral CIL collected by Brent but sent to TfL. Brent CIL is split by 80% SCIL, 15% NCIL & 5% CIL Admin.

A cleaner, more considerate Brent

Amber, Green and Contextual KPIs

- 3.25 An average of 313.2 kilograms of residual household waste was collected per household at the end of Q3, against a target of 360kg rating this indicator Green. There has been a small reduction (2kg) in the kilograms of waste collected per household when compared to Q2. There has also been a significant reduction in kilograms per household when compared to the same period last year (408kgs), equating to a reduction of 25%. The decrease seen in 2022/23 is largely in line with the trend we have seen since the easing of Covid 19 restrictions and a return to "normal" life.
- 3.26 £305,708 has been spent so far this year on energy efficiency works to pilot properties (Contextual). Works were undertaken on three properties: one

tenanted and two void. BHM intend to carry out further energy efficiency works with the aid of the Green Homes Grant (GHG) and the Social Housing Decarbonisation Fund (SHDF).

- 3.27 1,971 of waste cases that were investigated have led to enforcement action (Contextual). There has been a decline of cases in Q3 (566) compared to Q1 and Q2 (809 and 596 respectively).

A borough where we can all feel safe, secure, happy and healthy

Red KPIs

- 3.28 There have been 186 Early Help Assessments and reviews completed per 10,000 children, against a target of 265 making this KPI Red. There has been a 56% increase in the number of children supported by the Family Wellbeing Centre triage system between March and December 2022 (1,318 children) compared to 845 children in the full 2021/22 financial year. Effective use of this triage system means that not all families who contact a Family Wellbeing Centre require an Early Help Assessment. Permanent and interim recruitment continues to be prioritised with additional capacity in place from January 2023 (two permanent appointments and one agency worker) to undertake Early Help Assessments and Reviews.
- 3.29 14% of Looked After Children have had three or more placement moves (Target – 12%, Red rating). The number for this measure remains at the same level as it was at the end of Q2. Brent's care population is older than the England average and older children often present with greater vulnerabilities putting pressure on care placements. Placement stability remains a focus of the Corporate Parenting Committee. Monthly placement stability meetings, chaired by a Service Manager, and a dashboard are used to track children and young people with two moves who may be at risk of a third move to identify actions that would support placement stability.
- 3.30 Children becoming the subject of a Child Protection Plan for a second or subsequent time is at 14.5% (Target – 12%, Red rating) and highlights a further decline in performance from Q2. This reflects the complexity of children's needs. Child Protection Advisors continue to closely monitor the effectiveness of CP plans to work to reduce the length of time children are on plans, as well as holding midway reviews between conferences.
- 3.31 At the end of Q3 there have been 132 new admissions to residential & nursing care homes for people aged 65+ against a target of 113, so remains as a Red measure. However, it should be noted this is an ambitious target, and Brent continues to outperform London and National benchmarks in terms of minimising the number of people who are admitted to care homes. And we continue to find new ways to support people to live in their own homes. The Council has been piloting a new night care service during the winter to enable more people to go home after a hospital stay and although Brent's extra care services are full, Brent Council's first custom built extra care scheme, Honeypot Lane, will be opening in March 2023. These initiatives and other provide new

capacity and alternatives to care home placements and should ensure we can bring the measure back in line with target.

- 3.32 57.1% of new birth visits this year have taken place within 14 days against a target of 95%, making this contractual KPI Red. However, performance has improved and the statutory requirement for timely NBVs is now being met with 98% of visits having taken place within 30 days. Timely NBV has been identified as a key risk for the Brent Borough Based Partnership and considered by the Executive and Board. Close attention to this has resulted in an improvement in performance such that in Q3 75% of NBVs took place within 14 days. Poor performance is a direct result of difficulties in recruiting and retaining health visitors in the face of a national shortage. Therefore, health visitors are a priority group for the Brent Recruitment & Retention work stream. Staffing levels have increased to 14.23 WTE and 2.2 WTE agency staff with the provider introducing skill mix models of practice. A multiagency group has been convened to identify and mitigate system risks consequent on the shortage of health visitors. The team continue to prioritise NBVs to ensure that the most vulnerable are visited first.

Amber, Green and Contextual KPIs

- 3.33 The percentage of successful completions as a proportion of all opiate drug users in treatment is 7.2% (Target – 5%, Green RAG rating). Clinical interventions, including secondary prescribing continue to operate effectively in order to ensure that services remain accessible and clinically safe.
- 3.35 The reoffending rate of young offenders per cohort is 33% against a 50% target, making this KPI Green. This reflects the support provided to young people by the Youth Offending Service. The Youth Justice Service Management Board regularly review and scrutinise performance.
- 3.36 There are 478.9 referrals per 10,000 children to CYP (Contextual). The rate has continued to increase, reflecting high demand for children's social care services. Brent Family Front Door Service Managers and the Head of Service are monitoring referral patterns on a weekly basis to ensure appropriate response as required to any fluctuations.
- 3.37 The total number of wet, dry or virtual visits to leisure centres has performed well, with 1,104,404 visits against a 1,021,962 target (Green rating). There were a reduced number of visits for swimming which fell 7,140 visits behind target across all centres, but this is mostly due to the reduced opening hours over Christmas.
- 3.38 There were 655,578 loans of physical and electronic stock from the libraries including Housebound service against a target of 619,268 (Green rating). October saw the greatest number of loans this financial year as over 81,000 items were borrowed. This was due to Maths on Toast live and in person sessions, STEM workshops, special Christmas, Planet Earth Week and Black History Rhyme times' (U5s) Sessions, regular/author class visits and ESOL classes held at various libraires. U5s attendance has shown a big jump across

all libraries and is proving to be most successful event in terms of number of customers attending. Post-Covid recovery has been much quicker than originally forecast, despite the temporary closure of Harlesden Library since August and shorter opening hours for all libraries compared to 2019. It is anticipated that Q4 performance will also be strong due to the broad programme of events as well as the libraries functioning as a 'Warm space', increasing footfall.

Strong foundations

Amber, Green and Contextual KPIs

- 3.39 Current rent collected as a percentage of rent due is at 97.5% against a target of 101%, making this KPI Amber. The collection rate is being impacted by the cost of living crisis but work is underway to ensure residents adopt a 'rent first' attitude, meaning that they sustain their tenancies. Holistic support is also available to help residents manage their finances.
- 3.40 12,091 residents have accessed Community Hubs to the end of Q3; this is against a target of 9,375 (Green RAG rating). Q3 itself saw 3,564 residents, a fall from the high of 4,410 in Q2. This follows expected seasonal behaviour from previous years, with cold weather being a contributing factor. More outreach provision is being explored across a number of different settings in the coming year, as well as additional Cost of Living support promotional materials. Food banks saw a similar decline in Q3, with 824 referrals taking us to 2,875 in the year to date. The emergence of more food support through small community kitchens and warm spaces may explain the reduction in referrals to the major foodbanks.
- 3.41 2,875 referrals to food banks have been made through Brent Hubs so far this year (Contextual). This measure continues to show the reliance on food banks and shows a direct link to the current cost of living issues impacting the community.
- 3.42 Revenue income secured from our commercial portfolio is at £2,236,247 at the end of Q3 against a target of £2,326,247 giving this measure a Green rating. Annual charges and ground rent charges are raised at different times during the year, so there are variations in quarterly year-to-date numbers. Overall, it is anticipated that the year-end figure will be very close to the target set for this year.
- 3.43 135 residents have attended Brent Connects meetings this quarter (Contextual). Further meetings are due to be held in January and March.

Internal Business

Red KPIs

- 3.44 65.8% (year to date) of staff have completed mandatory online Information Governance courses within one month of becoming due, well below the 90%

target (Red). However, performance has improved significantly from Q2, increasing from 60.4% to 75.5% of completions in Q3.

Amber, Green and Contextual KPIs

- 3.45 Collection of Non-Domestic Business Rates (NNDR) is rated Amber, with a YTD actual of 77.8% against a 79.5% target. Even though the target has been slightly missed, business rates collection is generally on track in comparison to earlier in the year. However, it is clear many businesses continue to struggle particularly following this year's increase in energy costs, and there is a possibility that the year-end target remains at risk.
- 3.46 The Council Tax collection rate 78.8% against a target of 76.9% and is rated Green. August and November saw around £7m credited to council tax accounts. As only around half was refunded the remainder is helping to boost collection, pushing it above target. Over 70,000 accounts are now paying by Direct Debit, an over 18% increase since 2021.
- 3.47 The average days taken to process new benefit claims and change events continues to be rated Green in Q3 with an actual of 11.8 days against a 14 day target. Although processing days have been impacted due to IT issues with Dynamics and IEG forms, temporary checkpoints and manual workarounds have been put in place to avoid non-performance and it is anticipated performance will improve further in Q4.

4.0 Financial Implications

- 4.1 None

5.0 Legal Implications

- 5.1 In Table 3 of Part 3 of the council's constitution, it states that the Cabinet is responsible for formulating and preparing a sustainable community strategy and then submitting the same to Full Council for consideration and adoption or approval. The Sustainable Community Strategy constitutes part of the council's Policy Framework. The Council's Borough Plan, which is its current sustainable community strategy, was agreed by Full Council in 2019.

6.0 Equality Implications

- 6.1 There are no direct diversity implications. However, the report includes performance measures related to the council's diversity objectives and is part of the framework for ensuring delivery of these key outcomes. Service areas have the responsibility for managing the delivery and performance of their services. Therefore, the service area would also need to consider if a variation in performance could lead to equality implications at a service level.

7.0 Consultation with Ward Members and Stakeholders

- 7.1 Not applicable.

8.0 Human Resources/Property Implications (if appropriate)

8.1 None.

Report sign off:

Zahur Khan

Corporate
Communities
Regeneration

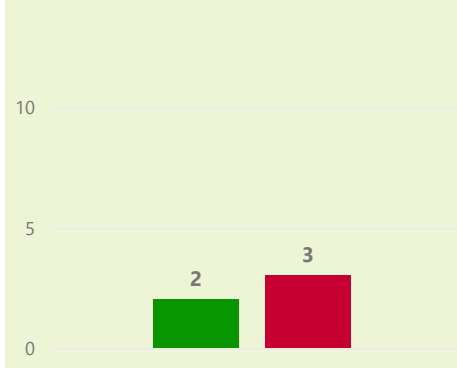
Director,
and

Corporate Performance Report Q3 2022-23

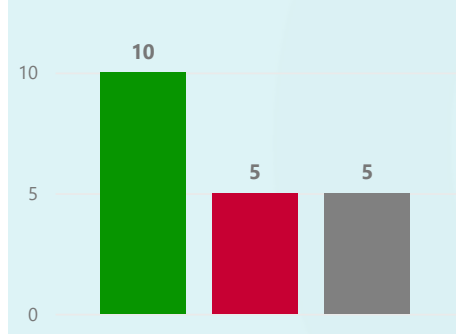
Indicators by RAG Rating



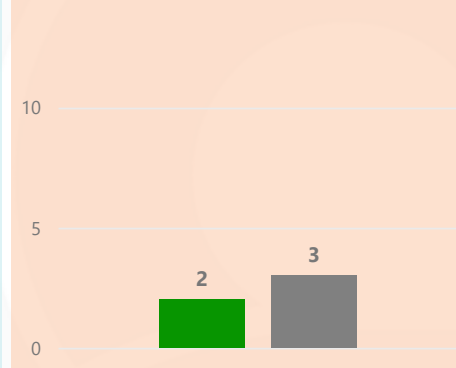
Every opportunity to succeed



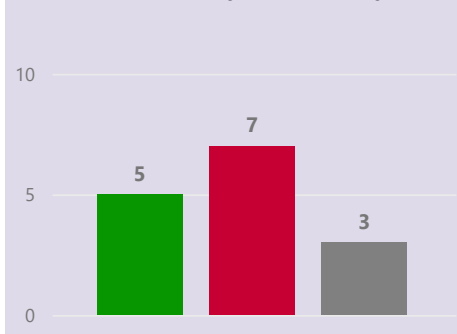
A future built for everyone, an economy fit for all



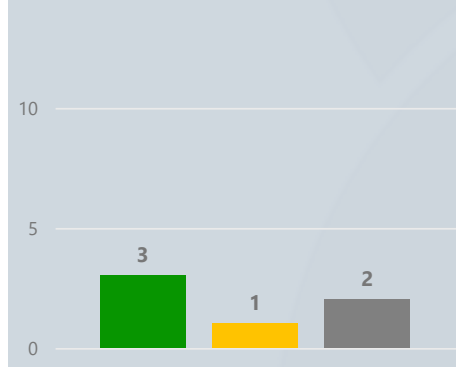
A cleaner, more considerate Brent



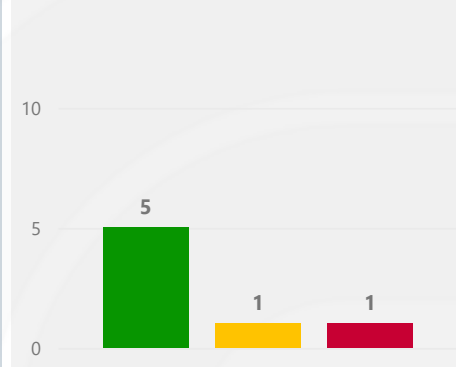
A borough where we can all feel safe, secure, happy and healthy



Strong foundations



Internal business



Key for Performance Rating

Unless otherwise defined, performance information is assessed using the following tolerances to give a RAG rating:

Green – At target or exceeding target

Amber – 0.01% - 5% outside target

Red – Greater than 5% outside target,

Contextual – No target set

n/a – Data not available

▲ – Performance better than preceding quarter

➡ – Performance the same as preceding quarter

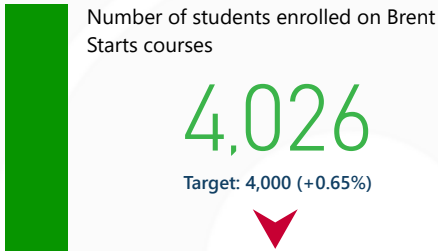
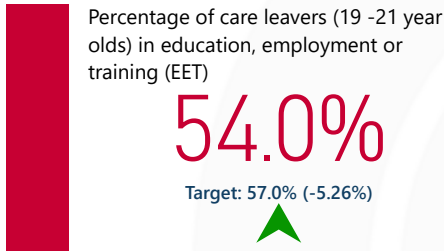
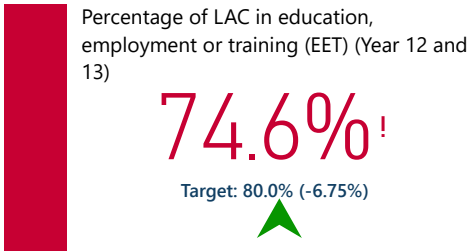
▼ – Performance worse than preceding quarter

Count of Red Ratings for Borough Plan KPIs by Department

Department	Q2 2022-23	Q3 2022-23	Trajectory
Adult Social Care and Health	3	3	➡
Children and Young People	6	6	➡
Communities and Regeneration	2	1	↓
Finance and Resources	0	0	➡
Governance	0	0	➡
Resident Services	6	5	↓

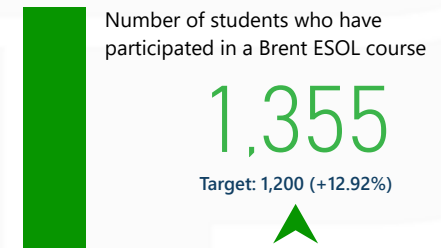
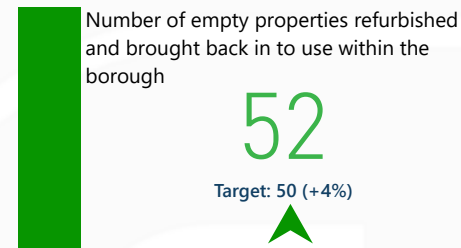
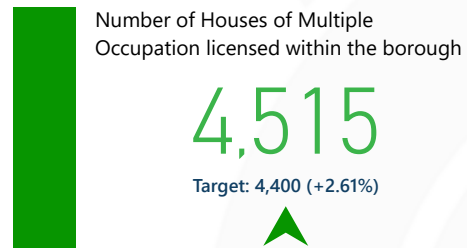
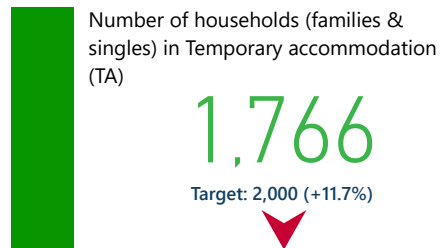
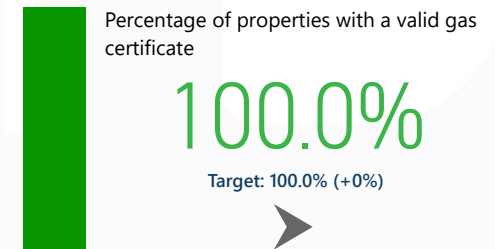
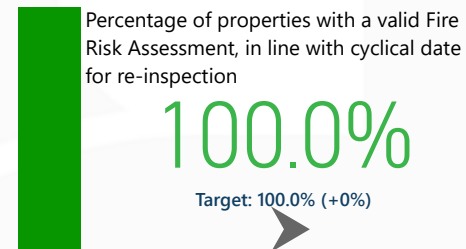
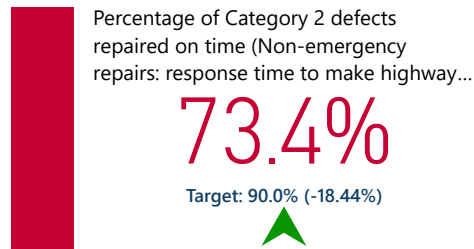
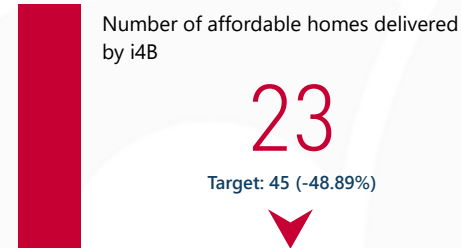
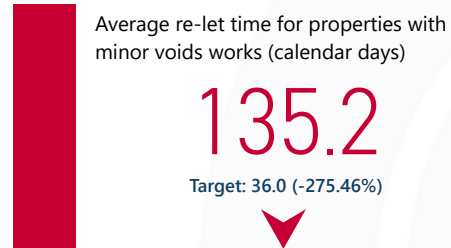
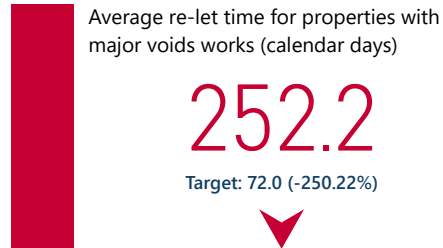
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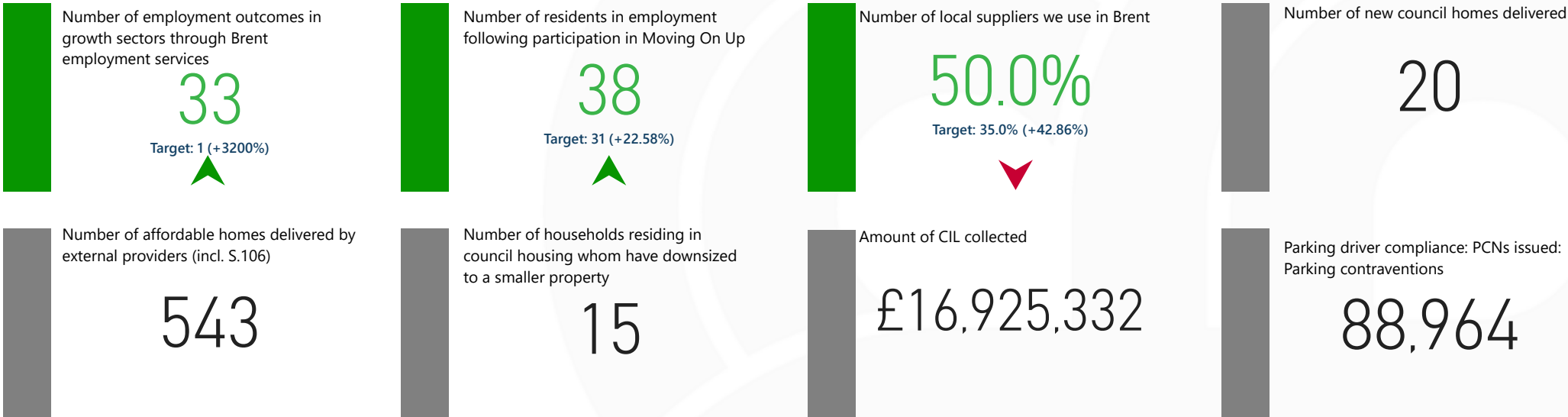
A future built for everyone, an economy fit for all



Corporate Performance Report Q3 2022-23

A future built for everyone, an economy fit for all

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A cleaner, more considerate Brent



Number of kilograms of residual household waste collected per household

313.2

Target: 360 (+13%)



Additional electric vehicle charging points installed across the borough

0

Target: 0



Total cost of energy efficiency works on pilot properties

£305,708



Number of waste cases investigated which lead to enforcement action

1,971

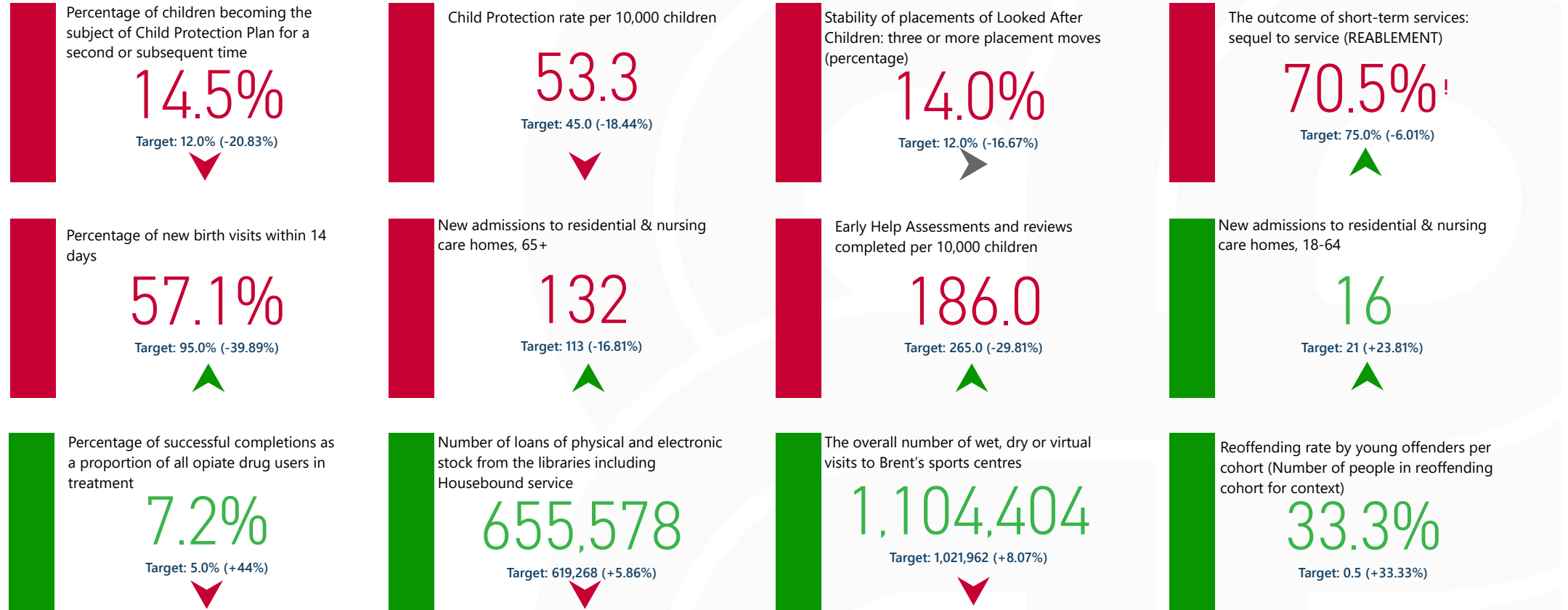


Number of trees we plant on our streets and in our public spaces

754

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A borough where we can all feel safe, secure, happy and healthy



Corporate Performance Report Q3 2022-23

A borough where we can all feel safe, secure, happy and healthy



Rate of Looked After Children per 10,000 of population

44.0



Delivery of specialist accommodation (property receiving enhanced housing management)

0

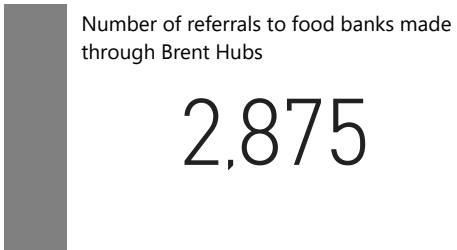
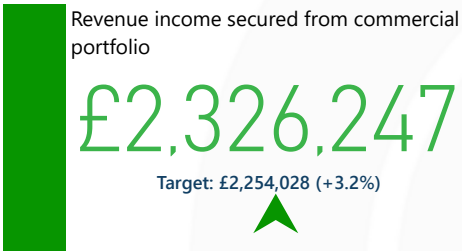
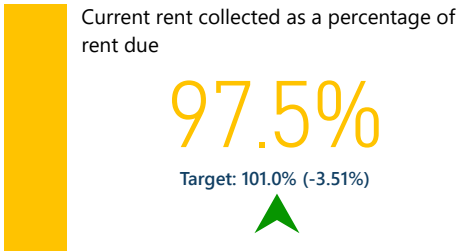


Rate of referrals per 10,000 children

478.9

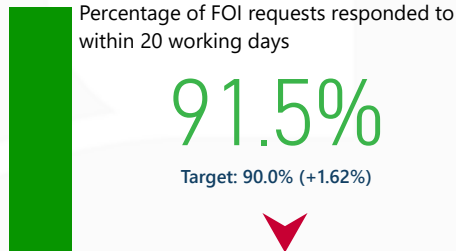
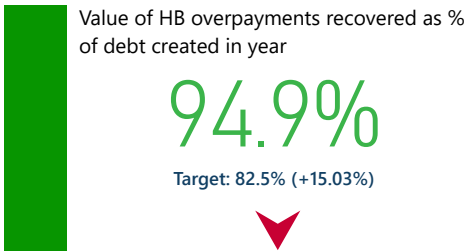
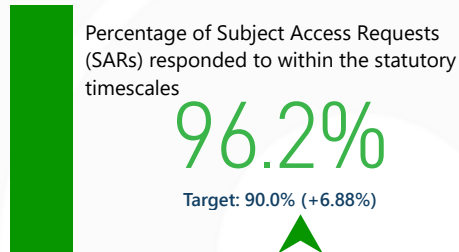
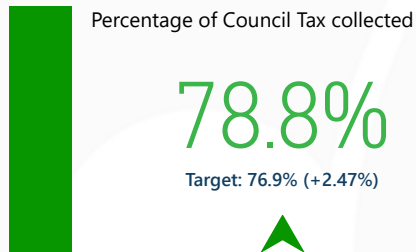
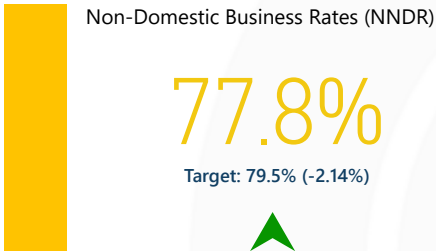
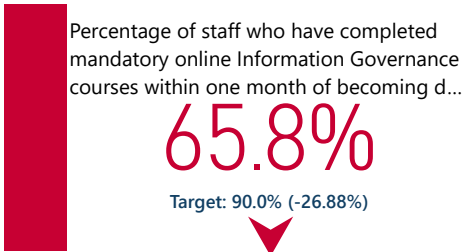
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Strong foundations



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Internal business



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