Public Document Pack

Cabinet

Monday 17 July 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 (Vice-Chair)	Deputy Leader and Cabinet Member for Finance, Resources & Reform
Donnelly-Jackson	Cabinet Member for Customers, Communities & 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
Tatler	Cabinet Member for Regeneration, Planning & Growth

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

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Notes for Members - Declarations of Interest:

If a Member is aware they have a Disclosable Pecuniary Interest* in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent and must leave the room without participating in discussion of the item.

If a Member is aware they have a Personal Interest** in an item of business, they must declare its existence and nature at the start of the meeting or when it becomes apparent.

If the Personal Interest is also significant enough to affect your judgement of a public interest and either it affects a financial position or relates to a regulatory matter then after disclosing the interest to the meeting the Member must leave the room without participating in discussion of the item, except that they may first make representations, answer questions or give evidence relating to the matter, provided that the public are allowed to attend the meeting for those purposes.

***Disclosable Pecuniary Interests:**

(a) **Employment, etc. -** Any employment, office, trade, profession or vocation carried on for profit gain.

(b) **Sponsorship -** Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.

(c) **Contracts -** Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.

(d) **Land -** Any beneficial interest in land which is within the council's area.

(e) **Licences-** Any licence to occupy land in the council's area for a month or longer.

(f) **Corporate tenancies -** Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.

(g) **Securities -** Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

(a) Anybody of which you are a member or in a position of general control or management, and:

- To which you are appointed by the council;
- which exercises functions of a public nature;
- which is directed is to charitable purposes;
- whose principal purposes include the influence of public opinion or policy (including a political party of trade union).

(b) The interests of a person from whom you have received gifts or hospitality of at least £50 as a member in the municipal year;

or

A decision in relation to that business might reasonably be regarded as affecting the well-being or financial position of:

- You yourself;
- a member of your family or your friend or any person with whom you have a close association or any person or body who is the subject of a registrable personal interest.

Agenda

Introductions, if appropriate.

Item Page

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 - 6

To approve the minutes of the previous meeting held on Monday 19 June 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 either the Community and Wellbeing or Resources and Public Realm Scrutiny Committees.

Finance & Corporate Resources reports

7 Financial Outturn Report 2022 - 23 7 - 24

This report sets out the outturn for income and expenditure versus the revenue budget and capital programme for 2022/23 and other key financial data.

Ward Affected:
All Wards

Lead Member: Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Mili Patel)
Contact Officer: Minesh Patel, Corporate Director Finance and Resources
Tel:020 8937 4043

Email:minesh.patel@brent.gov.uk

8 Medium Term Financial Outlook 25 - 50

This report sets out the overall financial position facing the Council and highlights the significant risks, issues and uncertainties with regards to the Council's Medium Term Financial Strategy (MTFS). It also sets out the proposed budget setting strategy for 2024/25 and outlines how the MTFS will aim to provide a framework to invest in broader ambitions and long-term priorities such as the Borough Plan, the cost-of-living crisis and other future steps to ensure the Council continues to operate in a financially sustainable and resilient way as well as supporting residents in need.

Ward Affected:
All Wards

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

9 Financial Forecast Report Quarter 1 2023/24 51 - 90

This report sets out the current forecast of income and expenditure versus the revenue and capital budgets for 2023/24 and other key financial data.

Ward Affected:
All Wards

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

Resident Services reports

10 Brent Local Implementation Plan (LIP) Two-Year Delivery Plan: 2023/24 - 2024/25 91 - 110

This report provides an update on Local Implementation Plan (LIP) funding arrangements for the two-year period 2023/24 – 2024/25. It provides details of the programme of transport schemes and measures approved by Transport for London (TfL) to be implemented by the Council up to 31 March 2025.

Ward Affected:
All Wards

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

(Councillor Krupa Sheth)
Contact Officer: Tim Martin, Transportation Planning Manager
Tel: 020 8937 6134
Email: Tim.Martin@brent.gov.uk

11 Brent / Harrow Inter Authority Agreement for the Special Needs Transport Shared Service 111 - 220

This report sets out the intention to enter an Inter Authority Agreement with Harrow Council for the continued provision of Special Needs Transport services.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Environment, Infrastructure & Climate Action (Councillor Krupa Sheth)
Contact Officer: Simon Finney, Head of Neighbourhood Management, Environment Services
Tel: 020 8937 5072
Email: Simon.Finney@brent.gov.uk

12 Selective Licensing in the Private Rented Sector in Brent 2023 - Phase 2 221 - 576

This report seeks approval of Designation 2/2023 for a new Private Rented Sector Selective Licensing scheme in Brent.

Ward Affected:
Alperton;
Barnhill;
Brondesbury Park;
Cricklewood & Mapesbury;
Kenton; Kilburn;
Kingsbury;
Northwick Park;
Preston;
Queens Park;
Queensbury;
Roundwood;
Stonebridge;
Sudbury;
Tokyngton;
Welsh Harp;
Wembley Central;
Wembley Hill

Lead Member: Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)
Contact Officer: Spencer Randolph, Head of Private Housing Services
Tel: 020 8937 2546
Email: spencer.randolph@brent.gov.uk

13 Release of 23 shared ownership homes 577 - 584

The purpose of this report is to provide an overview of the 23 shared ownership homes that form part of the acquired Grand Union (Block D) site and seek authority to dispose of these homes on the open market.

Ward Affected:
Alperton

Lead Member: Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)
Contact Officer: Emily-Rae Baines, Head of Affordable Housing & Partnerships
Tel: 020 8937 1131
Email: Emily-Rae.Maxwell@brent.gov.uk

14 Uncollectible Debt Write-Offs: 1 September 2022 to 31 March 2023 585 - 590

The purpose of the report is to inform Cabinet of the debts written off between 1 October 2022 and 31 March 2023 as required by Financial Regulation 8.3.2, whereby write-offs over £20,000 agreed by the Corporate Director, Finance and Resources are reported to Cabinet biannually.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Customers, Communities and Culture (Councillor Fleur Donnelly-Jackson)
Contact Officer: Peter Cosgrove, Head of Revenues and Debt
Tel: 020 8937 2307
Email: Peter.Cosgrove@brent.gov.uk

15 Exclusion of Press and Public

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

Agenda Item 11: Brent / Harrow Council Inter-Authority Agreement for the Provision of a Special Needs Transport Shared Service – Appendix 2 (Review of Brent Special Needs Passenger Transport Service) & Appendix 3 (Brent Special Needs Passenger Transport budget and forecast 2023 - 24)

These appendices have been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any

particular person (including the authority holding that information)"

Agenda Item 13: Release of 23 Shared Ownership Homes – Appendix 1 (Offers received)

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

Agenda Item 14: Uncollectable Debt: Write-Off – Appendix 1 (List of debts written off)

This appendix has been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of 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. Any decisions taken urgently under this heading must comply with the provisions outlined in paragraph's 12 and 39 of the Council's Access to Information Rules (part 2 of the Constitution).

Date of the next meeting: Monday 14 August 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 19 June 2023 at 10.00 am

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

Also present: Councillor Chohan

1. **Apologies for Absence**

An apology for absence was received from Kim Wright (Chief Executive) with Phil Porter (Corporate Director, Adult Social Care and Health) in attendance as her representative.

2. **Declarations of Interest**

No declarations of interest were made at the meeting.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous meeting held on Monday 22 May 2023 be approved as an accurate record of the meeting.

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

None.

5. **Petitions (if any)**

5.1 Improvements and Upgrades to the Pavements on Logan Road

Councillor Muhammed Butt (Leader of the Council) welcomed Mr Frank Treviss to the meeting, who had been invited to speak on behalf of South Kenton & Preston Park Resident Association regarding a previously submitted petition containing 52 signatures requesting an upgrade of the pavements in Logan Road.

In addressing Cabinet Mr Treviss, whilst welcoming the repair works undertaken under the small works programme following the previous presentation of the petition to Cabinet in September 2021, highlighted concerns regarding the ongoing condition of the footpaths given their importance as a well-used route to the local school and lack of any subsequent upgrade and replacement. He also reminded members that the road provided the main pedestrian and vehicle access to a bowling and social club, which was well used by a range of community organisations. He was therefore keen to ensure consideration was given to what he

felt was the necessary upgrade required as part of the Council's footway maintenance and upgrade programme.

Having thanked Mr Treviss for presenting the petition, Councillor Muhammed Butt advised that he had also received written representations from Councillor Kennelly, as a local ward councillor, in support of the petition. Whilst recognising the significant funding challenge faced by the Council in terms of the resources available to undertake pavement and highway repairs (based on the estimated £100m being required to address all existing issues across the borough) Councillor Kennelly was keen to highlight the importance of investment in footways as a means of further encouraging active travel, particularly in terms of the school run and as part of the efforts being made to tackle the climate emergency, reduce local emissions and improve air quality. In welcoming the additional investment of £15m identified by the Council to tackle footway and highway repairs and attempts being made to attract alternative sources of funding, he felt the upgrade sought in relation to the footway in Logan Road would further support the local Primary School in terms of their environmental sustainability and in further encouraging more active modes of travel under the school streets initiative.

In responding, Councillor Krupa Sheth, as Cabinet member for Environment, Infrastructure and Climate Action, thanked Mr Treviss for his petition. Whilst aware of the issues raised, Councillor Krupa Sheth highlighted the need to recognise the ongoing imbalance between the level of demand identified across the borough regarding footpath upgrades and maintenance and resources available to the Council to address the issue. Due to this imbalance, prioritisation was required in relation to both the planned and reactive footway maintenance programmes. As a result of the most recent footway inspection, Cabinet was advised that the overall condition of Logan Road had been assessed as "Fair" and on this basis it would not be considered a priority when compared to the condition of other footways for upgrade. In concluding it was pointed out, however, that the Council was in the process of finalising its footway upgrade programme for 2023/24 – 2025/26 and this would provide a further opportunity for Logan Road to be considered for inclusion alongside other locations across the borough, supported by the representations made by local ward councillors.

Having noted the response provided, Councillor Muhammed Butt ended by welcoming the contributions made at the meeting which he advised would be considered as part of the ongoing development of the Council's footways maintenance and upgrade programme.

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

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

7. **Authority to Award Contract for Integrated Community Equipment Services**

Councillor Neil Nerva (Cabinet Member for Public Health and Adult Social Care) introduced a report regarding the procurement of the Integrated Community Equipment Service. In introducing the report, Cabinet was advised of the background and importance of the community equipment service given the way in which the service supported residents to remain as independent as possible for as

long as possible and was both a statutory requirement and important in delivering key strategic system priorities, for example hospital discharge and avoidance, reduction in the use of residential care and a reduced reliance on homecare provision with over 600 active prescribing practitioners in Brent using the service on a regular basis.

Recognising the importance in the timely provision of this equipment, Cabinet was advised of the issues experienced with performance of the current Community Equipment contract since it had gone live in July 2021 which had subsequently resulted in the existing provider, Millbrook Healthcare Ltd, withdrawing from the existing contract with effect from the end of July 2023. As a result, the Council had been considering options to secure a new provider to ensure no gap in service provision. Having outlined the process undertaken (as detailed within section 3 of the report) Cabinet was therefore being asked to consider the direct award of the community equipment contract to Nottingham Rehab Ltd (NRS Healthcare) from the London Community Equipment Consortium Framework. Having noted the operational benefits identified under the proposed new provider in terms of service delivery and the access to existing infrastructure, Cabinet also noted the enhanced service specification developed in response to the previous contract performance issues along with migration of the proposed new service model from a five day/eight hours per day service to a six day/12 hours per day operating model that would operate from the start of the new contract period. It was noted that the new contractual arrangements would also include a recycling target of 70% in terms of the equipment issued in order to reduce the impact of future equipment price rises and reduce waste alongside a commitment to develop the use of an electric fleet of vehicles and pledge to work with boroughs to implement a range of social value employment and community initiatives with the contract also being subject to the London Living Wage.

In supporting the approach identified, Cabinet welcomed the confirmation provided that the move to the new arrangements would be subject to an initial two year period enabling the completion of a full options appraisal process in relation to future delivery and procurement opportunities alongside the work being undertaken to address the current backlog in provision of equipment with the current provider in advance of the service moving to a new provider.

In thanking officers for their efforts in seeking to resolve the current contractual and performance issues and commending the approach identified to ensure the continuation and improvement in delivery of the community equipment service, Cabinet **RESOLVED** to:

(1) Approve the pre-tender considerations set out in paragraph 3.43 of the report.

(2) Approve the council joining the London Consortium for Community Equipment.

(3) Approve the appointment of Nottingham Rehab Services Limited (trading as NRS Healthcare) for the supply of community equipment services under a direct award from the single supplier Integrated Community Equipment Service framework for the term specified in (4) below.

(4) Approve the contract term for the supply of community equipment services to be for an initial two years, up to 31st July 2025, with the option to extend for a further two years eight months, to 31st March 2028 and by a further two years to 31st March 2030, subject to the conclusion of an options appraisal on community equipment services.

(5) Delegate the option to extend the contract for an additional 2 years eight months to 31st March 2028 and for a further 2 years to 31st March 2030 to the Corporate Director for Adult Social Care and Health.

(6) Approve the Council entering into an agreement pursuant to s75 National Health Service Act 2006 with North West London Integrated Care Partnership to collaborate in the provision of the integrated community equipment services until 31st March 2030.

8. **Corporate Performance - Q4 2022/23 Performance Report**

Councillor Mili Patel (Deputy Leader & Cabinet Member for Finance, Resources & Reform) introduced the report, which provided Cabinet with an overview of corporate performance information linked to the Borough Plan priorities for the fourth quarter 2022/23 (January – March 2023).

In presenting the report, Councillor Mili Patel highlighted the changes being made as part of the new performance management framework with a focus around the newly refreshed Borough Plan (Moving Brent Forward Together) and other key corporate strategies including the Black Community Action Plan, Equality Strategy, Poverty Commission, Climate Emergency Strategy and Joint Health & Wellbeing Strategy. Cabinet was advised the format of the current corporate performance update report would therefore be the final one under the framework of the previous Borough Plan (Building a Better Brent). In relation to the Borough Plan indicators, members were advised that of the current 50 key indicators for Quarter 4 within the performance scorecard 23 had been rated Green (on or above target), 3 as just off target (Amber), 12 as off target (Red) with 12 included to provide contextual information.

In highlighting the performance improvements compared to the third quarter for 2022/23, Councillor Mili Patel commended Children and Young People for the efforts made to reduce the number of indicators where performance had been categorised as 'red'. Whilst the percentage of Looked After Children (LAC) in education, employment or training remained below target Cabinet noted and commended the strong partnership work and delivery programmes which had been implemented to support Post 16 Looked After Children not in education, employment or training designed to drive improvements in performance. Similarly, Cabinet noted the positive direction of travel identified in relation to performance against the target for percentage of new birth visits occurring within 14 days which whilst still rated as "red" had continued to improve over the current monitoring period.

Cabinet was also informed of the actions being undertaken to address current performance in relation to the average re-let time for major and minor voids, which continued to be rated as "red". This included the establishment of a new task force

to address and improve voids and letting performance the outcome of which would continue to be kept under review as part of ongoing performance updates.

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

In welcoming the focus on development of a new suite of performance indicators under the newly refreshed Borough Plan Cabinet **RESOLVED** to:

(1) Note the performance information contained in the current report format.

(2) Note the current and future strategic risks associated with the information provided and agree the remedial actions on strategic risks identified as appropriate alongside the challenge on progress being provided with responsible officers as necessary.

9. **Exclusion of Press and Public**

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

10. **Any other urgent business**

Councillor Muhammed Butt (Leader of Council) took the opportunity to formally thank Phil Porter for his support to the Cabinet and in the delivery of services to residents across the borough during his time as a Corporate Director and member of the Council Management Team, noting that this would be his final Cabinet meeting in advance of leaving Brent to take up a new position as Chief Executive at Sefton Council. Members took the opportunity to wish him well in the new role.

The meeting ended at 10.17 am

COUNCILLOR MUHAMMED BUTT
Chair

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Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director of Finance and Resources

Financial Outturn Report 2022/23

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Open
No. of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Minesh Patel Corporate Director of Finance and Resources Email: Minesh.Patel@brent.gov.uk Tel: 020 8937 4043 Rav Jassar Deputy Director of Finance Email: Ravinder.Jassar@brent.gov.uk Tel: 020 8937 1487

1. Summary

1.1 This report sets out the outturn for income and expenditure versus the revenue budget and capital programme for 2022/23 and other key financial data. The Council's General Fund outturned at break even. The Housing Revenue Account (HRA) and Dedicated Schools Grant (DSG) also broke even. In 2022/23 the Council's capital programme spent £165m which equates to 71% of the approved budget.

1.2 Whilst the General fund as a whole broke even, there was a service overspend of £3.7m in the Children and Young People's department as a result of increased placement and staffing costs. Adult Social Care and Health overspent by £0.9m while other General Fund services outturned with modest variations. The budgeted use of corporate contingencies of £4.2m has resulted in an overall breakeven position for the General Fund.

1.3 Revenue Outturn

1.3.1 The table below analyses the various under and overspends at the end of the 2022/23 financial year across the service areas of the Council

Table 1 – Revenue Outturn 2022/23

Service Area	Revised Budget	Actual Transactions	Over/(Under) Spend
	£m	£m	£m
Adult Social Care and Health	128.6	129.5	0.9
Children and Young People	65.2	68.9	3.7
Communities and Regeneration	10.1	10.1	0.0
Finance and Resources	14.9	14.5	(0.4)
Governance	14.8	14.6	(0.2)
Resident Services	78.3	78.5	0.2
Service Expenditure	311.9	316.1	4.2
Central Items / Budgeted Contingency	(311.9)	(316.1)	(4.2)
General Fund (GF) Budgets / Outturn	**0.0**	**0.0**	**(0.0)**
DSG Funded Activity	0.0	0.0	0.0
Housing Revenue Account (HRA)	0.0	(0.0)	(0.0)
Total (GF, HRA, DSG)	**0.0**	**(0.0)**	**(0.0)**

1.4 Capital Outturn

1.4.1 For 2022/23 the Council spent £191.6m which equates to 82% of the approved capital programme budget and was under spent compared to budget by £41.1m as shown in Table 2 below.

Table 2 – Capital Expenditure

Capital Programme Item	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Corporate Landlord	17.9	13.4	(4.5)
Regeneration	9.4	2.5	(6.9)
St. Raphael's Estate Regeneration	1.9	0.8	(1.1)
Housing Care Investment	158.2	144.7	(13.5)
Schools	12.5	5.5	(7.0)
South Kilburn	11.5	11.2	(0.3)
Public Realm	21.3	13.5	(7.8)
Grand Total	**232.7**	**191.6**	**(41.1)**

2. Recommendation

2.1 To note the overall financial position for 2022/23.

3. Revenue Detail

3.1 Care, Health and Wellbeing

Summary

Table 3 – Care, Health and Wellbeing Outturn 2022/23

Adult Social Care and Health	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Adult Social Care & Integrated Health Partnerships	105.7	106.6	0.9
Public Health	22.9	22.9	0.0
Total	**128.6**	**129.5**	**0.9**

3.1.1. The Care, Health and Wellbeing department overspent by £0.9m, largely as a result of growth in client numbers for the service. In Quarter 3 the department was forecasting a break-even position.

Detailed Narrative

3.1.2. Whilst Public Health reports a break-even position, a £2.5m underspend on the main Public Health grant has been transferred to earmarked reserves to enable continued funding of delayed projects. This underspend on the grant was largely as a result being able to utilise other grant funding to deliver Public Health projects.

3.1.3. The £0.9m overspend reported comes from the Adult Social Care department. This largely comes from a growth in client numbers; in particular, Elderly Nursing Care clients grew by 18% between April 22 and March 2023.

3.1.4. There was also growth in the number of 'transition' clients moving from the CYP service to ASC. These clients tend to transition initially at a higher package cost, increasing costs in-year for the Learning Disability service. A number of these packages were not identified as relating to ASC until Q3 2022/23 and therefore partly account for the shift between the Q3 forecast and outturn at year end.

3.1.5. Conversely, client numbers in Day Care showed a slight 2% decline in 2022/23, as packages continue to remain below pre-pandemic levels.

3.1.6. Brent received an additional £2.4m in funding from Government in 2022/23 (£1.1m funding directly to the Local Authority, and £1.3m via the Integrated Care Board to be pooled together) to support with the pressures continuing to be faced by Local Authorities with delays to discharging people from hospital. The additional funding was utilised in full to provide additional staffing, funding for home care and reablement.

Savings & Slippages

3.1.7. In 2022/23, the department achieved £0.2m worth of savings as planned.

3.2 Children and Young People (GF)

Summary

Table 4 – Children and Young People Outturn 2022/23

Children and Young People	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Central Management	0.8	0.8	0.0
Early Help	5.3	4.6	(0.7)
Inclusion	21.7	23.9	2.2
Localities	2.1	2.1	0.0
Looked After Children and Permanency	7.7	7.7	0.0
Forward Planning, Performance & Partnerships	24.6	26.9	2.3
Safeguarding and Quality Assurance	2.9	2.8	(0.1)
Setting and School Effectiveness	0.1	0.0	(0.1)
Total	**65.2**	**68.8**	**3.6**

3.2.1 The CYP General Fund at the end of 2022/23 has overspent by £3.6m, which is £1.3m more that the position reported at Quarter 3 of a £2.3m overspend.

The Quarter 3 forecast highlighted an underlying pressure of £4.3m with management actions put into place to reduce the reported pressure to £2.3m. The £1.3m movement has arisen mainly because of increased pressures against the demand led services budgets in Forward Planning, Performance and Partnerships, linked to increases in placement costs, and in Localities, with the continued use of agency social work staff to cover vacant positions because of recruitment and retention challenges.

3.2.2 Actions undertaken by the department to control spend and mitigate the pressures following the Quarter 3 forecast included:

- Reviewing Residential, Mother and Baby and Semi-Independent placements and implementing step-downs where possible.
- Holding posts vacant across the department where it is safe to do so and utilising grant funding efficiently to release staffing underspends where possible.
- Ensuring that agency staff take a minimum of 20 days holiday in the financial year and that the London-wide pledge, that has been in place since June 2022 to manage the hourly rates for social workers, is fully adhered to.
- Implementing a spending freeze on any non-statutory spending with the approval of all spend over £1k being escalated to director level.

3.2.3 The total cost avoidance achieved from these measures was £1.3m

Detailed Narrative

3.2.4 The volatility of placement costs for Looked after Children (LAC) within the Forward Planning, Performance and Partnerships (FPPP) service has led to an overspend of £2.3m which is £0.6m more than the position reported at Quarter 3. The increase is mainly due to the increase in the residential placement costs. The overall pressure is because of the following factors:

- £1.7m pressure against the Residential Care budget as a result of the increase in the number of children placed in residential homes and in increasing placement fees. In 2022/23 here was a 22% increase in the number of CYP in residential homes from 25 at the end of 2021/22 to 32. Weekly costs have continued to increase with the highest ranging from £8,400 per week to £19,474 per week. This reflects increasing demand for specialist provision that can support complex mental health needs for children who do not meet the criteria for a Tier 4 hospital setting.
- £0.3m pressure against the budget for care leavers – semi-independent placements. There was an overall 15% increase in the number of care leavers being accommodated by the local authority compared to 2021/22 and on average prices increased by 6.6%, which led to a pressure against the budget of £1.4m. However, as this increase is the mainly due to the number of Unaccompanied Asylum-Seeking Children (UASC) who as care leavers need to be accommodated until the Home Office makes an asylum determination, the pressure is partly mitigated by (£1.1m) grant income received from the Home Office.

- £0.3m pressure because of the slippage of the savings target against a project to use the Gordon Brown Centre (GBC) to support looked after children and care leavers to develop their life skills for independent living. A decision has been taken not to undertake planned adaptations to the GBC due to the capital cost.

3.2.5 A programme of placement commissioning activity is underway which projects to deliver efficiencies against the placement budgets. This includes a full review of Brent's approach to the commissioning of accommodation for care leavers, including practice that supports their independence; reducing spend on residential placements through new approaches to market engagement and management; improving in-house foster care provision to recruit more foster carers and reduce use of higher cost IFAs and piloting a new wrap-around preventative mental health and wellbeing support service for looked after children to reduce the need for high cost specialist placements.

3.2.6 The Localities service overspent by £2.2m which is £1.5m more than £0.7m forecast overspend reported at Quarter 3. The movement is because of increased staffing pressures as the Quarter 3 forecast assumed that a number of positions filled by agency staff would be replaced by permanent staff, but after two recruitment drives, this was not the case and agency staff were kept on longer to manage caseloads. There was also increased pressures against the demand led budgets. The overall pressure has arisen because of:

- £1.3m pressure due to the continued use of agency social workers to cover vacant positions and some long-term staff absence to manage caseloads. There is a national challenge to recruit and retain permanent social work staff. Across the Locality teams in 2022/23, agency workers occupied 46% of the establishment.
- £0.7m pressure against the Children with Disabilities area (CWD) in the Localities service, is because of increased demand against the CWD Placements budget which includes Direct payments, Care at Home, Residential and Day Services with numbers rising from 518 CYP supported in 2021/22 to 579 in 2022/23, a 12% rise. A cost driver of the pressure in this area is the increasing number of Education, Health, and Care Plans (EHCPs) which is also affecting the High Needs Block of the Dedicated Schools Grant (DSG).
- £0.2m of the pressure has arisen due to demand led pressures arising from client subsistence costs and additional legal costs incurred in the year.

3.2.7 The pressures in the department have been partly offset by underspends in the Early Help Service where positions were held vacant as part of a mitigating action to support the pressure in the department and also utilising grant funds efficiently. Also, within Early Help and the Inclusion Service, some positions where partly vacant because of restructures that took place in the year.

3.2.8 There are a number of actions in place to address the workforce pressures across the service, including working in collaboration with our neighbouring local authorities on effective and targeted recruitment and retention activity. Compliance with the London Pledge to ensure that agency worker rates are kept to the agreed cap is closely monitored at Director level and a weekly Establishment Board has been created to scrutinise all agency recruitment, and corresponding activity to achieve permanency through conversations with agency staff to convert to permanent roles. A workforce development plan is in place with metrics linked to savings and reductions in agency spend.

Savings and Slippages

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

3.3 **Communities and Regeneration**

Summary

Table 5 – Communities and Regeneration Outturn 2022/23

Communities and Regeneration	**Revised Budget**	**Outturn**	**Over/(Under) Spend**
	£m	**£m**	**£m**
Communities and Strategy	4.9	4.9	0.0
Regeneration	5.2	5.2	0.0
Total	**10.1**	**10.1**	**0.0**

3.3.1 Communities and Regeneration spent to budget. This is a net result of a small number of overspends being offset by a small number of underspends.

Detailed Narrative

3.3.2 Communities and Regeneration spent to budget. Underspends in Building Control and directorate budgets in Communities and Strategy and Regeneration offset overspends in Strategy and Partnership, Planning and Development services and Employment, Skills and Enterprise. Planning and Development services income dropped significantly in the last quarter, and reduced income remains a risk for 2023/24.

Savings and Slippages

3.3.3 Communities and Regeneration savings were in Building control, these savings were delivered in 2022/23, with the service underspending. However, Building control had received one off growth in 2022/23, there is a risk of an overspend in 2023/24 unless there is a growth in demand for their services.

3.4 Finance & Resources

Summary

Table 6 – Finance and Resources Outturn 2022/23

Finance & Resources	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Finance	9.3	9.3	0.0
Audit and Investigations	1.2	1.2	0.0
Digital Services	0.4	0.4	0.0
Property & Assets	4.0	3.6	(0.4)
Total	**14.9**	**14.5**	**(0.4)**

3.4.1 The Finance & Resources department underspent by £0.4m. This came from the Property & Assets service, with the other services breaking even. In Quarter 3, Finance & Resources were forecasting an overall break-even position

Detailed Narrative

3.4.2 Finance & Resources achieved an overall underspend of £0.4m. This is all attributed to the Property & Assets service.

3.4.3 Within the Property service around £0.2m of the underspend came from the early delivery of a 2023/24 savings target, with the Civic Centre car park fee increase implemented in 2022/23. The remainder came from one-off contractual savings within Facilities Management due to contractual requirements not being met, and penalties imposed.

Savings & Slippages

3.4.4 In 2022/23, the department achieved £0.2m worth of savings as planned.

3.5 Governance

Summary

Table 7 – Governance Outturn 2022/23

Governance	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Executive and Member Services	4.2	4.4	0.2
Human Resources	4.0	3.7	(0.3)
Legal Services	5.4	5.3	(0.1)
Procurement	1.1	1.2	0.1
Total	**14.7**	**14.6**	**(0.1)**

3.5.1 The Governance department has underspent by £0.1m. This is a net result of a number of budgetary pressures being more than offset by general efficiencies across the department. In Quarter 3, the department had projected a break-even position, which has since moved to some variances against the budgetary assumptions; these are discussed below.

Detailed Narrative

3.5.2 The Governance department has achieved an overall underspend of £0.1m for the financial year 2022/23.

3.5.3 This position is a result of higher than budgeted expenditure on third party payments being more than offset by underspends on staffing due to vacancies, general efficiencies across the department and additional income from schools.

Savings and Slippages

3.5.4 There were no savings planned from this department for 2022/23.

3.6 Resident Services

Summary

Table 8 – Resident Services Outturn 2022/23

Residents Services	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Resident Services Directorate	0.4	0.3	(0.1)
Customer Access	17.8	17.9	0.1
Environment & Leisure	44.5	44.2	(0.3)
Transformation	11.9	12.0	0.1
Housing GF	3.7	4.0	0.3
Total	**78.3**	**78.5**	**0.2**

3.6.1 The Resident Services department has overspent by £0.2m. This is a net result of a number of budgetary pressures being partially mitigated by an early achievement of savings. In Quarter 3, the department had projected a break-even position, which has since moved to some variances against the budgetary assumptions; these are discussed below.

Detailed Narrative

Resident Services Directorate

3.6.2 The Directorate budget shows an overall £0.1m underspends, which is a result of general efficiencies across the department.

Customer Access

3.6.3 The Customer Access service has a net overspend £0.1m. The overspends incurred were predominately attributable to staffing costs as additional resource was deployed to support increased demand as result of the cost-of-living crisis.

3.6.4 The overspend was partially mitigated by higher than budgeted income generated by the Registration and Nationality service as bookings related to marriage ceremonies increased following promotion of the authority's marriage space in the Civic Centre.

3.6.5 The service has achieved a £0.3m saving linked to increased automation, staffing efficiencies and contract management.

Environment and Leisure

3.6.6 The Environment and Leisure service has an overall underspend of £0.3m. This is a net position which has been achieved as a result of the following

variances against budgets:

- £0.2m overspend within the Energy Team due to settling historic water bills
- £0.1m under recovery of income in Parking services
- £0.2m overspend on Healthy Streets due to a reduction in the TfL LIP funding
- £0.1m income loss at Bridge Park due to slower than anticipated service recovery
- (£0.2m) underspend in Regulatory Services due to staff vacancies
- (£0.2m) underspend in Public Realm due to higher than budgeted contractor rebates income
- (£0.4m) underspend within the Directorate due to staff vacancies, a reduction in training and conferences, as well as consultancy spend (£0.1m) other general efficiencies across the service.

3.6.7 The service has achieved a £0.3m saving associated with a review and a reduction in operating costs of the Brent Transport Service and increased income from damage cost recovery from developers and builders where damage is caused to the public highway.

Transformation

3.6.8 The Transformation service has an overall overspend of £0.1m, which is mainly due to additional licenses costs being partially offset by staffing underspends due to vacancies.

3.6.9 The service has achieved a £0.3m saving due to staffing efficiencies.

Housing

3.6.10 The Housing service is showing a net £0.3m overspend for the year. This is due to additional Council Tax costs on new temporary accommodation provision being partially offset by released funds from the provision for uncollectable debt following a rent accounts cleansing exercise.

3.6.11 The service has achieved a £0.5m saving associated with reducing demand for Temporary Accommodation due to an increased supply within the Housing Partnerships Service.

Savings and Slippages

3.6.12 In 2022/23, the department has achieved £1.4m worth of savings as planned.

3.7 Collection Fund

3.7.1 The budgeted net collectible amount for Council Tax (after exemptions, discounts and Council Tax support) was £179.2m in 2022/23. The actual net collectible amount as at 31 March 2023 increased to £179.6m, an increase of £0.4m since April 2022. The increase during the year was due to new properties being completed above assumed levels and a reduction due to

additional Council Tax Support payments to residents, producing a cumulative Council Tax surplus on the Collection Fund of £12.4m after accounting adjustments for items such as impairment for doubtful debt, and write-offs. The in-year collection rate was 93.4%, 1.1% higher than the amount achieved in the previous year, although collection will continue to be attempted in future years.

3.7.2 The budgeted net collectible amounts for Business Rates (after exemptions, reliefs and discounts) was £112.8m. The actual net collectible amount as at 31 March 2023 increased to £119.3m, an increase of £6.5m since April 2022. This increase is a result of changes to mandatory reliefs and the taxbase. The Collection Fund had an in-year deficit of around £61.2m, of which £22.5m will be funded by the GLA and £20.3m from central government. Brent's share will be funded from an earmarked reserves specifically earmarked for this purpose. As at the 31 March 2022, the amount collected was 91.3%, this is higher than the amount collected in the same period last year, at 87.3%, as payment deferrals to support businesses overcome the impact of COVID-19 have been reduced, and enforcement activity has re-commenced.

3.7.3 Movements between the budget and actual collectable amounts affect the overall level of balances held on the Collection Fund at year-end after deducting charges. For Business Rates, additional grants were paid to the General Fund which have been moved to reserves to repay Brent's share of the deficit over the next two years as described in paragraph 3.7.2.

3.8 Dedicated Schools Grant (DSG)

Summary

Table 9 – Dedicated Schools Grant Outturn 2022/23

DSG Funding Blocks	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Schools Block	118.9	119.1	0.2
High Needs Block	67.7	67.4	(0.3)
Early Years Block	23.2	22.2	(1.0)
Central Block	2.1	1.9	(0.2)
Total	**211.9**	**210.6**	**(1.3)**

3.8.1 The overall DSG outturn for 2022/23 is a surplus of £1.3m, against grant funds of £211.9m. This surplus is a movement from the reported Quarter 3 forecast position of £1.6m deficit and this is mainly due to a reduction (£3.1m) in the pressure assumed against the High Needs Block (HNB). This in-year surplus is mainly driven by a £1m underspend against the Early Years Block due to the Department of Education's (DfE) in-year adjustment and a £0.3m surplus against the High Needs Block (HNB), a positive outturn for the HNB.

3.8.2 The cumulative DSG deficit carried forward from 2021/22 was £15.1m. This

has reduced to £13.8m at the end of 2022/23. However, there remains a risk that the EY Block surplus could be clawed back by the DfE in 2023/24 following the final allocations based on the results of the January 2023 census to be confirmed in July 2023.

3.8.3 The financial year 2022/23 was the final year of the statutory override set out in the School and Early Years Finance Regulations 2020 which requires local authorities to either carry forward any cumulative DSG deficit to set against the DSG in the next funding period of carry forward some or all the deficit to the funding period after that. The government has now extended the arrangement for another three financial years from 2023/24 to 2025/26.

Detailed Narrative

3.8.4 The Schools Block overspent by £0.2m due to pressures against the growth funds which covers the cost of the Choice and Fair Access Panel (CAFAI) arrangements for new arrivals to Brent schools, as well as the impact of rising rolls in schools as pupil numbers grow. The growth in pupil numbers has mainly been within the secondary school phase. This pressure is mitigated by a £0.2m underspend against the Central Block, resulting mainly from reduced reliance on temporary staff throughout the year.

3.8.5 The Early Years Block which passes on 95% of its funding to providers has underspent by £1m. This is mainly due to the DfE's in-year adjustment to the EY Block funding in July 2022, following the completion of the January 2022 census. The EY Block is a self-contained block based on headcount therefore, there is a risk that the DfE may claw back the funding following an in-year adjustment expected in July 2023.

3.8.6 The High Needs Block Qtr. 3 forecast assumed an overspend position of £2.8m, however the outturn position reflects a £0.3m surplus. The movement is because of the following:

- £1.2m increase against the recoupment income expected from other local authorities that have placed children in Brent schools, following finalized confirmation of pupil information from schools and actual charges processed.
- £0.6m reduction in the expected top-up funding for in-borough schools following final confirmation of pupil details which takes place at the end of the year.
- £0.6m reduction in forecast against out of borough Special schools also as a result of final confirmation of pupil details.
- £0.4m reduction against the Post 16 SEND expenditure which previously assumed a breakeven position. The budget was set based on the expenditure trend from prior years and actual expenditure is usually confirmed in the last quarter of the financial year due to the volatile nature of pupil attendance at these settings.

3.8.7 The historic deficit which started in 2019/20 was as a result of the increasing number of children with Education, Health and Care plans (EHCPs) with their

education being funded from the HN Block. The growth in EHCPs has also impacted the General Fund as the social care costs are funded from the Children with Disabilities budget within the Localities Service. In 2022/23 there was an 11% increase in the number of EHCPs. However, the 13% increase in HN Block funding allocation in 2022/23 and work undertaken as part of the HN Block Deficit Recovery Management Plan, have resulted in the positive outturn for the financial year.

3.8.8 In 2022/23 Brent was invited to participate in the DfE programme called Delivering Better Value (DBV) in SEND for local authorities which provided dedicated support and funding to help local authorities with HNB deficits reform their high needs systems. The first phase of the programme included a comprehensive diagnostic to identify root cause cost drivers, mitigating solutions or reforms and support in developing a quality assured Management Plan. The findings confirmed that in Brent, the increased expenditure leading to the deficit was fuelled by increases in the number of children with EHCPs. It also confirmed that Brent had already taken steps via the existing Management Plan to identify mitigating solutions. Following the discovery phase, Brent successfully bid for a £1 million grant to deliver the actions in the Management Plan. The funding is over two financial years i.e., 2023/24 and 2024/25.

3.8.9 The DBV programme will not address the historic deficit, but the current Management Plan and efficiencies identified from the programme may allow funds to be released to address historic deficits. Some of the existing actions to reduce costs include improving the sufficiency of local places with a £44m capital investment to deliver 427 SEND places to , increase the amount of special provision within the borough, particularly for secondary phase pupils and investment in a Post-16 Skills Resource Centre for 16–25-year-old SEND students; rolling out the Graduated Approach to SEND across 88 schools and 200 settings, aimed at the early identification of children's needs and delivery of appropriate support in order to manage demand. Also, as part of the DBV programme, the grant funding will enable targeted support to be provided which will focus on managing demand for EHCPs to deliver efficiencies that reduce costs.

3.8.10 A combination of these longer-term recovery actions and anticipated funding increases will go towards reducing the cumulative deficit.

3.9 Housing Revenue Account (HRA)

3.9.1 The budgets for the Housing Management function are contained within the ring-fenced Housing Revenue Account (HRA), which had a balanced budget set for 2022/23.

3.9.2 The HRA has achieved a break-even position for 2022/23, which is consistent with the position reported at Quarter 3.

3.9.3 Within Customer Services, lower than budgeted income from major works service charge billing was offset by additional income from new builds.

3.9.4 Within Property Services, overspends associated with repairs on void properties and increased disrepair compensation payments were offset by staffing underspends due to vacancies and lower than budgeted interest charges due to higher than anticipated rates on balance held. In addition, the capital programme had slippage in spend and not as much borrowing took place as budgeted at the beginning of the year.

4. Capital Programme

Table 10 - Capital Programme Outturn for 2022/23

Capital Programme Item	Revised Budget	Outturn	Over/(Under) Spend
	£m	**£m**	**£m**
Corporate Landlord	17.9	13.4	(4.5)
Regeneration	9.4	2.5	(6.9)
St. Raphael's Estate Regeneration	1.9	0.8	(1.1)
Housing Care Investment	158.2	144.7	(13.5)
Schools	12.5	5.5	(7.0)
South Kilburn	11.5	11.2	(0.3)
Public Realm	21.3	13.5	(7.8)
Grand Total	**232.7**	**191.6**	**(41.1)**

4.1 The Council's corporate strategy drives an ambitious five-year capital investment programme totalling £827m which is financed from a combination of capital receipts, grants, contributions, reserves and external borrowing.

4.2 For 2022/23 the Council spent £191.6m which equates to 82% of the approved capital programme budget and was under spent compared to budget by £41.1m as shown in Table 10. Because of the project-based nature of capital expenditure, there can be relatively larger variance in expenditure over time compared with revenue expenditure.

Corporate Landlord

4.3 Corporate Landlord has had an underspend of £1.8m and slippage of £2.6m for an overall budget variance of £4.5m. The ICT Investment Fund is in its second year out of a four-year programme and has slippage of £1.4m on projects that will be spent in future years. £1.2m of slippage can be attributed to the Digital Strategy programme owing to time spent on the project discovery phase and identifying digital savings. The largest areas of underspend include £0.5m for the LED Programme, £0.5m for Oracle Cloud Release 2, £0.3m for Family Wellbeing Centre, and £0.2m for Flexible working equipment.

Regeneration

4.4 Within the financial year Regeneration has appointed a main works contractor

at Picture Palace and feasibility works have been completed on Design works, both are part of the Harlesden regeneration. Harlesden High Street Heritage Action Zone has also now appointed a main works contractor. The programme has experienced slippage of £6.9m across their programmes. The Morland Garden mixed development project will deliver new affordable homes, a modern adult education centre and affordable workspace. The project experienced delays in the appointment of a design and build contractor for the development and there will be further delays in the delivery whilst outstanding objections to the stopping up order are being resolved. This led to slippage of £4.8m from 2022/23 and will be spent in 2023/24, subject to resolution of the current objections. The Picture Palace and Designworks Schemes have also experienced slippage of £1.6m with the fit out work yet to commence. The Wembley Housing Zones project which will provide new homes, leisure, retail and workspace in Wembley town centre experienced slippage of £0.5m following a longer than anticipated time frame to appoint the developer partner for the scheme.

St Raphael's

4.5 The St Raphael's budget of £1.9m relates to Phase 1 of the infill scheme, There have been viability challenges for the development causing slippage of £1.1m. The emphasis has now shifted with the Council is now working towards the delivery of the Estate improvement works. These works are set to commence in 2023/24.

Housing Care and Investment

4.6 Schemes onsite have seen delays due to material and labour shortages; this in turn created pressure on supply chains. Schemes onsite have also seen delays due to boundary disputes. Brent Indian Community Centre, Preston Park and Learie Constantine some of the largest developments onsite saw slippage totalling £1.6m. A significant component of the variance is attributable to unused contingency (£21.5m), which is an indication of the difficulties faced in progressing schemes generally. I4B, the Council's wholly owned subsidiary utilised an additional £20m of loan during the year for their capital acquisitions. A number of schemes at the pre contract stage had to be paused on the grounds they were no longer viable due to rising build costs. The schemes paused in the year were Kilburn Square, Windmill Court, Lidding Road and Seymour Court, the impact of the decision to pause resulted in slippage totalling £7.0m. The higher-than-expected tender returns are a reflection of wider macroeconomic variables, e.g., Brexit and war in Europe. Elsewhere across the programme, Claire Court/Watling Garden, a significant scheme at the pre contract award stage, saw delay due to the agreement of contractual terms and conditions resulting in slippage of £3.3m.

Schools

4.7 During 2022/23 the Roe Green Kitchen Project was completed, and 6 schools condition improvement projects were also finalised. 28 places at Additionally Resourced Provision (ARP) across 3 x ARP in Primary Schools happened

and the final closure of the remaining Primary School Expansion projects. The School's programme has experienced slippage of £7m. The Special Educational Needs Expansion (SEND) programme has experienced slippage of £5m. This currently includes the programme contingency budget which will be moved to future years. There has been delays to the SEND expansions at a number of the school sites as the delivery plans are finalised, but a competitive procurement process has yielded savings on the consultancy fees for the project. Following the completion of the Uxendon Manor School expansion project, a £0.3m underspend has been achieved. The School's asset management programme has slippage of £0.8m due to delays by a contractor who is experiencing financial challenges.

South Kilburn

4.8 The South Kilburn programme is a 15 year programme that aims to transform the South Kilburn area into a sustainable and vibrant neighbourhood. The Decentralised Energy Network has experienced slippage of £1.3m as the concept designs had to be updated to meet the revised London Plan low carbon district heat network requirements. The regeneration scheme has seen higher than anticipated leaseholder acquisitions of £1m at several sites within the remaining programme of which budgets can be brought forward from future years to cover the spend.

Public Realm

4.9 The highways programme has experienced slippage of £4.6m owing to delays in the planned programme. The Highways Legacy project is forecasting slippage of £0.1m which is carry over from LIP schemes implemented late in March and spend will be achieved in Q1 of FY23/24. £0.5m has been slipped into the new year for the Footway reconstruction as the contractor could not commit to completion on time so a new contractor to complete in the new year. The Carriageways and structures projects have slippage of £0.4m in total. The injection patching project started later in the year due to inclement weather conditions causing slippage of £0.2m. The Hostile Vehicle Measures project has experienced delays in feasibility due to obstruction from developments with £0.9m slipped into the new year. Further investigations have been required into the underlying structural issues on Wembley High St. leading to slippage of £0.9m. The Public Realm stump programme is ongoing and £0.4m over budget. The project will be exploring efficiencies in future years to cover this. The joint work in Kilburn Town Centre with Camden have been delayed due to design issues resulting in slippage of £1m and Church End has slippage of £0.7m due to the lighting works which need to take place.

Capital Financing

4.10 The capital financing budget outturn for 2022/23 is £23.8m. A review of the MRP policy has resulted in an increase in the charge in year which has been funded through the Capital Financing Reserve. Investment income has increased with the rise in interest rates but has been partially offset with the

associated increase in rates for new borrowing in year.

5. Financial Implications

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

6. Legal Implications

6.1 Managing public money responsibly is a key legal duty, but there are no direct legal implications in agreeing the report.

7. Equality Implications

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

8 Consultation with Ward Members and Stakeholders

8.1 Not Applicable

9. Human Resources

9.1 Not applicable

Report sign off:

Minesh Patel
Corporate Director of Finance & Resources

Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director of Finance & Resources

Medium Term Financial Outlook

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:	None
Background Papers:	N/A
Contact Officer(s): (Name, Title, Contact Details)	Minesh Patel Corporate Director of Finance & Resources Email: Minesh.Patel@brent.gov.uk Tel: 020 8937 4043 Rav Jassar Deputy Director of Finance Email: Ravinder.Jassar@brent.gov.uk Tel: 020 8937 1487

1. Purpose of the Report

1.1. This report sets out the overall financial position facing the Council and highlights the significant risks, issues and uncertainties with regards to the Council's Medium Term Financial Strategy (MTFS). It also sets out the proposed budget setting strategy for 2024/25, which is the Council's minimum legal duty in respect of local authority budget setting, in order to maximise the period of consultation with residents, businesses and other key stakeholders

1.2. The report also outlines how the MTFS will aim to provide a framework to invest in broader ambitions and long-term priorities such as the Borough Plan, the cost-of-living crisis and other future steps to ensure the Council continues to operate in a financially sustainable and resilient way as well as supporting residents in need.

1.3. The remainder of this report sets out the medium-term risks and uncertainties with regards to the current budget assumptions contained within the MTFS. These primarily relate to exceptional factors such as high levels of inflation, rising interest rates, increased demand for key services and uncertainty in government funding. In doing so, it must be recognised that the situation remains uncertain and it is extremely difficult to make a full, definitive and comprehensive assessment of the ongoing financial impact of these issues. As such, the figures in this report are based upon best estimates and forecasts and will therefore be subject to change. However, the significance of the financial challenge cannot be underestimated and over time, the Council will need to develop a response that continues to maintain a commitment to strong financial resilience and sustainability.

1.4. This report is structured as follows:

- Recommendations for Cabinet to approve
- Strategic overview of Local Government finance
- Future budget assumptions
- Proposed budget setting process for 2024/25
- Capital programme
- Housing Revenue Account
- Schools and the Dedicated Schools Grant

2. Recommendation(s)

That Cabinet:

2.1. Note the contents of the report and the potential financial impact on the Council's Medium Term Financial Strategy;

2.2. Agree the budget setting process for 2024/25, including the approach to consultation and scrutiny, as set out in section eight of this report;

2.3. Note and agree the proposed 2022/23 capital budget carry forwards and capital virements for 2023/24 as set out in section nine of this report;

2.4. Note the financial position with regards to the Housing Revenue Account, as set out in section ten of this report; and

2.5. Note the financial position with regards to Schools and the Dedicated Schools Grant, as set out in section eleven of this report.

3. Strategic Overview

Macro-Economic Outlook

3.1. The current and medium term the economic environment is volatile and uncertain with high inflation, particularly affecting energy costs, rising interest rates, a potential banking crisis and war in Ukraine, precipitating the cost-of-living crisis. Looking to the future, there is political uncertainty with a general election likely in 2024 and economic forecasts of little or no growth.

3.2. The Bank of England's view is that inflation peaked towards the end of 2022 and will now reduce in 2023 before reverting to its 2% target in 2024. The Treasury publish a summary of independent economic forecasts. In the latest issue (May 2023) the average of new independent forecasts is for CPI inflation to be 3.9% in December 2023 and 2.5% in December 2024.

3.3. CPI fell to 10.5% in December 2022 and 10.1% in January 2023, down from the peak of 11.1% in November 2022 – the highest rate of increase in 41 years. However, in February 2023 CPI rose again to 10.4% and then in March fell back to 10.1%, illustrating the volatility that persists in the economy. CPI for May 2023 was 8.7%. This is the latest figure and is unchanged from April.

3.4. The most recent major fiscal event was the Spring Budget on 15 March 2023. There were few measures of any major impact on local government. The Chancellor set out policies designed to promote growth and to shore up the public finances. He provided further support to consumers and businesses for energy costs. He committed to the target of halving inflation by December 2023. This is likely to entail further rises in interest rates, with commentators forecasting a peak as high as 7% for base rate by December 2023.

3.5. These factors create a challenging environment for the Council to plan its future resourcing requirements.

Local Government Issues

3.6. The government's Autumn Statement and Local Government Finance Settlement provided figures in sufficient detail to enable effective resource planning for the next two years. This brings welcome certainty after a protracted period of one-year settlements. However, the Autumn Statement in particular reveals that hard decisions on reducing public sector spending have been put back until the 2025/26 budget round. That is likely to be after the next general election and the task of making substantial reductions in public expenditure will therefore fall to the incoming government. There is no indication how much of any expenditure reductions will be targeted at local government but given the high level of the national savings requirement from 2025/26 onwards, it would be reasonable to assume that most parts of the public sector will be affected including local government. There is therefore a real risk of a new round of austerity.

3.7. Whilst there is cross-party recognition of adult social care funding pressures and in particular the adverse effect bed blocking has on the NHS, that consideration alone is unlikely to protect local government from a significant reduction in funding. The current MTFS anticipates an inflationary uplift of existing grants with no new funding. If the government opts for a cash-terms freeze in funding from 2025/26 onwards, this could equate to a substantial real-terms cut in spending power, if inflation remains high.

3.8. Future cuts to public sector expenditure have been put off until 2025/26, but they are not the only items deferred until then. The fair funding review of local government funding, the reset of the business rates baseline, and the introduction of a cap on care costs are just some major policy decisions currently on hold until after the next general election.

Brent Factors

3.9. The residents of Brent face an equally challenging economic environment with the effects of the cost-of-living crisis exacerbated by levels of unemployment above national and London averages. This could be made worse if the economic slowdown persists and results in a significant number of business failures. The Council is seeing the effect of Brent's precarious economic position through a post COVID-19 bounce back in both council tax and business rates collection which is below the London average. The Council will need to consider how it can assist residents and local business through these difficult economic times. At present the Resident Support Fund is a temporary provision reviewed annually. This may need to continue for some years to come.

3.10. The impact of COVID-19 scarring is another issue, and it will not be known for some time the exact extent and effect of this.

3.11. At a service level, there are considerable cost and demand pressures on children's social care in the Children & Young Peoples department as a result of increased placement numbers at a higher cost per placement. Staffing costs are also high due to recruitment difficulties which require the use of temporary staff to sustain service delivery. The adverse financial position could be worsened if the government removes the current statutory provision which eliminates the accounting requirement to fund the deficit on the DSG High Needs Block from General Fund reserves. This currently stands at c£20m. The statutory override is set to be reviewed in 2025/26.

3.12. Homelessness is another pressure area with rising demand, worsened by the cost-of-living crisis. There are also potential reductions in funding in this area. The review of Homelessness Prevention Grant has been pushed back until 2025/26. Brent loses substantial amounts of funding under either of the two options proposed in the government's consultation.

3.13. The relet environment contracts in Residents Services will face their first indexation over the period of the revised MTFS. Given the uncertainties over future inflation rates, and the size of these contracts, this is a significant financial risk which will potentially crystalise in 2025/26.

3.14. Whilst the 2023/24 Local Government Finance Settlement provided higher than expected grant funding, it would be unrealistic to expect similar levels of increase in future years, particularly given the public sector funding cliff edge in 2025/26. The government recognises that social care requires additional funding, which was forthcoming in the 2023/24 settlement. However, some of the "new" funding was actually the repurposing of existing funding allocated for the introduction of the care cap and other social care reforms, which are now deferred until 2025/26. It is unclear whether genuinely new funding will be made available if introduction of the care cap resumes in 2025/26. Without new funding, there will be a gap if there are ongoing costs supported by the use of the repurposed grants.

3.15. Looking more widely, whilst the 2024/25 levels of funding are largely known, there is still uncertainty over whether the government may tweak the distribution methodology to redirect funds in support of its Levelling Up agenda. Also, the government has given no commitment to the continuation of the New Homes Bonus. Commentators expect that there will be a re-distribution in 2024/25 and that this will be the last distribution. In 2023/24 Brent received £7.9m – the largest amount in England. This funding stream looks set to cease in its entirety from 2025/26.

3.16. Since the MTFS was agreed by Full Council in February 2023, detailed models have been developed to forecast changes in demographic demand and inflationary pressures on social care budgets in the Care, Health and Wellbeing, and Children and Young Peoples services. For Resident Services, forecasts have been made of the anticipated effects of reletting contracts under the Redefining Local Services (RLS) programme. As with any financial model, the quality of the input data will affect the quality of the output forecast. Whilst the Council has the leading software products for care management, there is some work to be done on making best use of the data captured. Whilst this information is important for forward planning, timely and accurate data will be essential for in-year monitoring of growth against demand and inflationary pressures as they occur.

Borough Plan

3.17. The Borough Plan 2023-27 sets out the Council's vision for the next four years. There is an emphasis on how the Council will work with others to support people through the cost-of-living crisis, realise climate change ambitions and harness the diverse range of communities. Central to these ambitions is making Brent the best it can be for everyone who lives and works in the borough.

3.18. The overarching theme of the plan is 'Moving Brent Forward Together'. The plan focuses on how the Council will take forward delivery in the five priority areas being of fundamental importance to Brent and its people. Each priority area has set outcomes the Council will work towards, building on the achievements so far with renewed focus and actions. It tackles cross-cutting issues such as homelessness and health inequalities. The five priorities are:

- Prosperity, Pride and Belonging
- A Cleaner, Greener Future
- Respect and Renewal in Brent
- The Best Start In Life
- A Healthier Brent

3.19. As is customary during the budget setting process, the MTFS will need to ensure it provides a framework to enable and support the delivery of these programmes.

Cost of Living Crisis

3.20. Since late 2021, the UK has experienced a rise in the cost of living for individuals and businesses. For many Brent residents, this means having to make difficult decisions on how they spend their income, which can have a negative impact on their standard of living.

3.21. The April 2023 Cost of Living poll by YouGov for the GLA found 48% of Londoners surveyed were going without basic needs, struggling to make ends meet or just about managing with their financial situation, with 32% buying less food and essentials to manage their living costs. Of those surveyed, the groups that were most likely to face these challenges included Black and Asian Londoners, social renters (from housing association or Council), and those whose daily activities were considerably limited by health problems or disabilities. These findings align with the Council's Resident's Attitudes Survey, conducted in 2021 to inform the Borough Plan, which at that time found almost a quarter of residents said their financial situation had got worse.

3.22. The Council has a number of initiatives aimed at supporting residents who may be struggling and enabling Brent and partner organisations to best respond to local needs. These include:

Financial Support

- The **Brent Resident Support Fund** (RSF) has been in place since August 2020. In the period August 2020 to March 2023, RSF has supported 7,930 households with a total of £13m. The support provided is for help with the cost of living. This can include, but is not limited to, household bills, arrears in rent, mortgage, Council Tax, food, fuel, digital equipment and emergency funds. Urgent assistance is provided when residents are at risk of losing their home or in an emergency crisis.
- Further support is provided through signposting to other internal (e.g. Brent Hubs) and external (e.g. Citizens Advice) services. The Council and key partners are also trialling a subsidiary of the RSF, a Crisis Response Fund, to provide rapid financial aid (for residents facing emergencies). The trial began in December 2022 and will be evaluated in the Summer.

- During 2022/23 Brent has also supported 94,000 households with a £150 rebate, funded from government grants, to help with the cost of energy bills.
- **Council Tax Support** (CTS): 27,014 households are supported through CTS as at 31 May 2023, of which 18,503 are working age and 8,511 are pension age. Working and Pension age residents are entitled to a maximum of 100% Council Tax Support depending on their income, savings and household composition. The total CTS given to households is forecast to be around £32.8m in 2023/24. Working age residents on CTS with some council tax to pay have also received £25 off their bill through the government's council tax rebate scheme. Care leavers receive 100% support for their council tax costing around £0.1m. Residents can also receive support due to hardship through the Council's Section 13A policy paid as part of RSF or directly.
- A new training programme to upskill front-line staff began in January 2023. The programme aims to enable more effective and earlier interventions by Brent and partner staff and to increase capacity for money and debt support in the borough. A CoL Practitioners Network has also been developed and recently expanded to include external partners to share learning and improve access to existing support.
- In addition, a six-month pilot to increase capacity for specialist debt advice is being tested in partnership with Advice for Renters and Brent Hubs. The pilot began in February 2023 and is exploring the benefits of providing this advice to RSF applicants who are seeking support to deal with debt to help them to avoid going back into debt in future. As of May 2023, 132 residents had accessed this service.

Food and energy support

- **Brent Hubs** work with residents who find it difficult to access the support they need through mainstream services. This includes issuing vouchers to residents in need of urgent food and fuel support, as well as making referrals to food aid agencies and support schemes for utility costs. Since January 2021, over 8,115 residents have accessed Hub services. Over the same period, the Hubs provided food and fuel vouchers.
- The most common needs which residents present with at the Hubs are food and fuel support (25%), housing costs (18%), homelessness (11%), form filling – such as RSF applications - (16%), debt and money (7%), welfare benefits (7%), and other, for example, employment, general support, immigration etc.(16%).
- The Government's **Household Support Fund** (HSF) has been used to provide support to Brent households with the cost of food and fuel in the form of food and fuel vouchers, grants, and financial support to food aid organisations. The HSF is a follow-on fund from the previous COVID-19 Winter Support Fund and COVID-19 Local Support Funds, which had been in place since December 2020.
- In partnership with Sufra NW London, the Council is trialling the delivery of a new wraparound support and food aid model aiming to

increase community resilience, tackle food insecurity and provide holistic support for residents. The Community Wellbeing Project commenced in February 2023 for a 6-month pilot at Bridge Park Leisure Centre. The model gives members access to a host of support including weekly food shopping, hot meals, access to themed workshops, gym access as well as 1-2-1 advice sessions with a Brent Hubs advisor and creation of a personal development plan. 200 members are enrolled on the programme, and to date have accessed 919 weekly food shops. In addition 1,239 daytime meals and 1,444 evening meals have been served (including members and non-members).

Service Specific Pressures, Risks and Mitigations

3.23. The Council is operating in a challenging financial environment with a funding outlook which is uncertain for local government in general and in particular, there is a lack of clarity around long-term funding for adult social care and emerging pressures in children's services. In addition to this uncertainty, there is also the potential for significant spending pressures from demand-led services, specifically in children's and adult social care, new burdens which impact on the budget and on-going pressures as a result of the cost-of-living crisis. Although growth has been built into the MTFS to help alleviate some of these pressures, they continue to present a significant budget risk, particularly in respect of the demographic pressures and contractual indexation. Sluggish economic growth, rising inflation, demand pressures on services and the reletting of a number of significant contracts in the Resident Services department add further financial risks. Therefore, Brent is likely to require significant savings over the next few years to deliver a balanced budget.

3.24. The demand for social care services and complexity of care needs are also ever-increasing resulting in higher costs. Whilst there are some reductions in costs due to fewer Residential and Nursing placements following the COVID-19 pandemic, the demand for homecare and supported living is on the rise.

3.25. The cost-of-living crisis and the steep rise in inflation, particularly for heating and fuel costs, are likely to have an impact on social care placement expenditure as providers look to recover some of the additional costs which they are incurring.

3.26. Another key area of uncertainty is the fair cost of care and social care reforms, where the government has pushed the introduction of a number of key measures to after the next general election. Funding for these has been diverted to provide additional resources for placements in the current year and 2024/25. The question remains, however, if and when the deferred reforms are reinstated, will the government funding be adequate? This is likely to present a substantial financial risk to the Council.

3.27. As the cost of living is rising, the demand for housing services can be expected to increase and the number of homeless applications to rise. The current economic climate could also have an impact on the rent collection rates and

result in increases in rent arrears. In addition, the service is reliant on the PRS for supply to prevent homelessness and end statutory homelessness duties. However, this market continues to contract. With more people placed in Temporary Accommodation, higher costs and less supply available to prevent homelessness, this could cause financial pressures on the budgets.

3.28. The Redefining Local Services (RLS) programme was initiated in May 2019 to develop and implement a commissioning strategy for environmental services. The existing contracts were synchronised so that the new service arrangements would come into place during 2023/24. The final delivery model will operate as a "specialist contracts delivery model with low to moderate levels of insourcing". The procurement process is now underway for these specialist contracts.

3.29. Risks around the procurement process are being monitored and reviewed, however until the procurement processes are completed, there remains a financial risk around the affordability of the contracts. In particular, the rising rates of inflation and fuel costs, which could lead to increased contract prices.

Care, Health and Wellbeing

3.30. All of Adult Social Care's activities are focused on the following areas in order to manage demand through demographic pressures:

- Diversion through prevention - continuing work with BCS and the Access service to develop this further
- Eligibility – ensuring that only people who require ASC support access funded services, including ensuring appropriate referrals to the NHS for Continuing Health Care and appropriate reviews of aftercare provision under Section 117 of the Mental Health Act 1983
- Maximising community and family support – giving people that use the service a voice and ensuring carers are supported to continue caring through the development of the carer strategy and coproduction
- Strength-based practice to promote independence – ongoing work
- Embedding practice that focuses on outcomes – recognising that social workers drive costs

3.31. The current position for CHW is:

- Adult Social Care has the lowest levels of placements in London and continues to look at ways of minimising this. Current activities include:
  - hospital to home trusted assessors (in-reach service to hospital which takes people home and supports them pending a full assessment),
  - night calls from hospital to reduce even further placements, and
  - occupational therapy intervention after a hospital discharge to reduce costs (this is the highest cost intervention).
- Savings are fully focused on managing the increase in demand due to demographic changes. The following are currently in place:

        - extra care: additional capacity (Honeypot Lane is a new extra care block coming on stream end of May 2023) and continuing to utilise fully the wider extra care stock,
        - stepping down Learning Disabilities support as appropriate from residential to supported living,
        - development of reablement,
        - reviewing low cost and very high-cost support packages,
        - reviewing double handed care,
        - Mental health reviews to ensure the most appropriate support is allocated.
    - There are Quality Assurance Meetings (every package is signed off by a Head of Service) and monthly monitoring of budget and service activities takes place across ASC. The aim is to ensure the allocation of the right amount of the right resource – this underpins everything
    - ASC are working with Public Health to develop a Well-being service. This will be focused on prevention and will include social prescribing
    - Better management of transitions - earlier ASC intervention through the development of a tracking database that provides information on potential transitional cases by year. This will help planning earlier ASC intervention
    - Workforce - development of a workforce strategy to address the shortage of occupational therapists and social workers. Currently OTs are paid a market supplement which has helped to retain OTs in ASC. OTs have been strategically placed in the service to maximise independence and reduce the demand for care (access, hospital discharge, reablement) .
    - Digital solutions – currently exploring making better use of telecare as a preventative measure and including families and friends more in supporting loved ones

Children and Young People

3.32. The volatility of placement costs for Looked after Children (LAC) and Children with Disabilities (CWD) remains a risk. The challenge remains that there is a shortage of appropriate places for local authorities seeking to place children and high costs are often charged by providers to place them. An individual high cost residential or secure placement can cost over £0.3m per annum. The highest residential placement cost at a point in 2022/23 was £19k per week. However, there have been multiple successful step downs from expensive residential placements to semi-independent with an average weekly rate of £913 or independent foster placements, with an average cost of £900 per week. Brent was also successful in a DfE bid to build and run a residential children's home in 2024/25 and this was agreed at Cabinet in May 2023. The home will help to manage costs and improve placement sufficiency.

3.33. To manage these pressures, a CYP Placements Commissioning Board has been put in place to oversee the development of four workstreams which include:

- Growing Brent's in-house foster care provision by developing a new and competitive package for in-house carers and reducing the requirement to use more expensive Independent Fostering Agencies (IFAs).
- Preventing escalating need to more expensive residential care placements by targeting mental health and wellbeing services for children with complex needs.
- Developing new approaches to market management and engagement to build relationships with providers more effectively and to ensure the local market develops to meet Brent's needs
- Promoting greater independence for care experienced young people thereby reducing placement spend and the number of care experienced young people in paid for accommodation through a system-wide approach that supports young people transitioning to independence (e.g., working with Housing for tenancy sustainment).

3.34. The recruitment and retention of skilled and experienced social workers remains a national challenge and leads to a reliance on agency staff that are more expensive than permanent staff. The challenge also remains that many of these cases held by social work staff are complex and there are high caseloads. At the end of 2022/23, caseloads in the Localities and LAC & Permanency service were 2,937 which was 17.5% above the budgeted levels of 2,500 cases. Attractive offers and manageable caseloads from other local authorities continue to prove a challenge with Brent's recruitment and retention. CYP management undertook a review of incentives in 2022/23 and it is anticipated that this will help in the drive to recruit to positions on a permanent basis.

Communities and Regeneration

3.35. Communities and Regeneration have identified the following risks:

- The economic challenges faced by the country have significantly slowed income generation for Communities and Regeneration, as it is heavily dependent on commercial planning income and related items, such as building control. If the economy rebounds in 2024 as forecast by the Office for Budget Responsibility it is likely that this income will rebound as well, however there is a risk that this income will take longer to recover. It would be challenging to find short term savings to address this within Communities and Regeneration that do not impact the long-term development of the borough.

Governance

3.36. Governance experience growth pressures as a result of increased demand for social care.

- The changes in demographic demand creating pressures on social care budgets in the Adult Social Care & Health and Children and Young Peoples services also lead to additional demand by these

services for legal advice and representation from Legal Services and from external barristers. The staffing and external costs create a pressure and if the internal team lacks capacity more expensive external support has to be procured. The service seeks to manage the demand for representation by expensive external barristers through recruitment of in-house advocates but recruitment and retention of advocates is very challenging.

Resident Services

3.37. As a result of the cost-of-living crisis, the demand for housing services is increasing and the number of homeless applications is rise rising. This trend can be expected to continue. The service is reliant on the private rented sector (PRS) for supply to prevent homelessness and end statutory homelessness duties. However, this market continues to contract. With more people placed in Temporary Accommodation, higher costs and less supply available to prevent homelessness, this could cause financial pressures on the budgets. The current economic climate is also likely to impact the rent collection rates, which would result in increases in rent arrears.

3.38. The Redefining Local Services (RLS) programme was initiated in May 2019 to develop and implement a commissioning strategy for environmental services. The existing contracts were synchronised so that the new service arrangements would come into place from 1st April 2023. With a number of new contractual arrangements for key services within the Environmental Services, there are some uncertainties that could materialise in financial pressures before the contracts are fully embedded. The contract costs are being closely monitored and remain in review against the budget available.

3.39. The Environmental and Leisure service also has a considerable income target of £33m and a small percentage change can have a large monetary impact. For example, an additional 1% reduction in income would be equivalent to around £0.3m. In the last few years income collected was significantly impacted due the pandemic and subsequent recovery and in the current year there also remains some concern around the impacts of the cost-of-living crisis on the level of income received. This will be closely monitored throughout the year.

3.40. As a need for care for children with EHCPs is increasing, and there is a risk that this trend will continue, costs within the Brent Transport Services are also rising. Increase in demand exacerbated by rising prices on taxi routes could put financial pressures on the budget. In addition, a review of the service is currently underway with savings linked to the anticipated outcomes, which could also be at risk.

4. Demographic and Demand-Led Service Pressures

4.1. Much of what the Council terms ‘growth’ is in fact the cost of standing still. Some of this is unavoidable (e.g. contract inflation, pay awards), whilst other parts result from growth pressures, such as demographic changes, that increase demand for services (e.g. adult social care, children’s services, homelessness).

4.2. The MTFS recognises that there are demand pressures arising from demographic changes and cost pressures arising from price inflation. At the time of the February 2023 Budget Report, the growth built into the MTFS assumed that the demographic pressures would crystalise in line with the central case scenario forecast developed in June/July 2022. It is worth noting that this forecast was made before the full effects of the cost-of-living crisis were known and there is therefore a risk that the demographic pressures may be higher, particularly in children's social care.

4.3. Inflation on care contracts for both adults and children, and the main Residents Services' contracts, had been assumed to be 10% in 2023/24, falling to 6% in 2024/25 and 2% in 2025/26, which was in line with forecasts at the time by OBR and the Bank of England. However, inflation is volatile and subject to external factors beyond the control of governments or central banks. There is therefore a risk that inflation does not halve by the end of the year in line with the government's promise or revert to the Bank of England's target rate of 2% by 2025/26, heaping further pressure on a financial year already heavy with uncertainty.

4.4. The MTFS assumes that the pay award will require funding of £8.5m in 2023/24, £6.5m in 2024/25 with a substantial reduction to £3.5m by 2025/26. A 1% pay increase costs about £1.6m. This mirrors the forecast reduction in inflation. Since inflation is a key driver for the level of pay claims, that is not unreasonable, but it does mean that the inflation and pay award risks are coupled and it becomes critical that both reduce substantially by 2025/26 if they are to be contained within the current provision. For the pay award, there is also a risk if a further flat rate increase is agreed. Flat rate increases are more costly to Brent than percentage rate increases due to the profile of employee grades and the extra cost that London weighting imposes on London Boroughs when it is added on to the national flat rate increase. At present the 2023/24 has not been agreed; union requests for pay rises in 2024/25 are in the normal form of a percentage increase, while the employers are offering another flat rate increase. Which will prevail is unknown. The position for 2025/26 is a further unknown. This is therefore a risk.

4.5. As inflation is so volatile, as part of the budget setting process for 2023/24, part of the Future Funding Risks reserve was ear-marked to fund one-off spikes in inflation that do not require incorporation in the base budget.

5. Income Assumptions

Government Grants

5.1. At present the Council's core grant funding consists of generally usable Revenue Support Grant (RSG - £28.97m in 2023/24), and specific grants for items such as for Public Health (PHG), the Improved Better Care Fund (iBCF) and additional Social Care Grant (SCG). The MTFS assumes a small inflationary increase for RSG and PHG with a cash freeze for iBCF. The SCG increases in line with the government's projections. Any inflationary increase may be inadequate to cover actual price rises experienced in the service areas. There are a number of other lower value grants which are also expected to remain frozen in cash terms. Whilst most grants are expected to continue at current levels, the 2022/23 Services Grant is expected to cease.

5.2. Whilst the government does not intend to introduce wholesale changes to the local government finance system, such as via a Fair Funding Review; this does not mean that it will make no changes. The government remains committed to the "Levelling Up" agenda and this could see resources redistributed out of London. Also, many key public sector funding decisions have been deferred to after the next election. This means that the incoming government will face significant challenges to balance the books and some of the pain is likely to be shared with local government. The future funding position is therefore uncertain and most likely unfavourable.

Council Tax

5.3. Council Tax is one of the most significant sources of income for the Council, making up £140.1m (or 43%) of total core funding in 2022/23 rising to £150.8m (or 42%) in 2023/24. In 2023/24, the referendum threshold limit (excluding the GLA share) was set at from 5%, including 2% for the Adult Social Care Precept.

5.4. As set out when the 2022/23 budget was agreed, there was an implicit assumption from the Department for Levelling Up, Communities and Housing (DLUCH), built into future funding settlements, that all local authorities would increase council tax by up to the referendum limit. As the increase would permanently increase the council tax base income, it would also reduce the significant funding pressures in 2023/24, and beyond, and support the unprecedented pressures within social care. In addition, the GLA precept, which makes up around 20% of the overall Council Tax bill and is subject to their own decision making, was increased by 9.7% in 2023/24 to provide additional funding for the Metropolitan police and Transport for London.

5.5. Substantial rises in Council Tax causes difficulties for some households and for that reason the council continues to fund a Council Tax Support scheme support for households who are financially vulnerable. In 2022/23 £32m was provided to around 28,000 households. In addition, the Council's Resident Support Fund has made available £6m of additional funds for residents who are having difficulty as a result of the cost-of-living crisis.

5.6. The current budget assumptions for 2024/25 have taken a prudent view and assumed that government will maintain the current referendum limit of 5% (of which 2% is the Adult Social Care Levy). It should be noted that the additional income generated through the Adult Social Care precept alone does not cover the total growth requirement for Adult Social Care pressures. Although the government maintain that reforming social care remains a priority, it has deferred introduction of the cap on care fees and other social care reforms until after the next general election.

5.7. Other considerations that need to be taken into account when setting Council Tax, such as assumed tax base growth, the long-term collection rate and the cost of the Council Tax Support scheme will be set out for Cabinet when the draft budget proposals are published later this year.

Business Rates

5.8. The government allocate Business Rates back to Brent based on their assessment of need (the Baseline Funding Assessment) and the actual Business Rates collected. Brent receives a top up as need is in excess Business Rates collection. The MTFS assumes that business rates will be uprated by CPI inflation in line with the move away from RPI inflation introduced by the government in the 2023/24 local government finance settlement.

5.9. The Government has continued to allow Local Authorities with a geographic link to form a business rate pool. The settlement confirmed the Eight Authority Business Rates Pool (involving the City of London Corporation as well as Tower Hamlets, Hackney, Haringey, Waltham Forest, Brent, Barnet, and Enfield) will continue in 2023/24. In forming a pool, the group of authorities are seen as a single entity from a business rate perspective and in doing this, should retain more of the business rate income generated locally.

5.10. Based on the financial modelling undertaken to date, the benefit for Brent is estimated to be in the region of £2m. This is based on estimates using forecasts from participating boroughs and are therefore only illustrative and a lower set of figures is entirely possible. It is important to note that the final value of the pooling gain will not be known until the Statement of Accounts for the Pool Collection Fund, managed by The City of London Corporation, has been finalised and audited in the autumn of 2023. This position will be closely monitored during 2023/24 but even at this stage it is not deemed prudent to build this potential additional income into the base budget and to place reliance for funding on a future income stream that is in no way guaranteed.

6. Medium Term Financial Strategy

6.1. The aim of the MTFS is to ensure a long term, stable and sustainable financial position that will allow the Council to achieve its strategic objectives. It reflects the impact of central government funding decisions and the impacts of the national and local economic context. It also provides a robust financial framework to support achievement of the Council's overall objectives and delivery of services.

6.2. The MTFS will be refreshed as part of the draft 2024/25 budget that will be presented to Cabinet later this year, including extending out to 2025/26. Adopting a long-term and forward-looking approach should leave the Council in a sustainable financial position, with long term plans in place to give certainty to residents about future levels of service provision.

6.3. It is important that the refreshed MTFS closely aligns with the Borough Plan for which it is the funding statement. It should also be closely linked to individual service plans for which it provides the funding sources and the Capital Strategy, which is key to sustaining the Council's services and investment in future improvements.

6.4. This will produce a comprehensive suite of forward planning documents that allow the Council to ensure long term financial stability and a structured forecast of the future based on a 'no surprises' approach.

7. Overall Summary

7.1. Brent has delivered total cumulative savings of £196m since 2010. In February 2023, the Council agreed a further £18m of savings spread across 2023/24 and 2024/25. Looking forward further savings will be required in 2024/25 and 2025/26. The lack of clarity around the future level of local government funding and uncertainty about the economic environment, particularly inflationary pressures, make it hard to be precise about future financial targets. The current working assumption is that £8m of savings will be required between 2024/25 to 2025/26 to balance the budgets of those years. The exact gap is inherently uncertain, simply because of the number of variables to be estimated and the difficulty of doing so over longer periods of time. The accuracy of this is probably at best +/- 20%, and wider variations are entirely plausible.

7.2. These estimates, which will be refined over the summer, will be a major factor in the construction of 2024/25 budget. The Council will be looking to identify and deliver savings of c£8m in addition to the £4.5m of 2023/24 savings carried into 2024/25 to bridge the gap in 2024/25 and enable it to set a balanced budget as required by law. The budget gap for 2025/26 will be reviewed once the local government finance settlement for 2024/25 is known. The Council will need to take difficult decisions about which services to prioritise and protect and which to reduce in order to continue to deliver affordable and sustainable budgets.

7.3. It is within this overall financial context that the other financial reports on this agenda, specifically the Financial Outturn 2022/23 report and Q1 2023/24 Financial Forecast report, become particularly relevant. Firstly, the Financial Outturn 2022/23 report sets out the outturn for income and expenditure versus the revenue budget for 2021/22. A number of departments overspent with the CYP outturn showing significant structural problems caused by demographic pressures and inflation. Secondly, the Q1 Financial Forecast report for 2023/24 sets out that based on current assumptions and other budget pressures, such as inflation and demographic pressures, can be contained within the overall growth built in the 2023/24 budget.

7.4. However, it must be stressed that these forecasts and estimates are based on a number of assumptions which are subject to constant change. It is incredibly difficult to predict how businesses will weather the general economic downturn. In addition, the current inflationary pressures being experienced makes financial planning and management exceptionally challenging. This uncertainty runs alongside existing budget pressures including social care demand, reductions in various income streams, housing and homelessness.

7.5. Nevertheless, despite all of the uncertainties, risks and moving parts, all Local Authorities have to put together financial plans for 2024/25. For Brent, it is proposed to continue to base plans on an assessment on the range of possible scenarios rather than wait for the outcome of the Local Government Finance settlement in December 2023.

8. Proposed budget setting process for 2024/25

8.1. The proposed budget setting process following this Cabinet meeting is as follows:

- Draft budget for 2024/25 and 2025/26 presented to Cabinet in autumn 2023. The precise date is dependent on the Chancellor's autumn statement where announcements on the Spending Review and Local Government funding are expected;
- The proposals, together with any changes made by Cabinet, will form the basis of consultation between October 2023 and February 2024 with residents, businesses and other key stakeholders;
- The Budget Scrutiny Task Group will review the budget proposals and report accordingly;
- The General Purposes Committee will review the calculation of the Council Tax base in December 2023; and
- After the statutory processes of consultation, scrutiny and equalities have concluded, a draft budget will be presented to Cabinet to recommend a final budget and Council Tax to the February 2024 Council meeting.

9. Capital programme

9.1. In 2022/23 the Council spent £191.6m of the £232.6m approved budget outlined in Table 1.

Table 1 - 2022/23 Final Outturn Position							
Portfolio / Programme	**Budget as at Feb 2023**	**Budget Changes since Feb 2023**	**Final Budget 2022/23**	**Outturn**	**Over / (Under) Spend to Budget**	**Over / (Under) spend Breakdown**	
						2022/23 Slippage /Spend Carried Forward	**Underspend for Removal**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**	**£m**
Corporate Landlord	17.3	0.6	17.9	13.4	(4.5)	(4.3)	(0.2)
HCIB - GF	79.4	(0.6)	78.8	60.1	(18.8)	(18.8)	0.0
HCIB - HRA	59.4	0.0	59.4	44.6	(14.9)	(14.9)	0.0
PRS I4B	19.9	0.0	19.9	40.0	20.1	20.1	0.0
Public Realm	21.1	0.2	21.3	13.5	(7.8)	(7.8)	0.0
Regeneration	9.4	0.0	9.4	2.5	(6.9)	(6.6)	(0.3)
Schools	12.5	0.0	12.5	5.5	(7.0)	(7.0)	0.0
South Kilburn	11.5	0.0	11.5	11.2	(0.3)	(0.3)	0.0
St Raphael's	1.9	0.0	1.9	0.8	(1.1)	(1.1)	0.0
Grand Total	**232.4**	**0.2**	**232.6**	**191.6**	**(41.1)**	**(40.6)**	**(0.5)**

9.2. The 2022/23 outturn position was lower to the revised budget by £41.1m. Further details on the outturn position are contained within the Financial Outturn Report for 2022/23. It is proposed that the slippage of £40.6m is re-profiled into 2023/24 and future years, as set out in the table below.

Table 2 - Budget Adjustments Breakdown 2023/24 to 2027/28						
	2023/24	**2024/25**	**2025/26**	**2026/27**	**2027/28**	**Total**
	£m	**£m**	**£m**	**£m**	**£m**	**£m**
2022/23 Underspend	42.8	(1.7)	0.0	0.0	0.0	41.1
Cabinet Approved Budget						
Corporate Landlord - Kilburn Library and the Library Garden	0.0	0.8	0.0	0.0	0.0	0.8
Housing - DFG Allocation	1.9	7.6	2.3	0.0	0.0	11.8
Housing - Capital Repairs Allocation	3.1	0.0	0.0	0.0	0.0	3.1
Schools - Residential Children's Care Home	2.2	0.0	0.0	0.0	0.0	2.2
Additional New Budget						
Public Realm – additional TFL, NCIL & S106 Projects	2.4	0.0	0.0	0.0	0.0	2.4
Heather Park S106 Additional Amount	0.1	0.0	0.0	0.0	0.0	0.1
Housing - Learie Constantine adjustment to reflect prior approvals	2.7	0.4	0.0	0.0	0.0	3.1

Corporate Landlord – Improving Customer Experience	0.1	0.0	0.0	0.0	0.0	0.1
Budget Re-profiling						
Schools – SEND and Youth Provision Programmes	(24.4)	24.4	0.0	0.0	0.0	0.0
Corporate Landlord – ICT Investment Fund	1.7	(1.7)	0.0	0.0	0.0	0.0
South Kilburn – William Dunbar	0.8	0.0	0.0	0.0	(0.8)	0.0
Housing – St Raphael's	(32.0)	14.0	18.0	0.0	0.0	0.0
Housing – General Fund Schemes	(8.7)	2.0	6.8	(0.1)	0.0	0.0
Housing – HRA Schemes	(38.1)	36.4	3.7	(2.0)	0.0	0.0
Corporate Landlord – Digital Strategy Programme, Equipment for Flexible Working and Oracle Cloud Phase 2	(2.1)	1.1	1.0	0.0	0.0	0.0
Regeneration – Grand Union Bridge	(6.8)	6.8	0.0	0.0	0.0	0.0
Regeneration – Morland Gardens	(29.5)	9.3	15.2	4.0	1.0	0.0
Budget Removals						
Removal of School budgets for completed projects	(0.3)	0.0	0.0	0.0	0.0	(0.3)
Removal of completed GLA Right to Buy Back project	(1.5)	0.0	0.0	0.0	0.0	(1.5)
Removal of completed Public Sector Decarbonisation project	(0.2)	0.0	0.0	0.0	0.0	(0.2)
Total	**(85.8)**	**99.4**	**47.0**	**1.9**	**0.2**	**62.7**

The budget adjustments set out in Table 3 include:

9.3. £41.1m slippage/brought forward and underspend from 2022/23 set out in Table 1 above.

9.4. Budgets Approved by Cabinet since the 22/23 Budget Report:

- £0.8m approved for the upgrade of premises and facilities at Kilburn Library.
- £11.8m approved in respect of the Disabled Facilities Grant allocation including £1.9m for 23/24.
- £3.1m addition for the Housing HRA capital repairs budget
- £2.2m approved for the development of a residential Children's Care Home.

9.5. Additional New Budget

- £2.4m for additional grant and S106 allocations for several public realm projects including LIP and Green Streets funding from TFL and Heather Park.
- £3.1 addition for Learie Constantine to reflect prior approvals.
- £0.1m addition for the inclusion of Registrars to the improvements to the Customer Experience project.

9.6. Budget re-profiling

- Reprofiling of scheme of works for SEND programme, Youth Provision and relocation of Islamia Primary School.
- Reprofiling of the ICT Investment Fund after the project schedule allowed for a quicker rollout.
- Reprofiling following works brought forward on the William Dunbar site
- Reprofiling of the St Raphael's Estate wide improvement works to be in line with the proposed project plan.
- Reprofiling for updated schedule of works across various housing delivery programmes within the Housing General Fund and HRA
- Reprofiling of the Digital Strategy programme workplan, Oracle Cloud workplan, expected demand for the Flexible Working Equipment and CNWL loan negotiations.
- Reprofiling of the Pedestrian and Cycle Bridge across the Grand Union Canal
- Reprofiling of the Morland Gardens project following the public inquiry to the stopping up order.

9.7. Budget Removals

- Removal of remaining budget for completed schools projects that have completed, allowing repurposing of the grant funding within the Schools Board.
- Removal of the remaining budget for the Right to Buy Back budget following the conclusion of the grant programme.

The revised budget position for 2023/24 to 2027/28 is summarised in Table 3 below.

Table 3 - Capital Programme Revised Budget 2023/24 to 2027/28

Board	**2023/24 Revised Budget** **£m**	**2024/25 Approved Budget** **£m**	**2025/26 Approved Budget** **£m**	**2026/27 Approved Budget** **£m**	**2027/28 Approved Budget** **£m**	**Total 2022/23 to 2026/27** **£m**
Corporate Landlord	14.3	27.2	17.3	8.9	27.8	95.5
HCIB - GF	96.9	85.5	36.1	4.5	0.0	223.0
HCIB - HRA	135.5	149.8	40.7	20.8	0.0	346.8
PRS I4B	0.0	0.0	0.0	0.0	0.0	0.0
Public Realm	35.6	11.8	9.2	1.0	7.1	64.7
Regeneration	44.8	79.8	44.0	19.0	1.0	188.6
Schools	19.6	44.8	2.2	0.0	0.0	66.6
South Kilburn	28.1	13.6	2.2	11.4	6.3	61.6
St Raphael's	0.8	14.0	18.0	0.0	0.0	32.8
Total	**375.6**	**426.5**	**169.7**	**65.6**	**42.2**	**1,079.6**
Approved Feb 23	461.4	327.1	122.7	63.7	42.0	**1,016.9**
Budget Adjustments	(85.8)	99.4	47.0	1.9	0.2	**62.7**

Capital Pipeline

9.8. The programme agreed by Council in February 2023 included £531.6m of pipeline schemes. The capital pipeline is a list of potential future investment projects identified by each of the sub-boards. In evaluating the investment pipeline proposals several factors are considered. These include statutory requirements, demonstrable linkages to corporate priorities, with the ability for proposals to generate revenue savings and, to a slightly lesser extent, their potential to generate future capital receipts or other financial returns.

9.9. Schemes will be brought forward once further refined and subject to detailed business cases, they will be promoted to the main programme following Cabinet approval where necessary.

9.10. Since February the proposed Children's Care Home project has received Cabinet approval and is now part of the main programme reducing the pipeline to £529.4m.

10. Housing Revenue Account

10.1. The Housing Revenue Account (HRA) is a ring-fenced account which contains the income and expenditure relating to the Council's landlord duties in respect of approximately 12,000 dwellings including those held by leaseholders.

10.2. The HRA budget is set each year in the context of the 30-year business plan. The business plan is reviewed annually allowing for horizon scanning and the identification and mitigation of risks in the short, medium and long term. Early identification of risks enables planning and implementation of mitigations to ensure the HRA can continue to remain financially secure and deliver on its commitments:

- Expand and accelerate the development of new council homes;
- Continue to maintain and improve existing council homes; and
- Transformation and continuous improvement of front line services to tenants and leaseholders.

10.3. Since 2020/21, and originally for the following four years, the Council had the power to increase rents annually up to a maximum of CPI plus 1%. This had helped to provide some stability and certainty over planned investment in the current stock, service improvements and new developments, at least in the short to medium-term. For 2023/24, the government has introduced a rent rise limitation. The average rent currently sits at £133.42 per week, an increase of 7% when compared to the previous year as opposed to an 11.1% increase if the CPI plus 1% continued. This represented a £2m reduction in investment int the HRA. The HRA has to modify service delivery and achieve considerable savings in order to close the gap between the rental income raised and the increased cost of delivering the service as a result of inflation. A cap on rent rises does not only affect one financial year, but also has an impact on future rent levels. There is no provision in the current rent regulations to allow anything more than the maximum (CPI plus 1%) increases in future years. Therefore, a

lower rent increase in 2023/24 means that the base for a rent increase in 2024/25 is also going to be lower and so on for future years. It is currently anticipated that from 2024/25 onwards, the rent caps will increase by CPI (at September of the previous year) plus 1.5% annually.

10.4. HRA rent setting needs to be considered in the context of the ring-fence and the 30-year business plan. If the Council applies the CPI plus 1.5% rent policy for 2024/25, this would result in an average rent per week of £142.76 and give the potential to raise an additional £2.1m per annum for the next 2 years. A £3.8m increase in rent has the effect of an additional £114m investment in the HRA over a 30-year period.

10.5. Some costs such as repairs are rising significantly and are likely to remain at those levels without falling when the current economic pressures subside. Medium-term investment plans must be approached cautiously and allow for flexibility. High levels of uncertainty around the inflation and rising interest rates pose a financial risk to the HRA. This has an impact on the cost of materials and repairs, as well as the cost of new build contracts. Rising energy costs are to be passed on to tenants and leaseholders resulting in an increased risk of non-collection. In addition, rising cost-of-living is likely to impact rent collection rates and consequently result in increased rent arrears. Other pressures involve the capital programme as there is no new government funding having been made available to meet environmental priorities and requirements such as carbon reduction works to homes. In addition, an increase in service requests relating to damp and mould is likely to put additional pressures on budgets. The increased costs experienced by the HRA would have to be met by rent inflation and modifying service delivery, in addition to the annual saving targets which are incorporated into the medium-term financial plan.

10.6. The influences outlined above are continuously monitored and a reappraisal of HRA budget priorities will be considered if necessary. As part of the budget setting process, the HRA budget will be subject to a separate consultation process.

11. Schools and Dedicated Schools Grant

11.1. The 2022 Autumn Statement announced that the core schools' budget would increase by £2bn in the next two financial years 2023/24 and 2024/25, over and above totals announced at the Spending Review 2021. This additional funding against the Schools Block of the DSG will go towards supporting Brent schools, especially those experiencing financial difficulty and currently projecting an in-year deficit. Also, for the academic year 2023/24, the Mayor of London will fund Free School Meals for all primary aged children who are currently not eligible for the current Government offer.

11.2. Despite the increased funding, Brent schools are still faced with budget challenges as they manage rising costs due to wage increases and other inflationary increases such as rising energy costs. The impact of the cost-of-living crisis could also have an impact on schools.

11.3. Another challenge faced by some primary schools remains the impact of falling rolls in their reception and key stage 1-year groups and this directly affects the funding the schools receive as pupil numbers drive school funding. The affected schools will need to respond to the reduced funding when planning their budgets through restructures to prevent the school going into a deficit.

11.4. School balances decreased in 2022/23 mainly attributed to inflationary pressures and the impact of falling rolls. Seven schools ended the financial year 2022/23 in deficit an increase from the previous year of six schools. These schools will require licenced deficit agreements with recovery plans to return to a balanced position.

11.5. At the end of 2022/23, the overall DSG deficit in Brent which has arisen because of the increasing number of children with Education, Health and Care Plans (EHCP), funded through the High Needs Block, has reduced to £13.8 million following an in-year surplus of £1.3 million added to the brought forward balance from 2021/22 of £15.1m.

11.6. The trend shows that the number of children with EHCP's continue to grow based on published data.

Table 4	January	January	January	January	January
Financial Year	**2019**	**2020**	**2021**	**2022**	**2023**
Number of EHCP	2,173	2,426	2,784	2,938	3,251
Brent Year on Year % Increase	5%	12%	15%	6%	11%
National Year on Year % Increase	11%	10%	10%	10%	9%

11.7. The cumulative deficit of £15.1million will be carried forward to 2023/24 and Brent has a Deficit Recovery Management Plan in place with longer-term actions to recover the deficit with regular updates on progress presented at Schools Forum. A combination of longer-term recovery actions includes managing demand by applying a graduated approach to reduce the need for an EHCP, improving sufficiency of places by establishing more SEND provision in the borough, improved financial management and anticipated government funding increases will help to reduce the deficit. The risk also remains that the number of EHCPs will continue to rise.

11.8. As a result of DSG being in deficit, Brent as well as 54 other local authorities, are part of the DfE's programme to support local authorities manage their deficits i.e., Delivering Better Value (DBV) in Special Educational Needs and Disabilities (SEND) programme. The programme involved bidding for a £1 million grant to support reforms of the high needs system. Brent was part of the first tranche of 20 authorities to commence the programme and was awarded the £1 million grant in March 2023 to deliver on actions against the Management Plan.

11.9. A key finding from the 1st Tranche of 20 LAs on the DBV programme was that the highest impact objective to pursue to provide better support for children and young people and reduce the number that need an EHCP or a special school

placement, is increasing the ability of local systems to support children in a mainstream setting.

11.10. The financial year 2022/23 was the final year of the statutory override set out in the School and Early Years Finance Regulations 2021 which requires local authorities to either carry forward any cumulative DSG deficit to set against the DSG in the next funding period of carry forward some or all the deficit to the funding period after that. The government has now extended the arrangement for another three financial years from 2023/24 to 2025/26.

12. Financial Implications

12.1. The financial implications are set out throughout the report.

13. Legal Implications

13.1. Standing Order 24 sets out the process that applies within the Council for developing budget and capital proposals for 2024/25. There is a duty to consult representatives of non-domestic ratepayers on the Council's expenditure plans before each annual budget under Section 65 of the Local Government Finance Act 1992. The council also has a general duty to consult representatives of council tax payers, service users and others under Section 3 (2) Local Government Act 1999.

14. Equality Implications

14.1. Under the Public Sector Equality Duty (PSED) in the Equality Act 2010, Brent Council is required to pay due regard to the need to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between different protected groups when making decisions. The groups protected by law, also known as protected characteristics, are age, disability, gender, race, religion or belief, pregnancy and maternity, marriage and civil partnership, sexual orientation and gender reassignment. Although socio-economic status (people on low income, young and adult carers, people living in deprived areas, groups suffering multiple disadvantage, etc.) is not a characteristic protected by the Equality Act 2010, Brent Council is committed to considering the impact on socio-economic groups.

14.2. The PSED does not prevent decision makers from making difficult decisions in the context of the requirement to achieve a significant level of savings across all operations. It supports the Council to make robust decisions in a fair, transparent and accountable way that considers the diverse needs of all our local communities and workforce. Consideration of the duty should precede and inform decision making. It is important that decision makers have regard to the statutory grounds in the light of all available material, including relevant equality analyses and consultation findings. If there are significant negative equality impacts arising from a specific proposal, then decision makers may decide to amend, defer for further consideration or reject a proposal after balancing all of the information available to them.

15. Consultation with Ward Members and Stakeholders

15.1. The detailed approach to the statutory consultation process will be set out as part of the budget report to be presented to Cabinet in October 2023.

16. Human Resources

16.1. Not applicable.

Report sign off:

Minesh Patel
Corporate Director of Finance & Resources

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Brent	**Cabinet** 17 July 2023
	Report of the Corporate Director Finance and Resources

Quarter 1 Financial Report 2023/24

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:	Two: Appendix A: Savings Delivery Tracker Appendix B: Treasury Management Prudential Indicators
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Minesh Patel, Corporate Director of Finance & Resources 020 8937 4043 Minesh.Patel@Brent.gov.uk Ben Ainsworth, Head of Finance 020 8937 1731 Benjamin.Ainsworth@Brent.gov.uk

1. Summary

1.1. This report sets out the current forecast of income and expenditure versus the revenue and capital budgets for 2023/24 and other key financial data.

1.2. The 2023/24 budget was set to accommodate for the pressures arising as a result of the current economic climate and cost-of-living crisis. At this stage of the financial year the overall forecast for the Council is a break-even position. The budget also reflects £13.5m of savings that were agreed for 2023/24. The latest forecast for the delivery of these savings are set out in Appendix A.

1.3. The table below shows the forecast position against budget for the General Fund, DSG and HRA. Further detail on each area is contained within section three of this report.

	Budget	Forecast	Overspend / (Underspend)
	£m	£m	£m
Care, Health and Wellbeing	122.7	122.7	0.0
Children and Young People	62.1	62.1	0.0
Communities and Regeneration	6.3	6.3	0.0
Governance	13.6	13.6	0.0
Finance and Resources	11.8	11.8	0.0
Resident Services	69.2	69.2	0.0
Subtotal Service Area Budgets	**285.7**	**285.7**	**0.0**
Central Items	(285.7)	(285.7)	0.0
Grand Total General Fund Budgets	**0.0**	**0.0**	**0.0**
DSG Funded Activity	0.0	0.0	0.0
Housing Revenue Account (HRA)	0.0	0.0	0.0
Net Total	**0.0**	**0.0**	**0.0**

**DSG and HRA budgets have been presented as net figures in the table above. Gross income and expenditure budgets for the DSG and HRA are shown below.*

DSG gross income and expenditure

	Budget	Forecast	(Under)/ Overspend
	£m	£m	£m
DSG			
Income	(220.8)	(220.8)	0.0
Expenditure	220.8	220.8	0.0
Total	**0.0**	**0.0**	**0.0**

HRA gross income and expenditure			
	Budget	**Forecast**	**Under/ (Over)spend**
	£m	**£m**	**£m**
HRA			
Income	(61.2)	(61.2)	0.0
Expenditure	61.2	61.2	0.0
Total	**0.0**	**0.0**	**0.0**

1.4. The table below shows the current forecast against the revised budget for the Capital Programme, as at Quarter 1 for 2023/24. Further detail is contained within section four of this report.

Directorate	**Original Budget**	**Revised Budget**	**Current Forecast**	**FY Variance**	
	£m	**£m**	**£m**	**£m (Underspend)/ Overspend/**	**£m (Slippage)/ Brought Forward**
Corporate Landlord	10.3	14.3	14.4	0.1	0.0
Housing GF	82.3	96.9	92.8	1.6	(5.7)
Housing HRA	157.0	135.5	137.8	2.4	0.1
PRS I4B	18.5	0.0	0.0	0.0	0.0
Public Realm	25.5	35.6	33.2	(0.5)	(2.0)
Regeneration	74.1	44.8	39.9	(1.0)	(3.9)
Schools	35.1	19.6	17.2	(0.6)	(1.7)
South Kilburn	27.0	28.1	28.1	0.0	0.0
St Raphael's	31.7	0.8	0.8	0.0	0.0
Total	**461.5**	**375.6**	**364.2**	**2.0**	**(13.2)**

1.5. The current economic environment is volatile and uncertain with high inflation, particularly affecting energy costs, rising interest rates and war in Ukraine, precipitating the cost-of-living crisis. The Bank of England's view is that inflation peaked towards the end of 2022 and will now reduce in 2023 before reverting to its 2% target in 2024. CPI fell to 10.1% in January 2023, down from the peak of 11.1% in November 2022 – the highest rate of increase in 41 years. However, in February 2023 CPI rose again to 10.4% and then in March fell back to 10.1%, illustrating the volatility that persists in the economy. CPI for April 2023 was 8.7%. This has resulted in a rise in interest rates to 5% in June 2023 and is likely to result in further rises in interest rates, with commentators forecasting a peak of 5.5% for base rate by December 2023. These factors create a challenging environment for the Council to plan its future resourcing requirements. Given that many contracts increase in price based on inflation as measured at a specific month, (e.g. every September) this creates a significant risk for this financial year that costs could grow faster than forecast if inflation is higher than forecast. Should this occur, the Council

will need to find in-year efficiencies in order to keep the budget in balance. As a last resort, the Council may need to utilise reserves to fund any further in-year pressures.

2. Recommendation

2.1 That Cabinet note the new grant funding received in year, the overall financial position and the actions being taken to manage the issues arising.

2.2. That Cabinet note the savings delivery tracker in Appendix A.

2.3 That Cabinet approve the virements set out in section 3.7.7 of this report.

2.4 That Cabinet note for the 2023/24 Q1 the Council has complied with its Prudential Indicators which were approved by Full Council as part of the Council's Treasury Management Strategy Statement and Capital Strategy Statement, as set out in Appendix B.

3. Revenue Detail

3.1 Care, Health and Wellbeing

Care, Health and Wellbeing	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Adult Social Care	99.0	99.0	0.0
Public Health	23.7	23.7	0.0
Integrated Health Partnerships	0.0	0.0	0.0
Total	**122.7**	**122.7**	**0.0**

Summary

3.1.1 The Care, Health and Wellbeing budget 2023/24 includes a savings target of £4.3m and an additional growth allocation of £15.3m. This budget has been set accordingly, based on assumptions around future demographic and inflationary trends.

Risks and uncertainties

3.1.2 There are a number of risks and uncertainties within the service that could affect the assumptions made and the overall forecast outturn for Care, Health and Wellbeing 2023/24.

3.1.3 As is the case in other service areas, Public Health contracts are likely to be affected by the rising levels of inflation. The majority of public health services are commissioned from the NHS where national Agenda for Change pay awards have significantly outstripped uplifts in the public health grant, even before the resolution of current industrial disputes. However, for 2023/24 the costs are anticipated to be contained within the main Public Health grant.

3.1.4 Within Adult Social Care, demographic and inflationary pressures, as well as uncertain implications of the introduced fair cost of care and social care reforms, all pose financial risks to the service's budgets.

3.1.5 Whilst the planned social care charging reforms have been delayed from October 2023 to October 2025, the sector must still work to ensure sustainable rates for care are paid with fair cost of care funding from the Government continuing for the next two years.

3.1.6 The demand for social care services and complexity of care needs are also ever-increasing resulting in higher costs. Whilst there are some reductions in costs due to less Residential and Nursing placement following the COVID-19 outbreaks, the demand for homecare and supported living is on the rise.

3.1.7 The cost-of-living crisis and the steep rise in inflation, heating and fuel costs are likely to have an impact on spot placement requests from providers who are looking to recover some of the additional costs they are incurring. For 2023/24, the Adult Social Care budget was allocated a growth budget to manage projected demographic growth demand and inflationary increases. Due to continued rises in inflation this creates additional risk and uncertainty, and care package budgets are therefore being monitored closely whilst any placement fee increase requests from providers are also being reviewed in detail.

3.1.8 It has now been confirmed that Brent will continue to receive Hospital Discharge Funding from Government this financial year (£1.8m funding directly to the Local Authorities and an unconfirmed amount of funding from the Integrated Care Board).

3.1.9 As part of the £4.3m savings target, £600k is attributed to Learning Disabilities. It has been identified that there are potential challenges in delivering this saving within the timeframe agreed. This will be monitored closely and mitigating items will need to be identified if this were to materalise.

Savings and Slippages

3.1.10 A savings target for 2023/24 of £4.3m is planned to be delivered across a number of services within the department including, homecare, reablement, staffing, learning disability and mental health placements. The department will need to manage any risk of slippage as stated earlier.

Summary of Key Assumptions

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

inflationary assumptions.		a £0.7m reduction in anticipated costs.	individual package costs based on evidence as part of placement reviews.
Client numbers and unit costs stay within the forecast range	Additional budget pressures should there be clients beyond those predicted in the forecast	Client numbers falling below those forecasted would reduce costs	The Council are monitoring both client numbers and package costs for each service. This should allow for early identification of pressures so mitigating actions can be taken.

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

CYP Department	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Central Management	0.6	0.6	0.0
Early Help	5.0	5.0	0.0
Inclusion	2.0	2.0	0.0
Localities	21.1	21.1	0.0
Looked After Children and Permanency	7.3	7.3	0.0
Forward Planning, Performance & Partnerships	23.3	23.3	0.0
Safeguarding and Quality Assurance	2.8	2.8	0.0
Setting and School Effectiveness	0.0	0.0	0.0
Total	**62.1**	**62.1**	**0.0**

Summary

3.2.1 At this early stage of the financial year the Children & Young People's department is currently forecasting a breakeven position. The budget includes savings of £0.84m and a growth allocation of £8m. However, there are a number of risks and uncertainties discussed below which may impact on this position going forward.

Risks and uncertainties

3.2.2 The main risks and uncertainties impacting on the CYP department include issues such as inflationary pressures resulting in private providers of fostering, semi-independent and residential accommodation for looked after children, increasing costs significantly and the impacts of the cost-of-living crisis on care leavers and vulnerable families, increasing demand.

3.2.3 Recruitment and retention of skilled and experienced social work staff remains a risk in Localities and Looked After Children, and Permanency (LAC&P) services with agency staff occupying up to 50% of the workforce in some teams.

3.2.4 The volatility surrounding the placements budget for looked after children (LAC) is a key challenge. If demand for residential placements increases, this will increase the pressure as an individual high cost residential or secure placement can cost over £0.3m per annum. Ofsted are strengthening their reviews of children's residential homes and there is a risk that this could lead to a reduction in the number of homes, causing higher demand and higher costs for local authorities competing for the same places. In response Brent has been successful in a DfE bid to build and run a children's home which will help to manage costs and improve placement sufficiency. The home is expected to be operational towards the end of 2024/25. Brent is also joining the West London Commissioning Alliance, a pan-London vehicle to ensure greater sufficiency of secure welfare residential placements which will be operational in 2025.

3.2.5 There is the risk of additional cost pressures being passed on to local authorities from semi-independent provisions due to the DfE introducing mandatory national standards from April 2023, which will be overseen by an Ofsted-led registration and inspection regime. The average weekly cost for semi-independent accommodation is c£913 per week for a looked after child and £769 per week for Care Leavers, and there is a risk that the weekly cost of both could increase. Grant funds will be provided however the risk remains that the funding may not be sufficient to cover the increased costs.

3.2.6 The Children with Disabilities budget within the Localities service funds the care costs for children with Education, Care and Health Plans (EHCPs). There remains a risk that further increases in EHCPs will put additional pressure on the care packages budgets in this area and impact on staffing costs.

3.2.7 The forecast position is also dependent on estimated income from the Home Office for (UASC) and Care leavers of c£2.6m and health contributions from the ICB of £1.7m. Any major fluctuations against these income streams could have an impact on the outturn position.

Savings and Slippages

3.2.8 The department has a £0.84m savings target to deliver across the department. The savings are mainly from reductions in care packages of £0.36m, staffing efficiencies of £0.36m, and £0.12m arising from contract savings and a reduction in the training budget. The department is on track to deliver the savings and any risk of slippage will be managed by the department.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
LAC and Care Leaver placements forecast assumes numbers of 809 and unit costs reflect current trends.	An increase in the number of high cost residential or secure placements would place additional pressure on the budget. e.g., an increase by 4 placements in year could cause an additional in-year pressure of c£0.9m (and £1.2m per annum).	Increased step-down arrangements result in falling number of residential placements. A single stepdown from a residential placement to a semi-independent placement could reduce expenditure by c£0.1m in-year.	A CYP Placements Commissioning Board has been put in place to oversee the development of four workstreams which include; Growing Brent's in-house foster care provision; preventing escalating need by targeting mental health and wellbeing services; Developing new approaches to market management and engagement and promoting greater independence for care experienced young people
Health & DSG contributions for CYP placements and Children with Disabilities (CWD) packages will be lower than the 2022/23 levels.	The spend will not be mitigated by these contributions in proportion to the overall demand.	It will assist in mitigating overall net spend.	Maximising joint funding approaches with health to ensure contributions to placement costs where applicable. Targeted activity across ICS to ensure consistency in Continuing Health Care funding. Ensuring that any contributions due from the DSG High Needs Block for Education costs for children with EHCPs paid out of the general fund are received.
Mix of social work staff and caseloads in the Localities and LAC & Permanency	If increases of 15% during the year, there could be up to £1m additional spend on agency social work staff to	There would be a reduction in the use of agency staff and the reduced caseloads could be attractive to social	Continued management action to monitor caseloads across the service and review and manage social work resources.

service to include the use of agency staff.	manage the pressure.	workers seeking permanent roles.	

3.3 Communities and Regeneration

Communities and Regeneration	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Communities and Strategy	4.4	4.4	0.0
Regeneration	1.9	1.9	0.0
Total	**6.3**	**6.3**	**0.0**

Summary

3.3.1 The Communities and Regeneration department is currently forecasting to break even for 2023/24.

Risks and uncertainties

Regeneration

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

3.3.3 Application and Pre-Application fee income has seen a decline in recent years. This reduction in income is not exclusive to Brent and has been the case across the country. Fee increases have been proposed by the Department for Levelling Up, Housing and Communities, however the impact this increase will have in this financial year is still to be determined.

3.3.4 Rising interest rates and material costs are likely to cause cancellation or the scaling back of some developments, which will cause a decline in income in Building Control. This decline in income is being exacerbated by increased competition from private inspectors, which has resulted in a drop in the council's market share. Health and Safety Executive (HSE) high-rise building regulations will be introduced in October 2023, which will mean a switch to a cost recovery basis. New methods of income generation are being explored with a view of reducing the budgetary pressure.

Savings and Slippages

3.3.5 A £0.33m saving is planned to be delivered from the Communities and Regeneration departmental budget in 2023/24, predominantly through changes to staffing structures. Delays with a supplier have resulted in a slippage of £50k on a saving which was to be achieved through efficiencies generated by the use of technology and automation. Mitigations are currently

being explored to ensure a break-even position. The rest of the savings are on track to be delivered.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
Fee income will continue to be lower than the income target for the rest of the financial year for both Planning & Development Services and Building Control	Lower than forecast fee income will create budgetary pressures within the Regeneration department	Higher income volumes will generate additional revenue for the Council	Continuous monitoring of the fee income to identify budgetary pressures as early as possible.

3.4 Governance

Governance	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Legal Services	4.6	4.6	0.0
HR Services	3.8	3.8	0.0
Executive & Membership	4.1	4.1	0.0
Procurement	1.1	1.1	0.0
Total	**13.6**	**13.6**	**0.0**

Summary

3.4.1 The Governance department is forecasting a break-even position for 2023/24.

Risks and uncertainties

3.4.2 There are no materials risks identified for this department at present.

Savings and Slippages

3.4.3 A £0.35m saving is planned to be delivered from the department's budget in 2023/24, predominately through internal restructures and service transformations. This saving is on track and there is currently no slippage anticipated.

3.5 Finance and Resources

Finance and Resources	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Finance	7.4	7.4	0.0
Audit & Investigations	1.1	1.1	0.0
Shared Technology Services	0.2	0.2	0.0
Property & Assets	3.1	3.1	0.0
Total	**11.8**	**11.8**	**0.0**

Summary

3.5.1 Finance and Resources are currently forecasting to spend to budget for 2023/24.

Risks and Uncertainties

3.5.2 Property & Assets are required to find new tenants to replace expired leases and vacant property to meet their income forecast. The service is working to mitigate this risk by actively marketing these properties and working with agents where appropriate.

Savings and Slippages

3.5.3 A total of £1.1m of savings are planned through reductions in staffing, digital transformation, security service transformation, rationalising soft FM services and other departmental efficiencies. The department is on track to deliver these savings.

3.6 Resident Services

Resident Services	Budget (£m)	Forecast (£m)	Overspend /(Underspend) (£m)
Resident Services Directorate	0.4	0.4	0.0
Customer Services	15.3	15.3	0.0
Housing	3.3	3.3	0.0
Environment and Leisure	39.7	39.7	0.0
Transformation	10.5	10.5	0.0
Total	**69.2**	**69.2**	**0.0**

Summary

3.6.1 The department is taking a number of actions to support Brent residents and businesses and mitigate the impact of the cost-of-living crisis.

3.6.2 Following the government's Council Tax Energy Rebate scheme in 2022/23, under which the Council delivered £15m of support with energy bills for 90,000 households, a further £1.2m of support is being provided through the Energy Bills Support Scheme Alternative Funding and Alternative Fuel Payments Alternative Funding schemes. This is being delivered to households who were ineligible for support with their energy bill costs through their domestic electricity supply.

3.6.3 A Household Support Fund (HSF) grant has been awarded by the government to support residents through the cost of living and winter costs. The total grant allocated for 2023/24 is £5.6m. This is anticipated to be utilised in full to support households receiving free school meals for holiday period, 0-4 year old children whose parents or guardians are on Housing Benefits, food banks, careers in Brent, Housing Benefits residents who did not qualify for any government help, as well as reactive food support through supermarket vouchers. Of the total allocation, £2m of the HSF has been made available for the Resident Support Fund (RSF) for reactive support through RSF applications.

3.6.4 While these measures are much needed by Brent households and businesses, the Council has taken additional steps to provide more support to residents and businesses. The Council's RSF, which is a discretionary support fund, has been in place since August 2020 to provide help with the cost of living. This can include, but is not limited to, household bills, arrears in rent, mortgage, council tax, food, fuel, digital equipment and emergency funds. The RSF for 2023/24 is estimated to support 5,000 households with a total of £5m, £3m Council's investment and £2m HSF reactive support fund. In addition, £1m has been made available in the form of the Family Food Fund.

3.6.5 The Council has foregone £33m of Council Tax revenue in 2023/24 to fund the Council Tax Reduction Scheme (CTRS), supporting around 27,000 households in the borough. In addition to this, the Council is reducing Council Tax bills for CTRS households by up to £25, funded by Central Government's Council Tax Support Fund. Any remaining allocation from this fund will be used to support vulnerable households through the RSF.

3.6.6 The 2023/24 budget has been set taking into account assumptions around future demographic changes, the impacts of the cost-of-living crisis and inflationary trends. Based on these assumptions and current trends, the Resident Services department is forecasting a break-even position for 2023/24. However, there are a number of risks and uncertainties that could impact the final financial outturn position for the year.

Risks and uncertainties

Housing

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

3.6.8 In addition, the affordable Private Rented Sector (PRS) is contracting meaning there is a lack of supply to move households on from TA, which puts further pressures on the budget.

3.6.9 The current economic climate could also have an impact on the rent collection rates and result in increases in rent arrears. Collection rates are being closely monitored and there are ongoing investigations to better understand the drivers for the movements.

Environment and Leisure

3.6.10 Within Brent Transport services, rising demand linked to the increase in the EHCPs (Educational, Health and Care Plans), as well as prices on taxi routes could put pressure on the budget. Brent continues to monitor the demand projections for the year and mitigations in place to reduce the impact.

3.6.11 Within Leisure, reductions in income could cause financial pressures if recovery of facilities is slower than anticipated. The income levels are being closely monitored and income maximisation strategies are being put in place. Higher utility costs for leisure centres also mean that a risk of provider failure is increasing. Supporting operators by subsidising their operating costs would create budgetary pressures for the Council and closing sites would also have a significant impact on both communities and income levels. The Council is working closely with the leisure providers to ensure continuity of the affordable service.

3.6.12 Volatilities in the energy market are being closely monitored against the budgetary assumptions but this is one of the risk areas for the service.

3.6.13 In addition, new contractual arrangements for a number of key services within this department commence in 2023/24, which creates further uncertainties that could materialise in financial pressures until the contracts are fully embedded.

Savings and Slippages

3.6.14 A £4m saving is planned to be delivered from the department's budgets in 2023/24. The main savings are expected from the services transformation, restructures and digital projects. There are some risks identified that could result in slippages against the original timeline for the delivery of some savings, however it is anticipated that any slippages will be managed by the department through one off measures.

Summary of Key Assumptions

Key Assumption	Downside if worse	Upside if better	Mitigations
The additional numbers of	Each person costs on average	Faster progress on	The service is focusing on moving homeless

homeless people can be managed within the existing budgets.	£340 per week to accommodate, so a delay for 13 weeks (1 quarter) of 20 people will cost an additional £0.1m.	homeless pathways will reduce expenditure by £340 per person per week.	clients along the various pathways. Use of Homelessness Prevention reserves could help to offset the pressures if required.
Rent collection rates for the Housing Needs service will not fall below the anticipated level.	A 5% worsening in the collection rate will cost £0.4m.	A 5% improvement in the collection rate will recover £0.4m.	Collection rates are being closely monitored and investigations into the drivers for the movements in the collection rates are ongoing.
SEN Transport spend is within budget and expected client numbers.	Every additional child requiring transport via taxis costs the Council an average of £11,300 per annum.	Reduction in the growth requirement for future years.	The service is monitored as part of the shared service with Harrow. Client numbers can therefore be planned for. A strategic review of this service is taking place to look for efficiencies.
Energy costs stay within the expected forecast.	Additional pressures on the reserves.	Reduced pressure on the Council's reserves.	The service is working closely with the contractors to build projections and mitigate impacts.

3.7 Central items

Collection Fund – Council Tax

3.7.1 The net collectible amount for Council Tax for 2023/24 (after exemptions, discounts and Council Tax Support) at 30th April 2023 is £200.3m. As at the end of April 2023, the amount collected was 13.3%, an increase of 2.1% when compared to the in-year target and 2.3% higher than the amount collected in the same period last year (11.0%). The long-term collection rate has been reduced to 97% since 2022 due to the effects on collection rates of COVID-19 and the cost-of-living crisis. The trend suggests that collection rates are slowly recovering and therefore it may be possible to return the long-term target to 97.5% for 2024/25, providing a further increase in resources to the General Fund. The data will be closely monitored throughout 2023/24 to determine if the trend is sustainable before a decision is taken for the Council Tax Base report in December 2023.

Collection Fund – NNDR

3.7.2 The budgeted net collectable amount for Business Rates (NNDR) for 2023/24 is £125.5m (after exemptions, reliefs and discounts). This was based on the forecast used for the NNDR1 form in January 2023 and has increased by 11% from £112.8m in 2022/23. This increase has been caused by the revaluation of all non-domestic properties at 1st April 2023 (the first revaluation since 2017), which has resulted in an increase to the overall rateable value of Brent's non-domestic properties from £312m to £370m (19% increase). The increase to the net collectable amount has been partially offset in 2023/24 by transitional reliefs applied to some properties to defer the increase in rates because of the revaluation.

3.7.3 The actual net collectable amount for NNDR at 30th April 2023 is £126.0m, a small increase from the budget in January. However, adjustments to this may occur during the year due to increases or reductions in the number of non-domestic properties and successful appeals against rateable values.

3.7.4 The increase to the net collectable amount for NNDR does not directly affect the General Fund as the overall resources that the Council receives from the Business Rates retention system are determined in the Local Government Finance Settlement. However, where the actual income to the Collection Fund is different to the budget, Brent's share of the resulting surplus or deficit estimated in January is distributed to/from the General Fund in the following financial year.

3.7.5 As at the end of April 2023, the amount collected was 8.4%. The amount collected in the same period last year was 8.6%. This decrease could be due to factors negatively affecting the ability of businesses to pay their Business Rates, such as energy costs, high inflation and the reduction in consumer spending power as a result of the cost of living crisis. Monitoring of the NNDR collection rates will take place throughout 2023/24 to determine any underlying trends and the impact of this on the Medium Term Financial Strategy.

Savings

3.7.6 The 2023/24 budget, agreed at Full Council on 23 February 2023, included an £18m savings target, of which £4.5m was deferred to 2024/25. Appendix A sets out the progress in delivery against this savings target and any mitigating actions.

Virements

3.7.7 The table below shows the virements which have been entered to adjust the budgets at Corporate Directorate level during 2023/24. Cabinet are recommended to approve these virements.

	2023/24 Opening Budget	In-year growth	Transfer of functions between services	Technical Adjustments	2023/24 In-Year Budget at 30.04.2023
	£m	**£m**	**£m**	**£m**	**£m**
Adult Social Care and Health	**122.0**	0.7	0.0	0.0	**122.7**
Children and Young People	**62.1**	0.0	0.0	0.0	**62.1**
Communities and Regeneration	**5.2**	1.1	0.0	0.0	**6.3**
Resident Services	**69.2**	0.0	0.0	0.0	**69.2**
Governance	**13.6**	0.0	0.0	0.0	**13.6**
Finance and Resources	**11.7**	0.1	0.0	0.0	**11.8**
Central Items	**(283.8)**	(1.9)	0.0	0.0	**(285.7)**
Total Budget	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

3.7.8 In-year growth items are budget movements from the Central Items budget to Departmental budgets which were not actioned at the start of the financial year.

3.7.9 The table above includes the following in-year growth items:

- Increase to Public Health expenditure budget (£678k) as per the increase to the Public Health grant (held centrally)
- Increase in the PFI budget (£110k) to match to PFI credits income
- Funding for the agreed Regeneration Recovery Initiatives projects (£1,106k)

3.7.10 Transfers of functions between services are budget movements between Corporate Directorates, which occur when a department is moved from one service to the other. The virement ensures that the department and the related budget remain together.

3.7.11 Technical adjustments are budget movements resulting from either events which are provided for in the MTFS, but only confirmed during the year (e.g. pay award), or budget movements resulting from changes to processes (e.g. centralisation of budgets).

3.8 Dedicated Schools Grant (DSG)

Funding Blocks	Overall DSG Funding 2022/23	Forecast Expenditure	Overspend/ (Underspend)
	£m	£m	£m
Schools Block	119.5	119.5	0.0
High Needs Block	74.7	74.7	0.0
Early Years Block	24.5	24.5	0.0
Central Block	2.1	2.1	0.0
Total DSG	220.8	220.8	0.0

Summary

3.8.1 There have been increases to the DSG funding blocks for 2023/24 and the overall DSG allocation for Brent is £371m however, the Department for Education (DfE) has recouped £139m from the Schools Block and £8.8m from the High Needs Block to be transferred directly to Academies. In addition, £1.9m was recouped from the Schools Block for National Non-Domestic Rates (NNDR) to be paid directly to billing authorities on behalf of schools. This leaves a total allocation of £220.8m as reflected in the table above. The Schools Block also made a 0.5% contribution to the High Needs Block of £1.3m to support the pressures in this Block. At this stage, the DSG is currently reflecting a balanced in-year budget.

3.8.2 The cumulative DSG deficit brought forward from 2022/23 is £13.8m. This is made up of an in-year surplus of £1.3m achieved in 2022/23 and the £15.1m High Needs deficit carried forward from prior years. The £1.3m surplus is held in a separate usable reserve to support the DSG budgets to fund the risk of claw back from the Early Years block and could go towards mitigating the overall DSG deficit. The £15.1m deficit carried forward has been disclosed as an earmarked unusable reserve in line with DfE regulations (the School and Early Years Finance (England) Regulations 2021). The regulations state that the deficit must be carried forward and held separately from in-year surpluses, to be funded from future years' funding and/or recovery plans agreed with the DfE.

3.8.3 The Council has a High Needs Block Deficit Recovery Management Plan in place with longer-term actions to recover the deficit. A task group led by the Corporate Director of Children and Young People (CYP) coordinates and monitors these actions. Some of these actions to reduce costs include managing demand for EHCPs through adopting a graduated approach framework, improving sufficiency of places through increasing the amount of special provision within the borough, particularly for secondary phase pupils and 16–25-year-old SEND students and financial management to identify efficiencies and charging an administrative cost to ensure that there is full cost recovery from other local authorities that place pupils in Brent Special Schools. A combination of these longer-term recovery actions and anticipated funding increases is expected to achieve a reduction in the deficit.

3.8.4 In 2022/23 Brent participated in the DfE programme called Delivering Better Value (DBV) in SEND, to provide dedicated support and funding to help local authorities reform their high needs systems. The first phase of the programme included a comprehensive diagnostic to identify root cause cost drivers and mitigating solutions or reforms and support in developing a quality assured Management Plan and the opportunity to bid for a £1m grant to deliver the actions in the Management Plan. Brent was successful and will receive the £1m funding over two financial years i.e., 2023/24 and 2024/25. The DBV programme will not address the historic deficit, however the current Management Plan and efficiencies identified from the programme may allow funds to be released to address historic deficits.

Risk and Uncertainties

3.8.5 A balanced budget has been set for the HN Block but there remains a risk that the number of children and young people with Education Health and Care Plans (EHCPs) will continue to grow. The growth in EHCPs is a national and London wide trend whereby the number of children assessed as meeting the threshold for support continues to increase, however the HN Block funding has not increased in line with continued growth. Over the years, this has created financial pressures with a majority of authorities holding deficit balances. The HN Block received a 10% increase in funding for 2023/24, however the risk remains that this increase may not be sufficient to cover the costs of further increases in EHCP numbers and increases from providers for high inflationary costs.

3.8.6 The statutory override set out in the School and Early Years Finance (England) Regulations 2021 which requires local authorities to either carry forward any cumulative DSG deficit to set against the DSG in the next funding period of carry forward some or all the deficit to the funding period after that was expected to end in 2022/23. The government has now extended the arrangement for another three financial years from 2023/24 to 2025/26. There remains the risk that the local authority would then be required to absorb any accumulated deficit from the DSG by using General Fund reserves.

3.9 HRA

HRA gross income and expenditure			
	Budget	**Forecast**	**Under/ (Over)spend**
	£m	**£m**	**£m**
HRA			
Income	(61.2)	(61.2)	0.0
Expenditure	61.2	61.2	0.0
Total	**0.0**	**0.0**	**0.0**

Forecast

3.9.1 The budgets for the Housing Management function are contained within the ring-fenced Housing Revenue Account (HRA), which has a balanced budget set for 2023/24.

3.9.2 The HRA is forecasting a break-even position for 2023/24, however there are a number of risks and uncertainties in this fund that could pose financial pressures.

Risks and uncertainties

3.9.3 High levels of uncertainty around the inflation and rising interest rates pose a financial risk to the HRA. This has an impact on the cost of materials and repairs, as well as the cost of new build contracts. Rising energy costs are to be passed on to tenants and leaseholders resulting in an increased risk of non-collection. In addition, an increase in service requests relating to damp and mould is likely to put additional pressures on budgets.

3.9.4 Other pressures involve the capital programme as there is no new government funding having been made available to meet environmental priorities and requirements such as carbon reduction works to homes.

3.9.5 The government has limited social housing rent increases to 7%, which means that the increased costs experienced by the HRA cannot be fully met by rent inflation. The HRA needs to modify service delivery and achieve considerable additional savings in order to close the gap between rental income and the cost of service delivery. In addition, the cost-of-living crisis is likely to further impact rent collection rates and consequently result in increased rent arrears.

3.9.6 These risks are being continuously monitored and reflected in the HRA Business Plan and the Council's Medium Term Financial Strategy (MTFS).

4. Capital Programme

The table below sets out the Capital Programme current forecast to the revised budget position as at Quarter 1 for 2023/24.

Directorate	Original Budget	Revised Budget	Current Forecast	FY Variance	
	£m	£m	£m	£m (Underspend)/ Overspend/	£m (Slippage)/ Brought Forward
Corporate Landlord	10.3	14.3	14.4	0.1	0.0
Housing GF	82.3	96.9	92.8	1.6	(5.7)
Housing HRA	157.0	135.5	137.8	2.4	0.1
PRS I4B	18.5	0.0	0.0	0.0	0.0
Public Realm	25.5	35.6	33.2	(0.5)	(2.0)
Regeneration	74.1	44.8	39.9	(1.0)	(3.9)
Schools	35.1	19.6	17.2	(0.6)	(1.7)
South Kilburn	27.0	28.1	28.1	0.0	0.0
St Raphael's	31.7	0.8	0.8	0.0	0.0
Total	**461.5**	**375.6**	**364.2**	**2.0**	**(13.2)**

4.1 Corporate Landlord

4.1.1 Corporate Landlord has a forecast of £14.4m versus a revised budget of £14.3m for 23/24.

4.2 Housing General Fund

4.2.1. Housing General Fund is forecasting to spend £4.1m below the current year budget; this due to £1.6m in net project overspends offset by £5.7m slippage. Five schemes (Preston Park, Knowles House, Stonebridge, Honey Pot Lane and Peel Road) are collectively forecasting to overspend by £1.8m; due to works not packaged as part of the original main works contract. Three schemes (Clock Cottages, Northwick Park and Edgware Road) are collectively slipping £5.7m in forecast expenditure to future years due to delays in finalising planning, delays onsite and delay to scheme redesign.

4.3 Housing HRA

4.3.1 Housing HRA is forecasting to spend £ 2.4m ahead of the current year budget; this due to net project overspends across four schemes (J Weston House, Mason Court, Hindhurst Close and Aneurin Bevan Court). A legal dispute with a contractor and upheld contractor loss and expense claims (due to poor weather, COVID-19 and inflation) are the main causes for the overspend.

Risk and Uncertainties – Housing

4.3.2 Viability challenges are set to continue with contractors reporting pressure on supply chains dues to macroeconomic factors (Brexit, war in Ukraine and rising inflation). To mitigate these challenges, the Council has paused schemes to reconsider the available options. These including looking at

alternative delivery options, working with a single contractor and renegotiating the grant settlement with the GLA. In addition, controls are in place to build on knowledge and corporate experience to bring about process improvement. It is likely there will be further schemes in the New Council Homes Programme that will need to be paused throughout the year.

4.4 PRS I4B

4.4.1 I4B Private Sector Acquisitions have no planned loan drawdowns in year however this position is subject to the suitability of potential opportunities that may occur throughout the year.

Risk and Uncertainties

4.4.2 With inflation not slowing as forecast, the prospect that the Bank of England will further increase interest rates remains a further possibility and make the financing of acquisitions more challenging. On the supply side, rising rates could see housing prices fall. Overall then the picture is uncertain and, while opportunities will be explored on an ongoing basis, the number of acquisitions the company will be able to source that meet financial viability criteria is unclear.

4.5 St Raphael's

4.5.1 The St Raphael's project is forecasting to spend to budget. The budget of £0.8m is for planning and design spend for all phases and for the minor improvement works that will not require planning consent (formal application). Plans for further works will be firmed up in future subject to viability. The Council is now working towards the delivery of the first tranche of Estate improvement works, set to commence this financial year.

Risk and Uncertainties

4.5.2 The development works on the infill masterplan are currently on pause following recent cost estimates for the scheme. The Council are revising a strategy to deliver the development, with viability being assessed at a later date.

4.6 Public Realm

4.6.1 The Public Realm revised budget for is the year is £35.6m with a latest forecast of £33.2m. The variance of £2.4m consists of an underspend of £0.5m within the pitch improvement project, lamp column electric charging points programme and a number of smaller projects. The Waste Bins project has an updated project plan with the trial scheduled to start in September resulting in slippage of £1.5m. There is also slippage of £0.4m across several different projects including Parks, Healthy Streets and Parking.

Risk and Uncertainties

4.6.2 The reduction in grant funding for TFL has resulted in a smaller scope of works to deliver the Local Implementation Plan. The long-term programme is being developed in recognition of this reduced level of funding to ensure we maximise the impact of the funding received.

4.7 Regeneration

4.7.1 Regeneration is currently forecasting an underspend on the Designworks scheme which has concluded feasibility. The new medical centre programme is forecasting slippage of £2.3m whilst further discussions continue with the NHS ICS on their delivery. The Picture Palace scheme is forecasting slippage of £0.8m with the works contract expected in the next year and £0.8m of the spend relating to the UK Shared Prosperity Fund is forecast as slippage.

Risk and Uncertainties

4.7.2 The Wembley Housing Zones project is expected to experience a viability pressure when updating the project plans to meet potential fire safety regulations that are yet to be confirmed. Work is already underway with the contractor to reduce the impact of any changes required. The Morland Gardens project could see a significant delay in the project delivery timescales dependent on the outcome of the public inquiry in relation to the stopping up order.

4.8 Schools

4.8.1 The Schools Board is forecasting an underspend of £0.63m and slippage of £1.73m for the year. The underspend is driven by an updated Devolved Formula Capital Projects submitted by Schools reducing the expenditure and minor underspends on the Schools Asset Management Programme and Roe Green kitchen project. The SEND programme is forecasting slippage of £1.73m due to a 3 month delay in completion of the PCSA works on the London Road site.

Risk and Uncertainties

4.8.2 There are many schools involved in the Additional Resource Provision of the SEND programme which may not be able to progress once full feasibility studies and structural surveys are completed so the programme could see volatility in the location of the provision.

4.9 South Kilburn

4.9.1 The South Kilburn programme has a budget of £28.1m of which the current forecast is spend to budget.

Risk and Uncertainties

4.9.2 Viability is a key challenge for the remaining developments within the South Kilburn programme. The Single Delivery Partner approach is being explored to help provide certainty for the programme and provide economies of scale for the delivery partner.

5. Treasury Management Prudential Indicators

5.1 In line with the 2021 Prudential Code, a review of the prudential indicators for the authority will now take place quarterly rather than solely through the Treasury Management updates throughout the year. Performance of the treasury and capital activities against these indicators can be found in Appendix B.

6. Financial Implications

6.1 This report is about the Council's financial position in 2023/24, but there are no direct financial implications in agreeing the report.

7. Legal Implications

7.1 There are no direct legal implications in agreeing the report.

8. Equality Implications

8.1 There are no direct equality implications in agreeing the report.

9. Consultation with Ward Members and Stakeholders

9.1 Not applicable.

10. Human Resources

10.1 Not applicable.

Report sign off:

Minesh Patel
Corporate Director of Finance & Resources

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Appendix A - MTFS Savings Delivery Tracker 2023/24

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Care, Health and Wellbeing	2023-24 AH01	Homecare Reductions	1,200		1,200	Post Covid increases in homecare, driven by increased need and hospital discharge, introduce new reablement service and reduce double handed care packages to manage demand and increase independence	Green	Saving on track to be delivered
Care, Health and Wellbeing	2023-24 AH02	Not in-sourcing Reablement	1,300		1,300	Commission a reablement service through the market, which will deliver the same benefit for residents and for demand, but will cost substantially less to deliver than bringing the service in house	Green	Saving already achieved
Care, Health and Wellbeing	2023-24 AH03	Reduction in cost of Learning Disability Placements	600		600	Proposal to support more people with a Learning Disability to live as independently as possible and to continue to reduce Residential Placements	Amber	Potential delays in fully delivering the savings in 23/24, mitigating items to be identified if this materialises
Care, Health and Wellbeing	2023-24 AH04	Extra Care Void Saving	250		250	Reduce the number of care home placements, reversing the increase driven by health during Covid, re-focusing on extra care placements filling voids and new extra care schemes as alternatives that promote more independence	Green	Saving on track to be delivered
Care, Health and Wellbeing	2023-24 AH05	Mental Health Placements	470		470	Working closely with housing and secondary MH services to improve the recovery pathway post Covid, in particular reducing supported living placements and increased access to General Needs accommodation	Green	Saving on track to be delivered
Care, Health and Wellbeing	2023-24 AH06	Reductions in Staffing	270		270	Deliver the plan to increase the number of permanent staff in a very challenging recruitment market and reduce the Adult Social Care agency staffing	Green	Saving on track to be delivered via vacancy factors across the service

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Care, Health and Wellbeing	2023-24 AH07	Digital / Transformation Savings	175		175	ASC - online forms, single view dashboards, integration of applications with Mosaic, assistive technology. Electronic document management. Direct payments automation and reduction in overpayments; and potential for increased alignment with CYP DP team. Automation of manual case review processes.	Green	Saving on track to be delivered
Sub Total			**4,265**	**0**	**4,265**			
Children & Young People	2023-24 CYP01	Early Help	240		240	Savings proposals will be a combination of establishment savings achieved by deleting posts and reducing some commissioned services.	Green	Savings on track to be delivered
Children & Young People	2023-24 CYP02	Inclusion and Virtual School	80		80	Reducing the Supporting Young People Contract, ('Connexions').	Green	Savings on track to be delivered
Children & Young People	2023-24 CYP03	Localities - Care Packages reduction	365		365	Care package reductions for families receiving support from the 0-25 children and young people with disabilities teams	Green	Work underway to ensure that savings will be on track to be delivered.
Children & Young People	2023-24 CYP05	Looked after Children and Permanency		510	510	Review of agency worker usage and implementation of a vacancy factor	Green	Work underway to ensure that savings will be on track to be delivered.
Children & Young People	2023-24 CYP06	Forward Planning Performance & Partnerships		860	860	Proposed savings will be made through the commissioning of placements for Looked After Children and Care Leavers	Green	Work underway to ensure that savings will be on track to be delivered.
Children & Young People	2023-24 CYP07	Safeguarding and Quality Assurance	121		121	Savings will be made through the management of vacant posts and a reduction of the CYP training budget.	Green	Work underway to ensure that savings will be on track to be delivered.
Children & Young People	2023-24 CYP08	Setting and School Effectiveness	34		34	Proposed savings will be made by a reduction in staffing costs within the core school effectiveness team.	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Children & Young People	2023-24 CYP09	Digital / Transformation Savings		200	200	Admin - case management, RPA, Mosaic enhancement (alerts), electronic document management, removing manual processes and excel. Schools admissions chatbots/virtual agents. Direct payments automation and reduction in overpayments; potential for increased alignment with ASC DP team. CAMS dashboard.	Green	Work underway to ensure that savings will be on track to be delivered.
Sub Total			**840**	**1,570**	**2,410**			
Communities & Regeneration	2023-24 CR01	Planning Service Staff		205	205	Reduce planning staff by 5% (3.5 FTE) achieved by natural turnover/deletion of vacant posts. Would impact ability to provide planning service and policy framework.	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR02	Brent Works / Brent Start	35		35	Proposal to combine advisors across both Brent Start and Brent Works via turnover / vacancy management	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR03	Brent Start Programme Leader	24		24	Proposal to merge a position with another programme to delete this provision in Brent Start via vacancy management	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR04	Regeneration Capitalisation		75	75	Opportunity for further capitalisation for 4 years, whilst Wembley housing zone schemes are built	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR05	Town Centre managers	68		68	Reduction of one Town Centre manager.	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR06	Strategy & Engagement restructure	55		55	Reduction in IAG Contract. Non appointment of new posts identified in the new structure	Green	Savings on track to be delivered
Communities & Regeneration	2023-24 CR07	Communications restructure	100		100	Reduce the number of Communications Account Managers in the corporate communications team from five to three	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Communities & Regeneration	2023-24 CR08	Digital / Transformation Savings	50		50	Automation, chatbot, virtual agents. Dashboards for contract monitoring and demand management. Any changes to structures, alignment and commissioned services from Employment and Skills OBR. IoT e.g. potholes, better tech for field officers (Powerapps) to increase efficiency.	Green	Delays with a supplier will result in a slippage. Mitigating actions need to be identified.
Sub Total			**332**	**280**	**612**			
Resident Services	2023-24 RS01	Removal of first class envelopes from the Civic Centre	64		64	Removal of first class envelopes from Civic Centre to reduce postage spends. First class postage will remain available in the Post Room but only for those requiring first class postage	Green	Savings on track to be delivered
Resident Services	2023-24 RS02	Staffing Changes	86		86	Staffing changes across the Improvement & Performance Team and the Digital Post Room teams. Duties to be covered by existing staff once re-evaluation of JD's and staff consultation has been carried out	Green	Savings on track to be delivered
Resident Services	2023-24 RS03	IEG and Resilience contract reduction & Staffing reductions due to systems automation	262		262	Reduction in the usage of the Resilience contract and creation of in house applications to replace IEG	Green	Savings on track to be delivered
Resident Services	2023-24 RS04	Online diary and reporting system and booking citizenship ceremonies	11		11	Online diary and reporting system equivalent to current product bought in house use of corporate. Online booking Citizenship ceremonies incorporating facility for payment for private ceremonies	Green	Savings on track to be delivered
Resident Services	2023-24 RS05	Staff reorganisation	210		210	Staff reorganisation in the Revenue & Debt team	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Resident Services	2023-24 RS06	Reduction in licensing, corporate printing, supplies and services, delivery of ICT roadmap, staffing	418		418	• Reduction in licensing spend through applications rationalisation • Reduction in corporate printing spend through continued move to digital options • Reduction in ICT and Transformation supplies and services spend • Reduction in Brent's contribution to the shared ICT service through realisation of savings through delivery of roadmap projects • Reduction in staffing in Transformation service	Green	Savings on track to be delivered
Resident Services	2023-24 RS07	Digital / Transformation Savings	300		300	Online forms, chatbot/virtual agent, RPA, further reduction in print, aligning systems	Green	Savings on track to be delivered
Resident Services	2023-24 RS08	Libraries stock	62		62	Reduction in Libraries stock budget	Green	Savings on track to be delivered
Resident Services	2023-24 RS09	Increase Council Owned Temporary Accommodation Portfolio	350		350	Build a new Temporary Accommodation scheme of up to 100 units (similar to Anansi House), providing better quality and more affordable accommodation for people who would otherwise be in private sector nightly paid accommodation	Amber	New accommodation will not be available until 2024 so one-off mitigations in year will need to be identified
Resident Services	2023-24 RS11	Increase portfolio of Council Managed Temporary Accommodation (TA)	86		86	Transfer HALS TA portfolio from Notting Hill Genesis (NHG) to Brent Direct Leasing (BDL)	Green	Saving is no longer deliverable in the original form, however mitigating actions have been identified to deliver the saving in an alternative way through reducing other costs within the Temporary Accommodation portfolio
Resident Services	2023-24 RS12	Street Light Dimming	60		60	Proposal for Street Light Dimming. Identify areas where lighting levels can be reduced to secure energy cost savings	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Resident Services	2023-24 RS13	Waste disposal – Education and outreach insourcing	250		250	Reduction in residual waste stream in order to secure increased recycling rates and reduced waste disposal payments to WLWA	Green	Savings on track to be delivered
Resident Services	2023-24 RS14	Review Payments to WLWA	100		100	This proposal seeks to recover any over-payment of waste disposal charges made by Brent that may be retained by WLWA and held as reserves by that organisation.	Green	Savings on track to be delivered
Resident Services	2023-24 RS15	Increased use of Proceeds Of Crime Act	300		300	Subsidise Regulatory Services area with use of POCA income	Green	Savings on track to be delivered
Resident Services	2023-24 RS16	RLS related - Environmental Services Review	150		150	Environmental Services review staff structures as part of RLS Phase 2 review	Green	Savings on track to be delivered
Resident Services	2023-24 RS17	RLS related - Review of BTS	1,200		1,200	Detailed service review, route optimisation and alternative means of transport	Amber	The review is underway, however it is not anticipated that the saving will be realised in 2023/24 so one-off mitigations in year will need to be identified
Resident Services	2023-24 RS18	RLS Related - Negotiate RLS cost reduction		200	200	Potential to reduce cost as part of RLS competitive dialogue tendering approach	Green	Savings on track to be delivered
Resident Services	2023-24 RS19	RLS related - Rationalisation of Environmental service budgets	130		130	A rationalisation of the budgets within Environmental Services has taken place in anticipation of the savings required for the RLS project.	Green	Savings on track to be delivered
Sub Total			**4,039**	**200**	**4,239**			
Finance & Resources	2023-24 FR01	Reduction in staffing	252		252	Savings will be made from the creation of a centralised Oracle support function in IT, a proportion of Head of Finance management oversight of master data and systems control is no longer required	Green	Saving on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
Finance & Resources	2023-24 FR02	Digital / Transformation Savings	250		250	Digital Transformation will enable automation of transactional activity across the whole of the Finance function and improvements in management self serve as a result of Oracle Cloud enhancements which will deliver savings	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR03	External support for Internal Audit activity	23		23	Reduce use of external support to internal audit service	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR04	Civic Centre Office Let		680	680	Lease further floors of the Civic Centre to external organisations / tenants to generate revenue	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR05	Increase car park/EVCP charge	100		100	Considered feasible to increase civic centre parking charge and also charging rate for EVCP provision without impacting demand.	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR06	Security Service Transformation	300		300	Service transformation to be implemented following the detailed review of security provision across all Brent's operational buildings after staff TUPE'D across from the previous out-sourced provider in summer 2021	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR07	Rationalise soft FM service	150		150	Rationalising soft FM services (cleaning) to meet reduced portfolio demand	Green	Saving on track to be delivered
Finance & Resources	2023-24 FR08	Commercial Staffing Review	50		50	Review capitalisation of staffing costs and replace interims with permanent staff	Green	Saving on track to be delivered
Sub Total			**1,125**	**680**	**1,805**			
Governance	2023-24 GOV01	Reduction in staffing via restructure	89		89	Proposed savings to be made from reduction in posts and more efficient allocation of tasks	Green	Savings on track to be delivered
Governance	2023-24 GOV02	Restructures in HR	85		85	This saving would introduce a new model for advisory support in HR and reduce the number of advisory posts	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
						in HR by one in 2023/24 and by one in 2023/24.		
Governance	2023-24 GOV03	Reduce Corporate Learning and Development Budget	40		40	Reduction in budget held by HR for Corporate training	Green	Savings on track to be delivered
Governance	2023-24 GOV04	Administrative and Miscellaneous Efficiencies	12		12	Increased advert via Linkedin for recruitment advertising - reduction in publications	Green	Savings on track to be delivered
Governance	2023-24 GOV05	Increase income target for recoverable legal work costs	30		30	S106 and other third party income increase	Green	Savings on track to be delivered
Governance	2023-24 GOV06	Reduce Legal Fees Budget	50		50	Reduce the provision in the legal budget for payment of court fees and the costs of advice and representation by barristers in cases brought by or against the council	Green	Savings on track to be delivered
Governance	2023-24 GOV07	Cessation of DX Postal service	3		3	This savings would involve discontinuing use of the legal document exchange service through which documents for the court, barristers chambers and solicitors firms are currently sometimes despatched	Green	Savings on track to be delivered
Governance	2023-24 GOV08	Miscellaneous expenses reduction	19		19	Miscellaneous expenses reduction. This saving would remove a budget utilised for unplanned overhead expenses	Green	Savings on track to be delivered
Governance	2023-24 GOV09	Administrative and Miscellaneous Efficiencies	22		22	This proposal concerns aligning salary budgets with the establishment	Green	Savings on track to be delivered
Governance	2023-24 GOV10	Procurement restructure		50	50	Review structure of the Procurement team with overall impact leading to a	Green	Savings on track to be delivered

Department	Index	Reference	2023/24 savings (£000)	2024/25 deferred savings (£000)	Savings on track to be delivered (£000)	Description	RAG Status	Comments / Mitigating Actions
						reduction in the establishment by 1 FTE		
Governance	2023-24 GOV11	Digital / Transformation Savings		75	75	Electronic document management, further implementation of DocuSign, sharing documents with external parties via M365, chatbots for routine HR and Legal queries	Green	Savings on track to be delivered
Sub Total			**350**	**125**	**475**			
Corporate	2023-24 CORP1	Digital / Transformation Savings	600		600	Commissioning, Performance and Communications review	Green	Saving on track to be delivered
Corporate	2023-24 CORP4	Procurement savings	449	51	500	To be managed by the Commissioning and Procurement Board. All contracts on pipeline will come to the board to review contract specifications in order to deliver savings	Green	Saving on track to be delivered
Corporate	2023-24 CORP5	CMT Savings	200		200	Savings from June 2022 CMT Restructure	Green	Saving already achieved
Corporate	2023-24 CORP6	RLS related - Environment department saving	1,300		1,300	A rationalisation of the budgets within Environment has taken place in anticipation of the savings required for the RLS project.	Green	Saving already achieved
Corporate	2023-24 AH08	Technical Adjustment - recurring grant funding		1,500	1,500	Recognition of grants not previously budgeted for in the MTFS.	Green	Saving on track to be delivered
Sub Total			**2,549**	**1,551**	**4,100**			
Grand Total			**13,500**	**4,406**	**17,906**			

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Appendix B – Treasury Management Prudential Indicators

Legislative Update

In December 2021, CIPFA published its revised Prudential Code and Treasury Management Code of Practice following concerns around the commercial activity undertaken by several local authorities and the affordability of borrowing plans.

The Code required authorities to not borrow to invest primarily for financial return and all capital expenditure undertaken must be related to the functions of the authority. The Council has not undertaken any activities to invest for a yield or have any commercial plans within the capital programme.

The code required the Prudential Indicators (which are approved as part of the Council's Treasury Management Strategy) to be reported quarterly (from semi-annually) as part of the financial updates. The code permitted this reporting to be implemented by the 2023/24 financial year so this appendix will be a recurring addition to the quarterly financial reports.

Prudential Indicators

The Council has a significant borrowing requirement and balance and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of risk remains central to the Council's treasury management strategy.

(a) Capital Financing Requirement (CFR)

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement. This is the amount of the Capital Programme that is funded by borrowing. The Council's maximum external borrowing requirement for 2023/24 is shown in the table below. The indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and, in particular, to consider the impact on Council tax and in the case of the HRA, housing rent levels.

	2023/24 Forecast	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget
	£m	£m	£m	£m	£m
Opening CFR	1,146.4	1,411.1	1,688.8	1,802.7	1,816.1
Capital Expenditure	378.1	450.7	169.8	65.5	42.2
External Resources	(43.7)	(57.7)	(4.5)	(15.0)	0.0
Internal Resources	(54.6)	(96.9)	(29.1)	(11.4)	(6.3)
MRP	(15.2)	(18.7)	(22.7)	(25.7)	(27.1)
Closing CFR	**1,411.1**	**1,688.8**	**1,802.7**	**1,816.1**	**1,824.9**

(b) Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term, debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence. The table below shows that the Council expects to comply with this recommendation during 2023/24.

Debt	**2023/24**	**30/06/23**
	Estimate	**Actual**
	£m	**£m**
Borrowing	689.0	747.7
PFI liabilities	17.1	18.8
Other	7.7	7.7
Total Debt	**713.7**	**774.1**
Capital Financing Requirement	**1,411.1**	**1,411.1**
Compliance	**Yes**	**Yes**

(c) Liability Benchmark

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

	31/03/24 Forecast	**31/03/2025 Forecast**	**31/03/26 Forecast**
	£m	**£m**	**£m**
Loans CFR	1,435.2	1,713.8	1,829.9
Less Balance sheet resources	(438.2)	(438.2)	(438.2)
Net Loan requirement	**997.0**	**1,275.6**	**1,391.7**
Plus Liquidity Allowance	20.0	20.0	20.0
Liability Benchmark	**1,017.0**	**1,295.6**	**1,411.7**

(d) Authorised limit and Operational Boundary for External Debt

The Operational Boundary for External Debt is based on the Council's estimate of most likely i.e. prudent, but not worst case scenario for external debt. It links directly to the Council's estimates of capital expenditure, the capital financing requirement and cash flow requirements and is a key management tool for in-year monitoring.

Other long-term liabilities comprise finance leases, Private Finance Initiative contracts and other liabilities that are not borrowing but form part of the Council's debt.

The Authorised Limit for External Debt is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the

Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

	Operational Boundary	Authorised Limit	Actual external debt 30/06/23	Compliance
	£m	£m	£m	
Borrowing	1,500.0	1,700.0	747.7	Yes
Other Long-term liabilities	-	-	34.5	
Total	**1,500.0**	**1,700.0**	**782.2**	

The Corporate Director for Finance and Resources confirms that there were no breaches to the Authorised Limit and the Operational Boundary during Q1 of 2023/24.

(e) Upper Limits on one-year revenue impact of a 1% movement in interest rates

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

	2023/24 Approved Limits £m	30/06/2023 Actual £m
Upper limit on one-year revenue impact of a 1% rise in interest rates	5.0	0.6
Compliance with limits:		Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	5.0	0.6
Compliance with limits:		Yes

(f) Maturity Structure of Fixed Rate Borrowing

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

Maturity Structure of Fixed Rate Borrowing	Upper Limit	Lower Limit	Actual Fixed Rate Borrowing at 30/06/2023	% of Fixed Rate Borrowing at 13/06/2023	Compliance with set limits?
	%	%	£m	%	Yes / No
Under 12 months	40%	0%	52.5	7%	Yes
12 months and within 24 months	40%	0%	9.4	1%	Yes
24 months and within 5 years	40%	0%	28.2	4%	Yes
5 years and within 10 years	60%	0%	46.8	6%	Yes
10 years and within 20 years	75%	0%	134.8	18%	Yes
20 years and within 30 years	75%	0%	116.3	16%	Yes
30 years and within 40 years	75%	0%	199.3	27%	Yes
Over 40 years	75%	0%	160.5	21%	Yes
			747.7	**100%**	

(g) Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	31/03/2024 Estimate
Financing costs	33.1
Proportion of net revenue stream (%)	5.1%

(h) Upper Limit for Total Principal Sums invested over 364 Days

The purpose of this limit is to contain exposure to the possibility of loss that may arise as a result of the Council having to seek early repayment of the sums invested.

Upper Limit for Total Principal Sums Invested Over 364 Days	2023/24 Approved £m	30/06/2023 Actual £m
Limit on principal invested beyond a year	50	0

(i) Security

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

Credit Risk Indicator	2023/24 Target	30/06/2023 Actual
Portfolio average credit rating	A	A+

(j) Liquidity

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

Liquidity Risk Indicator	2023/24 Target £m	30/06/2023 Actual £m
Total cash available within 3 months	20	136.6

(k) Investment Forecast

This indicator demonstrates the Council's investment exposure broken down by category.

Total investment exposure	23/24 Actual	23/24 Forecast
	£m	£m
Treasury management investments	108.8	30.0
Service investments: Loans	272.7	172.1
Commercial investments: Property	14.1	20.7
TOTAL INVESTMENTS	**402.2**	**222.8**
Commitments to lend	11.3	11.3
TOTAL EXPOSURE	**428.9**	**234.1**

Treasury management investments are higher than originally forecast due to the holding of additional short-term investments to allow for more flexible timing around long-term borrowing needs in light of the elevated interest rate environment.

(l) Investment Funding

This indicator demonstrates the amount of exposure to borrowing as a result of investments made for service purposes. These investments are the loans to the Council's subsidiaries i4B Holdings Ltd and First Wave Housing Ltd.

Investments funded by borrowing	23/24 Actual	23/24 Forecast
	£m	£m
Service investments: Loans	272.7	172.1
Total funded by borrowing	**272.7**	**172.1**

(m) Investment Rate of Return

This indicator demonstrates the rate of return obtained from the different investment categories.

Investments rate of return	23/24 Actual	23/24 Budget
Treasury management investments	4.46%	3.10%
Service investments: Loans	3.11%	3.90%
Commercial investments: Property	21%	15%

(n) Other Investment Indicators

Indicator	2023/24 Actual	2023/24 Forecast
Debt to net service expenditure ratio	2.09	2.03
Commercial income as a % of net service expenditure ratio	0.96%	0.94%

Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director Resident Services

Brent Local Implementation Plan (LIP) Two-Year Delivery Plan: 2023/24 – 2024/25

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:	Two Appendix A: Brent Two-Year LIP Delivery Plan (2023/24 – 2024/25) Appendix B: Brent LIP Funding Letter – March 2023
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Tim Martin Transportation Planning Manager Spatial Planning 020 8937 6134 tim.martin@brent.gov.uk Sandor Fazekas Head of Healthy Streets and Parking 020 8937 5113 sandor.fazekas@brent.gov.uk

1. Purpose of the Report

1.1. This report provides an update on Local Implementation Plan (LIP) funding arrangements for the two-year period 2023/24 – 2024/25. It provides details of the programme of transport schemes and measures approved by Transport for London (TfL) to be implemented by the Council up to 31 March 2025.

2. Recommendation(s)

2.1. That Cabinet:

(i) Notes the LIP funding position for the two-year period 2023/24 – 2024/25.

(ii) Approves the LIP Two-Year Delivery Plan for 2023/24 – 2024/25 and programme delivery arrangements detailed within the report and:

a) Gives approval to the Head of Healthy Streets & Parking to deliver this programme of schemes and initiatives using the allocated budgets and resources available.

b) Authorises the Head of Healthy Streets & Parking to undertake any necessary statutory and non-statutory consultations in consultation with the Cabinet Member for Environment, Infrastructure and Climate Action, and to consider any objections or representations regarding the proposed schemes.

c) Delegates authority to the Head of Healthy Streets & Parking in consultation with the Cabinet Member for Environment, Infrastructure and Climate Action, as appropriate, to make the decision on whether to deliver the proposed schemes following consideration of the objections and representations in the consultation process. If, in the opinion of the Head of Healthy Streets & Parking that significant objections are raised, he is authorised to refer such objections to Cabinet for further consideration and make a decision on whether to deliver the proposed schemes.

d) Authorises the Head of Healthy Streets & Parking, in consultation with the Cabinet Member for Environment, Infrastructure and Climate Action, to vire scheme allocations where necessary (e.g. pending the outcome of detailed design and consultation) within the overall LIP budget, and in accordance with the Council's financial regulations.

e) Authorises the Head of Healthy Streets & Parking to deliver schemes that receive any additional in-year grant funding as approved by Transport for London, or another funding body, subject to the outcome of consultation, and to brief the Cabinet Member for Environment, Infrastructure and Climate Action, as appropriate.

3. Detail

Background

3.1 TfL is the primary source of funding for schemes and initiatives to improve transport infrastructure and travel choices in Brent, which comprises a range of formula, discretionary and strategic funding.

3.2 Typically, Brent would receive an annual allocation of circa £2.25m to deliver this programme, with additional funding for bus priority measures (c £0.8m). This funding was withdrawn in April 2020 following the outbreak of the Covid-19 pandemic and subsequent impact on TfL's finances.

3.3 Since April 2020, TfL has negotiated a series of short-term funding settlements with the Government to enable it to continue operating public transport services and to enable the delivery of essential improvements to the transport network across London. These settlements also included funding for a range of Healthy Streets measures and Active Travel interventions to be delivered by the 33 London Boroughs.

LIP Two-Year Delivery Plan (2023/24 - 2024/25)

3.4 In November 2022, in line with current Mayoral guidance, the Council prepared and submitted a two-year LIP Delivery Plan for the period 23/24 – 24/25 to TfL. This included proposals for schemes and measures under TfL's Safer Corridors and Neighbourhoods; Bus Priority; and Cycling programmes.

3.5 In March 2023, following assessment of the proposals, TfL wrote to confirm that the Council had been allocated £2.004m for 2023/24, with funding for 2024/25 to be confirmed later in 2023. A summary of the confirmed allocations for 2023/24 is set out in Table 3.1, below, and includes:

- £1.008m for the delivery of schemes under the Safer Corridors and Neighbourhoods programme – to include schemes aimed at improving road safety, reducing the dominance of vehicular traffic and creating safer, greener and more inclusive places for pedestrians and cyclists.

- £0.780m towards the delivery of bus priority improvements – including new bus lanes and measures to tackle bus pinch-points.

- £0.110m for schools and adult cycle training.

- £0.106m for residential on-street cycle parking – to include the provision of new cycle hangers.

Full details of the schemes forming the Council's two-year LIP delivery plan are set out in Appendix A.

Table 3.1: Brent LIP Funding: 2023/24 Confirmed Allocations + 2024/25 Indicative Programme

Programme	2023/24 confirmed allocations		2024/25 indicative programme (allocations tbc)	
	London-wide	**Brent**	**London-wide**	**Brent**
Safer Corridors and Neighbourhoods	£34.7m	£1.008m	-	£1.008m
Cycleways Network Development	£14m	-	-	-
Bus Priority	£10.6m	£0.780m	-	-
Crossrail Complementary Measures	-	-	-	-
Liveable Neighbourhoods	-	-	-	-
Cycle Training	£4.5m	£0.110m	-	£0.110m
Cycle Parking	£2.8m	£0.106m	-	£0.036m
Principal Road Renewal	£2.1m	£0.200m	-	-
Bridge Assessment and Strengthening	£2.5m	TBC	-	-
Total	**£71.2m**	**£2.204m**	**-**	**£1.154m**

Maintenance Funding

3.6 In addition to the funding already confirmed, Brent has recently been awarded £0.200m Principal Road funding in 2023/24 towards the cost of resurfacing a section of Kenton Road from Woodcock Hill to Rushout Avenue. The total cost of the scheme is £0.702m.

3.7 As a result of the significantly reduced funding for our Principal Road Network in recent years, the overall condition of these routes has declined, which is noticeable from the multiple defects that occur along these routes during “pothole season”. To address the decline the Council has allocated £4.0m for a Principal Roads programme with £1.0m of the investment being spent in 2022/23 and a further £2.0m programmed for 2023/24.

Scheme Identification/Prioritisation

3.8 The two-year delivery plan includes schemes identified through a number of sources, including TfL evidence-led datasets, analysis of borough collected data and stakeholder engagement. It also includes schemes linked to development activity, strategic schemes that support Council and TfL objectives; and schemes that have been committed in previous years for multi-year funding.

3.9 In light of the still relatively low levels of funding available, the plan is focused on the delivery of a smaller number of high impact/transformational schemes, with the aim of reducing the dominance of vehicular traffic and creating safer, greener and more inclusive places for pedestrians and cyclists. Initiatives include:

- **Safer and Healthier Travel in Brent** – a borough-wide programme of travel awareness, road safety education and cycle training activities, events and campaigns aimed at promoting safe, active and sustainable travel practices;

- **School Travel** - bespoke programme of physical measures and behaviour change initiatives with a focus on facilitating increased levels of safe, sustainable travel to schools;

- **Healthy Streets and Places** - a Corridor/Neighbourhoods improvement programme with the aim of mitigating the impacts of traffic and to increase levels of walking and cycling in the borough;

- **Local safety improvements** - road safety improvements in support of LIP objectives around reducing the number and severity of casualties on our roads;

- **Cleaner and Greener Brent** - development/promotion of initiatives aimed at reducing emissions, improving air quality and expanding the provision of 'green' infrastructure in the borough;

- **Parking, Servicing and Streets Management** – including reviews of parking and waiting/loading arrangements and other small-scale measures to address localised congestion problems, improve road safety and enhance the public realm.

3.10 The project costs outlined in the two-year delivery programme are broad estimates benchmarked against comparable projects recently undertaken within the borough and are subject to change due to design refinement, responses to community consultation, etc. In the event that a project cost significantly differs from the estimate, the Head of Healthy Streets & Parking, in consultation with the Cabinet Member for Environment, Infrastructure and Climate Action, will consider options for the transfer of available funds to alternative projects as agreed with TfL to the limit of the LIP allocation for the various programmes.

Objectives/Priorities

3.11 A key priority for the Council is to enable more active and sustainable travel choices with a particular emphasis on providing for an increase in journeys by walking, cycling and public transport whilst reducing the number of journeys made by private vehicles – particularly the most polluting ones. These are core aims of both the MTS and the revised Brent LTTS. Other current priorities include:

- Prioritising the completion of previously planned/committed schemes ahead of implementing new schemes (including the purchase of additional ANPR cameras for Healthy Neighbourhoods and School Streets);

- Schemes which form an integral part of, or add significant value to, other borough projects or programmes, such as the Green Neighbourhoods programme and the Green and Healthy School Streets project;

- Ensuring schemes align with TfL's 'Healthy Streets' and 'Vision Zero' principles, with a particular focus on reducing the dominance of vehicular traffic and creating safer, greener and more inclusive places for pedestrians and cyclists;

- Undertaking further community engagement to inform scheme development and carrying out more detailed scheme monitoring/evaluation;

- Continuing our work with borough schools, businesses and residents to promote healthy, active and sustainable travel practices.

Options Appraisal

3.12 The Council is required by the Mayor of London to prepare and submit a two-year delivery plan setting out schemes and initiatives to improve transport infrastructure and travel behaviour in the borough for the 2023/24 and 2024/25 financial years. The schemes listed within the two-year programme have previously been discussed with and approved by TfL and in many cases represent the continuation of schemes currently underway, or are ready for implementation, and which can realistically be delivered by 31 March 2025.

Benefits to Council

3.13 Brent experiences a range of transport related problems, including long-standing issues around congestion, poor air quality and road safety; as well as wider issues such as growing health and social inequalities and climate change. The recent Covid-19 pandemic has also led to additional challenges, but also provides the opportunity for the Council to explore new ideas. The measures/interventions that are included in the two-year delivery plan will help the Council address/mitigate these issues.

Alignment with strategic objectives

3.14 The measures/interventions contained within the two-year delivery plan contribute to the Council's strategic objectives, including the following Borough Plan priorities:

- A Cleaner, Greener Future

Improvements to bus services delivered through the bus priority programme will support the use of sustainable transport and therefore provide benefits in reducing congestion and improving air quality.

- Thriving Communities

Road safety and public realm improvements that design out crime and anti-social behaviour will deliver significant improvements to Brent's communities.

- A Healthier Brent

Improving the public realm and supporting active travel will deliver the Councils objectives in relation to improving people's Health and Wellbeing.

Timescales

3.15 The two-year delivery plan outlines those transport schemes and measures to be implemented by the Council up to 31 March 2025.

Procurement

3.16 Schemes within the programme will be delivered using the new Highways contract with GW and O'Hara.

Risks

3.17 The current risks associated with the two-year delivery plan are set out in Table 3.2, below:

Table 3.2: Key Delivery Plan Risks/Mitigations

Risk/issue description (incl. impact)	Planned mitigation or resolution	Owner/s
Schemes are not supported at public consultation stage	Prioritisation of schemes where there is a high level of demand and are likely to be supported	Sandor Fazekas
The work cannot be completed within the budget	Reasonable contingency has been included in the estimates	Sandor Fazekas/ Tony Kennedy
There is insufficient funding available to deliver significant infrastructure improvements and deliver strategic objectives	Longer term planning process in place. Consideration of utilising available council budgets and/or developer funding to continue programmes that are valued by the community.	Sandor Fazekas/ Tim Martin

4. Financial Implications

4.1. The Council's LIP funding allocation for 2023/24 to date is £2.204m, comprising:

- £1.008m for the delivery of schemes under the Safer Corridors and Neighbourhoods programme;

- £0.780m towards the delivery of bus priority improvements (£0.220m of which is provisional on certain conditions being satisfied).

- £0.110m for schools and adult cycle training;

- £0.106m for residential on-street cycle parking;

- £0.200m for improvements to the Principal Road Network.

4.2. TfL is yet to confirm the Council's LIP funding allocation for 2024/25, with an announcement to be made later in 2023. The indicative value of the spending programme for 2024/25 is currently £1.154m.

4.3. Current LIP guidance stipulates that any funding received should be applied to the related financial year and does not permit any carryover of underspend; with all works committed or substantially completed by 31st March.

5. Legal Implications

5.1. Section 144 of the Greater London Authority Act 1999 ("the GLA Act") requires that in exercising any function, London local authorities must have regard to the Mayor's Transport Strategy which sets out the transport policy framework for London.

5.2. The Council indicates how it will implement the Mayor's Transport Strategy through its LIP3 (Local Implementation Plan 3) which sets out various objectives. The Council is required to submit a spending submission to the GLA ("Greater London Authority") to demonstrate how it will achieve its LIP3 objectives.

5.3. Section 159 of the GLA Act authorises Transport for London to provide discretionary funding to any body or person, including London local authorities, where the expenditure is, in the opinion of Transport for London, 'conductive to the provision of safe, integrated, efficient and economic transport facilities or services to, from or within Greater London'.

5.4. The requirements regarding publication and consultation in the making of Traffic Management Orders are set out in the Road Traffic Regulation Act 1984.

5.5. The Council's Financial Regulations are set out in Part 2 of the Council's Constitution.

6. Equality Implications

6.1. The public sector equality duty 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, and to advance equality of opportunity and foster good relations between those who share 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. The LIP programme will be assessed by way of an Equality Impact Assessment (EIA). During the communication and consultation process of individual schemes, due consideration will be given to all protected characteristics including people with learning disabilities, deaf and blind (as well as deaf blind) residents, people with dementia and their carers, young children, young people and older people.

7. Consultation with Ward Members and Stakeholders

7.1. Schemes included in the two-year LIP Delivery Plan will have non-statutory and any necessary statutory consultation completed as part of the planning, design and delivery process. In addition, certain schemes will also be subject to more in depth, creative community engagement to ensure that schemes provide the full range of benefits to those areas in which they are introduced. Where objections and/or representations are received and they cannot be resolved or removed through further design changes and achieved within funding available, these will be referred to Cabinet for further consideration.

8. Human Resources/Property Implications (if appropriate)

8.1. There are no direct staffing implications arising from this report.

Report sign off:

Peter Gadsdon
Corporate Director Resident Services

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Brent 2-Year LIP Delivery Plan – 2023/24 – 2024/25

TfL Programme	Scheme Name	2023/24 Confirmed Allocations	2024/25 Indicative Programme (Allocations TBC)	Programme of Works
Safer Corridors and Neighbourhoods	LIP Programme Development	£58,000	£58,000	Funding towards development of schemes/initiatives for inclusion for future year's LIP programmes. Includes: • Investigative studies to identify active travel routes as outlined in the draft Brent Active Travel Implementation Plan • Investigation/development of measures to reduce and mitigate the impact of motor vehicle traffic and to support sustainable travel centred on our air quality focus areas as identified in our Air Quality Action Plan. Priority pollution hotspots include Harlesden and Neasden, but locations to be confirmed following publication of data by the GLA.

Safer Corridors and Neighbourhoods	Promoting Safer and Healthier Travel in Brent	£125,000	£125,000	Continuation of work with borough schools, businesses and residents to promote safe, active and sustainable travel practices. Includes funding for: • Theatre in schools – a series of workshops for school pupils to include key messages such as the benefits of active travel, importance of road safety and how to improve air quality. • Junior Citizenship Scheme (JCS) – a 3 week event aimed at year 6 pupils transitioning to secondary school, with messages on road safety and active travel. • Membership of organisations and conferences – including annual subscription to 2 WHEELS LONDON (For motorcyclists and scooter riders in London), Road Safety GB, and Modeshift (the UK's leading sustainable travel organisation). • Road safety campaigns – targeted at vulnerable road users in support of vision zero. To include review of casualty data to identify target audiences. • Targeted active travel promotion to support our Green Neighbourhoods Programme, to include subsidised 'Try before you bike' and social prescribing schemes, PeddleMyWheels, and events including Dr bike. • Development/promotion of initiatives aimed at reducing emissions, reducing exposure, and improving air quality in Brent. Programme includes a series of awarness raising events/activities such as car free day and clean air day; continuation of the subscription and active promotion of the London AirText service which provides residents with alerts when there is a high pollution event in London; development of a clean air route finder on the Council website which will enable users to find low pollution routes when travelling in the borough; and a series of engine idling events/campaigns to be held throughout the year.

Safer Corridors and Neighbourhoods	School Travel Plans/Measures	£45,000	£45,000	Smarter Travel interventions linked to the development of School Travel Plans (STPs). Funding used for supporting materials for STP work within schools and for implementation of small-scale engineering measures at schools not included in the School Streets programme. Priorities included: • Manor SEN School, review of parking arrangements for mini buses and safer walking routes in Okehampton Road NW10 • Wembley Primary, installation of pedestrian island on the zebra crossing in East Lane Wembley.
Safer Corridors and Neighbourhoods	Brent School Streets Development and Expansion	£75,000	£75,000	Development of new and expansion of existing Schools Streets schemes. Includes merger of existing schemes at St Robert Southwell and Kingsbury Green; and expansion of Uxendon Manor and Crownhill Road schemes. Exact scope of works subject to further feasibility/consultation, but will include installation of cameras and signage. Funding will also be used to make permanent existing trial schemes in College Road, Waterford Way and Blenheim Gardens and includes traffic surveys and air quality monitoring of school street programmes.
Safer Corridors and Neighbourhoods	Parking, Servicing and Streets Management	£150,000	£150,000	Programme of minor schemes with a focus on addressing localised parking, congestion and access issues and to enhance the local street scene. To include: • Delivery of new/review of existing waiting & loading restrictions, addressing problematic locations in the borough, including to address localised road safety issues, remove bus pinch points, etc. • Introduction of new CPZs, subject to consultation. • Reducing street clutter in key town/district centres to improve conditions for pedestrians, particularly those with disabilities.
Safer Corridors and Neighbourhoods	Walm Lane Safety Scheme	£150,000	£0	Range of measures to include traffic calming (speed humps and 20mph zone), new zebra crossing, provision of cycle lane, additional street greening.
Safer Corridors and Neighbourhoods	Hay Lane Safety Scheme	£0	£100,000	Range of measures to include traffic calming (speed humps and 20mph zone), provision of pedestrian refuge island, additional street greening.

Safer Corridors and Neighbourhoods	Wembley Park Drive / Wembley Hill Road / Park Lane junction Safety Scheme	£25,000	£0	Completion of 22/23 scheme for redesign of junction to improve pedestrian safety following fatal collision.
Safer Corridors and Neighbourhoods	Kilburn Lane & South Kilburn Safety Scheme	£60,000	TBC	Improvements to pedestrian crossing facilities (proposed zebra crossing) and introduction of new 20 mph area wide speed limit.
Safer Corridors and Neighbourhoods	Kenton Road Safety Improvements	£20,000	£150,000	Installation of controlled pedestrian crossing facilities on all arms of signal controlled junction of Kenton Rd/Woodcock Hill.
Safer Corridors and Neighbourhoods	Green & Healthy Streets	£60,000	£30,000	Widening of scope/installation of additional measures to GLA funded Green & Healthy Streets schemes at Oakington Manor Primary, Leopold (Hawkshead), Our Lady of Grace Infants School, Crownhill road following completion of UDL design review. This includes construction of extended length of rain gardens at Our Lady of Grace and Crownhill road and the addition of other features to augment the schemes and encourage behaviour change such as decluttering, adding benches and cycle parking.
Safer Corridors and Neighbourhoods	Watford Road Safety Improvements	£20,000	£145,000	Development of safety improvements on the Northwick Park Gyratory including cycling and pedestrian measures. Feasibility study currently ongoing (funded through 22/23 LIP programme). Measures tbc and subject to modelling/consultation.
Safer Corridors and Neighbourhoods	Brondesbury and Queens Park Healthy Neighbourhood	£30,000	£0	Scheme to reduce and mitigate the impacts of traffic in a number of residential roads and to promote active travel. Exact scope subject to outcome of ongoing engagement but will include traffic restrictions in a cluster of streets off Salusbury Rd.
Safer Corridors and Neighbourhoods	Church End & Roundwood Park Healthy Neighbourhood	£30,000	£0	Scheme to reduce and mitigate the impacts of traffic in a number of residential roads and to promote active travel. Exact scope subject to outcome of ongoing engagement but will include traffic restrictions on Cobbold Rd, camera installation, signage, etc.
Safer Corridors and Neighbourhoods	Park Lane Safety Improvements	£50,000	£50,000	Provision of new Ped X crossing outside Park Lane Primary school to provide a safer crossing to the school and King Edward VII park. Scheme design work being progressed in 22/23.

Safer Corridors and Neighbourhoods	Local Road Safety Measures	£80,000	£80,000	Development/delivery of programme of small-scale road safety measures to address local accident hot-spots and meet wider objectives around achieving 'Vision Zero' in Brent. Includes new 20mph zones/limits in areas with high vehicle speeds/high collisions (various locations as identified in Road Safety Analysis and Action Plan).
Safer Corridors and Neighbourhoods	Kilburn Healthy Neighbourhood	£30,000	£0	Scheme to reduce and mitigate the impacts of traffic in a number of residential roads and to promote active travel. Exact scope subject to outcome of ongoing engagement but will include traffic restrictions on Dyne Rd, camera installation, signage, etc.
Cycle Training	Schools Cycle Training	£77,000	£77,000	Boroughwide training programme aimed at pupils from years 5, 6, 7 and 8. Priority given to those schools signed up to STARS programme and in support of our Green Neighbourhoods programme.
Cycle Training	Adult Cycle Training	£33,000	£33,000	Programme of adult training to be delivered upon request from residents, either 1:1 or group sessions.
Cycle Parking	Residential cycle parking	£106,000	£36,000	Continuation of Bike Hanger installation programme. Locations TBC.
Bus Priority	Kensal Corridor Improvements – Phase 2	£360,000	£0	Phase 2 of corridor improvements scheme centred on section of Chamberlayne Rd between Kempe Rd and Regent Street. Includes removal of on-street parking at several locations to address pinch points for buses along with improvements to junctions of Mortimer Rd/Chamberlayne Rd and Chamberlayne Rd/Banister Rd. Further works, including footway widening to provide improved conditions for pedestrians are also proposed, subject to availability of funding.
Bus Priority	Willesden Lane Bus Lane	£250,000	£0	Installation of new 170m east bound bus lane on Willesden Lane between Streatley Road and Kilburn High Road as a means of improving bus journey times on Route 98 as recommended in recent feasibility study.
Bus Priority	East Lane bus priority improvements feasibility study	£70,000	TBC	Feasibility study to identify scope of bus priority improvements required for East Lane between North Wembley Station and Forty Avenue as a means of addressing delays to buses on Routes 245 and 483. Subject to outcome of study/consultation, measures could be implemented in 2024/25.

Bus Priority	Windermere Avenue Fixed Bus Stops	£60,000	£0	Construction of two fixed bus stops near junction with Rydal Gardens on current hail-and-ride section of Route 223.
Bus Priority	Harrow Road Bus Lane	£40,000	TBC	Feasibility/modelling work to explore potential for 150m of new bus lane on Harrow Road between Mortimer Road and Berens Road. Subject to outcome of study/consultation, scheme could be implemented in 2024/25.
TOTAL:		**£2,004,000**	**£1,154,000**	

Transport for London

27 March 2023

Transport for London
Investment Delivery Planning

Palestra, 197 Blackfriars Road
London
SE1 8NJ

0343 222 1234
tfl.gov.uk/contact

Ms Carolyn Downs
Chief Executive
London Borough of Brent

(Via email)

Dear Carolyn

Brent, together with the other London Boroughs are absolutely central to the success of the Healthy Streets Approach and we cannot achieve the aims of the Mayor's Transport Strategy without working together to change London's streets. In September 2022, we wrote to you asking you to set out your plans for years two and three of the current three-year Local Implementation Plan (LIP) Programme. I would like to take this opportunity to thank everyone involved for their hard work in developing these ambitious programmes that will transform the lives of Londoners.

Collectively from these programmes we can expect 25 Transformational Junction or Corridor schemes, up to 29km of new bus lane and more than 200 proposals for new or upgraded pedestrian / cycle crossings to be progressed or delivered between 2023/24 and 2024/25. These commitments show that even against a more constrained financial backdrop, by working in partnership we can bring a transformative change to London.

The table below confirms your allocations for 2023/24. Please note that although we have assessed your proposals for spend in 2024/25, the amounts set aside for individual boroughs for that year will be confirmed subsequently and we will seek to give you as much certainty as possible in the coming months, to enable you to plan ahead with confidence. A full list of the schemes receiving funding and those approved in 2024/25, along with any conditions on release, is shown in the attached spreadsheet sent with this letter.

Summary of LIP funding

Brent	**2023/24 allocation (£k)**	**Carry forward from 22/23 (£k)**	**Total Allocation (£k)**
Safer Corridors and Neighbourhoods*	1008	0	1008
Cycleways Network Development (CND)	0	0	0
Bus Priority	780	0	780
Crossrail Complimentary Measures	0	0	0
Liveable Neighbourhoods	0	0	0
Cycle Training	110	0	110
Cycle Parking	36	0	36
Additional Cycle Parking	70	0	70
Principal Road Renewal	TBC	0	TBC
Bridge Assessment and Strengthening	TBC	0	TBC
Total	**2004**	**0**	**2004**

POSITIVE ABOUT DISABLED PEOPLE

VAT number 756 2769 90

* Your request for Safer Corridors and Neighbourhoods exceeded your formula allocation

The rest of this letter provides more information about each of the funding streams available to your borough and sets out any requirements associated with the funding allocation.

LIP Safer Corridors and Neighbourhoods
This programme has been allocated £34.7m in 2023/24 with individual borough allocations distributed according to the funding formula. Some schemes have conditions on release such as further design endorsement through the Road Space Performance Group, a Healthy Streets Checks for Designers taking place to ensure that the benefits align with the Healthy Streets Approach and/or that any operational impacts are considered.

Although on this occasion we have accepted your proposal to give more than 20% of your allocation to behaviour change, in future delivery plans this will not be the case.

Your borough sponsor will be able to provide further guidance and respond to any queries you may have.

Cycleways Network Development
In the latest funding settlement for 2023/24, Cycleways Network Development (CND) has been allocated £14m. We have prioritised schemes that can move to construction in 2023/24 or 2024/25 as well as high priority projects to be developed for future implementation. As usual all Cycling schemes that receive funding will be required to follow the stage gate process, with TfL sponsors available to guide you on this. All designs will be required to conform to LTN1/20 which means following London Cycle Design Standards and meeting TfL's Cycleways Quality Criteria. As before the pandemic, CND funding will be allocated incrementally as schemes progress to the next stage of delivery. Funding for schemes in construction will be allocated all of their funding this financial year. Schemes in design will be allocated a proportion of their funding, with an opportunity for further funding to be requested during the financial year depending on progress.

Bus Priority
Bus travel is a core part of the sustainable transport network as well as being affordable, inclusive and accessible. More than one-third of bus journeys are made by Londoners with an annual household income of less than £20,000 and, of all disabled Londoners, 52 per cent do not have access to a car and depend more on sustainable modes. Buses carry more people than any other mode (aside from walking) on central London's streets - and more than six million bus journeys are made on a typical day, representing around one in five of all journeys made in the Capital.

It is therefore essential that buses work efficiently and reliably and remain competitive with other modes of motorised transport through improved journey times. Our Bus Action Plan sets out how we will achieve this, including ambitious targets for new bus lanes - a target which has been adopted by Government in our latest funding settlement. London Boroughs play a crucial role in realising the potential of the bus and meeting this target.

Following review of the Bus Priority submissions included within the borough Form As, a total of £10.6m has been allocated to boroughs in 2023/24 to support the bus lane delivery target, and to deliver additional schemes that improve bus journey times.

Please note that where funding for design and build was requested, we have only released a portion of the requested funding to undertake design for these schemes in the first instance. When design is complete, we will require boroughs to complete a pre-construction checklist before releasing the provisionally allocated construction funding. The pre-construction checklist should be requested from your TfL Sponsor when a scheme is nearing the build phase. If you feel that the initial allocation provided is insufficient to complete design, please contact your TfL Sponsor.

Liveable Neighbourhoods
The Liveable Neighbourhoods programme restarted last year, with budget available to continue five high priority schemes. These are Holborn (Camden), West Ealing (Ealing), Enfield Town (Enfield), Greenwich Town Centre (RB Greenwich) and Coppermill Village (Waltham Forest). Continuation of further projects in this programme will be considered during TfL's annual Business Planning round.

Cycle Training
£4.5m of cycle training funding has been allocated in 2023/24. This is in addition to any cycle training funding allocated through the Safer Corridors & Neighbourhoods programme. To ensure that cycle training is available to adults and children throughout London, each borough has been allocated a base level of funding of £110,000 for financial year 2023/24 (unless they have requested less). Some boroughs have also been allocated a further amount based on the availability of infrastructure enabling cycling in each borough - as well as the estimated cycling potential, levels of deprivation, and previous cycle training delivery track record.

We will be in touch with details of a new process for reporting delivery of cycling training in the coming weeks. In the meantime, if you have any questions, please contact samuellapthorne@tfl.gov.uk

Cycle Parking
The cycle parking programme was originally allocated £1.2m for 2023/24. Each borough will consequently receive £36,000 to deliver the approved schemes submitted within their Form A.

Since reviewing the Form As, an additional £1.6m has also been made available for cycle parking by the Greater London Authority. As such, your borough has been allocated a further allocation, as shown in the table above. This funding is ring-fenced to the delivery of secure, residential cycle parking facilities only and must not be used for the delivery of other types of cycle parking infrastructure.

The TfL Cycle Parking Sponsor will shortly contact your borough to share a simple form to allow you to indicate the quantity and locations of secure residential cycle parking facilities to be delivered using this additional funding. Please return this form to the TfL Cycle Parking Sponsor (CycleParkingImplementation@tfl.gov.uk) by 31 May to confirm whether you will be able to utilise this additional funding in 2023/24.

Road renewals and bridge strengthening
An allocation of £2.1m per annum has been allocated for the Borough Principal Road Network to continue condition surveys and deal with high priority sites, and a further £2.5m towards borough bridge maintenance. As usual, we will work with the boroughs through the London Technical Advisors Group (LoTAG) and London Bridges Engineers Group (LoBEG) to agree how this allocation will be targeted to the highest priority sections of road. We will work with you over the coming months to agree the specific allocations.

Finance
To secure your allocations for 2023/24, please submit scheme applications onto the TfL Portal by 31 May so we can release the agreed funding as quickly as possible. The Value of Work Done (VoWD) should then be updated at least once every two months. The deadline for claiming this financial year's funding (2022/23) will be 11 August 2023. In line with best practice, we would encourage you to submit claims as and when schemes are completed so payments can be processed quickly. This year we will also be resuming borough auditing. Should you be selected, you will receive a letter shortly detailing the process and next steps.

Copies of the LIP Finance and Reporting Guidance, which sets out the terms and conditions that apply to LIP funding, can be found at: http://content.tfl.gov.uk/lip-finance-guidance-19.pdf.

Please circulate this letter to the officers who manage your LIP programmes to let them know the outcome of your funding submission. If you require any further information, then please contact your TfL Sponsor regarding the individual schemes. If you have any questions at this stage, my team and I will be happy to assist – and thanks again for your patience and perseverance through recent years.

Whilst funding levels available are still significantly lower than they were before the pandemic, by working in partnership we can continue to deliver transformative programmes for London. We hope that you will join us in continuing to make the case to His Majesty's Government about the need for future funding for investment in all of London's roads and the benefits that this brings to Londoners. We are excited to see what the future holds for safer, more sustainable streets in London; our collective ambition and delivery-focus leading the way for the UK and beyond.

Yours sincerely,



Penny Rees
Head of Network Sponsorship

Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director, Resident Services

Brent / Harrow Council Inter-Authority Agreement for the Provision of a Special Needs Transport Shared Service

Wards Affected:	All
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendices 2 and 3 are exempt as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	Three Appendix 1 Inter Authority Agreement Brent & Harrow SEN Passenger Transport Appendix 2 (Exempt) Review of Brent SEN Passenger Transport service Appendix 3 (Exempt) 2023-24 Budget & Forecast
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Chris Whyte, Director for Environment and Leisure 020 8937 5342 Chris.Whyte@brent.gov.uk Simon Finney, Head of Neighbourhood Management 020 8937 5072 Simon.Finney@brent.gov.uk

1.0 Purpose of the Report

1.1 This report sets out the intention to enter an Inter Authority Agreement with Harrow Council for the continued provision of Special Needs Transport services for 3 years with an option to extend for a further 3 years.

2.0 Recommendations

That Cabinet:

2.1 Notes the contents of this report in relation to the Brent / Harrow Inter-Authority Agreement for the provision of a Special Needs Transport shared service.

2.2 Notes that entry into the Brent/Harrow Inter Authority Agreement is required to ensure continuity of service and a means for delivery of the transport operation whilst a wider transformation of the overall service is undertaken.

2.3 Approves Brent Council entering a shared service arrangement with the London Borough of Harrow for the provision of special needs transport as set out in paragraph 3.1.7, effective from 1st August 2023 for a period of three years with an option to extend by a further period or periods of up to three years.

3.0 Detail

3.1 Background and current position.

3.1.1 Both Harrow and Brent Councils have a statutory duty to provide transport assistance to eligible children who access education and college placements. Eligible children are those that have physical and behavioural needs that make the use of personal or public transport unsuitable.

3.1.2 Both authorities also provide non-statutory transport arrangements for eligible adults attending day care centres.

3.1.3 Brent and Harrow Councils first entered into an inter-authority agreement ("IAA") for special needs transport ("SNT") in September 2016 which was to expire on the 31st of July 2019. Officers exercised the option to extend the IAA for a further 3 years ending on the 31st July 2022.

3.1.4 During 2022, the Council commenced a cross-department 2-year collaborative review and transformation of the SNT client-side model, the policy framework that underpins the service and the operational delivery by Harrow. The review and transformation were scheduled to commence in late 2022 and officers therefore gained approval to extend arrangements with Harrow and entered into a short term IAA (See Appendix 1) for a further 1 year period to 31st July 2023 in order to provide time for all parties to reach consensus on longer term options.

3.1.5 The SNT review and transformation work while primarily focusing on client-side changes, including a review of travel policy, transport commissioning and the introduction of personal travel budgets, also recommended a number of changes that have an impact on the IAA itself. These include the establishment of a cross service client team – an element of which is based in Harrow to be involved with day-to-day operations, a cross service travel board,

revised key performance indicators and more involvement by Brent officers in third party contractor procurement and management.

3.1.6 While the SNT review and transformation work is still currently ongoing, advice previously provided by Edge Public Solutions as part of an independent assessment of options (See Appendix 2) was that a continued IAA approach with Harrow Council is recommended as the best way forward subject to a number of changes being made in order to better serve Brent's requirements (See 3.1.7 below). This report seeks approval for that renewed IAA approach for 3 years from 1st August 2023 with an option to extend for up to a further 3 years.

3.1.7 Officers recommend entry into an IAA based on the current IAA at Appendix 1 but with the following key changes:

- Establishment of a Brent officer team to be included in the Harrow operation at a decision-making level for the duration of the IAA.
- Establishment of a revised suite of key performance indicators
- Improved client-side access to operational and financial data held by Harrow
- Increased involvement in associated third party contract procurement and management, and
- Greater contractual accountability by Harrow for financial efficiency related to the IAA.

3.1.8 The current IAA with Harrow has delivered successful outcomes. These include the delivery of route sharing initiatives resulting in a shared savings of circa £250,000 each year, economy of scale savings through the procurement of large contracts and reductions in carbon emissions as a result of fewer and shorter journeys being made.

3.1.9 As with the current IAA, Harrow will be responsible for operational service delivery of the shared service from its Harrow Council depot hub. Harrow will also continue to lead on the required procurement and management of third-party supporting contracts such as labour, taxi, vehicle provision and related IT, this time with more input from the Brent team.

3.1.10 The current number of clients transported by Harrow on behalf of Brent is approximately 1228 SEN children and 119 adults.

3.1.11 In terms of comparable size and scale of the transport services provided by Harrow on behalf of Brent, there are currently 92 in-house operated routes and 223 taxi routes compared to 74 in-house operated routes and 123 taxi routes for transporting clients in Harrow.

3.1.12 Year on year service demand increases by a net average of around 5%.

3.2 Implications of this proposal

3.2.1 The overall IAA arrangement will continue to be governed by both Authorities through the joint SNT Board.

3.2.2 The core aspects of the current IAA will largely remain unchanged save for key differences listed under 3.1.7 and will continue to include provision for:

a) Objectives and partnership working.
b) General operational arrangements.
c) Governance including the Special Needs Transport Advisory Board and change control mechanisms that govern how the increase in activities are agreed, costed and financed.
d) Performance and finance review meetings that govern discussions on finance matters and revised key performance indicators and rectification plans that underpin the resolution of any non / underperformance.
e) Monitoring reports and monthly meetings to track financial savings and operational performance of the shared service.

3.2.3 This IAA will provide a continued opportunity over the 3-year term for both councils to gain the benefits of economies of scale in contractual arrangements, greater efficiencies in operational front line staffing (drivers and passenger attendants) and the benefits of shared policies and approaches from cross working with staff, systems and processes from both authorities.

3.2.4 The proposal also provides the continued opportunity for shared utilisation of premises and assets to create efficiencies of the combined service in the following areas:

a) Premises – Harrow is able to offer shared fleet parking and office facilities at the Harrow Council Hub.
b) Route sharing and route reduction on border routes.
c) Fleet - greater economies of scale and market leverage are created through the pooling of demand from respective Councils.
d) Systems and processes – this includes the use of a single routing and scheduling IT system.
e) Contractual arrangements – Transport Service Taxi Framework and the Labour Supply Contract with NR Limited are currently in term and provide better contractual terms given the larger value contracts.

3.2.5 In addition to the operational and contractual efficiencies listed in paragraphs 3.1.8 there is also scope to achieve further savings from passenger journey management and income producing activities. These will be jointly reviewed by the SNT Advisory Board under these continued IAA arrangements.

3.2.6 Although the SNT service will work hard to keep operational costs at a minimum, it is not able to influence demand. While the majority of the annual cost and year on year uplift are related to passenger numbers and growth there will be added accountability in the new IAA for financial efficiency in areas where the service can achieve savings such as route rationalisation and income generation. Future client-side policy direction and commissioning will

however be key in significantly influencing the level of savings or cost pressures in the shared SNT service.

4.0 Financial Implications

4.1 Under the current IAA, Harrow leads on the delivery of Special Needs Transport service on behalf of Brent. The full costs of the Brent operation are therefore recovered by Harrow via quarterly invoices. The financial process as outlined below will remain the same in the new IAA.

4.2 At the beginning of each financial year Harrow submit a full year forecast for approval by the SNT Advisory Board. Financial progress reports and forecasting updates are thereafter discussed in detail at monthly finance meetings and used to inform Brent forecasts. A quarterly financial update is also presented by Harrow to the SNT advisory Board for sign off.

4.3 Toward the end of the financial year (February / March), demand led pressures are identified and agreed and used to inform future growth bids.

4.4 The current Harrow forecast for 2023/24 is £13,352,099. The current BTS budget is £12,404,465. This is after £700k growth, and a £16k uplift on accommodation and parking cost has been applied. This therefore presents a £947,634 gap in Year 1 of the new IAA. Officers are working to mitigate this by making further in-year savings through the ongoing transformation work – the outcomes of which cannot be accurately forecasted at this stage.

4.5 Harrow typically forecast a worst-case scenario at the start of the financial year (See Appendix 3), so £500k has been reduced from the forecast, as passenger numbers become more certain.

4.6 On the basis of entry into a signed written IAA, the Corporate Director, Finance and Resources confirms his agreement to the proposed IAA in order to satisfy the requirements of Contract Standing Order 85(a).

4.7 The significant financial pressures relating to this operation and the demand for the service will be addressed through the separate service transformation review that is underway.

5.0 Legal Implications

5.1 The recommendation in this report is for the Council to enter into an IAA with Harrow Council for SNT services. The SNT service will operate under an IAA that sets out the financial arrangements, as well as the legal and contractual obligations applicable to the parties. The IAA will also set out key performance indicators and service standards and address data sharing issues.

5.2 Regulation 12(7) of the Public Contract Regulations 2015 (“the Regulations”) establishes that where two or more local authorities enter into a contract exclusively between themselves, provided the arrangement fulfils three

conditions the contract would fall outside the scope of the majority of the provisions of the Regulations. The three conditions are as follows:

a) The contract establishes or implements a co-operation between the participating contracting authorities with the aim of ensuring that public services they have to perform are provided with a view to achieving objectives they have in common.
b) the implementation of that co-operation is governed solely by considerations relating to the public interest; and
c) The participating contracting authorities perform on the open market less than 20% of the activities concerned by the co-operation."

5.3 Officers consider that entry in to the IAA as recommended fulfils the criteria in paragraph 5.2 above.

5.4 The estimated value of the proposed IAA for the initial 3 year term is £43,000,000 and therefore it is classed as a High Value Contract for the purposes of the Council's Contract Standing Orders. Contract Standing orders require that High Value Contracts are ordinarily procured via a tender process. However, Contract Standing Order 84(a) provides that subject to compliance with procurement legislation, Members may agree an exemption from the requirement to procure in accordance with Contract Standing Orders where there are "good operational and/or financial reasons".

5.5 For the reasons detailed above, it is not considered that there is a breach of procurement legislation as Regulation 12(7) permits the joint collaborative partnership proposed between authorities. Furthermore, Officers consider that there are good operational and financial reasons for entering into the IAA with Harrow as set out in paragraph 3 of this report.

6.0 Equality Implications

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

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

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

6.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

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

6.4 The proposals in this report have been subject to screening. There are no proposed strategic delivery changes to the current IAA that would cause any adverse equalities impact and a further equalities impact assessment is therefore not required.

7.0 Consultation with Ward Members and Stakeholders

7.1 Information has been shared with Members and stakeholders of Officers intention to enter into a further IAA with Harrow.

8.0 Human Resources / Property Implications (if appropriate)

8.1 This report has no direct impact on Brent staff or property assets.

8.2 A Brent client team is being developed that is intended to operate primarily from the Harrow Hub depot. This team will sit within and report to and be managed by Environment & Leisure.

Report sign off:

Peter Gadsdon
Corporate Director Resident Services

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DATED …… 2022

Between

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HARROW

AND

THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF BRENT

INTER-AUTHORITY AGREEMENT FOR THE PROVISION OF HARROW AND BRENT COUNCILS' SPECIAL NEEDS TRANSPORT

Harrow Council
PO Box 2
Civic Centre
Station Road
Harrow
HA1 2UH

DX 30450 HARROW 3
REF: HRWC-CECC-050153

THIS Agreement is made the day of 2022

BETWEEN:

(1) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF HARROW** of Civic Centre, Station Road, Harrow HA1 2XF (**"Harrow"**);

(2) **THE MAYOR AND BURGESSES OF THE LONDON BOROUGH OF BRENT** of Brent Civic Centre, Engineers Way, Wembley HA9 0FJ (**"Brent"**);

together known as the parties to this Agreement (**"The Parties"**).

WHEREAS:

(A) The Parties are the statutory authorities for their respective administrative areas.

(B) The Parties are working together to provide the Harrow and Brent Special Needs Transport Service (**"HB SNT"**), hosted by Harrow at its Forward Drive Depot.

(C) The Parties are local authorities for the purposes of the Local Government Act 1972 and best value authorities for the purposes of the Local Government Act 1999. The creation of the HB SNT is to be established by the Parties in exercise of their powers under section 101, 111, 113 and 136 of the Local Government Act 1972, section 3 of the Local Government Act 1999, sections 1 - 8 of the Localism Act 2011 and Regulation 12 (7) of the Public Contract Regulations 2015.

(D) The Parties agree that the special needs transport service currently provided by each Party will continue to be merged and operate under HB SNT for the duration of the Agreement.

(D) The Parties agree that this arrangement will assist in achieving Best Value in Harrow and Brent, by maximising economies of scale and cost efficiencies for both councils and so have agreed that in order to achieve this the provision of HB SNT by and for the Parties and the costs of doing so will be shared between the Parties as more particularly set out in this Agreement.

(E) This Agreement sets out the terms on which Harrow will manage and deliver the HB SNT to Harrow and Brent.

IT IS HEREBY AGREED AS FOLLOWS:

1 Definitions

1.1 The following definitions shall apply and have effect in relation to the words and expressions used in this Agreement and the interpretation and construction of this Agreement.

"1972 Act"
means the Local Government Act 1972;

"1999 Act"
means the Local Government Act 1999;

"2014 Regulations"
means the Collective Redundancies and Transfer of Undertakings (Protection of Employment) (Amendment) Regulations 2014;

"Agreed Variation Notice"
is a variation notice which has been agreed in accordance with Clause 21;

"Best Value"
means each Party's duty to secure economy, efficiency and effectiveness in delivery of the HB SNT Service pursuant to section 3 of the 1999 Act;

“Business Continuity Plan”
means any plan prepared pursuant to clause 29 (Business Continuity), as may be amended from time to time.

"CEDR"
means the Centre for Effective Dispute Resolution;

"Charges"
means the payments made to Harrow by Brent in accordance with Clause 11;

"Commencement Date"
means **01 August 2022;**

"Consents"
means all permissions, consents, approvals, certificates, permits, licences and authorisations required for the performance of the Service in accordance with this Agreement and consents of Service Users, the court or as may be required to comply with any relevant codes of conduct;

"Contract Manager"
means the Senior Officer appointed by Brent in accordance with Clause 3.10;

"Core Budget"
has the meaning set out at Appendix 2 (Charging Provisions);

"Data"
Means any data (including metadata), record, document or information howsoever stored which is communicated in writing, orally, electronically or by any other means by Harrow, its staff, sub-contractors and agents relating to the Service and the Agreement;

"Data Controller" and "Data Processor"
means the same as set out in the Data Protection Act 2018;

"Day(s)"
means a calendar day unless specifically noted to be a Working Day;

"Data Protection Act"
means the Data Protection Act 2018;

"Default"
means a breach of the Agreement which does not amount to a Fundamental Breach;

"Dispute Resolution"
means the dispute resolution process set out in Clause 20;

“Emergency”
means war or terrorism which threatens serious damage to the security of the UK or an event or situation causing or, in the reasonable opinion of a Party, threatening to cause serious damage to human welfare or the environment or death or injury to any individual, or serious disruption to the lives of a number of people or extensive damage to property, or contamination of the environment or giving rise to financial losses as specified in the Civil Contingencies Act 2004, in each case on a scale beyond the capacity of the emergency services or preventing the Services operating under normal circumstances and requiring the mobilisation and organisation of the emergency services;

"Employees"
means the employees listed in Appendix 7;

"Employee Liability Information"
means the information that a transferor is obliged to notify to a transferee under Regulation 11(2) of TUPE;

"Employment Claim"
has the meaning given in Clause 6.10;

"EI Regulations"
means the Environmental Information Regulations 2004 together with any guidance and/or codes of practice issued by the Information Commissioner or relevant Government Department in relation to such regulations;

"Exit Plan"
means a document agreed between the Parties in accordance with Appendix 5;

"Expenditure"
has the meaning set out at Appendix 2;

"Expiry Date"
means **31 July 2023**;

"Financial Year"
means any year during this Agreement commencing on 1 April and finishing on 31 March;

"FOI Act"
means the Freedom of Information Act 2000;

"Force Majeure"
has the meaning given in Clause 17;

"Fundamental Breach"
means:

a) a breach of Clause 12.1;

b) three or more Defaults in a six month period;

c) a default which is not capable of remedy in accordance with Clause 15 and which has or will have a material adverse impact on the affected Party/Parties;

"Future Provider"
A provider of the Services or part thereof or of services substantially the same as the Services or part thereof upon the cessation of provision thereof by Harrow;

"Guidance"
means any applicable guidance or directions with which Harrow is bound to comply;

"Intellectual Property Rights"
means any and all patents, trade marks, service marks, copyright, database rights, moral rights, rights in a design, know-how, confidential information and all or any other intellectual or industrial property rights whether or not registered or capable of registration and whether

subsisting in the United Kingdom or any other part of the world together with all or any goodwill relating or attached thereto;

“Legislation"
means any one or more of the following:

a) any Act of Parliament;

b) any subordinate legislation within the meaning of Section 21(1) of the Interpretation Act 1978;

c) any exercise of the Royal Prerogative; and

d) any enforceable community right within the meaning of Section 2 of the European Communities Act 1972,

in each case in the United Kingdom;

"Losses"
has the meaning given in Clause 6.6;

"Material Breach"
means a breach of the terms of this Agreement of sufficient significance to impede the effective delivery of the Service, or which creates a significant risk for either Party, or causes Brent significant losses or costs;

"Mediator"
means a mediator appointed in accordance with Clause 20;

“Major Emergency Plan”
means Brent’s procedures for responding to, dealing with and recovering from an incident/Emergency (as updated from time to time);

"Model Procedure"
has the meaning given in Clause 20.4;

"Notice of Termination"
means a notice to terminate this Agreement served in accordance with Clause 16;

“Performance Indicators”
Means the key performance indicators contained in Appendix 1 as amended from time to time by the Parties forming part of the Service Standards

"Personal Data"
has the meaning ascribed to it in the Data Protection Act 2018;

"Potential Returning Employees"
has the meaning given in Appendix 5 Clause 5.3;

"Premises"
Means **Central Depot, Forward Drive, Harrow, Middlesex HA3 8NT**;

"**Redundant"**
means redundant as defined in section 139 of the Employment Rights Act 1996;

"Relevant Transfer"

a transfer to which TUPE applies;

"Returning Employees"
an employee who transfers to Brent or a Future Provider on a Relevant Transfer;

"Returning Services"
the Service or part thereof, or of services substantially the same as the Service or part thereof upon cessation of provision thereof by Harrow, which will continue to be provided by Brent or each of their respective Future Providers

"Senior Officer"
means in relation to **Harrow the Divisional Director – Commissioning and Commercial Services; in relation to Brent the Operational Director, Planning & Regeneration**;

"Service"
means the Harrow and Brent Special Educational Needs Transport Service to be delivered by Harrow for both Harrow and Brent Councils as described at Appendix 1;

"Services Manager" means the Head of Special Needs Transport appointed by Harrow;

"Service Standards"
means the standards to be applied at all times in the provision of the Service by Harrow [including the service standards set out in Appendix 1 (Description of the Service) and Appendix 4 (Operational Matters);

"Service User(s)"
means vulnerable adults and children with special needs and their parents/guardians with whom the HB SNT Service will liaise, co-operate or interact with in the provision of the Services.

"Staff"
means any employee who delivers the Service (including the Employees);

"SNT Advisory Board"
means the board established in accordance with Clause 3.7 and Appendix 3;

"Term"
means the duration of the Agreement from the Commencement Date to the Expiry Date;

"Termination"
means termination of the Agreement in accordance with Clause 15;

"TUPE"
the Transfer of Undertakings (Protection of Employment) Regulations 2006 (SI 2006/246) as amended by the 2014 Regulations;

"Variation Notice"
means a notice served in accordance with Clause 20.2;

"Working Day(s)"
means a day on which clearing banks in the City of London are (or would be but for strike, lock-out or other stoppage affecting particular banks generally) open during banking hours.

1.2 In this Agreement except where the context otherwise requires:

1.2.1 the masculine includes the feminine and vice-versa;

1.2.2 the singular includes the plural and vice-versa;

1.2.3 any reference to this Agreement or to any other document shall include any permitted variation, amendment or supplement to such document;

1.2.4 any reference to any enactment, order, regulation, code, guidance or other similar instrument shall be construed as a reference to the enactment, order, regulation, code, guidance or instrument (including any EU instrument) as amended, replaced, consolidated or re-enacted;

1.2.5 headings are for convenience of reference only;

1.2.6 words preceding include, includes, including and included shall be construed without limitation by the words which follow those words; and

1.2.7 the Appendices to this Agreement form part of this Agreement.

1.3 Save as otherwise expressly provided, nothing contained or implied in this Agreement shall prejudice, affect or otherwise fetter the rights, powers, duties and obligations of either Party in the exercise of its functions as a local authority.

1.4 Notwithstanding any other provisions of this Agreement, neither Party shall be entitled to claim an amount, include a figure in a calculation, or recover a cost to the extent that it had already been accounted for, included, or recovered pursuant to this Agreement or otherwise.

2 Start and duration of this Agreement

2.1 Subject to Clause 2.2 this Agreement will start on the Commencement Date and will remain in force for a period of one (1) year until the Expiry Date unless terminated earlier in accordance with the provisions of this Agreement.

2.2 NOT USED.

2.3 NOT USED.

2.4 NOT USED.

3 Governance

3.1 Brent warrants that it has validly resolved to enter into this Agreement, and copies of the relevant resolutions of Brent are attached at Appendix 6 of this Agreement and that to the best of its knowledge and belief it has not received notification of any call in, scrutiny or legal challenge to that resolution and that such resolution remains valid.

3.2 Harrow warrants that it has validly resolved to enter into this Agreement, and copies of the relevant resolutions of Harrow are attached at Appendix 6 of this Agreement and that to the best of its knowledge and belief it has not received notification of any call in, scrutiny or legal challenge to that resolution and that such resolution remains valid.

3.3 The Parties confirm that the Service shall be delivered through the HB SNT Service under the terms of this Agreement.

3.4 The Parties confirm that subject to the terms of this Agreement the delivery of the Service and the expenditure of the costs directed to the provision of the Service in accordance with Appendix 2 shall be the responsibility of the HB SNT Service.

3.5 The Parties will establish a SNT Advisory Board with the overall purpose of monitoring, directing, advising and securing adherence to the effective performance of the Agreement and the delivery of the Service.

3.6 The SNT Advisory Board will have the membership and terms of reference as set out at Appendix 3 of this Agreement provided always that the Parties may agree at any time to amend the membership and/or the terms of reference of the SNT Advisory Board.

3.7 The Parties agree that they shall seek to operate this Agreement through consensus wherever possible and shall use the SNT Advisory Board as a forum for discussing and seeking to resolve any issues, concerns or complaints arising in relation to the operation of this Agreement.

3.8 The Parties agree that they will therefore use reasonable endeavours to seek to resolve any issues, concerns or complaints arising in relation to the operation of this Agreement through the SNT Advisory Board before seeking to invoke any of the provisions of this Agreement relating to Default, Termination or Dispute Resolution.

3.9 Harrow will appoint a Senior Officer who as Service Manager will take day to day management decisions relating to the Service.

3.10 Brent will appoint a Senior Officer as the Contract or Client Manager for the Service in relation to delivery of the Service to Brent.

4 The Agreement

4.1 This Agreement sets out all the terms and conditions which the Parties have agreed regarding the provision of the Service and supersedes any representations, documents, negotiations or understandings, whether oral or written, made, carried out or entered into before the date of this Agreement.

4.2 The Parties have satisfied themselves in relation to any matters or information which they are relying upon in deciding to enter into this Agreement save where the Parties have warranted matters, in Clauses 3.1, 3.2 and 6.2.

4.3 The Parties agree that (except for any liability which a Party has under or in respect of any breach of this Agreement in particular but not limited to the provision of the Service in accordance with the Service Standards, of any liabilities relating to fraud, death, personal injury or any other liability which cannot be excluded or limited by law and Clauses 10.6 and 10.7), no Party shall owe any duty of care or have any liability in tort or otherwise to any other Party in respect of, arising out of or in any way relating to the transactions contemplated by this Agreement, provided that nothing in this Clause 4 shall exclude any liability for, or remedy in respect of, fraudulent or negligent misrepresentation.

5 Objectives and Partnership Working

5.1 The Parties shall establish, develop and implement their collaborative relationship with the objective of:

5.1.1 implementing the Service from the Commencement Date and within the Core Budget agreed by SNT Advisory Board at the start of the year set out in Appendix 2;

5.1.2 providing high quality Service and in accordance with the Service Standards;

5.1.3 commitment to people including Staff and Service Users of the Service; and

5.1.4 delivering long term savings and benefits to all Parties .

5.2 The objectives are to be kept under review through meetings and effective communication.

5.3 The Parties agree to adopt a systematic approach to partnership working and problem resolution which is based on:

5.3.1 achieving solutions for the benefit of Service Users and to achieve Best Value for each Party equally;

5.3.2 trust, fairness, mutual co-operation, dedication to agreed common goals and an understanding of each Party's expectations and values;

5.3.3 seeking solutions without apportioning blame;

5.3.4 mutually beneficial outcomes;

5.3.5 treating the Parties as equals in the dispute resolution process;

5.3.6 a mutual acceptance that adversarial attitudes waste time and money; and

5.3.7 all Parties being equal stakeholders.

6 Staffing

6.1 The Parties acknowledge that the provision by Harrow of the Service to Brent shall be through the HB SNT Service from the Commencement Date.

6.2 NOT USED

6.3 NOT USED

6.4 Brent shall be responsible for all operational costs throughout the duration of the Term of this Agreement. Harrow shall be responsible for the operational management during the performance of daily routine activities throughout the duration of the Term of this Agreement.

7 Application of section 113 Local Government Act 1972

The Parties agree that where the employees of the HB SNT Service are engaged on work for Harrow the provisions of section 113 of the 1972 Act will apply and that those employees will be placed by Harrow at the disposal of Brent for the purposes of their functions.

8 **Accommodation**

8.1 The Parties agree that the HB SNT Service is to be hosted at the Premises and Harrow accordingly undertakes to make available all necessary accommodation, working space, and associated facilities and services, including such telephone systems and meeting rooms as shall be necessary to host the HB SNT Service unless otherwise agreed by the Parties.

9 **Equipment and Information Technology**

9.1 Brent undertakes to the HB SNT Service to license free of charge (insofar as it is able to legally and contractually do so) the Staff as reasonably necessary in order to enable the HB SNT Service and its employees to access its Data systems, records, information technology systems, computer systems, telephone and other systems as may be necessary from time to time as to deliver the Service to Brent; and to allow and facilitate free of charge (insofar as it is able to legally and contractually do so), the transfer of necessary data records and information as may be held by Brent to the HB SNT Service for the purposes of the delivery of the Service to Brent.

9.2 In the event of Brent levying a charge on the HB SNT Service to access the systems and/or to transfer the Data, records and information referred to in Clause 9.1 such charge shall be treated as Expenditure.

9.3 No HB SNT Service employee shall access Brent systems unless prior written approval is granted by Brent at its absolute discretion, in order to preserve confidentiality or prevent and manage a potential or actual conflict of interest.

10 **Intellectual Property**

10.1 Nothing in this Agreement is intended to transfer to Harrow any Intellectual Property Rights owned by Brent whether solely or jointly as at the Commencement Date.

10.2 Brent hereby grants to Harrow for the purposes of the HB SNT Service a non-exclusive, revocable, royalty-free licence to use and copy materials the Intellectual Property Rights in which vest solely in Brent solely for the purpose of providing the Service through the HB SNT Service to Brent for the duration of this Agreement.

10.3 All and any Intellectual Property Rights in materials developed for or on behalf of the HB SNT Service during the duration of this Agreement shall vest in Harrow unless agreed otherwise.

10.4 Harrow shall on expiry or termination of this Agreement, if required, grant Brent a non-exclusive, perpetual, irrevocable, royalty-free licence to use and copy materials the Intellectual Property Rights which, vest in Harrow for the purpose of providing or having provided the Service to Brent through the HB SNT Service.

10.5 Nothing in this Clause 10 shall require either Party to provide or disclose to the other Party any materials to the extent that they contain confidential information or attract legal professional privilege or Intellectual Property Rights where such provision or disclosure would amount to a waiver of privilege or put either Party or any employee in breach of any legal obligation or codes of conduct or infringe any Intellectual Property Rights.

10.6 Where a claim or proceeding is made or brought against Brent which arises out of the infringement of any Intellectual Property Rights or because the use of any materials, Data,

plant, machinery or equipment in connection with the Service infringes any Intellectual Property Rights of a third party then, unless such infringement has arisen out of the use of any Intellectual Property by or on behalf of Brent otherwise than in accordance with the terms of this Agreement, Harrow shall indemnify Brent at all times from and against all direct and indirect losses arising as a result of such claims and proceedings.

10.7 Where a claim or proceeding is made or brought against Harrow which arises out of the infringement of any Intellectual Property Rights or because the use of any materials, data, plant, machinery or equipment in connection with the Service infringes any Intellectual Property Rights of a third party then, unless such infringement has arisen out of the use of any Intellectual Property by or on behalf of Brent otherwise than in accordance with the terms of this Agreement, Brent shall indemnify Harrow at all times from and against all direct and indirect losses arising as a result of such claims and proceedings.

11 **Financial provisions, Revenue Contributions and Contingency Fund Operation**

11.1 In return for Harrow carrying out its obligations under this Agreement Brent shall pay to Harrow the Charges relating to the Service in accordance with Appendix 2.

11.1.2 If any item or part of an item of any Charges stated within an invoice is disputed or subject to clarification by Brent, the payment by Brent of such disputed or questioned sums may be withheld pending resolution of the disputed sums by the SNT Advisory Board, provided Brent serves notice of its intention to withhold payment on Harrow not less than 5 days before the final date for payment. Such notice shall set out:

.a the amount proposed to be withheld and the ground for doing so; or

.b If more than one ground, each one and the amount attributable to each.

For the avoidance of doubt undisputed items in any invoice submitted by Harrow during the Term shall be paid in accordance with Appendix 2.

11.1.3 Where the disputed or questioned sums referred to in clause 11.1.2 fails to be resolved by the SNT Advisory Board; the Parties shall refer the matter to the Dispute Resolution process in accordance with clause 19 for final determination.

11.1.4 Pending the final determination of the disputed or questioned sums in accordance with the Dispute Resolution process, Harrow shall suspend the element of the Service which is in dispute and to which those specific Charges apply.

Revenue Costs Contributions

11.2 The Parties agree and undertake to meet their respective revenue costs for delivering the service

Capital and Revenue Contingency Fund Contributions

11.3 From the Commencement Date, Harrow shall maintain a Capital and Revenue HB SNT Service account which will cover all income and expenditure relevant to the service. This account shall clearly demonstrate the costs attributable to each borough's service where those costs are identifiable as distinct to each borough.

11.4 Harrow shall account to Brent for the expenditure incurred in providing the Brent aspect of the service. This is to include any Capital maintenance expenditure as it relates to the fleet of vehicles.

11.5 **The Service Standard, Adherence to Policies and Service User Satisfaction Surveys**

11.5.1 Harrow shall ensure that the HB SNT Service provides the Service in accordance with its obligations under this Agreement including the Service Standards (and Performance Indicators) using all the skill, care and diligence to be expected of a competent local authority special needs transport service including compliance with the Education Act 1996, the Education and Inspections Act 2006, the Equality Act 2010 with any subordinate legislation or regulations made under those acts and the codes of practice

11.6 In providing the Service Harrow shall ensure that the HB SNT Service:

11.6.1 complies with any and all codes of practice, performance ratings and quality standards that are laid down in this Agreement or that are issued to Brent as part of an Agreed Variation Notice;

11.6.2 complies with any Legislation, statutory or regulatory provisions which apply to the Service;

11.6.3 obtains, maintains and complies with all Consents;

11.6.4 allocates sufficient and appropriately qualified and experienced resources to provide the Service at all times in accordance with the terms of this Agreement;

11.6.5 proactively manages the performance of the Staff including but not limited to effective appraisal and review mechanisms, supervision and one-to-one meetings between Staff and supervisors, setting and regular monitoring of personal performance targets;

11.6.6 implements an effective risk management procedure in accordance with Appendix 9; and

11.6.7 provides the Service in accordance with the codes of practice.

11.7 NOT USED.

11.8 Harrow shall ensure that sufficient numbers of Staff are available with appropriate levels of experience and expertise to provide the Service to Brent in accordance with Appendix 1 and Appendix 4 and procedures are in place to ensure the Service is not disrupted by staffing issues (unless this is outside of Harrow's control).

11.9 In delivering the Service the HB SNT Service shall comply with the Brent policies listed in Appendix 8 together with any additional Harrow policies relevant to the delivery of the Service which are introduced by Harrow during the operation of the Agreement.

Satisfaction Surveys

11.10 Harrow shall carry out surveys annually (or more frequently as agreed by the Parties) and shall carry out any other surveys reasonably required by Brent in relation to the provision of the

Services. The form, frequency and method of reporting such surveys shall be reviewed and approved by the SNT Advisory Board.

11.11 Harrow shall review the results of the surveys and provide a written report to Brent on request on the results of each survey carried out under clause 11.10 and identify any actions reasonably required to be taken by Brent in response to the surveys. Harrow must implement such actions as agreed with Brent as soon as reasonably practicable SUBJECT ALWAYS to Harrow obtaining the necessary internal Cabinet and/or Chief Officer approval where such actions require approval in accordance with Harrow's Constitution.

11.12 Harrow shall on request provide copies of completed Service User surveys to Brent.

12 **Proceedings and Insurance**

12.1 Harrow shall be solely liable for all proceedings, claims, damages, fines, penalties, expenses, compensation, court or tribunal orders (including and order for reinstatement or re-engagement), awards, costs and all other liabilities whatsoever payable or incurred which arise out of or are connected with this Agreement ('the Liabilities') save where Brent has directly contributed to the Liabilities in which case Brent shall also be liable for the Liabilities to the extent that it has directly contributed to the Liabilities.

12.2 Harrow shall effect and maintain with a reputable insurance company a policy or policies of insurance providing as a minimum the following levels of cover:

12.2.1 public liability insurance with a limit of indemnity of not less than five million pounds (£5,000,000) in relation to any one claim or series of claims;

12.2.2 employer's liability insurance with a limit of indemnity of not less than ten million pounds (£10,000,000) in relation to any one claim or series of claims;

12.2.3 professional indemnity insurance with a limit of indemnity of not less than five million pounds £5,000,000 in relation to any one claim or series of claims and shall ensure that all professional consultants or Sub-Contractors involved in the provision of the Services hold and maintain appropriate cover;

("the **Required Insurances**") in respect of all risks which may be incurred by Harrow, arising out of Harrow's performance of the Agreement, including death or personal injury, loss of or damage to property.

12.3 Harrow shall give Brent, on request, copies of all insurance policies referred to in this clause or a broker's verification of insurance to demonstrate that the Required Insurances are in place, provided that Harrow shall only be required to provide a broker's verification in the event that disclosure of any of the policies would invalidate any terms of its insurance policies.

12.4 If, for whatever reason, Harrow fails to give effect to and maintain the Required Insurances, Brent may make alternative arrangements to protect its interests and may recover the reasonable costs of such arrangements from Harrow.

12.5 The terms of any insurance or the amount of cover shall not relieve Harrow of any liabilities under the Agreement.

13 **Monitoring of the Service**

13.1 The Service will be monitored in accordance with the procedures and service standards referred to in Appendix 1 (Description of Services – Performance Indicators), Appendix 2 (Charging Arrangements), Appendix 3 (Governance Arrangements) and Appendix 4 (Operational Arrangements).

13.2 Subject to clause 25 (Confidentiality and Data), Brent shall endeavour to make available to Harrow, for the Term of the Agreement, access to Brent's systems so as to allow reviewing of Brent's statistical reports pursuant to the delivery of the Services by Harrow.

14 **Defaults**

14.1 If a Party commits a Default then they shall as soon as reasonably practicable notify the other Parties in writing and take such steps as are necessary to rectify the Default.

14.2 If the Default has not been rectified within thirty (30) Working Days to the reasonable satisfaction of the other Party then the matter shall be referred to the SNT Advisory Board unless the Parties agree a longer period.

14.3 The Parties shall use reasonable endeavours to resolve the Default through the SNT Advisory Board in accordance with Clauses 3.8 and 3.9 of this Agreement.

14.4 If the Parties cannot resolve the Default through the SNT Advisory Board within a reasonable time any of the Parties can refer the matter for resolution, in accordance with Clause 19(Dispute Resolution).

15 **Termination**

15.1 If Harrow,

15.1.1 commits or causes the commission of any criminal offence in providing the Service (except for any minor offence or minor traffic offence);

15.1.2 or any person employed by it or acting on its behalf, in relation to this Agreement, commit(s) an offence under the Bribery Act 2010, or shall have given any fee or reward the receipt of which is an offence under Section 117(2) of the 1972 Act;

15.1.3 commits a default which is identified by any term of this Agreement as being a Fundamental Breach or is otherwise a fundamental breach of its obligations under this Agreement, or

15.1.4 invalidates the insurance referred to in Clause 12.2 and/or does not otherwise provide sufficient cover to Brent against the risk of potential claims against Brent from Service Users or third parties arising directly or indirectly from provision or omission in the provision of the Service by the HB SNT Service.

then Brent will be entitled to give Harrow a Notice of Termination with a notice period of at least three (3) months.

15.2 If Brent terminates this Agreement under Clause 15.1 then Harrow will continue to provide the Service during the period of notice unless Brent request otherwise.

15.3 Brent shall be entitled (provided the same is not in dispute):

15.3.1 to retain any monies owed to Harrow under this Agreement until Harrow has paid any monies owed to Brent under this Agreement; or

15.3.2 to deduct any such monies owed to Brent under this Agreement from the monies owed to Harrow under this Agreement.

15.4 If:

15.4.1 on three (3) separate occasions in any period of twelve (12) months (whether consecutive or not) Brent has failed to pay Harrow any undisputed Charges on time, then Harrow may terminate this Agreement by giving Brent not less than three (3) months written notice or such other notice period agreed by the Parties or otherwise agreed by SNT Advisory Board;

15.4.2 Brent has committed a Default which is identified by any term of this Agreement as being a Fundamental Breach, then Harrow may terminate this Agreement by giving Brent not less than twelve (12) months written notice or such notice other period agreed by the Parties or otherwise agreed by SNT Advisory Board;

15.5 Subject to Clause 15.6 below, if this Agreement or its application to a particular Service is terminated, whether under Clause 14 (Defaults), this Clause 15 (Termination) or Clause 2.4 (Extending the Partnership) then Brent shall continue to pay Harrow the Charges throughout the notice period (whether or not Brent have requested Harrow to stop providing the Service during such period).

15.6 Nothing in Clause 15.5 shall entitle Harrow to receive the Charges for the notice period a second time if Harrow has already received the Charges for this period.

Break Clause

15.7 It is also provided that any Party may terminate this Agreement before the end of the Term, by giving the other Parties not less than six (6) months written notice by serving a Notice of Termination such Notice not to be given prior to 1 February 2023.

15.7.1 For the avoidance of doubt, where Brent elects to terminate this Agreement pursuant to clause 15.7 then it acknowledges and agrees that it will not be permitted to recover the agreed residual value of its assets.

Exit Arrangements

15.8 The Parties shall comply with the exit arrangements set out in Appendix 5 and any current Exit Plan in the period leading up to Termination or the Expiry Date.

16 Force Majeure and Non-Performance

16.1 If Brent believes that Harrow is failing to provide the requisite Service detailed in the Agreement, then the dispute resolution procedures outlined in Clause 19 will apply.

16.2 If an event of Force Majeure occurs then Harrow shall meet with Brent to discuss how best Brent can continue to provide the Service until the Force Majeure event ceases, which may include Brent providing Harrow with assistance, where possible.

16.3 Clause 17 is subject to the proviso that whichever Party is affected shall have given the other Parties notice that such failure is the result of Force Majeure within ten (10) Working Days of such failure occurring. If notice is not given in accordance with this Clause 16 then the failure may be regarded as a Default.

16.4 If either Party fails to carry out its respective obligations under this Agreement as a result of Force Majeure then whichever Party is affected shall not be liable under this Agreement for any such failure.

16.5 In this Clause Force Majeure means:

16.5.1 acts of war;

16.5.2 acts of God;

16.5.3 decrees of Government;

16.5.4 riots; and

16.5.5 civil commotion

16.5.6 and any event or circumstance which is both beyond the control of whichever Party is affected and which could not have been prevented by acting prudently, diligently or with reasonable foresight.

16.6 Force Majeure shall not include any labour dispute between Harrow and Staff, any other staffing problem or the failure to provide the Service by any of Harrow's sub-contractors.

16.7 In the event that a Party is prevented from carrying out its obligations under the Agreement by any act of Force Majeure which continues for a period of thirty (30) days, the other Party may terminate the Agreement by notice in writing giving fourteen (14) Days notice.

17.8 The Parties shall at all times following an act of Force Majeure use all reasonable endeavours to mitigate the effects of the event of Force Majeure and facilitate the continued performance of this Agreement.

17.9 If Harrow does not provide or only partially provides the Service for a period of at least thirty (30) Days as a consequence of Force Majeure, the SNT Advisory Board shall consider whether and if so how the charges payable by Brent in accordance with clause 11 shall be reduced in a proportion commensurate with the Service actually provided to Brent and/or whether any and if so how much reimbursement shall be made by Harrow to Brent in respect of the charges paid during the period of the event of Force Majeure, the consideration of the issue by the SNT Advisory Board to be based on the principle that the impact of the period of Force Majeure shall as far as reasonably possible be the same for all Parties.

17 **Consequences of Termination**

17.1 Following the service of a Notice of Termination for any reason, Harrow shall continue to provide the Service in accordance with this Agreement and shall ensure that there is no degradation and diminution in the Service between the date of the Notice of Termination and the date of termination.

17.2 Between the service of a Notice of Termination and the date of termination Harrow shall ensure that comprehensive handover and attendance notes are compiled, all correspondence, files, records, documents and other information in whatever format which are part of and connected with the provision of the Service for Brent shall be filed; either electronically or as paper documents as Brent may require and the HB SNT Service shall put into good and proper order for handover to whichever officers or other agents representing Brent as notified to Harrow. The HB SNT Service shall make arrangements for the nominated officer or agent by Brent to collect such files and documents that relate to the Service provided to Brent.

17.3 Brent hereby undertake that in the event of such termination and the return of such documents and files these same shall be stored in accordance with the Data Protection Act, whether by Brent or by their agents and that Brent shall allow Harrow reasonable access on demand free of such charge to such documents records and files, however held and whether electronic or paper documents.

17.4 Brent hereby undertake to reimburse Harrow for any reasonable, proper and mitigated costs which may arise in respect of the transfer of electronic or other Data from the HB SNT Service to Brent that have arisen as a result of the early termination of the Agreement, other than where termination is due to a Fundamental Breach by Harrow.

17.5 In the event of Termination of this Agreement the Parties agree that (unless such Termination follows a Fundamental Breach (where Harrow is the perpetrator) in which case Harrow shall bear its own costs and shall be liable for the entirety of Brent's reasonable costs) they will share in accordance with the provisions of **Appendix 2**, all of the financial liabilities (other than any liability owed to any other Parties under the terms of this Agreement) which have arisen as a result of the Agreement save for any financial liabilities resulting from the HB SNT Service's fraudulent or negligent act or omission; which liabilities shall include, but not be confined to, the following:

17.5.1 leasehold or tenancy payments where the HB SNT Service has by prior agreement between the Parties taken on additional premises outside the Premises and where a liability arises due to the early termination of the Agreement;

17.5.2 payments for the leasing of equipment for the HB SNT Service where a liability arises due to the early termination of the Agreement.

17.5.3 losses, expenses or liabilities in connection with works to expand, improve or maintain the Premises which have been agreed by the parties as being necessary in order for the provision of the HB SNT Service (if any) which have commenced at the time of termination and cannot be cancelled, provided that at all times Brent shall mitigate any such losses, expenses or liabilities to the fullest extent possible.

17.6 The Parties shall individually and collectively use reasonable endeavours to reduce and mitigate the amount of financial liabilities which may arise in the event of Termination

17.7 Harrow shall repay to Brent within thirty (30) Working Days any element of the Charges attributable to any part of the Service which has not been provided due to termination of the Agreement.

17.8 Clause 6 (Staffing) and Appendix 5 shall apply in relation to the staffing consequences of the expiry or termination of the Agreement.

18 **Operational matters, Undertakings and Indemnities**

18.1 The day to day operation of the provision of the Service shall be in accordance with Appendix 4 (including without limitation the annexes to Appendix 4).

18.2 The Parties agree that:

18.2.1 during the continuance of this Agreement all transactions entered into by them shall be conducted in good faith and on the basis set out in this Agreement;

18.2.2 that at all times they will act in good faith towards the other and use reasonable endeavours to ensure the observance of the terms of this Agreement;

18.2.3 that they shall use reasonable endeavours to give effect to this Agreement provided always that any disagreement between the Parties shall be resolved in accordance with the Dispute Resolution Clause 20,

where any Party fails to meet its responsibilities and liabilities under this Agreement at any time during the Term of this Agreement the cost of any resulting losses, liabilities or loss or failure of the HB SNT Service which is caused to the other Parties shall be passed to the defaulting Party and shall be apportioned equitably.

19 **Dispute Resolution**

19.1 This Clause 19 is subject to Clauses 3.8 and 3.9 of this Agreement.

19.2 If there is a dispute between Harrow and Brent (or between any two Parties) concerning the interpretation or operation of this Agreement, then either Party may notify the other Parties in writing that it wishes the dispute to be referred to a meeting of the SNT Advisory Board to resolve, negotiating on the basis of good faith.

19.3 If after twenty-eight (28) Working Days (or such longer period as the Parties may agree) of the date of the notice referred to in Clause 19.2 (above), the dispute has not been resolved then any Party may notify the other Parties that it wishes the dispute to be referred to a meeting of the Chief Executive of Harrow, (or a person appointed by him or her to act on his or her behalf) and the Chief Executive of Brent (or a person appointed by him or her to act on his or her behalf), to resolve, negotiating on the basis of good faith.

19.4 If after twenty-eight (28) Working Days (or such longer period as the Parties may agree) of the date of the notice referred to in Clause 19.3 (above), the dispute has not been resolved then any Party may notify the other Parties that it wishes to attempt to settle the dispute by mediation, in accordance with the CEDR Model Mediation Procedure 2001 (the "Model Procedure") or such later edition as may be in force from time to time.

19.5 If Harrow and Brent do not agree on the identity of the Mediator then any Party may request CEDR to appoint one.

19.6 The procedure in the Model Procedure will be amended to take account of:

19.6.1 any relevant provisions in this Agreement; or

19.6.2 any other agreement which Harrow and Brent may enter into in relation to the conduct of the mediation.

19.7 The Parties must:

19.7.1 use their reasonable endeavours to ensure that the mediation starts within twenty (20) Working Days of service of the notice referred to in Clause 19.4 (above); and

19.7.2 pay the Mediator's fee in equal shares.

19.8 Any agreement the Parties reach as a result of mediation shall be binding, as set out in the Model Procedure, but if the dispute has not been settled by mediation within ten (10) Working Days of the mediation starting then any Party may commence litigation proceedings (but not before then).

19.9 Neither Party shall be precluded by Clause 19.8 (above), from taking such steps in relation to court proceedings as either may deem necessary or desirable to protect their respective positions. This shall include:

19.9.1 issuing or otherwise pursuing proceedings to prevent limitation periods from expiring; and

19.9.2 applying for interim relief.

19.10 The use of the dispute resolution procedures set out in this Clause 19, (Dispute Resolution) shall not delay or take precedence over the provisions for termination set out in Clause 14 (Default) and Clause 15 (Termination).

20 Variations To The Agreement

20.1 A variation to this Agreement shall only be valid if it has been agreed in writing and executed as a deed by duly authorised representatives of each Party.

20.2 If any of the Parties wishes to vary this Agreement then it shall serve on the other Party a Variation Notice which shall set out the nature of the variation sought and the reasons for it.

20.3 If any Party receives a Variation Notice then within twenty-eight (28) Working Days of receipt it shall notify the other Parties in writing whether or not it agrees to the variation and if not, the reasons.

21 Waiver

21.1 If any Party fails to exercise or delays in exercising any right or remedy to which it is entitled under this Agreement or at law then this shall not constitute a waiver of any such right or remedy.

21.2 If any Party waives a Default on the part of another Party or Parties then this shall not constitute a waiver of any future Default.

21.3 No waiver shall be effective unless it is:

21.3.1 expressly stated to be a waiver;

21.3.2 in writing; and

21.3.3 signed by the relevant Senior Officer.

22 **Contracts (Rights of Third Parties) Act 1999**

Neither Party intends to confer any right or benefit upon a third party and the provisions of the Contracts (Rights of Third Parties) Act 1999 are expressly excluded from this Agreement.

23 **Best Value**

Harrow undertakes that it will seek to achieve a continuous improvement in economy, efficiency and effectiveness (including productivity of the Staff) in carrying out its obligations throughout the term of the Agreement to deliver the savings agreed by the Parties and will seek to deliver outcomes in less time and at less cost whilst maintaining quality; Brent undertakes that it will use its reasonable endeavours to assist Harrow in achieving this on the basis that the improvements will benefit the communities of both Brent and Harrow.

24 **Notices**

24.1 Any notice or other communication under this Agreement must be in writing and can only be sent by:

24.1.1 Pre paid 1st class post;

24.1.2 Recorded delivery post; or

24.1.3 Personal delivery,

no notices under this Agreement will be accepted by email.

24.2 For the purposes of sending notices by post or personal delivery or other communication by post, or personal delivery:

24.2.1 Harrow's address is Civic Centre, Station Road, Harrow HA1 2XF;

24.2.2 Brent's address is Brent Civic Centre, Engineers Way, Wembley, HA9 0JF

all notices and communications must be sent to the relevant Senior Officer.

24.3 If the address of any Party changes, it must notify the other Parties in accordance with this Clause 24.

24.4 Subject to Clauses 24.2 and 24.3, all notices and communications shall be deemed to have been served:

24.4.1 if posted, two (2) Working Days after the date when posted; or

24.4.2 if personally delivered, on signature of a delivery receipt.

24.5 Notwithstanding Clause 24.4, if by applying its provisions a notice is deemed to have been served on a Day which is not a Working Day or it is not received between the hours of 9am to 5pm on a Working Day then it shall be deemed to have been served on the next immediately following Working Day.

25 **Confidentiality and Data**

25.1 Harrow undertakes that the HB SNT Service will respect the confidentiality of information provided to it. Exceptionally the HB SNT Service may need to disclose this information where required to do so by the Court or under FOI legislation in which case Harrow shall inform Brent of such proposed disclosure as soon as reasonably practicable.

25.2 Harrow shall ensure that all Data held on behalf of Brent (save for such information as may be returned to Brent on Expiry or Termination) is retained for disclosure for at least six (6) years (from the date it is acquired) and shall permit Brent to inspect such Data as requested from time to time.

25.3 Harrow shall permit all Data to be examined and copied from time to time by Brent's auditors (whether internal or external) and their representatives upon reasonable notice.

26 **Data Protection, Freedom of Information and Environmental Information Regulations**

26.1 The Parties shall comply with the Data Protection Act, the FOI Act and the EI Regulations.

26.2 Brent shall co-operate with and provide assistance to Harrow at its own cost in enabling Harrow to comply with Clause 26.1 relating to disclosure of information arising from the performance of the Service by the HB SNT Service.

26.3 A Party in receipt of a request for information in relation to the FOI Act or the EI Regulations should, if the request relates to one of the other Parties, promptly refer the request to that Party for comments before a decision whether to disclose is made.

26.4 The Party subject to any request for information in relation to the FOI Act or the EI Regulations will decide whether information should be disclosed and will make disclosure when that Party considers that such disclosure is proper and in accordance with this Clause.

26.5 The Parties will ensure that the information requested and comments sought are supplied to the other Party or Parties within sufficient time to comply with the timescales set out in the FOI Act or the EI Regulations.

26.6 In relation to all Personal Data supplied or created under or in connection with this Agreement, each Party shall at all times comply with the Data Protection Act, as a Data Controller and/or a Data Processor and/or as Data Controller in common with the other Party or Parties as the case may be which includes (but is not limited to) maintaining a valid and up to date registration or notification under the Data Protection Act covering the data processing activities to be performed by it in connection with this Agreement and/or the HB SNT Service. The Parties may agree for any specific purpose which of them is Data Controller (or that they are Data Controllers in common) but, in the absence of any such specific agreement, the Parties hereby

agree that Harrow shall, acting as (where the Parties are all Data Controllers for the same Personal Data or where two of the Parties are Data Controllers for the same Personal Data) Data Controller in common with Brent and (where Brent is not Data Controller for the relevant Personal Data) sole Data Controller, have primary control of all Personal Data processes by it for the purposes of or in connection with the provision of the Service (the **Service Data**) and that Harrow shall be responsible for implementing appropriate technical and organisational measures to protect the security and integrity of that Service Data.

26.7 Each Party:

26.7.1 shall process Personal Data belonging to or supplied by another Party, or Personal Data derived from or created using Personal Data belonging to or supplied by another Party) only on the instructions of that Party (subject to compliance with applicable law); and

26.7.2 shall only undertake processing of Personal Data reasonably required in connection with the operation of this Agreement and shall not transfer any Personal Data belonging to or supplied by another Party (or derived from or created using Personal Data belonging to or supplied by another Party) to any country or territory outside the European Economic Area without that Party's prior written consent.

26.8 None of the Parties shall disclose Personal Data supplied or created under or in connection with this Agreement to any third parties other than:

26.8.1 to its employees to whom such disclosure is reasonably necessary in order for that Party to carry out its obligations under this Agreement; or

26.8.2 to the extent required under a court order binding on it or to comply with any applicable laws including (but not limited to) any statute, bye law, European Directive or regulation;

provided that each Party shall give notice in writing to the other Parties of any disclosure of Personal Data belonging to it or them which it is required to make under Clause 26.8.2 immediately upon becoming aware of such a requirement.

26.9 Each Party shall bring into effect and maintain all reasonable technical and organisational measures necessary to prevent unauthorised or unlawful processing of Personal Data and accidental loss or destruction of, or damage to, Personal Data including but not limited to taking reasonable steps to ensure the reliability and probity of any employee having access to the Personal Data.

26.10 Any Party may, at reasonable intervals, request a written description of the technical and organisational methods employed by the other Parties. Within five (5) Working Days of such a request, or such other period as the Parties may agree, the Party requested to do so shall supply written particulars of all such measures as it is maintaining detailed to a reasonable level such that the requesting Party can determine whether or not, in connection with the relevant Personal Data, the other Party is compliant with the Data Protection Act and/or its obligations under this Agreement.

26.11 Each Party shall ensure that any Personal Data it obtains and provides to the other has been obtained lawfully in accordance with the Data Protection Act.

26.12 If:-

26.12.1 under the Data Protection Act any Party (the "required Party") is required to provide information to a data subject (as defined in the Data Protection Act) in relation to Personal Data when such data is in the possession or under control of another Party (the "controlling Party"); and

26.12.2 the required Party informs the controlling Party in writing that this is the case.

then the controlling Party shall, at its own expense, provide all reasonable and prompt co-operation to the required Party in meeting its obligations under the DPA including making and/or providing (as the case may be) copies of the relevant Personal Data, and other relevant information reasonably required by the required Party, to the extent the same are in its possession or under its control.

26.13 The Parties shall provide the other Parties, as soon as reasonably practicable, with such information in relation to Personal Data and their processing as the other Party or Parties may reasonably request in writing and the Party asked to provide the relevant data has in its possession or under its control in order for the other Party or Parties to:-

26.13.1 comply with its obligations under this Clause and/or the Data Protection Act; and

26.13.2 assess whether the processing of the relevant Personal Data in connection with this Agreement is breaching or may breach the Data Protection Act in a manner which is material and not effectively sanctioned by any guidance statement issued by the Information Commissioner.

26.14 Each Party shall take reasonable precautions (having regard to the nature of its obligations under this Agreement) to preserve the integrity of any Personal Data supplied or created under or in connection with this Agreement and in its possession or under its control.

26.15 The Parties may agree such information protocol(s) as they think necessary from time to time in respect of the Data or Personal Data processed for the purposes of the HB SNT Service and this Agreement.

27 **Audit and Provision of Information**

27.1 Except where an audit is imposed on Harrow by a regulatory body Harrow may, not more than once in any Financial Year and for a period of 12 months following the Term; conduct an audit for the following purposes unless otherwise agreed by the SNT Advisory Board:

27.1.1 to verify the accuracy of Expenditure (and proposed or actual variations to them in accordance with this Agreement) and any cost reduction and income generation initiatives carried out pursuant to clause 5.1;

27.1.2 to review the integrity, confidentiality and security of Brent Data;

27.1.3 to review the HB SNT Service compliance with the Data Protection Act, FOIA and any other legislation applicable to the Service;

27.1.4 to review the HB SNT Service compliance with its obligations in Appendix 4;

27.1.5 to review any records created during the provision of Service;

27.1.6 to review any books of account kept by Harrow or the HB SNT Service in connection with the provision of the Service;

27.1.7 to carry out the audit and certification of Brent's accounts;

27.1.8 to carry out an examination of the economy, efficiency and effectiveness with which the HB SNT Service has provided the Service;

27.1.9 to verify the accuracy and completeness of any management information delivered or required by this Agreement;

27.2 Brent shall use its reasonable endeavours to ensure that the conduct of each audit does not unreasonably disrupt the HB SNT Service or delay the provision of the Service.

27.3 The HB SNT Service shall on demand provide Brent with any relevant regulatory body (and/to their agents or representatives) with all reasonable co-operation and assistance in relation to each audit, including:

27.3.1 all information requested by Brent within the permitted scope of the audit;

27.3.2 reasonable access to any premises controlled by Harrow and to any equipment used (whether exclusively or non-exclusively) in the performance of the Service and

27.3.3 access to the Staff.

27.4 Brent shall endeavour to provide at least fifteen (15) Working Days notice of their intention to conduct an audit;

27.5 The Party who required an audit in accordance with this Clause 27 shall reimburse the HB SNT Service's reasonable costs and expenses incurred in respect of compliance with their obligations under this clause, unless the audit identifies a Material Breach of the terms of the Agreement by the HB SNT Service in which case the HB SNT Service shall reimburse Brent for all Brent’s reasonable costs incurred in the course of the audit.

27.6 If an audit identifies that:

27.6.1 the HB SNT Service has failed to perform its obligations under this Agreement in any material manner, the Parties shall agree and implement a remedial plan. If the HB SNT Service’s failure relates to a failure to provide any information to Brent about the Charges, proposed Charges or the HB SNT Service's costs, then the remedial plan shall include a requirement for the provision of all such information;

27.6.2 Brent has overpaid any Charges, the HB SNT Service shall pay to Brent the amount overpaid within thirty (30) Days. Brent may deduct such amount from the Charges if the HB SNT Service fails to make this payment; and

27.6.3 Brent has underpaid any Charges, Brent shall pay to the HB SNT Service the amount of the under-payment less the cost of audit incurred by Brent if this was due to a Default by the HB SNT Service in relation to invoicing within thirty (30) Days.

27.7 The HB SNT Service shall respond to any reasonable request by Brent to provide information in relation to the operation of the HB SNT Service in order to assist Brent in responding to reasonable and legitimate inquiries about the operation of the HB SNT Service provided that the collection and provision of such information by the HB SNT Service does not unreasonably disrupt the HB SNT Service or delay the provision of the Service and the costs of the collection and provision of information are reimbursed by the Party who requested such information to the HB SNT Service if these are material.

28 Business Continuity

28.1 The parties shall comply with the provisions of the Business Continuity Plan(s) and Harrow shall ensure that it is able to implement the Business Continuity Plan at any time in accordance with its terms.

28.2 Harrow shall review, update and test the Business Continuity Plan(s) on a regular basis (and in any event not less than once in every twelve (12) month period and within six (6) months before the expiry of this Agreement). Brent may require Harrow to conduct additional reviews and tests of the Business Continuity Plan(s) where Brent considers it necessary, (acting reasonably) including where there has been any change to the Services or any underlying business processes, or on the occurrence of any event which may increase the likelihood of the need to implement the Business Continuity Plan(s).

28.3 Following each review/test, Harrow shall send to Brent a written report summarising the results of the review/test and shall promptly implement any actions or remedial measures which Brent (acting reasonably) consider to be necessary as a result of those review/tests.

29 Emergencies

29.1 Where Brent requires Harrow to assist it to comply with, or otherwise satisfy, its obligations pursuant to the Civil Contingencies Act 2004 and the Major Emergency Plan, in connection with the Services Harrow shall:

29.1.1 ensure that plans and procedures are in place to enable the continued operation of the Services during any surge in demand or any form of Emergency or other disruption on the basis set out in such plans and procedures;

29.1.2 ensure that it is able to provide emergency data recovery and data backup services; and

29.1.3 ensure that it is able to provide increased support for the provision of the Services and any emergency support and/or backup to enable the continued provision of the Services; the cost of which shall be shared equally between the Parties.

29.2 Harrow shall undertake a test of their continued operation plans and procedures annually, or more frequently as required by Brent; and

29.2.1 Harrow shall inform Brent when such tests or exercises are scheduled (providing at least one (1) months notice) and provide details of the proposed tests or exercises. Harrow shall consider any reasonable comments made by Brent before undertaking such tests or exercises. If requested to do so, Harrow shall provide the outcomes of these tests or exercises to Brent in writing;

29.2.2 Harrow shall promptly (and in any case within three (3) months notice), subject to the proviso contained in clause 12.8, implement any actions or remedial measures which Brent reasonably considers to be necessary as a result of audits, tests or exercises, business interruptions, emerging risks, or a change to the Services.

29.3 If an Emergency arises at any time during the Term, Brent may instruct Harrow to use all reasonable endeavours to procure that such additional or alternative services are undertaken by Harrow as and when required by Brent to ensure that the Emergency is dealt with and normal operation of the Services resumes as soon as is reasonably practicable.

30 **Sub-Contracting and Assignment**

This Agreement is personal to the Parties (save for any statutory successors) and assignment and sub-contracting is not permitted.

31 **Prevent Duty**

31.1 The Parties acknowledge that they are both under a duty in the exercise of its functions pursuant to section 26 of the Counter Terrorism and Security Act 2015 to have "due regard to the need to prevent people from being drawn into terrorism" (the "Prevent Duty"). Harrow will ensure the Services are provided in accordance with the Counter Terrorism and Security Act 2015 and the Prevent Duty and will assist Brent in responding to any request for information regarding such compliance.

32 **Counterparts**

This Agreement may be executed in any number of counterparts or duplicates each of which shall be an original but such counterparts or duplicates shall together constitute one and the same agreement.

33 **Law and Jurisdiction**

33.1 This Agreement shall be construed as a contract made in England and shall:

33.1.1 be governed by and shall be construed in accordance with English law; and

33.1.2 be subject to the exclusive jurisdiction of the courts of England, to which both Parties shall submit.

In witness whereof the Parties have executed this deed the day and year set out above

Executed **as a Deed** by)

THE MAYOR AND BURGESSES OF)

THE LONDON BOROUGH OF BRENT)

By affixing its **Common Seal** hereunto)

In the presence of:)

Authorised Officer _____

Executed **as a Deed** by)

of the MAYOR AND BURGESSES OF)

THE LONDON BOROUGH OF HARROW)

By affixing its **Common Seal** hereunto)

In the presence of:)

Authorised Officer _____

APPENDIX 1

DESCRIPTION OF THE SERVICE

PART A – GENERAL

1. This Appendix defines the HB SNT Service and the partnering principles and behaviours that underpin the delivery of this Service, which together are deemed to be the Service to be provided by Harrow under this Agreement. The Service shall also include the provision of advice and services which are incidental to the description contained within this Appendix 1.

PART B – PARTNERING PRINCIPLES & BEHAVIOURS

2 The Parties shall establish, develop and implement their collaborative relationship as described earlier in Clause 5 Objectives and Partnering Working of this Agreement. The services will be underpinned by five key partnering principles and behaviours, these are of equal standing and are detailed as follows:

2.1 **Mutuality** – The parties will agree via a service planning process, the service objectives, outcomes and performance that mutually benefit Harrow and Brent. There is a clear commitment from both Parties to have a shared ambition to deliver a service that is of high quality, efficient, value for money and is valued by the Service Users.

2.2 **Sustainable commitment and teamwork** – Both Parties will commit their support to the agreed contractual period, and proactively encourage a positive attitude towards joint teamwork for all officers and staff directly or indirectly delivering the defined services. Through this service partnership staff will share a pride in what they do, jointly develop ideas and continually improve the service they deliver to the Service User.

2.3 **Open communication, trust and openness** – Both Parties will commit to high ethical standards, without prejudice, and will (where reasonably possible) be totally transparent with each other, and ultimately be accountable for all actions relating to the delivery of the defined services;

2.4 **Commitment to continuous improvement** – Both parties will continually seek opportunities to improve the quality and performance of services delivered to Service Users, be responsive to changes in law and regulation and provide clear value for money;

2.5 **Clarity and communication** – Both Parties will be clear on what is expected from them to ensure the optimum delivery of defined services, and ensure that all communication both internally and to third parties emanates from the same source and is clear, consistent and accurate.

PART C – CATEGORIES OF SERVICE

3. The following areas of the HB SNT Service shall constitute the Service, and will be provided by Harrow (in its role as partnership shared services provider).

It is accepted by both Parties that during the Agreement period there may be agreed variations to services in accordance with Clause 20.

Corporate and Governance

- Formal advice within the area of professional expertise of HB SNT Services to Brent Council Officers, Council, Cabinet, Committees and other decision making bodies of Harrow or Brent;

- Formal advice to Brent officers through agreed and secure protocols;

Statutory Services

Harrow shall provide the Service in accordance with all relevant primary and secondary Legislation including but not limited to the Education Act 1996, Education and Inspections Act 2006 and the Equality Act 2010.

PART D – SERVICE STANDARDS

4. Standards

In addition to provisions described in Clause 11 and incorporated in Appendix 4 Operational Matters of the Agreement, Harrow will ensure the standards used to deliver the services described earlier in this Appendix will include:

4.1 **Service User Focus** – the Service shall be delivered with a continual regard to the needs and satisfaction of the Service Users and their parents/guardians;

4.2 **Leadership** – the service will have clearly defined and professionally based leadership;

4.3 **People Involvement** – members, stakeholders and staff will be involved with the continual improvement and delivery of the service;

4.4 **Process Approach** – all service standards and processes will be defined, continually reviewed and communicated to staff;

4.5 **Systematic Service Delivery** – processes will be integrated, consistent and aligned to ensure a comprehensive and efficient delivery of services;

4.6 **Continual Improvement** – the service shall be subject to continual review and improvement;

4.7 **Clear Decision Making** – all key decisions will be timely, clearly communicated and made subject to a defined delegation of responsibility.

5. Quality

5.1 Harrow shall use all reasonable care, consideration and skill in providing the Service to the Service Users.

5.2 Where relevant and applicable quality standards for the services will align them with recognised and agreed ‘best practice’.

PART E – SERVICE PERFORMANCE AND OPENING HOURS

6.1 Service data will be collected and reported to the Brent Client Manager/Liaison, on a monthly cycle, who will then use this as a part of monitoring the performance of the service and the achievement of pre-set targets and objectives.

6.2 Service data will be collected by the Harrow Head of Special Needs Transport and reported to the SNT Advisory Board on a quarterly cycle, who will then use this as a part of monitoring the performance of the service and the achievement of pre-set targets and objectives.

6.3 Where performance targets for KPI's have not been achieved and reported to the Client Manager/Liaison as a part of the agreed monthly reporting cycle, it is the responsibility of the Client/ Contract Manager to inform members of the SNT Advisory Board of the situation and agree remedial action.

6.4 Where performance targets have not been achieved, Harrow will provide Brent with a detailed report of the cause together, with a remediation plan that will be a basis for a path for agreed improvement, and a return to the achievement of pre-set targets and objectives. The SNT Advisory Board shall reach agreement and determine the timescales for any such remedial action plan that Harrow must adhere to.

6.4.1 Failure by Harrow to achieve and/or meet the pre-set performance targets and objectives as contained in any remedial action plan (referred to in section 6.4 above) within the timescales set by the SNT Advisory Board shall be treated as a Default in accordance with clause 14.

6.5 The SNT Advisory Board will determine the communication process to other stakeholders who need to be made aware of situations when performance has not been achieved and remediation plans are in place,

6.6 Unless otherwise agreed by the Parties Harrow shall ensure the HB SNT Service is operational between the hours of 6am and 5pm on Working Days and operates an out of hours service at all other times outside on normal operational hours (24 hours per day, seven days per week).

6.7 The performance indicators to be used are detailed as follows (for the avoidance of doubt, the Parties acknowledge these Performance Indicators may be reviewed, amended and agreed by the SNT Advisory Board from time to time):

	Performance Indicator	**Performance Standard**	**Measurement Cycle**
1	Punctuality	90% or higher of all journeys to be operated within the 5 mins late' window (disregarding delays which would be considered to be beyond our control)	Monthly
2	Reliability	95% or higher of journeys to be operated in entirety (excluding those beyond our control).	Monthly
3	Missed Pick Ups	Each child (or group of children scheduled to be picked up are picked up at the scheduled pick-up time.	Monthly

4 4	Late Pick Ups	Each child (or group of children scheduled to be picked up at specified pick up point) that is picked up more than 20 minutes after the scheduled pick-up time.	Monthly
5	Complaints	Respond in writing to complaint/s within 7 business days	Monthly/Quarterly
6	Enhanced DBS	Ensure 3 year renewal	Monthly/Quarterly
7	Accident/Incidents (Inc Riddor)	Record and respond within 7 business days	Monthly
8	Near Misses	Record and respond within 7 business days	Monthly/Quarterly
9	Training	Health and Safety Securing Wheelchair Passengers Vehicles and Equipment Basic First Aid Child Protection/Safeguarding Disability Awareness Driver – Midas	Monthly/Quarterly

		Passenger Assistants – PATS and *Epipen*	
10	Customer satisfaction	85% or higher of respondents rate overall performance as satisfactory, good or excellent.	6 Months

APPENDIX 2

CHARGING PROVISIONS

1 This Appendix sets out the details of the charging arrangements agreed by the Parties.

1.1 **Definitions**

In this Appendix the following definitions shall apply:

"Capital Costs" includes but is not limited to, vehicles equipment and which are funded under capital accounting and not revenue,

"Expenditure" means for any Financial Year the total of incurred costs against the Core Budget in relation to the HB SNT Service including Revenue Costs and Capital Costs.

"Revenue Costs" means the general running costs of the HB SNT Service and shall include but not be limited to: staff costs, training, premises running costs including utilities, business rates, equipment maintenance and repairs, cleaning materials, protective clothing, IT running costs, Licence costs together with a share of the management costs, .

"Service and Management Fee" means the fee payable by Brent to cover the expenditure of the service

"Quarter" means a period of three months beginning on 1st April, 1st July, 1st October and 1st January in any Financial Year.

1.2 **Key Principles**

1.2.1 The budgeted Expenditure for a Financial Year shall be agreed by both Parties and submitted to the SNT Advisory Board (SAB)1. This will be updated on an annual basis for each relevant year.

1.2.2 The first year charges will be pro rated from the Commencement Date.

1.2.3 In consideration of Harrow providing the Service, Brent will pay a Service and Management Fee which represents the Expenditure associated with delivering the Brent aspect of the Service.

1.2.4 Harrow will deliver the Service and manage the costs of the HB SNT Service within the budgeted Expenditure and in accordance with the annual service plan agreed by the SAB. For the avoidance of doubt where during the provision of the Services Harrow determines that the budgeted Expenditure is likely to be significantly exceeded in any given Financial Year or where additional expenditure is incurred for any part of the Service exceeding £5,000 for whatever reason, Harrow shall first inform the Brent Senior Officer or Contract Manager as soon as possible to seek in principle approval and present a report to the next SNT Advisory Board for their review, comment and final agreement.

1.2.5 The Parties will act in good faith towards each other in implementing the charging arrangements in this Appendix and shall supply on request to the other Parties any information required to ascertain payments that become due.

1.2.6 Without prejudice paragraph 1.24 above, the Parties acknowledge that where the prior approval from Brent consenting to any increased Expenditure may be detrimental to the smooth effective

delivery of the Service, Harrow shall continue to provide all aspects of the Service and shall inform and notify the SNT Advisory Board of the reasons for incurring the increased Expenditure as soon as it is practicable.

2 Charging arrangements

2.1 In respect of financing the HB SNT Service, Harrow shall:

2.1.1 keep a separate record of the income and expenditure it incurs for the purpose of this Agreement and provide a copy of such record to the Senior Officers of Brent in the form of a monitoring report on a quarterly basis within 30 days of the end of the relevant quarter including the final quarter in the form of an end of year outturn;

2.1.2 calculate the net estimated Expenditure it incurs in connection with the provision of the HB SNT Service in accordance with the current recommendations of the Chartered Institute of Public Finance and Accountancy ("CIPFA"); and

2.1.3 ensure that an annual year-end financial outturn report is also provided.

2.2 The net expenditure incurred in providing the service to Brent shall be paid by Brent.

2.3 Harrow shall invoice Brent respectively for payment on a quarterly basis.

2.4 Brent shall pay any undisputed Charges no later than thirty (30) days of receiving the invoice.

2.5 Harrow shall prepare an audited annual account of income and expenditure at the end of each financial year ("Annual Account") for submission to Brent as soon as possible and no later that 30 June following the end of each financial year for approval by SAB and Brent. Such approval shall be confirmed, or refuted, no later than four calendar weeks after submission.

2.6 If the Annual Account shows that the net Expenditure attributable to Brent calculated in accordance with clause 2.2 above has exceeded the sums paid by Brent as per clause 2.3 above, Brent shall pay to the Director of Finance of Harrow within 30 days after receipt of the Annual Account, that residual amount of unpaid net expenditure (such residual amount shall be apportioned between Harrow and Brent on the same basis set out in clause 2.1.3).

2.7 However, if the Annual Account shows that the sums paid by Brent as per clause 2.3 exceeds the net Expenditure attributable to Brent as estimated in accordance with clause 2.2 above, then Harrow shall within thirty (30) days of the Annual Account repay Brent such overpayments.

2.8 On an annual basis, Harrow shall provide Brent with a copy of its accounts relating to the HB SNT Service and the Staff or kept for the purposes of this Agreement that are subject to audit by a District Auditor.

2.9 Where Staff costs change during a Financial Year after the Expenditure for that year has been set due to nationally agreed pay rises for local government staff, both Parties agree to adjust the Expenditure by an equivalent amount pro rata to their contributions.

3.0 Brent will notify Harrow of any changes in service requests as soon as they arise. Harrow will inform Brent of the cost implications of any changes and will implement these changes on the agreement of the cost implications.

Annex 1

B. Charges relating to Vehicle Provision

1. Harrow will negotiate with its vehicle maintenance provider the provision and maintenance of vehicles to deliver the Brent aspect of the Service. Harrow shall recharge Brent the cost of providing and maintenance of vehicles.

2. Quarterly invoices to Brent and will be separately identified.

APPENDIX 3

GOVERNANCE

1 As detailed in Clause 3.7 of this Agreement, the Parties shall set up and maintain the following governance arrangements:

1.1 SNT Advisory Board ("SAB")

1.1.1 The SAB shall be a senior level forum for oversight, consultation, discussion, resolution of issues and recommendation back to the Parties on all aspects of the delivery of the HB SNT Service.

1.1.2 The SAB as a group shall have no decision-making powers vested in it by any of the Parties. No issue shall be deemed to be decided by the Parties at the SAB without the agreement of all Senior Officers. Harrow will keep minutes of the SAB meetings and shall fully record all decisions taken by the members.

1.2 The membership of the SAB shall be:

1.2.1 the Senior Officers from Brent and Harrow;

1.2.2 the Harrow Head of Special Needs Transport; and

1.2.3 the Contract Manager/Liaison from Brent

1.2.4 by invite , relevant commissioning officers from Harrow and Brent

1.2.5 The Senior Officer from Harrow will be the Chair of the SAB.

1.2.6 As agreed any other membership from time to time in accordance with Clause 3.7 of this Agreement. Meetings of the SAB shall only go ahead when all Senior Officers are present, however all members of the SAB will be entitled to send a deputy to make decisions on his or her behalf which shall be as valid as if made by the member. The Senior Officers will agree any additional attendees to be invited.

1.3 The terms of reference of the SAB shall include but not be limited to responsibility to:

1.3.1 Monitor the delivery of the service and in particular compliance with statute, regulation and guidelines;

1.3.2 Receive, scrutinise and comment on regular reports on the performance of the HB SNT Service;

1.3.3 Review the proposed Core Budget of the HB SNT Service for subsequent years;

1.3.4 Ensure that service risks are managed and that mitigation actions are in place;

1.3.5 Ensure and enforce the effective performance of the HB SNT Service in accordance with agreed service performance standards;

1.3.6 Consider the cost related Performance Indicators contained in Appendix 1 based on the first quarter actual financial data.

1.3.7 Ensure that when there is failure to meet the Service Standards, an achievable plan for rectification is drawn up and approved by the SAB members, which is communicated to the appropriate parties and fully implemented;

1.3.8 Without prejudice to section 6.4.1 in Appendix 1 above, where there are sufficient grounds and evidence that the performance of the HB SNT Service fails to deliver the Services in accordance with this Agreement or meet agreed levels and remediation actions have failed to improve the underperformance, SAB will agree a recommendation that the Senior Officer from Brent take the necessary steps to determine whether to apply Clause 15 of the Agreement;

1.3.9 Receive, scrutinise and comment on all draft versions of the annual service plan for the HB SNT Service (the Service Manager would have the responsibility to prepare this);

1.3.10 Receive, review and comment on any reports during each Financial Year where it is considered that a change in statutory requirements, a change in policy or a change in financial circumstances requires the service plan (and potentially the charges) to be revisited and to recommend appropriate action to Harrow and Brent;

1.3.11 Receive, review and comment on reports on any proposed policy changes in connection with the delivery of the Service and to recommend any revised policy to Harrow and Brent;

1.3.12 Consider, scrutinise and comment on any reports about issues, concerns or complaints relating to the delivery of the service and to seek to resolve these;

1.3.13 Stipulate any necessary action to Harrow or to Brent to resolve any concerns about the delivery or quality of the service which may include but not be limited to recommending changes in practice or operational matters, further training, mentoring, disciplinary action or in severe cases, replacement redeployment or removal of staff or replacement of equipment or IT systems as appropriate;

1.3.14 Review of Service User satisfaction surveys and ensure that the service implements a response to their findings and to consider and make recommendations as to the form, frequency and method of reporting of Service User satisfaction surveys for the remainder of the Term;

1.3.15 Take part in any future recruitment process and approve the appointment of any future Service Manager which the Parties agree shall be advertised internally at Harrow and Brent before externally advertised; and

1.3.16 To consider and agree the transfer of assets from Harrow to Brent (if any) utilised for the provision of the HB SNT Service and to consider any requirements for Harrow to maintain and replace any such assets during the Term of the Agreement or for such assets or replaced assets to be transferred back to Brent on termination or expiry of the Agreement.

1.4 Harrow shall pay due regard to any comments of the SAB and ensure any adverse issues are fully addressed or any stipulated actions are implemented within the timescales to be agreed between the Parties.

1.5 The SAB will meet quarterly or more frequently as agreed.

1.6 If the SAB cannot agree an issue on which it is required to give a decision on, then such issue may be referred to Dispute Resolution under clause 19 of the Agreement.

APPENDIX 4

OPERATIONAL MATTERS

The operational matters relevant to this Agreement incorporates, inter alia;

- All vehicles used in the delivery of the service will operate from Harrow's Old Driving Centre until such time as they operate from the new depot at Forward Drive
- HB SNT staff will operate at Harrow's Central Depot
- Harrow Head of Special Needs Transport will manage operational requirements including scheduling of routes and use of vehicles.

APPENDIX 5

EXIT ARRANGEMENTS

1 **Overriding objectives**

1.1 Within 3 (three) months of the date of this Agreement the Parties shall prepare a draft exit plan and shall have two overriding objectives in planning and implementing such exit plan, these are to ensure:

1.1.1 a smooth transition so that there is no interruption in the provision of the highest quality Services to Service Users, sufficient and comprehensive handover arrangements and business continuity for the Parties.

1.1.2 that Service Users and the Staff affected by the exit are fairly treated, receive adequate communication, are involved in the process and are not adversely affected.

2 **Procedure on termination or expiry**

2.1 On receipt of notice that the Agreement is to be terminated (whether in whole or in part) in accordance with the terms of the Agreement, the Parties shall implement the exit plan which shall contain details as outlined below:

2.1.1 Governance structure for the transition phase;

2.1.2 Subject to the provisions of this Agreement, identification of any equipment, files, file notes, correspondence, records, documents and other papers used by, produced by or stored by Harrow to deliver the Services (which may include equipment not solely used for the provision of the Services);

2.1.3 Transfer of any data (whether in hard copy or electronic);

2.1.4 NOT USED;

2.1.5 The roles of each Party during the period leading up to Termination.

3 **Review of Exit Plan**

3.1 The exit plan shall be reviewed by the Parties annually throughout the Term of the Agreement or at such other times as may be reasonably requested by a Party.

3.2 Such reviews shall examine the procedures and methodologies set out in the exit plan and assess their suitability in light of any changes to the Services that have occurred since the later of the original approval of the exit plan or the most recent review.

4 **Handover Period**

The Parties shall take all such reasonable steps as shall be necessary for the orderly hand-over of the Services such that the Services can be carried on with the minimum of interruption and inconvenience to Service Users and either Party which shall include but not be limited to [preparation of detailed handover notes summarising the status of each case or matter including relevant time limits and outstanding actions].

5 **Employment issues during exit period**

5.1 The Parties will during the exit period establish an exit group comprising staff of each of the Parties to manage transition of the Services, and to implement the provisions of the exit plan (the "Exit Group"). The Parties will make available sufficient resources to meet the requirements of the Exit Group. The Exit Group will manage all the activities needed for the transfer of the Returning Services from Harrow to Brent or any Future Provider so that the transition is carried out as seamlessly as possible.

5.2 On expiry or earlier termination of this Agreement, as part of the exit plan the Parties agree that it is their intention that TUPE shall apply in respect of the provision thereafter of any service equivalent to a Service to Service Users by Brent or any Future Provider but the position shall be determined in accordance with the Law during the exit period and this paragraph 5 is without prejudice to such determination.

5.3 NOT USED

5.4 During the exit period, to the extent that any Potential Returning Employees resign or their employment is terminated by Harrow, the Exit Group will agree that in the event that this creates any vacancies within the workforce delivering the Returning Services during the exit period, such vacancy shall to the extent possible in light of service delivery requirements in relation to the Returning Services either:

i not be filled by Harrow during the exit period; or

ii be filled by the engagement by Harrow of agency staff or staff engaged on fixed term contracts of employment; or

iii Brent or any third party shall instead recruit a suitable individual in relation to that vacancy and then second such individual to Harrow for the remainder of the exit period to deliver the Returning Services with such secondment to end at the end of the exit period; or

iv where Harrow recruits any suitable individuals in relation to that vacancy, such recruitment shall be on the basis that the individual will only be engaged in the delivery of the Returning Services and it shall be made clear as part of such recruitment that the individual will be subject to a Relevant Transfer to Brent or any third party at the end of the exit period.

5.5 At the start of the exit period, to the extent possible under TUPE and/or the applicable Law at the relevant time, the Exit Group shall use all reasonable endeavours to consult upon and agree a reorganisation process with the Potential Returning Employees and/or their appointed

employee representatives or trade unions, to confirm who will be the subject of a Relevant Transfer to Brent or any Future Provider at the end of the exit period;

5.6 The Exit Group shall use all reasonable endeavours to agree and implement any other steps, measures, processes and/or procedures in order to minimise the potential for any Potential Returning Employees not being the subject of a Relevant Transfer to Brent or any Future Provider at the end of the exit period.

5.7 Where, despite the requirements of paragraphs 5.4 – 5.6 having been complied with, there remain any Potential Returning Employees who may not be the subject of a Relevant Transfer, the provisions of paragraphs 5.8 to 5.11 below shall apply.

5.8 If TUPE does not apply on the expiry or termination of this Agreement to any Potential Returning Employees, Brent shall or shall procure that each Future Provider shall as far as possible offer employment to the Potential Returning Employees employed by Harrow in the provision of the Returning Services immediately before the end of the exit period.

5.9 If an offer of employment is made in accordance with paragraph 5.8, the employment shall be on the same terms and conditions (except for entitlement to membership of an occupational pension scheme) as applied immediately before the expiry or earlier termination of this Agreement including full continuity of employment.

5.10 Where any such offer as referred to in paragraph 5.8 is accepted, Harrow shall indemnify and keep indemnified in full Brent and/or any Future Provider on the same terms and conditions as those set out in paragraph 5.17 as if there had been a Relevant Transfer in respect of each and every employee who has accepted any such offer and for the purposes of paragraphs 5.14 - 5.20 each and every such employee shall be treated as if they were a Returning Employee.

5.11 Where Brent or any Future Provider does not make any such offer or any such offer as referred to in paragraph 5.8 is not accepted and TUPE does not apply, the provision of paragraph 5.12 below shall apply regarding any redundancy or reorganisation costs incurred by Harrow.

Redundancy and Reorganisation Costs

5.12 Where Brent or any Future Provider does not make any such offer or any such offer as referred to in paragraph 5.8 is not accepted and TUPE does not apply to any Potential Returning Employee, then:

(a) Harrow shall be entitled to dismiss any or all of the Potential Returning Employees by reason of redundancy or for some other substantial reason provided that Harrow shall carry out in the required manner any obligation to consult with the Potential Returning Employees or any of them, or their respective representatives, and shall use all reasonable endeavours to mitigate the amount of any costs payable in respect of the said employees or their dismissal; and

(b) Brent shall indemnify Harrow against all Losses and/or Employment Claims relating to the dismissals referred to in paragraph 5.12(a) above reasonably incurred by Harrow (including any additional costs incurred in relation to the Local Government Pension Scheme). Losses and Employment Claims shall

be apportioned between Brent in proportion to the population figure for their respective areas according to the most recent population estimates issued by the Registrar General's estimate (CIPFA statistics).

5.13 Without prejudice to the provisions of clauses 5.1 - 5.12 above, and in any event,

5.13.1 during the twelve (12) months prior to the expiry of the Agreement or after Brent has given notice to terminate the Agreement and within twenty one (21) Days of being requested to do so, Harrow shall fully and accurately disclose to Brent any and all information in relation to all persons engaged in providing the Service including:

(a) a list of employees employed by Harrow or any sub-contractor in the provision of the Services;

(b) a list of agency workers, agents and independent contractors engaged by Harrow or any sub-contractor in the provision of the Services;

(c) the total payroll bill (i.e. total taxable pay and allowances including employer's contributions to pension schemes) of those persons; and

(d) the terms and conditions of employment or other contract with such persons

and shall notify Brent as soon as reasonably practicable of any variation in the information provided under this clause 5.13 and shall provide Brent with the revised and accurate information. Harrow warrant that such information is complete and accurate as far as it is aware or should reasonably be aware as at the date it is provided.

5.13.2 during the twelve (12) months prior to expiry of the Agreement or where notice to terminate this Agreement for whatever reason has been given, save where it is as a result of a decision by the Exit Group, Harrow shall not and shall procure that any sub-contractor shall not without the prior written consent of Brent (such consent not to be unreasonably withheld or delayed) unless in the ordinary course of business:

(a) vary or purport or promise to vary the terms and conditions of employment of any employee employed in connection with the Services;

(b) materially increase or decrease the number of employees employed in connection with the Services; or

(c) assign or re-deploy any employee employed in connection with the Services to other duties unconnected with the Services or assign or re-deploy any employee employed to carry out duties unconnected with the Services to the duties connected with the Services.

5.14 Brent shall be responsible for all remuneration, benefits, entitlements and outgoings in respect of the Returning Employees, including without limitation, all wages, holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions, pension contributions and otherwise, up to the date of any Relevant Transfer in respect of such Returning Employees on expiry or termination of this Agreement.

5.15 Brent shall be responsible for all remuneration, benefits, entitlements and outgoings in respect of those Returning Employees returning to Brent, including without limitation, all wages, holiday pay, bonuses, commissions, payments of PAYE, national insurance contributions, pension contributions and otherwise, for the period on or after the date of any Relevant Transfer in respect of such Returning Employees on expiry or termination of this Agreement.

5.16 Harrow shall indemnify and keep indemnified Brent and any Future Provider against any Losses caused to Brent or any Future Provider by any inaccuracy or incompleteness in such information as is provided under 5.13 above or by any changes in the information which have not been communicated to Brent (whether relating to the number, identity or details of the Returning Employees or otherwise) which occur prior to the Relevant Transfer Date.

5.17 Harrow shall indemnify Brent and any Future Provider in full from and against all Losses and/or Employment Claims which Brent and/or any Future Provider incurs arising from:

(a) any act or omission of Harrow or any sub-contractor in relation to the Returning Employees,

(b) subject to the provisions of paragraph 5.12 above, any claim by an employee or former employee of Brent or any sub-contractor who is not a Returning Employee, and

(c) any representations made by Harrow or any sub-contractor in relation to employment by Brent and/or any Future Provider, provided that such Losses and/or Employment Claims are not payable as a result of any act or omission by Brent and/or any Future Provider.

5.18 Brent shall indemnify Harrow against all Losses and/or Employment Claims incurred by Harrow in connection with or as a result of any claim or demand

(a) by an employee of Brent who would, had it not been for the termination of that employee's employment pursuant to the provisions of TUPE Regulation 4(9) and/or 4(11), have been an employee with a right to transfer to Brent under TUPE,

(b) arising out of Brent's failure to comply with its obligations under TUPE Regulation 13(4).

5.19 Harrow shall indemnify Brent against all Losses and/or Employment Claims incurred by Brent in connection with or as a result of any claim or demand

(a) by an employee of Brent who would, had it not been for the termination of that employee's employment pursuant to the provisions of TUPE Regulation 4(9) and/or 4(11), have been an employee with a right to transfer to Harrow under TUPE,

(b) arising out of Harrow's failure to comply with its obligations under TUPE Regulation 13(4).

5.20 Brent shall indemnify Harrow in full from and against all Losses and/or Employment Claims which Brent incurs arising from any act or omission of Brent and/or any Brent Future Provider in relation to the Returning Employees. Brent shall indemnify Harrow in full and against all

Losses and/or Employment Claims which Harrow incurs arising from any act or omission of Harrow and/or any Harrow Future Provider in relation to the Returning Employees.

APPENDIX 6

CABINET DECISIONS

APPENDIX 7

NOT USED

APPENDIX 8

POLICIES

In accordance with Clause 12.6 the HB SNT Service will comply with the following Brent Policies (as amended and updated from time to time) in the delivery of the Service.

- Health and Safety
- DBS checks
- Data Protection
- Freedom of Information
- Equalities
- Licence Checks

APPENDIX 9

RISK MANAGEMENT

1. This Appendix sets out the risk management procedure, which the HB SNT Service should maintain in the delivery of the HB SNT Service. Brent acknowledges that Harrow, as a Local Authority in England and Wales, already operates a compliant and comprehensive corporate and operational Risk Management process.

2 Risk registers, review and risk management

2.1 The SAB will consider all matters of risk, both external and internal, and agree and implement policies and procedures to deal with them where necessary, which the Services Manager will be responsible for implementing.

2.2 The Services Manager shall ensure that there is a fully managed risk register that details and identifies the position, assessment and mitigation of all risks relating to his/her delivery of the HB SNT Service.

2.3 A full assessment of risks relating to the service should be included in the annual service plan.

2.4 The Services Manager and Contract Manager shall review monthly, the service risk register to ensure that mitigation actions are progressing to plan.

2.5 A report summarising the key risks managed through the risk register will also be made available to SAB at their quarterly meetings, or sooner via an interim report, if agreed with the Contract Manager.

2.6 Harrow shall at all times manage the Service so as to minimise any third party claims for compensation, damages or otherwise or any legal liability to Service Users or third parties arising in connection with or incidental to the carrying out of the Service through the negligence, defaults, acts or omissions of the HB SNT Service Staff. Harrow shall immediately notify Brent of any liability or claim of which it becomes aware for which Brent may be liable.

3 Risk audit

3.1 As detailed in Clause 27 of the Agreement, the Services Manager (subject to request and reasonable notice) shall comply with the requirements of Brent's annual internal audit programme.

3.2 Where it is agreed that that where Harrow's internal audit undertake a review on behalf of Brent, the Service Manager (subject to request and reasonable notice) will provide the service risk register to Brent's internal audit team.

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

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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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Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director, Resident Services

Selective Licensing in the Private Rented Sector in Brent 2023 – Designation 2/2023

Wards Affected:	Alperton, Barnhill, Brondesbury Park, Cricklewood & Mapesbury, Kenton, Kilburn, Kingsbury, Northwick Park, Preston, Queens Park, Queensbury, Roundwood, Stonebridge, Sudbury, Tokyngton, Welsh Harp, Wembley Central, and Wembley Hill.
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:	Eleven: Appendix 1: Consultation Findings Report (Feb 2023) Appendix 1(a): Consultation Findings Report (Feb 2023) Appendices Appendix 2: Summary of Council response to representations made under Consultation process (Feb' 23) Appendix 3: Consultation Proposals Evidence Report Appendix 4: Housing Stock & Stressors Metastreet Evidence Report Appendix 5: Selective Licensing Scheme 2/2023 Designation Map Appendix 6: Private Housing Service Enforcement Policy Appendix 7: Fee structure for Selective Applications Appendix 8: Selective Licence scheme conditions Appendix 9: Equalities Analysis (EA)

	Appendix 10(a): Letter of support for the Selective Licensing Scheme (Harlesden Neighbourhood Forum) Appendix 10(b): Letter of support for the Selective Licensing Scheme (Willesden Green Town Team) Appendix 11: Designation Map & Draft Designation notice
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Hakeem Osinaike, Operational Director Housing 020 8937 2023 Hakeem.Osinaike@brent.gov.uk Spencer Randolph, Head of Service, Private Housing 020 8937 2546 Spencer.Randolp@brent.gov.uk Tony Jemmott, Licensing Manager, Private Housing 020 8937 2377 Anthony.Jemmott@brent.gov.uk

1.0 Executive Summary

1.1 In August 2014 the Council approved the introduction of its first Selective Licensing scheme, covering all private rented housing in the wards of Harlesden, Wembley Central and Willesden Green. The scheme came into effect in January 2015 and ran until 31st December 2019. In June 2018 the selective licensing scheme was extended to the (pre-May 2022 Boundary Commission changes) electoral wards of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park. This latter designation ended on 30 April 2023.

1.2 On 22 September 2022, the Cabinet Member for Housing, Homelessness & Renters Security agreed to consult on proposals to extend selective licensing to other areas of the borough. The decision was informed by an evidence-based report and the relevant Government guidance on the introduction of discretionary licensing schemes. The consultation included proposals for introducing a selective licensing scheme for five years in the three wards of Dollis Hill, Harlesden & Kensal Green and Willesden Green (covering 18% of the Private Rented Sector stock in Brent or 13.9% of the borough's geographical area) on the grounds of poor property conditions and anti-social behaviour, to be known as Designation 1/2023.

1.3 The same consultation also proposed the following:

i. Introducing a selective licensing scheme designation for five years in 18 wards of the borough of Brent excluding Dollis Hill, Harlesden & Kensal Green, Willesden Green and Wembley Park (covering 65.7% of the Private Rented Sector stock in Brent or 83.7% of the borough's

geographical area) on the ground of poor property conditions, to be known as Designation 2/2023.

ii. Setting a new fee for selective licensing designations at £340.00 for the application fee and £300.00 (£640.00 in total) for the remaining fee, if the application for a licence is approved; and

iii. The review and content of licensing conditions for selective licensing.

1.4 The consultation with landlords, tenants, residents, stakeholders and other interested parties started on the 31 October 2022 and ran for 12 weeks, concluding on 23 January 2023. The council used digital and print media to advertise the consultation, as well as in-person methods.

1.5 The main feedback method was via an online or paper questionnaire. The council also hosted several public meetings with landlords, tenants, residents, and landlord groups. 853 individuals or organisations completed the online or postal questionnaire. Qualitative feedback was received at deliberative meetings with interested groups and from written responses from landlord representatives. In summary, the results were very similar to previous consultation exercises we have undertaken on private sector licensing, with residents and business being in favour of the schemes and landlords less in favour or not at all. Of those who returned the questionnaire 53% were residents or businesses, 42% were landlords or agents and 5% where other stakeholders.

1.6 The consultation looked at the level of support for introducing selective licensing, and looked at views on the proposed licence conditions, fees, and the respondents' perceptions.

1.7 The private rented sector (PRS) in Brent has seen rapid growth over the last eleven years, with around 58,000 homes in the borough privately rented (46% of the total dwellings). Renters in private accommodation make up the largest proportion of occupants in our borough. For many living in the PRS is not a choice freely made, but a result of a housing market that leaves little other options. Unfortunately, poverty is widespread across the borough with many households experiencing financial difficulties. In addition, all areas are affected by poor property conditions and there is significant and persistent evidence of antisocial behaviour (ASB) across some wards in the borough.

1.8 The findings of the consultation exercise are provided in Appendix 1: Consultation Findings Report and Appendices 1(A): Consultation Findings Report (Feb 2023).

1.9 On 17 April 2023, Cabinet agreed to recommendations in relation to the licensing schemes beyond 30 April 2023 and authorised Designation 1/2023 selective scheme in the wards of Dollis Hill, Harlesden & Kensal Green, Willesden Green on the grounds of poor housing (property) conditions and antisocial behaviour (ASB) to come into force with effect from 1 August 2023. The said Cabinet noted that a further report would be brought to Cabinet later

in 2023 regarding any further proposed designation. A copy of the cabinet decision is found at https://democracy.brent.gov.uk/ieDecisionDetails.aspx?ID=6461

1.10 As part of the Administration's commitment to "safe, secure and decent housing" and to protect the safety and wellbeing of renters through high standards this report seeks approval of Designation 2/2023 for the new selective licensing scheme in Brent.

2.0 Recommendations

Cabinet is recommended to:

2.1 Note the outcome of the consultation process detailed in the Consultation Findings Report of February 2023 and the Report Appendices [Appendix 1 & Appendices 1(A)], the representations received and the Council's consideration thereof, and response to these representations [Appendix 2].

2.2 Note the consultation evidence [Appendix 3] relating to the problems being caused by poorly managed privately rented properties, and that the report has considered that selective licensing will assist the Council in achieving its wider objectives, as well as having considered the alternatives to licensing.

2.3 Note the content of the Equality Impact Assessment as set out in Appendix 9.

2.4 Note the legal implications in paragraph 11, which sets out the legislative requirements for selective licensing.

2.5 Note that after Cabinet approval, if confirmed by the secretary of state (DLUHC), that the scheme shall be publicised via an agreed communications plan, and in accordance with the regulations before the scheme comes into force.

2.6 Agree that the evidence report [Appendix 3] highlights that the legal requirements as set out in paragraphs 11.1 to 11.16 of this report for introducing Selective Licensing on the grounds of poor property conditions have been met regarding the proposed selective licensing designation.

2.7 To note that this designation falls within the description of designations which need confirmation by the Secretary of State under section 82 of the Housing Act 2004 and The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015 as both the size of the private rented stock and the geographical area of the designation cover more than 20% of their geographical area or would affect more than 20% of privately rented homes in the local authority area.

2.8 Agree, subject to paragraphs 2.1 and 2.2 above, to authorise the designation of 18 wards for selective licensing to last for five years from the date of

designations coming into force, and which cover the following Council wards as delineated and edged red on the map in Appendix 5:

Designation 2/2023: A selective licensing scheme designation in the 18 wards of Alperton, Barnhill, Brondesbury Park, Cricklewood & Mapesbury, Kenton, Kilburn, Kingsbury, Northwick Park, Preston, Queens Park, Queensbury, Roundwood, Stonebridge, Sudbury, Tokyngton, Welsh Harp, Wembley Central, and Wembley Hill under Part 3, s.80 Housing Act 2004 on the grounds of poor housing (property) conditions with effect from April 2024 (in accordance with the criteria set out in the Housing Act 2004 and Selective Licensing of Houses (Additional Conditions) (England) Order 2015 , or at a later date in accordance with the statutory time required for the scheme to come into force.

2.9 Agree that the selective scheme described in 2.8 above shall be cited as the London Borough of Brent Designation No 2/2023.

2.10 Agree the authority to issue the required statutory notification in relation to the Selective Licensing Scheme Designation 2/2023 is delegated to the Corporate Director of Residents Services, in consultation with the Lead Member for Housing, Homelessness, and Renters' Security.

2.11 Agree that, subject to the issue of statutory notifications, that the Corporate Director of Residents Services, in consultation with the Cabinet Member for Housing, Homelessness & Renters Security is authorised to decide the date from which the council will begin to accept applications for selective licensing.

2.12 Agree that authority be delegated to the Corporate Director of Residents Services, in consultation with the Cabinet Member for Housing, Homelessness & Renters Security to agree the basis for, and level of any changes including discounts which may be applied to the licensing application fees

2.13 Note the standard licensing conditions for licences granted in the proposed designation areas for selective licensing as set out in Appendix 8, which were approved by Cabinet on 17 April 2023, and to authorise the Corporate Director for Residents Services, in consultation with the Cabinet Member for Housing, Homelessness & Renters Security, to make any minor variations to such licensing conditions.

2.14 Note that the Selective Licensing scheme will be kept under review at least annually and that any significant changes, including the withdrawal of a licensing designation or a proposal to introduce any new designation(s), will be subject to further decision by Cabinet.

2.15 Note the letters of support for the licensing proposals as attached in Appendices 10 a & b.

3.0 Background

3.1 Brent's population has increased by 18 per cent over the past 10 years. The Office of National Statistics (ONS) Census 2021 population estimates for Brent was 339,800. This makes Brent the 5th most populous London borough. Like

most London boroughs Brent has a younger age profile, with more adults aged 20-44.

3.2 Brent is one of the most diverse boroughs in the country with over 55% of its residents born outside the UK (This is the highest proportion in England and Wales). Our largest single ethnic group is Indian (17.3% of the population) followed by White Other (16.2%) and then White British (16.0%). There were more applications to the EU Settlement Scheme from Romanians (21,180) in Brent than for any other nationality. As well as Indian and European residents, around 17% of residents were from Black ethnic groups (higher than the London average (13%). Brent also has Pakistani (4.7%), Chinese (1.2%), and Bangladeshi (0.5%) residents.

3.3 The private rented sector (PRS) in Brent has grown from 32% (35,000 properties) of the total housing stock in 2011, to our current estimates of 46% in 2022. All of Brent's wards have a higher percentage of PRS than the national average (England), which was 19% in 2021. The average is 39.6% for 21 of the 22 wards, which excludes Wembley Park. There are a total of 127,378 residential dwellings in Brent, 58,105 of which are privately rented. The PRS in Brent at 46%, is now higher than its owner- occupied sector (35%), and bigger than its social rented sector (19%).

3.4 The Indices of Multiple Deprivation (IMD) is a measure of relative deprivation based on seven domains of deprivation: income, employment, education, health, crime, living environment, and barriers to housing and services. Brent ranks as the 49th most deprived borough in England out of 317, with 16 of 22 wards having an aggregated IMD ranking below the national average.

3.5 A household is considered to be fuel poor if they have required fuel costs that are above average (the national median level); and were they to spend that amount, they would be left with a residual income below the official poverty line. The fuel poverty score was produced by the Department for Business, Energy & Industrial Strategy (BEIS) using 2019 data and published in 2021. Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%). Over the next 12 months these figures are likely to change significantly as a result of acute fuel price increases.

3.6 Brent has the 4th highest number of private landlord possession claims in London, with 2,399 in 2019 (Appendix, Figure 6). The average number of claims for London boroughs during this period was 1,224.

3.7 Local authorities are required by law to either provide accommodation to homeless households, work to stop households becoming homeless or relieve homelessness when it does occur. Homelessness returns to government show that as at 31 March 2022, Brent has the 17th highest number of accepted homeless households in TA (1,650).

3.8 Brent has above average rents for London, with 53% of average (median rent for one-bedroom dwellings) earnings used to pay rent. The London average is 47.9%.

3.9 Housing conditions are affected by the level of maintenance and quality of repair, the age of the property, thermal efficiency, and type of construction. Category 1 (HHSRS) hazards have a physiological or psychological impact on the occupant and may result in medical treatment. Hazardous conditions in the PRS cost the NHS around £340 million a year. In 2021, 12% of private rented dwellings in England had at least one Category 1 hazard; this was a higher proportion than the average for the total housing stock (9%). 21 of the 22 Brent wards have levels of category 1 hazards above the national average (12%).

3.10 Under the Housing Act 2004, there are three types of licensing available to local authorities:

(a) Mandatory Licensing - All local authorities are obliged to run a licensing scheme covering most Houses in Multiple Occupation (HMOs) that are occupied by five or more people. A scheme has been in operation in Brent since 2006.

(b) Additional Licensing - Section 56 of the Housing Act 2004 provides a power to licence HMOs not covered by mandatory licensing; defined as properties containing 3 or 4 people forming 2 or more households. Under Additional Licensing, local authorities can designate an area for an initial 5 years but must be satisfied that a significant proportion of the HMOs in the area are being managed sufficiently ineffectively as to give rise to one or more problems, either for those occupying the HMOs or for members of the public. In April 2014 the Executive approved the designation of an Additional Licensing Scheme covering the whole borough with effect from 1st January 2015. The Brent additional licensing scheme was renewed for a further five years with effect from 1st February 2020.

(c) Selective Licensing - Under Part III of the Act, local authorities can introduce Selective Licensing schemes that focus on improving the management of privately rented properties accommodating single households as well as HMOs, which are not subject to mandatory or additional licensing.

3.11 This report is concerned solely with the designation of selective licensing to areas of the borough. The statutory and non-statutory provisions are set out later in paragraph 11 – Legal Implications.

3.12 According to the proposal document, the Council had licensed 17,930 properties including 6,660 Houses in Multiple Occupation (HMOs). Licensing has been used strategically to deal with problems of ASB and to improve conditions associated with the PRS. For example, the Council has operated a licence condition and compliance inspection regime, along with proportionate enforcement action, to target non-compliant landlords and improve properties. This has led to over 8,240 properties being improved for the years January 2015 to October 2022.

3.13 Over the same period, over 2,200 housing notices have been served on private landlords and there have been 191 prosecutions resulting in fines and costs totalling £1.9m. As an alternative to prosecutions, in some cases the Council has also issued over 253 Civil Penalty Notices.

4.0 The Proposals for Selective Licensing in Brent

4.1 The council has been truly selective in proposing the areas for this licensing scheme. Thorough evidence gathering and research has been carefully carried out to ensure that the most severe problems in each ward can be dealt with. All properties in the designated area that are rented to single families (or two sharers) will need to have a licence to be legally let. These proposals are set out in Section 7 of the consultation proposals [appendix 3].

4.2 The council proposed a five-year scheme made up of two, phased designations. The schemes would apply to all private rented sector properties in the designated areas that are not included in the mandatory or additional licensing schemes.

4.3 Whilst the Council collated evidence and carried out a public consultation for both Designation 1 and Designation 2, this report does not seek approval to implement Designation 1 as the council has already designated this area under its section 82 general approval powers.

4.4 A second designation, phase 2 (Designation 2/2023), covers a total of 18 wards and 62% of the total PRS. The reasons for the timing of the decision relating to the second designation are set out in 4.7 below.

4.5 Subject to consideration of the responses in the consultation process, the Council is keen to seek to address the serious problems of poor property / housing conditions in the 18 wards cited in Designation 2 as soon as reasonably practicable.

4.6 All 853 online consultation respondents answered the question on the proposal for Selective Licensing in Designation 2 (excluded Wembley Park ward). Looking at the responses by group, residents / local business and other stakeholder are in favour of the proposals with over 65% of each group agreeing. Landlords are opposed to the proposals with over 73% disagreeing.

4.7 The Council proposed to introduce the designations in a phased approach. There are several good reasons for this:

(i) The Council is able to use the powers granted to it under the general approval set out in the 2015 Statutory Instrument as referred to in paragraphs 2.7 and explained in the legal implications at 11.11.

(ii) Designation 1/2023 not only has high levels of poor property conditions but also has particularly high levels of ASB allowing a targeted approach for these issues in this area.

(iii) This has allowed the Council to continue to have a selective licensing scheme in operation in the borough, in the areas where there is the most acute need. The timeline for implementation of this designation means that there has only been a small break of 4 months between the end of

the 2018 selective scheme and the implementation of the new Designation 1/2023.

(iv) The phased approach ensures that the new approach to licensing is effective, that the Council has the capacity to run the schemes effectively and make changes to improve the performance of the schemes where necessary before introducing a larger and more complex scheme.

(v) The Council needs time to scale up staffing from the current team size of 22 ½. The relatively small size of Designation 1/2023 allows the Council to scale up staffing from 22 ½ to 33 officers over the next 3 to 6 months. It is envisaged that Designation 2/2023 will require the number of suitably qualified officers to increase substantially to 60. Due to the anticipated size of Designation 2, subject to agreement by the Council's cabinet, approval will also be sought from Cabinet to make an application to the Secretary of State for the Department of Levelling Up, Housing and Communities (DLUHC) requesting confirmation of the Selective Licensing Designation 2. The steps that the Council are taking to increase the size of the PHS team are detailed in paragraph 14.1- 14.7. In summary they involve an ongoing recruitment process for 5 more property licensing compliance officers, 2 more environmental health officers (EHO) 3 apprentice EHOs and 5 more licensing process officers.

5.0 The Scope for selective licensing

5.1 A selective licensing designation may be made if the area to which it relates satisfies one or more of the following conditions. The area is one experiencing:

(i) low housing demand (or is likely to become such an area); (note: this criterion is not applicable to LB Brent)
(ii) a significant and persistent problem caused by anti-social behaviour (see 5.3 (i))
(iii) poor property conditions (see 5.3 (ii))
(iv) high levels of migration (see 5.3 (iii))
(v) high level of deprivation (see 5.3 (iv))
(vi) high levels of crime (see 5.3(v))

5.2 In considering whether to designate an area for selective licensing on the grounds above on property conditions, migration, deprivation and crime the local housing authority may only make a designation if the area has a high proportion of property in the private rented sector. Nationally the private rented sector currently makes up 19% of the total housing stock in England (EHS 2021). Where the actual number of privately rented properties in a given area is more than 19%, the area can be considered as having a high proportion of privately rented properties.

5.3 Below provides further guidance in satisfying the conditions in 5.1(ii to vi) above.

(i) (*a*) that the area is experiencing a significant and persistent problem caused by ASB where some private sector landlords who have let premises in the area

(whether under leases or licences) are failing to take action to combat the problem that it would be appropriate for them to take, and; (*b*) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, lead to a reduction in, or the elimination of the problem.

(ii) That there is evidence of poor housing conditions in the sector and that making a designation will, combined with other measures, contribute to an improvement in general housing conditions in the area.

(iii) High levels of migration, in that a) recently experienced or is experiencing an influx of migration into it; (b) that a significant number of the properties are occupied by those migrants; and (c) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, contribute to (i) the preservation or improvement of the social or economic conditions in the area; and (ii) ensuring that the properties are properly managed, and in particular, that overcrowding is prevented.

(iv) That the area is suffering from a high level of deprivation, which affects a significant number of the occupiers of relevant properties; and that making a designation will, with other measures, contribute to a reduction in the level of deprivation in the area.

(v) That the area suffers from high levels of crime and criminal activity affects those living in relevant properties or other households and businesses in the area; and that making a designation will, with other measures, contribute to a reduction in the levels of crime in the area, for the benefit of those living in the area.

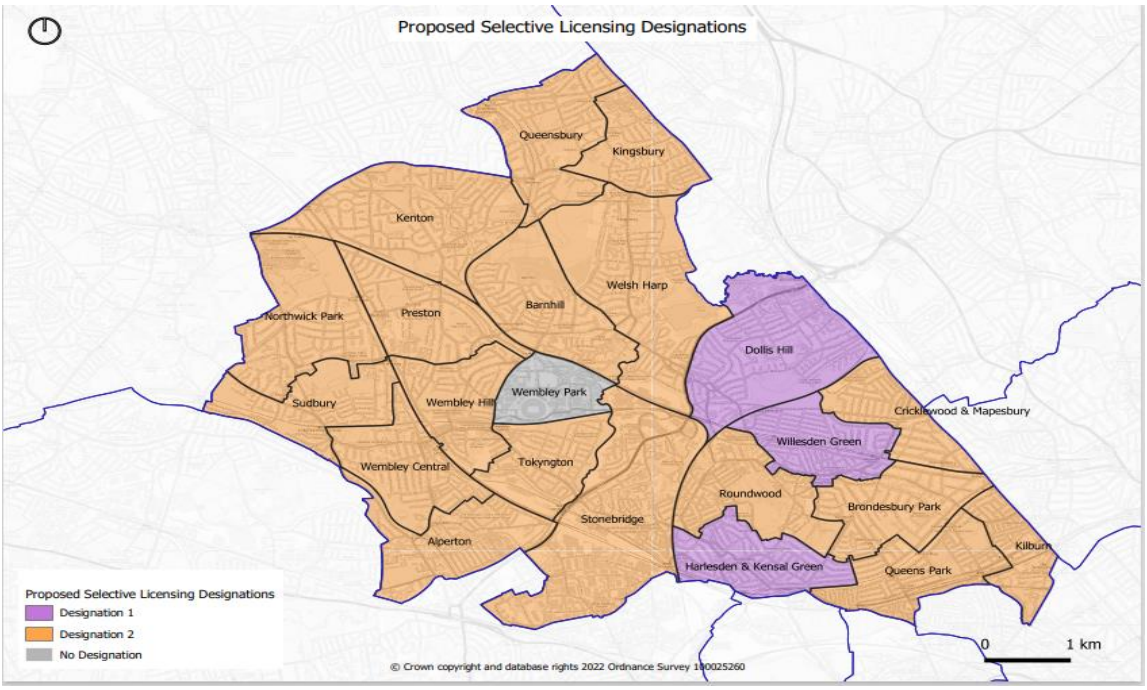
6.0 Selective licensing general set of conditions

6.1 Figure 1 below shows a summary of data for all wards in the borough of Brent when considering some of those factors in 5.1 and 5.2 above, i.e., each ward has above average levels of PRS properties and above average levels of poor property conditions. Those wards highlighted in lilac are Designation 1 and orange Designation 2.

	Designation Criteria	
Wards	High Proportion of PRS (above the national average of 19%)	Poor Property Conditions (above national average of 12%)
Alperton	✓	✓
Barnhill	✓	✓
Brondesbury Park	✓	✓
Cricklewood & Mapesbury	✓	✓
Dollis Hill	✓	✓
Harlesden & Kensal Green	✓	✓
Kenton	✓	✓
Kilburn	✓	✓
Kingsbury	✓	✓
Northwick Park	✓	✓
Preston	✓	✓
Queens Park	✓	✓
Queensbury	✓	✓
Roundwood	✓	✓
Stonebridge	✓	✓
Sudbury	✓	✓
Tokyngton	✓	✓
Welsh Harp	✓	✓
Wembley Central	✓	✓
Wembley Hill	✓	✓
Wembley Park	✓	X
Willesden Green	✓	✓

Figure 1 - Metastreet, Appendix 4, wards summary overview actual figures

6.2 The eighteen wards selected for this designation are Alperton, Barnhill, Brondesbury Park, Cricklewood & Mapesbury, Kenton, Kilburn, Kingsbury, Northwick Park, Preston, Queens Park, Queensbury, Roundwood, Stonebridge, Sudbury, Tokyngton, Welsh Harp, Wembley Central, and Wembley Hill. As can be seen in figure 1 above, these wards all have levels of poor property conditions higher than the national average. In addition, these wards have the high proportion of private rented sector (above the PRS national average) properties. The geographical location of the wards can be seen in the map below. Those wards highlighted in lilac are Designation 1 and orange Designation 2.



6.3 Housing Tenure - Consistent with the long term nationwide and regional trend, the private rented sector (PRS) in Brent has grown steadily from 32% in 2011 to 46% in 2022. This represents a 43.8% increase over the last 11 years as seen below in Figure 2. There are a total of 127,378 residential dwellings in Brent, 58,105 of which are privately rented under assured shorthold tenancies (ASTs) or licences. Private renting has grown at the expense of owner occupation; however, a sizable proportion of the growth appears to come from new supply. The new supply is dominated by the build-to-rent (BtR) sector, with purpose-built blocks of flats concentrated in the Wembley Park ward. Metastreet Appendix 4, pg. 24, Table 2 below shows the % PRS dwellings in each ward and compares these to the national average of 19%.

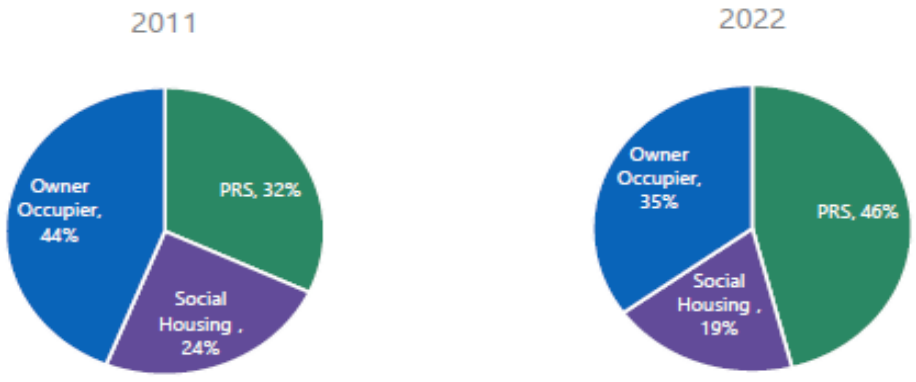


Fig. 2 Housing Tenure in Brent 2011 compared to 2022

6.4 Proportion of PRS dwellings across Brent wards - The PRS is spread across all 22 wards in Brent. The percentage of PRS properties in each ward ranges between 98% in Wembley Park and 31% in Stonebridge. (Figure 3). All of Brent's wards have a higher percentage of PRS than the national average

(England), which was 19% and the London average of 29% according to the English Housing Survey (EHS) 2021-22. The average rate of PRS across all wards is 46%, (and the average is 39.6% for all wards excluding Wembley Park). The numbers and proportions of PRS dwellings in Designation 2 ranges between 30.2% (Stonebridge) and 46.8% (Sudbury).

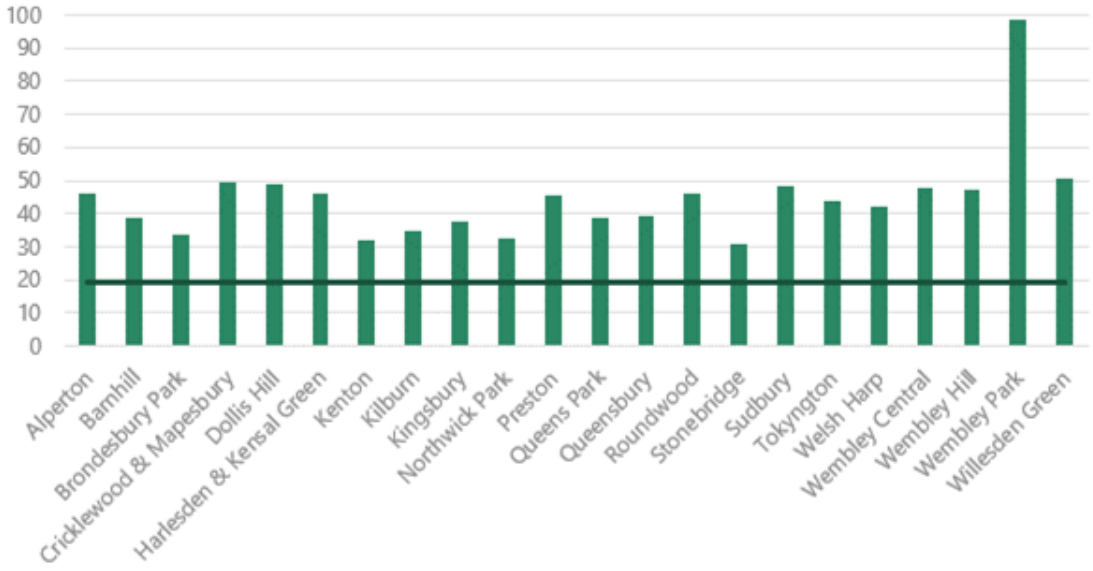


Figure 3: % of PRS Dwellings by each ward - *Horizontal black line shows national average 2021 (19%)*

6.5 A designation of these eighteen wards would allow the council to work proactively with the landlords and owners of the properties to monitor and manage conditions in their properties. There will also be guidance and support for landlords on their responsibilities to maintain their properties.

Poor Property conditions

6.6 The Council has carried out recent reviews of its housing conditions as required by Section 3 (1) of the Housing Act 2004, and The Selective Licensing of Houses (Additional Conditions) (England) Order 2015. The published and archived reports are:

- Housing Quality Network (HQN), 2014
- Mayhew Harper Associates, 2016
- Brent In-house, Business Intelligence Team Study, 2018
- Building Research Establishment (BRE) Dwelling Level Housing Stock Report, 2019.

6.7 For this scheme, a *Housing Stock Condition and Stressors Report, October 2022,* has been provided by Metastreet. The Evidence Report *Appendix 3* will facilitate the delivery of a private sector housing strategy and will enable a targeted approach to tackling poor housing and provides accurate estimates of levels of serious housing hazards that might amount to a Category 1 hazard under the *Housing Health and Safety Rating System* (HHSRS).

6.8 There are 10,108 private rented properties in Brent that are likely to have at least 1 serious housing hazard (Category 1, HHSRS). As can be seen in figure

6 below, PRS properties with serious hazards are distributed across the borough. There are 7,993 in Designation 2 alone which accounts for 76 % of properties with these hazards

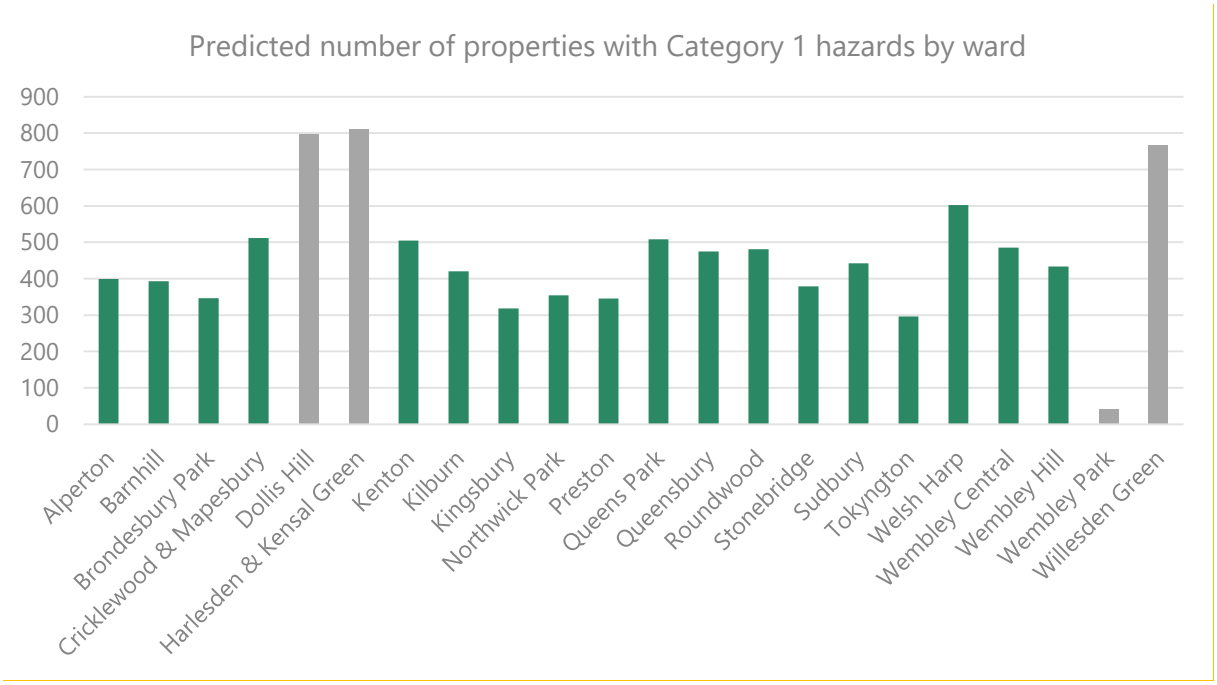


Figure 6: Predicted number of properties with a Category 1 hazard by ward

6.9 Figure 7 shows the proportion of properties with category 1 hazards for all wards is around double the national average of 12%. In the proposed Designation 2 as highlighted in orange, all wards are significantly high demonstrating that poor housing conditions is distributed across all areas of the borough (Metastreet, Map 4 Appendix 3).

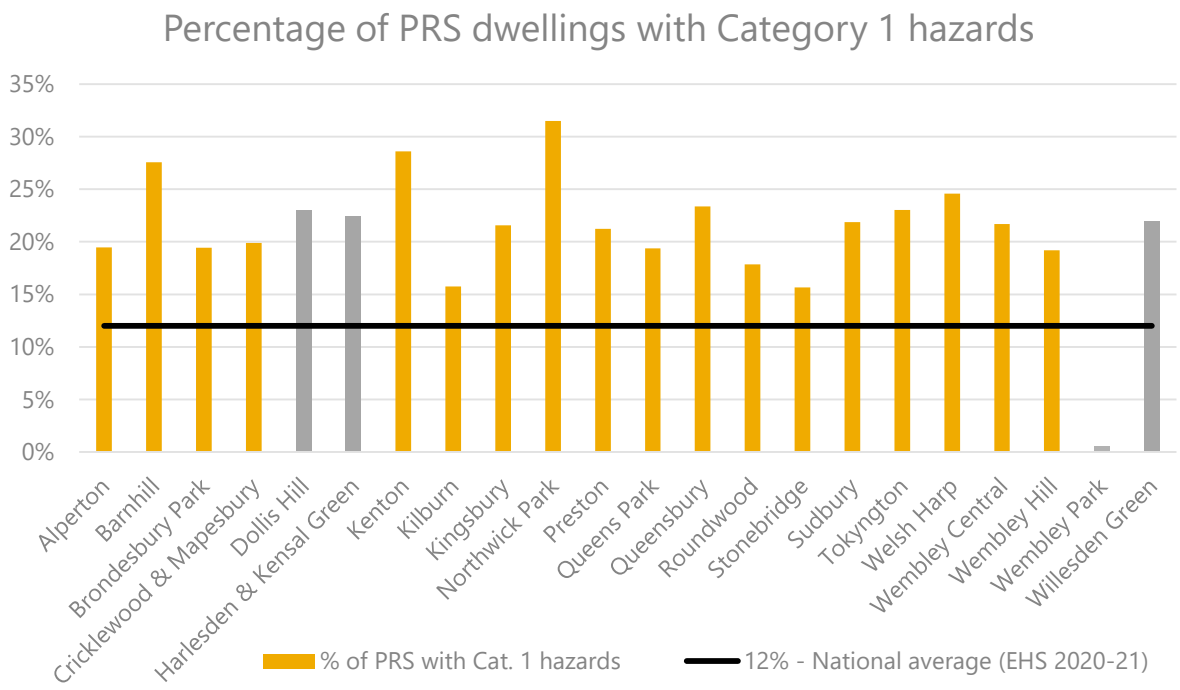
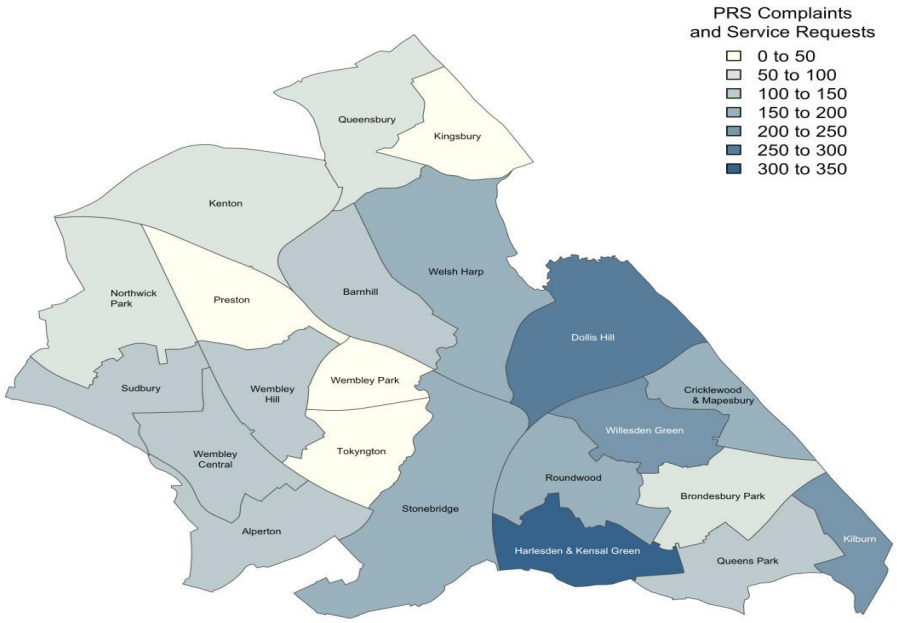


Figure 7: Percentage of PRS dwellings with Category 1 hazards by ward

PRS Enforcement and regulation interventions (excluding known HMOs)

6.10 Complaints made by tenants about poor property conditions are a direct indicator about low quality PRS. Brent recorded 3,229 complaints and service requests from private tenants and others about poor property conditions and inadequate property management linked to PRS properties over a 5-year period. The complaints are distributed in high levels across the borough, notably Kilburn, Roundwood, Stonebridge and Cricklewood & Mapesbury, Welsh Harp, Sudbury, Wembley Central, Alperton, Wembley Hill and Barnhill, being wards generating higher numbers of requests. *(Metastreet, Appendix 3, Figure 18 & Map 5*).



Map 5. Distribution of PRS service requests and tenant complaints (Source: Ti 2022, Map by Metastreet).

6.11 Brent uses a range of statutory housing and public health notices to address poor housing standards in the PRS. Over a 5-year period (2017-22) Brent served 6,920 housing and public health notices (*Metastreet, Appendix 3, Figure 23 & Map 6*). Additionally, over a 5-year period 1,282 planning enforcement notices have been served on PRS properties in Brent.

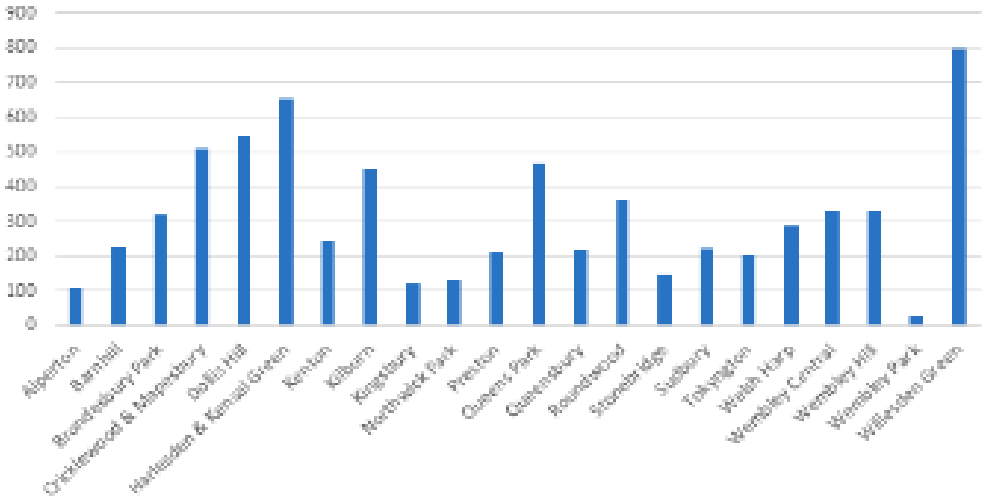
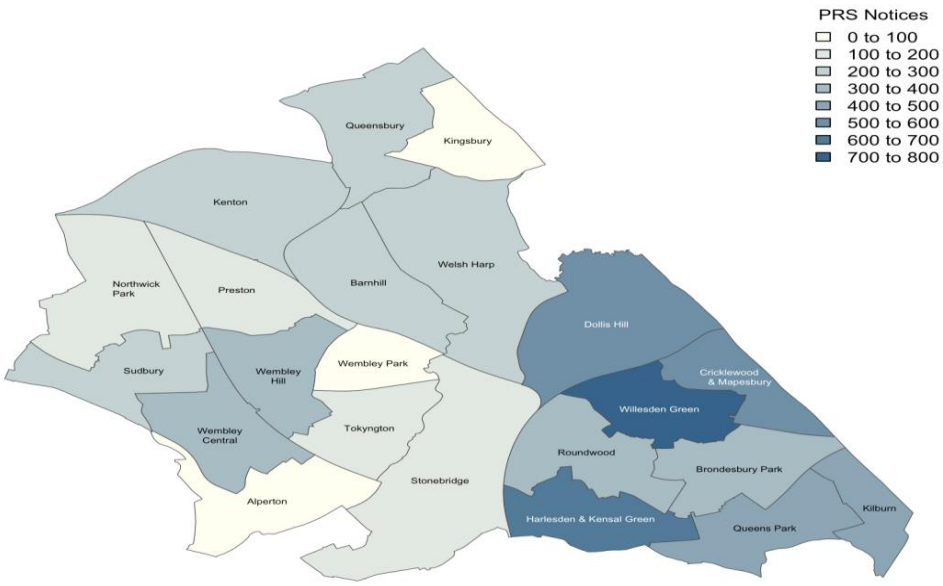


Figure 8: Statutory housing notices served on PRS properties (excl. known HMOs)



Map 6: Distribution of statutory notices served on PRS by ward (Source Ti 2022, Map by Metastreet).

Other stressors analysed which impacting on poor housing conditions

Housing stock age, type, and construction profiles

6.12 A local authority's property age profile can have an impact on housing conditions. It is notable that there is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1900, and lowest in the more energy efficient dwellings built after 1980. Brent has a high number of residential properties (65.7%) built pre-Second World War *(Metastreet, Appendix 3, Figure 14*).

6.13 A borough's property type profile offers an indication of housing density, construction type and other population factors. The most common private rented property type in Brent is flats (67%). (*Metastreet, Appendix 3, Figure 15*).

6.14 Using a sample of properties that are known to have at least one serious housing hazard (Category 1, HHSRS), it is possible to show the distribution and rates of PRS properties with at least one serious hazardacross the wards in the borough *(Metastreet, Appendix 3, Map 4 and Figure 17).*

Assessment of Energy Efficiency (EPC rating) and Fuel Poverty

6.15 The energy efficiency of a dwelling depends on the age, thermal insulation of the structure, on the fuel type, and the size and design of the means of heating and ventilation. Any disrepair or dampness to the dwelling and any disrepair to the heating system may affect efficiency.

6.16 The Minimum Energy Efficiency Standard (MEES) regulation applies to PRS properties. All dwellings must have an EPC rating of E and above to be compliant. It has been calculated that 12.2% of PRS properties in Brent have

an E, F, and G rating. 1.3% of PRS properties have an F and G rating (Figure 19). Extrapolated to the entire PRS, 755 PRS properties are likely to fail the MEES statutory requirement and present a Category 1 or High Category 2 HHSRS *Excess Cold* hazard.

6.17 F and G properties present a serious risk to the occupants' health, particularly if over the age of 65. The statistical evidence (HHSRS Guidance 2006) also shows that children in cold homes are twice as likely to suffer from a variety of respiratory problems. EPC ratings in the Brent PRS by ward is shown *(Metastreet, Appendix 3, Figures 20 to 22*). The difference and gap between the current and potential energy performance scores (EPC) represents the opportunity to improve the energy performance of PRS dwellings within the designation area. Tokyngton (18.1) followed by Northwick Park, Kenton, Queensbury and Welsh Harp, has the largest difference between current and potential energy efficiency score *(Appendix 3, Figure 22).*

6.18 Fuel poverty (termed "Low Income High Costs") is where a household has required fuel costs that are above the average (the national median level), and is that amount is spent, the would be left with a residual income below the official poverty line. Figures for the fuel poverty score (published by BEIS in 2021) are likely to change significantly because of acute fuel price increases. Notwithstanding, Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%). *(Appendix 3, Figure 5)*

Information on Deprivation – Cross referencing deprivation with Housing Conditions

6.19 To determine deprivation, Metastreet has looked at the 2019 Indices of Multiple Deprivation (IMD) with LSOAs matched to the new wards using ONS Open Geoportal lookup tables. Factors that have been used to determine whether a proposed area suffers from high level of deprivation include: the employment status of adults; the average income of households; the health of households; the availability and ease of access to education, training, and other services for households; housing conditions; the physical environment; and levels of crime.

6.20 Brent ranks (Rank of average rank) as the 49th most deprived borough in England out of 317. Data at ward level (*Metastreet, Figure 4 and Map 1*) shows 16 of the 22 wards worse than the national IMD average (5). **Stonebridge and Roundwood** wards are most deprived (IMD average 1-2). followed by the already designated areas of *Dollis Hill*, *Harlesden & Kensal Green* (IMD average 2-3).

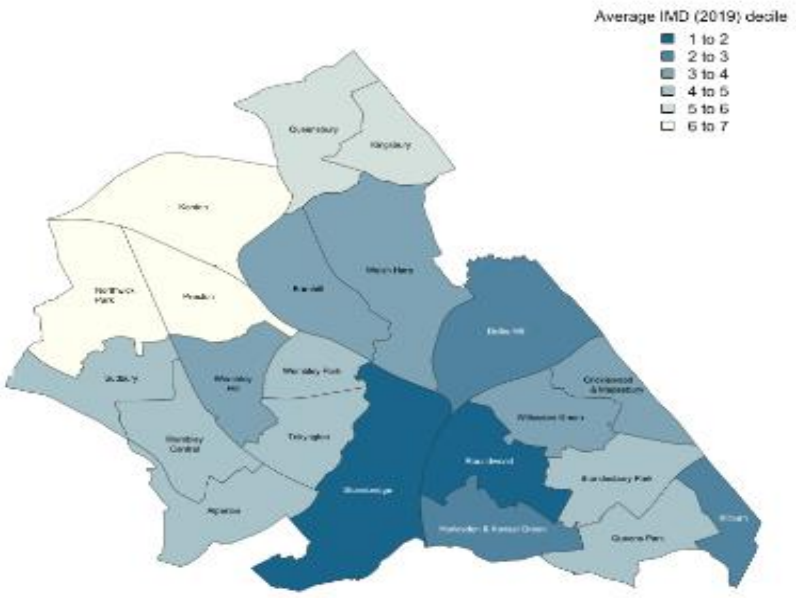


Figure 9 – Distribution of average IMD (2019) decile by ward (Source: ONS 2019, map by Metastreet)

6.21 The Council is not proceeding with a selective licensing scheme under this condition as it would be a huge challenge to satisfy section 5.3 (iv) above. However, it is useful to cross-reference deprivation with poor housing conditions, by looking at the distribution of LSOAs with category 1 hazards at levels which are greater than the national average (12%), or the London average (9%) and also the IMD decile. The picture would show that there are pockets of areas with both high levels of hazards and in deprived areas – for example, **Stonebridge and Roundwood**, support the case for their inclusion in any designation.

The contribution of Selective Licensing to an improvement in general housing conditions in the area.

6.22 The designation of wards will allow the council to continue dealing with some of the worst property conditions in the borough. This could be effective by March 2024.

6.23 Selective licensing will allow for the collection of additional data that will allow us to take a strategic and operational approach to address current and emerging issues e.g., excess cold, damp and mould, energy efficiency of PRS, and regarding current national PRS Rental Reforms and Decent Homes proposals.

6.24 There will be clear licence conditions relating to the standard and management of rented properties in the area. Higher risk properties will be prioritised for inspection by officers to check for hazards and compliance with licence conditions. The council will take enforcement action (under Part 1 of the Housing Act), where necessary, to improve poor property conditions. It is much easier to rectify property issues under the legal framework of the licensing scheme and when the landlord and other property management companies are

known to the council. Landlords who fail to licence their properties may be prosecuted could or receive a civil penalty for failure to license.

6.25 Information and support on the professional management of properties will be available to landlords through the council's web site and landlord forums (in person and online). The licence conditions relating to the management of the properties will help ensure that properties are properly managed to prevent further deterioration.

6.26 The council will work with landlords to address poor property conditions and help them to comply with the licence conditions in these wards. The council will also continue to work with the London Fire Brigade, Home Office, Police, HMRC, as well as additional council departments, to identify properties that need improvement. In addition, licensing has seen better and more effective working with internal stakeholders too, such as planning enforcement, The Brent Joint Action Group (BJAG), Brents Enforcement Practitioners Group (EPG), Empty Properties Team, Housing Needs and Council Tax.

6.27 Over the last seven years of the previous schemes, this co-working has resulted in an increase in prosecutions of rogue landlords to 191. This can largely be attributed to the increased and efficient intelligence sharing across multiple disciplines and a robust enforcement policy.

7.0 Summary of evidence for selective licensing Designation 2/2023

7.1 The evidence for the selective licensing designation proposal is summarised in Section 7.2 (i) of Evidence for Consultation 2022 report (Appendix 3). Figure 10 below gives a breakdown of the size and distribution of the PRS stock, elements of poor property conditions (Category 1 hazards) for each ward and the ranking based on outcome tables. Other specific reasons for Designation 2/2023 include:

a. 22 out of 22 wards have a higher % PRS average significantly above the national average in 2021 (19%) with the Brent ward average being (43.6%).

b. The highest levels of poor property conditions - overall Designation 2 accounts for almost 75% of the total Category 1 Health and Housing Safety hazards in the borough.

c. High levels (70%) of the total recorded complaints and service requests about poor property conditions and inadequate property management linked to PRS properties over a 5-year period.

d. As set out in paragraph 6.19 the wards comprising Designation 2 have required a significant number of council interventions, representing a huge drain on council resources. The council receives a significant number of complaints from residents in these wards and in response to non-compliance, over a five-year period (2017-2022) the council served 5891

housing, public health and planning enforcement notices in relation to properties in this designation.

e. Cross referencing the data shows close links with high levels of deprivation and other housing related stressors within certain wards.

f. Following the electoral commission Brent ward boundary changes in May 2022, properties and incidences and occurrence of conditions have been reassigned to reflect where wards have been deleted e.g., Dudden Hill, or added e.g. Roundwood, and Wembley Hill, or areas combined e.g. Cricklewood and Mapesbury for example, so are now attributed to conditions found in the Designation 2/2023. The data around Tokyngton has been impacted by the creation of the Wembley Park ward.

g. The ability to target problems and to deploy resources to designations over time, working strategically with others to achieve the desired scheme benefits.

h. From the consultation responses, around 43% of respondents, agree with the proposal for Selective Licensing in Designation 2 and around 46% disagree. Looking at the responses by group, residents / local business and other stakeholders are in favour of the proposals with over 65% of each group agreeing. Landlords are opposed to the proposals with around 75% disagreeing.

i. Summary table of Designation 2/2023 (*note Brent total PRS =58,105 properties including known HMOs*)

Ward	No. PRS (predicted)	% PRS	Category 1 (predicted)	Geographical Area Km2
Alperton	2,051	45.1	399	1.839
Barnhill	1,426	37.9	393	2.14
Brondesbury Park	1,779	31.8	346	1.726
Cricklewood & Mapesbury	2,572	46.4	512	1.241
Dollis Hill	3,471	46.9	796	3.014
Harlesden & Kensal Green	3,626	42	812	1.541
Kenton	1,765	31.3	505	3.083
Kilburn	2,665	32	420	0.94
Kingsbury	1,474	36.9	318	1.349
Northwick Park	1,124	31.3	354	2.518
Preston	1,626	43.8	345	1.733
Queens Park	2,620	35.8	508	1.642
Queensbury	2,034	37.7	475	2.149
Roundwood	2,693	42	481	1.836
Stonebridge	2,419	30.2	379	3.993
Sudbury	2,020	46.8	442	1.652
Tokyngton	1,285	41.3	296	1.452
Welsh Harp	2,448	40.7	602	3.568
Wembley Central	2,237	45.5	485	1.696

Wembley Hill	2,257	45.2	433	1.555
Wembley Park	8,405	98.4	41	0.994
Willesden Green	3,498	46	766	1.468
Totals all wards	**55,495**	**43.6**	**10,108**	**43.13**
Total D2 wards	**36,495**	**39.98**	**7,693**	**36.11**
Total D2 % Brent PRS	**62.80%**	**39.98%**	**76.10%**	**83.70%**

Figure 10 - Ward PRS summary overview for selective licensing (Source Ti 2022) (Excl. HMOs).

7.2 ***The Exclusion of the Wembley Park ward*** - The Council has chosen to exclude the Wembley Park ward because the evidence does not support the criteria for selective licensing as stated in its proposal (Appendix 3, section 7.3). The area is characterised by build to rent (BtR) purpose-built blocks of flats, which are owned and managed by institutional landlords. In defining the selective area, the council considers it more appropriate to focus its resources on the worst affected areas.

7.3 The Wembley Park ward is already covered under the council's HMO licensing schemes, where Part 2 of the Housing Act requires dwellings shared by 3 or more unrelated people, including certain student accommodation to be licensed.

7.4 Although licensing under Part 2 requires the council to "satisfy themselves, as soon as is reasonably practicable, that there are no Part 1 functions that ought to be exercised by them in relation to the premises in respect of which such applications are made". *The HHSRS Fire hazard* has been assessed in relation to those buildings with external wall cladding material and system (EWS). The issue is being resolved through the new Building Safety Act 2022, support from the LGA's Joint Inspection Team and the Building Safety Fund. Where necessary Part 1 HHSRS enforcement action will be taken.

7.5 However, this ward will be kept under review and a further designation could be considered should the evidence change.

7.6 From the consultation responses to question 16 (*to what extent do you agree or disagree with this proposal for the selective the licensing scheme for the remaining 18 wards (excluding the ward of Wembley Park)*, around 43% of respondents, agreed with the proposal and around 46% disagree. However, looking at the responses by group, residents/local business (66%) and other stakeholder (66%) are in favour of the proposals. Most landlords and agents are opposed to the proposals with over 75% disagreeing and 10% agreeing. The landlord response rates are typical for licensing schemes in general (Appendix1).

Other matters applying to selective licensing

7.7 **Effect of the schemes** - If introduced, the effect will be that landlords who rent or let any property that is not occupied as a House in Multiple Occupation (HMO) must have a licence. The licence application must be accompanied by a fee [Appendix 7], and where a licence is granted, licensing conditions will be

applied to the licence [Appendix 8]. See section 8.0 on licensing conditions and section 9.0 on licensing fees.

7.8 **Selective licensing exemptions** – Some properties are exempt from licensing. The full list of exemptions is found in The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006, but includes:

a) properties licensable as a mandatory or additional HMO.

b) properties let by a local authority or a Registered Provider (RP), traditionally known as a not-for-profit Housing Association.

c) properties already subject to a management order.

d) properties subject to a temporary exemption notice.

e) owners who reside in the property they own as their main residence (owner occupiers).

f) holiday lets; and tenancies under a long lease and business tenancies.

g) Any building which is occupied principally for the purposes of a religious community whose principal occupation is prayer, contemplation, education, or the relief of suffering.

h) Student accommodation directly managed by educational institutions, e.g., halls of residence.

i) properties managed by a charity registered under the Charities Act 2011 and which— a. is a night shelter, or b. consists of temporary accommodation for persons suffering or recovering from drug or alcohol abuse or a mental disorder.

Objectives licensing aims to achieve

7.9 Licensing is part of an overall approach to help improve privately rented properties in the London Borough of Brent. As such, any outcomes will be because of a range of initiatives and methods that the council can use. However, licensing is an important element and will place the responsibility on the landlord to inform the council that their property is licensable and encourage them, with the council's support, to ensure that they meet the required standards. The council can then prioritise its resources effectively to dealing with the properties of most concern and target enforcement actions to those landlords who fail to licence their properties and/or breach licence conditions.

7.10 The selective licensing scheme will be assessed against the following scheme objectives:

Objective	Link to strategic goals	Performance indicator (target)	Outcome
Improve property conditions in single family dwellings	Addressing BAME and equality Poverty and housing conditions Linking to LBB manifesto	Undertake compliance inspection in 50% of licenses issued over the lifetime of the scheme. Total compliance inspections, 20,000 It is anticipated that this will lead to 10,000 properties being improved via compliance inspections alone. Over the lifetime of the scheme we estimate a further 5,500 licenced properties improved through other activities* Total properties improved 15,500 NB * Desktop intervention, reactive responses to requests for services & license enforcement. 100% of all licence application desk-based risk assessment competed. Achieve 80% selective licence applications over the life of the scheme. (Compared with modeled figures).	Reduce Cat 1, Cat 2 hazards and compliance of licence conditions Achieve a general improvement of property conditions in the designated area within the lifetime of the designation. Improve engagement of tenants in the PRS.
Improve management standards in PRS	Poverty and housing conditions	Be in the top 10 of London Council whose landlords are accredited to the LLAS 1 landlord forums per annum 4 newsletters sent to registered landlords that have signed up Take appropriate enforcement action against those landlords who fail to license or breach licence conditions.	Engagement with Landlords Improve engagement of tenants in the PRS.
Increased awareness for tenants on the minimum standards to be expected in rented accommodation and what their other rights are when renting in the PRS	Sustainability – increasing the energy efficiency in PRS and link government green policy Poverty Commission report Future of London Report Cost of Living Crisis & the Resident Support Fund	Create and promote a new tenant pack available on and offline and in different languages to inform PRS residents of their rights, services available to them, what to do in case of issues. Links with MEES and Green Doctor Services and Grants	Combat deprivation in the most deprived areas Supporting the most vulnerable tenants e.g., benefits assessments

Alternatives to licensing that have been considered

7.11 When considering whether to make a selective licensing designation a local authority must identify the objectives that a designation will help it to achieve. We have considered other courses of action, or alternatives to the selective licensing proposals. But we do not believe that they provide as effective means of tackling poor housing conditions in the borough. These other courses of action and the reasons why we believe that they will be ineffective are set out in the table below.

Alternative Measure	Strengths	Weaknesses
Use of Part 1 Housing Act 2004 enforcement powers [HHSRS] and Public Health powers	Following an investigation, formal statutory notices can be served that require improvements to be carried out to a property. Councils can carry out work in default if a notice is not complied with. Landlords risk being prosecuted if they do not comply with the notice, or the Council can impose a civil penalty on the person responsible.	The powers do not place any obligation on landlords to be proactive in improving conditions. Formal action is generally slow, with appeal provisions against most types of notices served, which can significantly delay the time for compliance. Work in default can be effective but it is expensive and time consuming to the Council, with the risk that not all costs are recovered. Successful prosecutions and civil penalties do not in themselves secure improvements in property conditions and the Council's costs in pursuing legal action are often not met in full.
Rely on prosecutions and civil penalties for housing offences	Provides a disincentive to keep properties in poor conditions.	These powers do not place any obligation on landlords to be proactive in improving conditions. Successful prosecutions, or the imposition of civil penalties, do not in themselves secure improvements in property conditions. The absence of licensing significantly reduces the scope of the council to impose civil penalties in respect of identified housing breaches.
Wider promotion of voluntary accreditation schemes to facilitate improvement in management practices and standards	For those landlords who take part, accreditation can increase their knowledge and competence and their ability to effectively manage a property.	This requires voluntary landlord engagement and rogue operators are unlikely to attend/engage in such schemes.

Alternative Measure	Strengths	Weaknesses
Improvement grants to improve sub-standard properties	Grants subsidise improvement works, improving standards and giving benefits for landlords and tenants.	Generally, there are few grants available, and the council has very limited scope to offer grants through successful external funding bids. In the most part, grant awards would fund improvements that the landlord should be carrying out to meet their legal obligations. Any grant scheme would be discretionary and would rely on voluntary landlord engagement.
ASB powers	Formal notices can be served at addresses identified as having ASB issues. This can resolve ASB at the address.	Action would generally be taken against the tenant in occupation. The powers do not place any obligations on landlords to be proactive in managing their properties to prevent or reduce the likelihood of ASB occurring.

Approach consistent with housing strategy/Licensing and wider council strategies

7.12 As part of this project, we have mapped strategies and policies across the council which link to PRS licensing. The licensing proposals are set in the context of the council's wider programmes to tackle housing need, improve property standards, and reduce ASB.

Council Borough Plan

7.13 The Council's Borough Plan 2023-27 is about moving Brent forward together. The plan sets out five strategic themes to improve the lives of those who live work, study, and do business in Brent. Desired outcomes include improve the quality of housing in Brent across the private sector. Also, to reduce anti-social behaviour (including environmental nuisance) by tackling it on a targeted neighbourhood basis.

Housing Strategy

7.14 Brent Council is currently in the process of drafting the new overarching Housing Strategy and a Private Sector Housing Strategy for 2023 onwards. However, the licensing proposals are also in line with the existing strategic priorities.

7.15 The interventions in the proposed areas support the Council's Draft Private Sector Housing Strategy, 2023-27 looking to "increase the supply of private sector homes available in Brent so it is an accessible housing option for our residents" whilst also making sure that "we effectively tackle poor property conditions across the private sector in Brent". In addition, the draft strategy commits to "prioritise supporting residents to stay in their private-sector home and live comfortably".

7.16 “The Housing Strategy identifies opportunities for the private rented sector to “play an important role in delivering new supply” to deliver “supply that meets required standards of management and maintenance and is accessible to people on a range of incomes in a market that is well regulated and offers appropriate protection to tenants”.

Joint Health and Wellbeing Strategy 2022-2027

7.17 Places and emphasis on “Healthy Places” and identify actions on homes in the private rented sector.

Homelessness Strategy

7.18 Brent Council has outlined its strategy to maximise the prevention of homelessness and to minimise the negative impacts of homelessness upon families and individuals where prevention is not possible in the Brent Homelessness and Rough Sleeping Strategy 2020-2025. The council’s homelessness review has shown that the loss of a private sector assured-shorthold tenancy is still the most common reason for people to approach the council for help.

7.19 Working to improve access to and conditions in the private sector is therefore vital for providing a wider housing offer for Brent residents and the council has committed (commitment 3) to ‘*work to increase the supply of and access to stable and affordable homes across the borough’.*

7.20 This will be achieved through licensing and enforcement processes and working together with local landlords through the Landlord forum to improve standards and drive-up conditions in the private rented sector. Continuing to facilitate access to stable homes in the private rented sector.

Poverty Reduction Strategy

7.21 The council has outlined its strategy for poverty reduction. The Poverty Reduction Strategy states Brent households in poverty stands at 17% before housing costs and rises to 33% with housing expenditure included. For children, rises from 22% in poverty before, rising to 43% with housing costs. In the PRS, rents very often exceed 40% of net incomes. The policy states there is a need to rigorously enforce standards in the private rented sector (PRS).

7.22 The policy states that many of those renting privately reported issues with the quality, security, and affordability of their housing. These issues included overcrowding damp, disrepair, needing to share facilities and ultimately homelessness, which is closely linked to difficulty paying rent. The latter can lead to eviction associated with poverty.

7.23 The policy acknowledges that the council does “have powers to improve standards within the private rented sector, including through licensing of landlords.”

Brent Climate & Ecological Strategy

7.24 In 2021 Brent declared a climate and ecological emergency and pledged to achieve carbon neutrality in the borough by 2030. The Brent Climate & Ecological Strategy 2021-2030 recognises that better insulating homes and making them more energy efficient is one of the key actions that must be taken to reduce carbon emissions.

Anti-social behaviour Policy

7.25 Brent Council recognises the need to challenge any form of Anti-Social Behaviour (ASB) in an effective robust and proportionate manner. Residents have a right to a quiet and peaceful enjoyment of their environment, which they live in making sure cases are resolved through effective intervention and support services.

7.26 Brent Council ASB policy applies to all residents including all landlords and tenants in the private rented sector. To tackle ASB problems, we have made it conditional on all private landlords who hold licences under our HMO or selective scheme to prevent and combat ASB associated with properties they manage. Section 57(5) of the Housing Act 2004 gives a definition of ASB for the purposes of licensing under Parts 2 and 3 of the Act.

7.27 PHS will use all tools and powers available to Council officers to support our customers affected by anti-social behaviour (ASB) and to take action, including prosecution, against licence holders who do not take adequate steps to tackle ASB. The Housing Act 2004 refers to an offence being committed if a landlord breaches a condition of a licence without reasonable excuse.

PHS Enforcement Policy

7.28 It is important to stress that enforcement must consider a wide range of factors and activities that are essential to improving standards by landlords and managing agents to enable compliance in the sector. There are broadly four types of regulatory approaches: Light-touch, Hard-line, Compliance-focused, and Creative approaches.

7.29 Notably since 2014, Private Housing Service in Brent has responded to the challenges posed by the sector by restructuring into Licensing and Enforcement teams, strengthening its engagement with Government, landlords, tenants, and regulatory agencies and by the practical application of the legislation powers available.

7.30 Since March 2020, the service has adopted procedures in response to the impact of Covid-19 on private renting and the lockdown changes, and since the lifting of the restrictions, the service has innovative ways of working and has become more effective and efficient in its service delivery.

7.31 Whilst there is no doubt that, there is a wealth of legislation governing housing standards and the remedies available where landlords breach their obligations,

there are concerns about the effectiveness and application of the laws. Generally, the legal framework is found in the Acts below or safety regulations and statutory guidance made under these Acts.

- The Landlord and Tenant Act 1985
- The Housing Act 2004
- The Protection from Eviction Act 1977 and The Deregulation Act 2015
- The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006
- The Selective Licensing of Houses (Additional Conditions) (England) Order 2015.
- The Housing and Planning Act 2016
- The Licensing and Management of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018.
- The Homes (Fitness for Human Habitation) Act 2018.

7.32 Our enforcement policy considers a wide range of factors and activities that are essential to improving standards and compliance in the sector.

7.33 The light touch approach starts with regulating the relationship between the landlord, tenant, and the Council at an individual level, with landlords and tenants in particular being aware of their rights and responsibilities. Two areas to mention relate to providing “Right to Rent” requirements, and to advice on section 21 eviction. The success of such areas is backed by the willingness of all concerns to be able to exercise the rights.

7.34 Typical problems reported to us or identified through inspections include general disrepair, dampness, cold and fuel poverty, security of tenure, nuisance (antisocial) behaviour and enviro-crime. These problems are likely to pose threats to the health and safety of the tenants and have a negative impact on the local communities.

8.0 Licensing Conditions

8.1 The conditions for Selective Licensing are set out in Appendix 8 of this report. Some of these are mandatory requirements given under the *Schedule 4 of the Housing Act 2004,* and therefore must be included in any scheme (these requirements are set out at paragraph 11.17 in the legal implications).

8.2 The council also has discretion to set the precise conditions of the licence subject to the requirements set out in section 90 of the Housing Act 2004.

8.3 Appendix 8 “Conditions for the selective property licensing scheme” is produced in a booklet form and accompanies each and every licence that is granted. However, in some circumstances, for a particular property, where the council believes there are specific issues not being covered by the conditions in the booklet, additional or more specific conditions can be added. This forms part of the formal notice of the granting of the licence which always also includes the “terms of the licence” examples of these can be found in appendix 8a and 8b.

8.4 The standard conditions in Appendix 8 have been slightly amended from those, which were previously in operation and were approved by the Council Cabinet when Designation 1/2023 selective licensing scheme was approved. These amended conditions reflect changes in legislation and comments/feedback from the consultation. This includes the mandatory conditions relating to electrical installations and information on Minimum Energy Efficiency Standards (MEES).

8.5 Most respondents (54%) agreed with the proposed licence conditions and substantial majorities of Brent residents and other stakeholders agreed with the proposed conditions for a Selective Licence (71% of each). Landlords and agents were split, with 30% agreeing and 45% disagreeing, though a significant 25% of these respondents neither agreed or disagreed or responded, "Don't Know". (See Appendix 1).

8.6 The standard conditions to be applied to all licenses that are expected to be granted if the scheme is approved are at Appendices 8 to the Cabinet Report. The Council's response to representations raised on these conditions is provided in Appendix 2 to the Cabinet report.

Licensing Fees

9.0 The council is entitled to cover the costs associated with the scheme through a fee but is not allowed to make a surplus or to use the fee income for purposes unrelated to licensing. If the conditions are complied with, the licence would remain valid until the end of the scheme (i.e., up to a maximum of 5 years). To meet these conditions, applicants are required to pay a fee for each property licence application. Fees are set at £640 for five years for a Selective Licence, payable in two parts – Part 1 for the processing and administration, and Part 2 for the enforcement of the scheme. The fee included a discount for certain landlords who are members of the London Landlords Accreditation scheme (LLAS). This fee was approved at by Cabinet in April 2023 and applies from 1st August 2023.

9.1 From the open questionnaire, most respondents, 63% said that they thought that the fee is too high. Looking at the responses by group, residents / local businesses and other stakeholder had a more mixed view of the fee, with 40% and 47% respectively saying that the fee was too high, however 53% of residents/local business and 44% of other stakeholders said the fee was about the right level or too low.

9.2 In contrast, Landlord / agents had a more consistent view, with 95% saying that the fee was too high. From the questionnaire free text comments, landlords also expressed some concern that PRS fees would incentivise them to sell their properties, resulting in reduced housing stock in Brent as a whole.

9.3 Consultation comments were made e.g., extending the discount to landlords accredited to other schemes, pro-rating the charging and "early-bird" discounts. These have been captured in the consultation report, Appendix 1. The Council's

response to representations made regarding fees is provided in Appendix 2 to this report.

9.4 Brent current licensing fees (£540 for selective and £840 for HMOs) are low when benchmarked against comparable London boroughs, where the typical average fees are £750 for selective and £1075 for an additional (smaller) HMO licence.

9.5 Where licences run for the full 5 years, a fee of £640 equates to £2.46 per week. It should not be necessary for landlords to pass this cost onto tenants. The financial implications of the scheme are provided in section 13 of this report.

9.6 The fee structure is set out at Appendix 7 and will be kept under review to ensure that the running of the licensing function is cost neutral. The council does not agree that further discounts are appropriate but will consider a range of measures to ease any financial burden on good landlords e.g., maintaining a lower renewal fees, encouraging the landlord accreditation discount, providing free online licence application assistance, and by raising invoices for bulk applications and for certain portfolio landlords.

9.7 Brent Council works in partnership with LLAS to provide training and education to landlords and agents operating in the borough. We will continue to work with other landlord bodies e.g., NRLA, Safeagent and Propertymark, to ensure that their members benefit from the scheme, are able to make early applications and avoid incurring enforcement action costs.

10.0 Consultation Summary and Representations

10.1 The consultation exercise was undertaken over 12 weeks starting on 31st October 2022 and closing on 23 January 2023. To consult with landlords, tenants, residents, stakeholders and other interested parties, the council carried out an online survey. The council also hosted several public meetings with landlords, tenants, residents, and landlord groups. The council used digital and print media to advertise the consultation, as well as in-person methods.

10.2 The consultation received 853 responses to its online/paper questionnaire. For the sake of clarity, the views of the responses from residents, tenants and businesses, private landlords and managing agents have been analysed and reported separately. Qualitative feedback was received at public meetings and written responses from interested parties.

10.3 The consultation looked at the level of support for introducing selective licensing in designated areas. The consultation also looked at views on the proposed licence conditions, fees, and the respondents' perceptions of the issues in the borough.

10.4 The open questionnaire responses were analysed and reported separately. A full report on the consultation findings is attached at Appendix 1, with paragraphs which summarise the process and key findings on their views.

10.5 Looking at the responses by group, residents / local business and other stakeholder are in favour of the various elements of the proposals with over 65% of each group agreeing. Landlords are generally opposed to the various proposals with over 75% disagreeing. A summary of the responses to the consultation questions found in appendix 1 are as follows:

10.6 Overall, 43% of respondents were in support of the Designation 2/2023 wards proposed. This varied from 66% of residents and local businesses, and also 66% other stakeholders being in support compared to 10% of landlords or managing agents. Overall, 46% of respondents disagreed with the proposals. Most of this disagreement was by was landlords (75%), while residents and local business (25%) and other stakeholders (21%) disagree.

10.7 59% of landlord or agents who responded managed their own properties with 34% that they use a managing agent.

10.8 56% of landlords responding live in Brent, 44% live outside Brent, also indicating the reach of the consultation

10.9 Fees – Overall, 20% agree with the proposal that it was about right; Residents and local business (34%), other stakeholders (23%), landlords and managing agents (3%). Overall, 63% of respondents though the fee was too high; Residents and local business (40%), other stakeholders (47%), landlords and managing agents (95%) thought the fee was too high. Overall, 11% of respondents though the fee was too low: Residents and local business (19%), other stakeholders (21%), landlords and managing agents (0%) thought the fee was too low.

10.10 Licence conditions – Overall, 54% of respondents agree with the proposed licensing conditions; Residents and local business (71%), other stakeholders (71%), landlords and managing agents (30%). While overall, 32% of respondents disagree with the proposed licensing conditions; Residents and local business (19%), other stakeholders (20%), landlords and managing agents (52%) disagree.

Views on issues in Brent

10.11 Antisocial behaviour – Most respondents, (52%) thought that that ASB was a very big or fairly big problem in their local area as opposed to 42% who thought otherwise. Analysed by group, Residents and local business (63%), other stakeholders (71%), landlords and managing agents (51%) thought that ASB was a big or fairly big problem in their area.

10.12 Poor property conditions - A majority of respondents stated that they thought that poor property conditions are a fairly big or very big problem (46%). Analysed by group, Residents and local business (68%), other stakeholders (76%), landlords and managing agents (16%) thought poor property conditions were a problem, compared to Residents and local business (27%), other stakeholders (19%), landlords and managing agents (68%) who thought not a problem at all or not a very big problem.

10.13 Deprivation – The largest proportion of respondents (52%) though that deprivation was fairly, or very big problem as opposed to 36% who thought not. Looking at the responses by group, Residents and local business (69%), other stakeholders (68%), landlords and managing agents (31%) thought that deprivation was a problem, compared to Residents and local business (26%), other stakeholders (23%), landlords and managing agents (54%) who thought not a problem at all or not a very big problem.

Views on the PRS in Brent

10.14 Poorly maintained properties – The largest proportions of respondents (34%) strongly agreed, while 21% tend to agree, that poorly maintained properties were contributing to the decline of some areas in Brent. Looking at the responses by group, residents/local business (74%), other stakeholders (66%), and landlords and managing agents (31%) agreed. Disagreeing were landlords and managing agents (37%) and equal amounts of residents/local businesses and other stakeholders (19%).

10.15 Poorly managed properties - The largest proportions of respondents (34%) strongly agreed, while 19% tend to agree, that poorly managed privately let properties were contributing to the decline of some areas in Brent. Looking at the responses by group, residents/local business (74%), other stakeholders (68%), and landlords and managing agents (25%) agreed. Disagreeing were landlords and managing agents (42%), residents/local businesses (19%) and other stakeholders (22%).

10.16 Landlord responsibility - When asked if landlords have a responsibility to manage their properties effectively, the largest proportion of respondents (75%) strongly agreed. Looking at the responses by group, there is consistent strong agreement (>94%) from each stakeholder group.

10.17 'Fit and proper' person - When asked if to help with the management of privately let properties in the borough, landlords should be 'fit and proper' persons, there was very strong agreement (81%). Looking at the responses by stakeholder group landlords and agents (74%) and percentages of the two other groups agreed with the statement.

Views on whether selective licensing scheme had improved things in Brent

10.18 Respondents were asked if they thought that the selective licensing scheme had improved things in Brent. The question gave the following options and respondents could choose as many as they thought applied:

- Improved the condition of properties
- Reduced waste/rubbish such as mattresses dumped in private property front gardens
- Reduced waste/rubbish dumped on streets
- Reduced noise from neighbouring privately rented properties
- Reduced overcrowding in privately rented properties

- Tackled deprivation and inequalities in Brent
- Support to landlords and tenants
- Other (Please specify)
- None of the above

A significant number of residents/local businesses and other stakeholders thought that all matters had been improved with “improved property conditions”, “reduction in waste” and the “support to landlords” scoring highest. The landlords scores were significantly lower.

Views on the consequences of stopping the selective licensing schemes

10.19 Respondents were asked if the selective licensing schemes in Brent stopped and were not continued, what issues they thought would get worse as a consequence. The question choices were the same as in 10.5.14 above. The highest number of responses were for “overcrowding in privately rented properties”, “none of the above” and “the condition of properties”. Looking at the responses by group, residents/local businesses and other stakeholders gave the highest number of responses to “the condition of properties” and “overcrowding in privately rented properties” and “the amount of waste and rubbish dumped on the street”.

Views on if continuing selective licensing would improve the condition and management of privately rented properties

10.20 Overall. equal numbers (42%) of all respondents agree and disagree with the statement. Looking at the responses by group, residents / local businesses (63%), other stakeholder (68%), and landlords and managing agents (12%) agree that continuing selective licensing would improve the condition and management of privately rented properties in Brent, whilst residents / local businesses (23%), other stakeholder (17%), and landlords and managing agents (68%) disagree.

10.21 The council has considered the representations made during the consultation as required by HA 2004, and a consultation response is provided in appendix 2**.**

10.22 The diversity of the respondents to the open questionnaire are representative of the Borough population profile (Equalities Analysis - Appendix 9).

11.0 Legal Implications

Selective Licensing

11.1 Under section 80(2) of the Housing Act 2004 (“HA 2004”), before introducing a selective licensing scheme, the Council (in this case, the Council’s Cabinet) must consider that –

(a) the first or second set of general conditions mentioned in section 80(3) or (6) of the HA2004; or

(b) any conditions specified in an order under section 80(7) of the HA 2004 as an additional set of conditions are satisfied in relation to the area. In this case, The Selective Licensing of Houses (Additional Conditions) (England) Order 2015 ("2015 statutory instrument") will apply as they have provided for additional conditions which involve poor housing conditions, migration, deprivation, and crime.

11.2 Section 80(3) of the HA 2004 refers to the first set of general conditions which relates to low housing demand. The second set of general conditions is set out in section 80(6) of the HA 2004 and relates to ASB. Neither of these sets of conditions is relevant for this report.

2015 Statutory Instrument – additional conditions

11.3 In relation to the 2015 statutory instrument, the following conditions are specified as additional conditions which the Council's Cabinet must consider are met in relation to a proposed designation area before making a selective licensing designation:

(i) that the area contains a high proportion of properties in the private rented sector, in relation to the total number of properties in the area;
(ii) that the properties referred to in sub-paragraph (i) above are occupied under either assured tenancies or licences to occupy; and
(iii) The additional four sets of conditions referred to above are poor housing conditions, migration, deprivation and crime.

Conditions in relation to housing conditions

11.4 This report explains how the poor housing conditions as set out in the 2015 statutory instrument apply but will not detail the conditions of migration, deprivation and crime because they are not relevant to this particular report. The poor housing conditions are:

(a) that having carried out a review of housing conditions under section 3(1) of the 2004 Act, the local housing authority considers it would be appropriate for a significant number of the properties referred to in paragraph 11.3(i) above to be inspected, with a view to determining whether any category 1 or category 2 hazards exist on the premises;
(b) that the local housing authority intends to carry out such inspections as referred to in the previous sub-paragraph, with a view to carrying out any necessary enforcement action; and
(c) that making a designation will, when combined with other measures taken in the area by the local housing authority, or by other persons together with the local housing authority, including any licence conditions imposed under section 90 of the 2004 Act, contribute to an improvement in general housing conditions in the area.

11.5 Poor housing conditions are relied upon as the reason and justification for this proposed designation area. The Council's Cabinet must be satisfied that the

requirements set out in paragraphs 11.3 and 11.4 are met when considering and deciding whether to make a Selective Licensing Designation on the ground of poor housing conditions.

Other matters relating to selective licensing

11.6 Under section 81(2) of the HA 2004, the Council must ensure that any exercise of the power in relation to a selective licensing designation is consistent with the Council's overall housing strategy.

11.7 Under section 81(3) of the HA 2004, the Council, when making its designation, must also seek to adopt a co-ordinated approach in connection with dealing with homelessness, empty properties and ASB affecting the private rented sector, both: (a) As regards combining licensing (under Part 3 of the HA 2004 – selective licensing) with other courses available to them, and (b) As regards combining licensing with measures taken by other persons.

11.8 Under section 81(4) of the HA 2004, the Council must not make a particular designation (for selective licensing) under section 80 of the HA 2004 unless –

(a) They have considered whether there are other courses of action available to them (of whatever nature) that might provide an effective method of achieving the objective or objectives that the designation would be intended to achieve; and
(b) They consider that making the designation will significantly assist them to achieve the objective or objectives (whether or not they take any other course of action as well).

11.9 As for the Council's general duties regarding selective licensing under Part 3 of the HA 2004, these are set out in section 79(5) of the Housing Act 2004 which states that "Every local housing authority has the following general duties:

(a) to make such arrangements as are necessary to secure the effective implementation in their district of the licensing regime provided for by this Part; and (i.e., Part 3 HA 2004 regarding selective licensing).
(b) to ensure that all applications for licences and other issues falling to be determined by them under this Part are determined within a reasonable time."

11.10 Under section 80(9) of the HA 2004, before making a designation relating to selective licensing, the Council must-

(a) take reasonable steps to consult persons who are likely to be affected by the designation, and,
(b) consider any representations made in accordance with the consultation and not withdrawn.

11.11 Paragraphs 4, 5 and 6 of the *Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015* ("the General Approval") state that:

(a) a selective licensing designation that covers no more than 20% of the geographical area of the Council's district, nor affects more than 20% of its privately rented homes, will not require Ministerial confirmation before it comes into force, but will be approved under section 82(1)(b) and will come into force on a date set by the Council, provided it has first consulted about the designation for no less than ten weeks;

(b) by contrast, a selective licensing designation that, either itself or in combination with other such designations, covers more than 20% of the district's geographical area, or affects more than 20% of its privately rented homes, *will* require Ministerial confirmation, and will not come into force until confirmation is given.

11.12 As soon as a selective licensing designation has been made pursuant to section 83 HA 2004, the Council must publish in the prescribed manner a notice stating —

(a) that the designation has been made;
(b) whether or not the designation was required to be confirmed by the Secretary of State and that it has been confirmed;
(c) the date on which the designation is to come into force; and
(d) any other information which may be prescribed.

Licence Fees

11.13 Section 87(7) of the HA 2004 provides for the fixing of selective licensing fees. It states that local authorities may take into account all costs incurred when carrying out their selective licensing functions. The power to charge fees is set out in section 87(3) of the HA 2004 and allows the Council to require a licensing application to be accompanied by a fee. Regulation 18 of the Provision of Services Regulations 2009 states, any charges "must be reasonable and proportionate to the cost of the procedures and formalities under the scheme and must not exceed the cost of those procedures and formalities."

Licence Conditions

11.14 Section 90 (1) of the HA 2004 allows the Council local authorities to impose such conditions that are considered appropriate to regulating the management, use or occupation of the properties. However, in the Court of Appeal case *Brown v Hyndburn Borough Council [2018] EWCA*, the Court agreed with the landlord that "management" related to operational matters (i.e., what actually happens at and to the property) and not to improving or upgrading houses or installing new facilities and equipment. An exception is made where matters are specified under s90 (3) or (4) e.g., Carbon Monoxide Alarm (England) Regulations, creating an overlap between licensing and hazards.

11.15 Schedule 4 of HA 2004, sets out the mandatory conditions and states that a licence under Part 2 or 3 must include the following conditions:

(2) Conditions requiring the licence holder, if gas is supplied to the house, to produce to the local housing authority annually for their inspection a gas safety certificate obtained in respect of the house within the last 12 months.
(3) Conditions requiring the licence holder-
(a) to keep electrical appliances and furniture made available by him in the house in a safe condition;
(b) to supply the authority, on demand, with a declaration by him as to the safety of such appliances and furniture;
(c) where the house is in England, additionally -
(i) to ensure that every electrical installation in the house is in proper working order and safe for continued use; and
(ii)to supply the authority, on demand, with a declaration by him as to the safety of such installations;
(d) for the purposes of paragraph (c) "electrical installation" has the meaning given in regulation 2(1) of the Building Regulations 2010.]

(4) Conditions requiring the licence holder-
(a) where the house is in England -
(i) to ensure that a smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation, and
(ii) to keep each such alarm in proper working order …
(b) in either case, to supply the authority, on demand, with a declaration by him as to the condition and positioning of such alarms.
(4A) Where the house is in England, conditions requiring the licence holder to -
(a) to ensure that a carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation and contains a fixed combustion appliance other than a gas cooker;
(b) to keep any such alarm in proper working order; and
(c) to supply the authority, on demand, with a declaration by him as to the condition and positioning of any such alarm.

(5) Conditions requiring the licence holder to supply to the occupiers of the house a written statement of the terms on which they occupy it.

Additional conditions to be included in licences under Part 3

(2) A licence under Part 3 must include conditions requiring the licence holder to demand references from persons who wish to occupy the house.

11.16 The Council has reviewed the licence conditions and in so doing have taken account of relevant legal decisions; including the Brown v Hyndburn case referred to above.

Public Sector Equality Duty

11.17 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions (including when making decisions regarding selective licensing); 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, pregnancy and maternity, race, religion or belief, sex, and sexual orientation. Marriage and civil partnership are also a protected characteristic for the purposes of the duty to eliminate discrimination.

11.18 When the decision comes before the Cabinet, Members must consider the effect that implementing a particular policy will have in relation to equality before making a decision.

11.19 The is no prescribed way the equality duty must be exercised, though producing an Equality Impact Assessment (EIA) is the most usual method. The Council must have an adequate evidence base for its decision-making. This can be achieved by means including engagement with the public and interest groups and by gathering relevant detail and statistics.

11.20 The EIA for both Designations 1 and 2 is set out in Appendix 9 to this report.

12.0 Equality Implications

12.1 The introduction of selective licensing is intended to enhance housing management practices in the private rented sector (PRS), in compliance with the Housing Health and Safety Rating System (HHSRS) standards. It is anticipated that this will have positive outcomes for tenants across all protected characteristics, particularly those who are currently over-represented in the PRS.

12.2 It should be stressed that data relating to the protected groups among both tenants and landlords is limited, partly due to the unregulated nature of the sector. Although Census data provides a breakdown of tenure by ethnicity and age, analysis relevant to other issues such as disability has not yet been completed by ONS. Overall, the size of the sector and the estimated number of landlords suggests that there will be members of all protected groups among both tenants and landlords. The sector also contains a mix of household and income types that ranges across the spectrum.

12.3 To inform the final licensing proposals, officers have carried out an extensive consultation and research available in Appendix 1 and a full Equality Analysis available in Appendix 10. The findings of the analysis show that the groups that are over-represented in PRS are ethnic minority groups (notably Asian, but also including White: Other groups), older adults, people under 35, households with children (including single parent households), as well as people with disabilities and long-term health conditions, socio-economic and other vulnerable groups.

12.4 If the Designation 2 is introduced, all equality groups are likely to benefit from improvements in engagement, communication and signposting information between the council, landlords and tenants and other service providers. Information would relate to such matters as changes in the law affecting the PRS, energy efficiency measures and grants availability, information on local

organisations and agencies which may be able to provide support. One of the intended outcomes of licensing is that landlords will be more aware of their duties under the Equality Act 2010 and of the support and funding available to them and their tenants such as the Disabled Facilities Grant for reasonable adaptations. Disabled people will also benefit from the need for PRS homes to comply with the Housing Health and Safety Rating System in terms of reasonable adaptations, reducing trip hazards and falls, personal hygiene and sanitary facilities, as well as the requirements around excess cold, which can cause or exacerbate poor health. This will further enhance the equality outcomes for people with disabilities and long-term health conditions, older adults and their carers, as well as other vulnerable groups.

12.5 One of the key aims of licensing is to reduce antisocial behaviour, including hate crime and homophobic incidents. This will benefit all protected characteristics, including sexual orientation, gender identity, disability, race and religion.

12.6 The Equality Analysis, however, has also identified some potential negative consequences for over-represented equality groups in the affected landlord, agent and tenant cohorts. Black, Asian and minority ethnic (BAME) landlords are overrepresented in Brent, and it is recognised that the introduction of the scheme is likely to have a greater impact on them in relation to increased business costs and potential financial penalties.

12.7 The main identified risk of negative impact at this stage is the possibility that the introduction of licensing may lead some landlords – particularly those likely to struggle to comply with licensing conditions – to withdraw from the market and evict their tenants. It is not possible to assess the scale of this risk accurately, although experience elsewhere has not demonstrated any significant withdrawal from the market. The findings of the study by Future of London (2017) bear directly on this point and will be considered in the implementation of any scheme. Any impact, in this or other areas, will be monitored closely and will inform regular reviews of the operation of licensing.

12.8 It is likely that tenants most impacted by these proposals will be among the lower income groups in the sector, living in the poorest quality housing and, similarly, that the landlords of these properties will experience the greatest impact from their perspective.

12.9 In addition, data indicates that Black and Asian tenants are over-represented in the private rented sector. There is a high presence of European migrants in the sector. Again, it is likely that many of these are living in properties at the poorer condition end of the market.

12.10 Some landlords may seek to pass on costs arising from the scheme to tenants, which may result in cases of tenant displacement and landlords' claims for possession through both legal and illegal actions. If landlords decide to increase rents, tenants from over-represented equality groups such as people under 35, migrants, single parent households may be particularly affected by this. However, based on the PRS team's experience of licensing over the past seven

years and that of other Councils who have introduced s licensing, it is believed that this unintended outcome is very unlikely to materialise.

12.11 Tenants may also potentially be affected by enforcement actions against landlords of overcrowded properties. Wherever possible the Council will work with landlords to make properties fit for the number of tenants. In cases when tenants have been unlawfully displaced or evicted, every effort will be made to effectively support and signpost them to available information and support.

12.12 Much concern has been expressed about the Government's plan to end section 21 "no-fault" evictions. Both landlord and tenant groups say that licensing will add to the problems they will face and have asked that the Council clearly sets how it will act with regard to section 21, should the ban be introduced. It should be noted that between the approval Designation 1/2023 and this report, the Government introduced the Renter's Reform Bill to Parliament on 17 May 2023. However, this Bill is still in its infancy and may be subject to significant amendments and statutory guidance; therefore, it is too early for analysis on its impact on selective licensing and Council policy beyond what has already been stated in the Consultation Response at Appendix 2.

12.13 In the longer term, licensing will, among its other benefits, provide an opportunity to obtain a more complete picture of the sector and its operation that will assist in identifying issues relevant to protected groups. At the same time, closer partnership working with landlords should support promotion of good practice on equalities in the sector. The Equality Analysis includes a detailed action plan available in Appendix 9.

13.0 Financial Implications

13.1 The administration of the scheme is such that it is intended to be self-financing over a five-year period with higher levels of income from years 1 and 2 funding expenditure over the full 5 years. This will be managed with a use of an earmarked reserve. Fees of £640 will be charged per application and are set at a level where the total revenue from the fee is intended to cover the total costs incurred.

13.2 It is estimated that licences issued in the 5-year period will generate income in the region of £19.2m, which will be commensurate with the total expenditure.

13.3 The income will be closely monitored, and a team proportionate to the demand for the service will be employed. The costs of the scheme exclude the cost of any enforcement action on non-licensed properties but will cover the cost of processing the license application, compliance monitoring and enforcement against an applicant who is given a licence.

14.0 Staffing Implications

14.1 With the introduction of Selective licensing in January 2015 Private Housing Services already has a dedicated and experienced team of officers employed to both process applications and inspect properties as well as carry out and

required enforcement activities. As explained in paragraph 4.7 above the Council is intending to increase the size of the PHS team considerable as Designation 1 and 2 are brought in.

14.2 Now that designation 2023/1 has been granted by the Council and in readiness for its commencement on 1st August 2023 the following recruitment is underway.

14.2.1 Property Licensing Compliance Officers -This job description has been refined to reflect the changes in their duties and revaluated. PHS are currently out to advert to recruit 5 more officers. These officers will be inspecting licenced properties in order to make sure that they adhere to the licence conditions.

14.2.2 Apprentice Environmental Health Officers (EHO) – This new role has been developed and PHS are currently out to recruit for 3 officers. It is hoped that this will give an opportunity for local residents to apply to become qualified EHOs. There is no age limit on this apprenticeship and can be used for people starting out on their work life journey at the age of 18 or those changing a career for a different working life. The role will be to assist and support members of the Housing Enforcement and Property Licensing Team in the gathering, evaluating and processing of information and evidence through the provision of property inspections, desktop investigations and practical field support to the Environmental Health Officer (EHO) and other officers as necessary.

14.2.3 Enforcement Officers/EHO's – The process has started to recruit a further 2 officers. These officers will deal with more complex enforcement activities often as a result of compliance inspection. The activity can lead to enforcement action, Civil Penalty fines and even criminal prosecution.

14.2.4 Licensing Processing Officer - The process has started to recruit a further 5 officers on term contract. These officers will be responsible for processing licence applications.

14.3 As explained in paragraph 4.7 above the Council is intending to increase the size of the PHS team further with the introduction of Designation 2/2023. This process will not be able to commence until the Council has received confirmation by the Secretary of State for the designation. It is hoped that this confirmation would be received late 2023 at the latest and therefore it would be unlikely that the Designation, if approved, would commence until the beginning of April 2024. This period between confirmation, designation and implementation will be used to recruit additional officers to complement the size of both phases.

15.0 Next Steps

15.1 A decision by Cabinet to proceed with selective licensing proposals leads to a submission to the Secretary of State in the DLUHU. Confirmation by the Secretary of State triggers a formal notification by way of a designation notice,

which must be followed by a period of at least three months before any scheme comes into effect. Following the issue of the designation notice and, on a date, to be set by the Corporate Director for Residents Services in consultation with the Cabinet Member for Housing, Homelessness & Renters Security, licensing applications will be invited and processed.

Related documents for reference:

- Housing Act 2004: Licensing of HMOs and Selective Licensing of other residential accommodation (England) General Approval 2015
- Selective Licensing in the private rented sector: A guide for local authorities (MHCLG, March 2015
- Lead Member Consultation Decision - https://democracy.brent.gov.uk/ieDecisionDetails.aspx?ID=6141
- Selective Licensing Cabinet Report June 2017 - https://democracy.brent.gov.uk/documents/s54742/Extending%20Selective%20Licensing%20Covering%20Report.pdf

Report sign off:

Peter Gadsdon
Corporate Director of Residents Services

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Report on Brent Council's Consultation on Selective Licensing Proposals

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Executive Summary

Brent Council carried out a public consultation into their proposals to introduce two selective licensing designations, the first known as designation one in three wards, the second designation in 18 additional wards. The council proposed introducing selective licensing through two designations, designed to tackle the most pressing issues within the ward.

Designation one – Poor property conditions and very high repeat antisocial behaviour (ASB):

- Dollis Hill
- Harlesden & Kensal Green
- Willesden Green

Designation two - Poor property conditions:

- Alperton
- Barnhill
- Brondesbury Park
- Cricklewood & Mapesbury
- Kenton
- Kilburn
- Kingsbury
- Northwick Park
- Preston
- Queens Park
- Queensbury
- Roundwood
- Stonebridge
- Sudbury
- Tokyngton
- Welsh Harp
- Wembley Central
- Wembley Hill

To consult with landlords, tenants, residents, stakeholders and other interested parties, the council carried out an online survey. The council also hosted several public meetings with landlords, tenants, residents, and landlord groups. The council used digital and print media to advertise the consultation, as well as in-person methods.

The consultation ran for 12 weeks from 31 October 2022 until 23 January 2023.

In total, 853 responses were received from the online survey. The online survey incorporated a quantitative approach and qualitative responses through free text boxes. Qualitative feedback was also received at public meetings and written responses from interested parties.

The consultation looked at the level of support for introducing selective licensing. The consultation also sought views on the proposed licence conditions, fees, and the respondents' perceptions of the issues of poor property conditions, anti-social behaviour and deprivation in the borough.

Key Findings

	Overall	Landlords, letting or managing agents	Residents or local businesses	Other stakeholders
Total consultation survey responses	853	358	448	47
Agree with selective licensing proposal for designation 1	**45%**	16%	68%	73%
Disagree with selective licensing proposal for designation 1	**41%**	68%	22%	15%
Agree with selective licensing proposal for designation 2	**43%**	10%	66%	66%
Disagree with selective licensing proposal for designation 2	**46%**	75%	25%	21%
Agree with proposed selective licensing conditions	**54%**	30%	71%	71%
Disagree with proposed selective licensing conditions	**32%**	52%	19%	20%
Responses to the question	848	356	445	47
Selective licensing fee is about the right level	**20%**	3%	34%	23%
Selective licensing fee is too high	**63%**	95%	40%	47%
Selective licensing fee is too low	**11%**	0%	19%	21%

The results of the consultation survey and the views of stakeholders gathered during the consultation will be analysed in this report.

Introduction

Background

The private rented sector (PRS) in Brent has seen rapid growth over the last eleven years, with around 58,000 homes in the borough privately rented. However, poverty is widespread across the borough with many households experiencing financial difficulties. In addition, there is significant and persistent evidence of antisocial behaviour (ASB) across particular wards in the borough.

Above average London rents and rising energy costs has severely impacted affordability which in turn has led to overcrowding, a deterioration in property conditions and high levels of evictions and homelessness.

The prevalence of Covid-19 has demonstrated the vulnerabilities of those in the most deprived areas, often where Black, Asian and Minority Ethnic (BAME) communities are concentrated.

Whilst the majority of PRS properties are well maintained and safe, there is a growing minority that are sub-standard and dangerous. Even well-meaning landlords may not always be up to date with the latest legal and safety requirements. These properties not only endanger the health, safety and wellbeing of tenants, but cause issues with neighbours and end up requiring many interventions from already stretched council teams.

Brent Council has introduced various five-year licensing schemes intended to tackle some of the problems associated with private rented properties in the borough. The first selective licensing scheme applied to all non-HMO privately rented homes in the wards of Harlesden, Willesden Green and Wembley Central and ended in December 2019. The current five–year selective scheme applies to the old wards boundaries of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park.

Proposals

The council is proposing to introduce two new selective licensing designations that will apply to all privately rented properties in 21 wards of the borough.

The first phase (designation 1) would cover a total of three wards and would allow the council to deal with the worst ASB and poor property conditions.

The second phase (designation 2) would cover a total of 18 wards on the basis of poor property conditions.

The consultation focused on the extent to which respondents agree or disagree with the council's proposal to introduce the selective licensing scheme, and the two proposed designations. The consultation also looked at views on the proposed licence conditions, fees, and the respondents' perceptions of the issues of anti-social behaviour and poor property conditions in the borough.

Public Consultation

The consultation ran for 12 weeks from 31 October 2022 until 23 January 2023. To try and capture as much feedback from landlord, tenants, residents and other stakeholders the council used several approaches to promote the consultation.

A programme of communications and marketing activity took place to inform all stakeholders that the council were consulting on a new selective licensing scheme and encourage participation.

The communications informed and educated all stakeholders on the successes of the previous scheme, proposals for the new scheme and the benefits.

The approach to communications and marketing focussed on digital activities, physical hard copy communications and in-person events to meet the needs of the digitally excluded.

Landlord and managing/letting agent events

The council held a series of meetings and forums to gather feedback from landlords and to make them aware of the consultation. These events are summarised below:

- Virtual landlord forum, 14 December 2022
- Midas Landlord focus group, 11 January 2023

The above meetings were widely publicised and more than 500 people registered for the events. A total of more than 260 attended.

Residents, tenants and other stakeholder events

The council held a series of meetings and forums to gather feedback from residents, tenants and other stakeholders and to make them aware of the consultation. These events are summarised below:

- Harlesden Brent Connects, 31 October 2022
- Kilburn Brent Connects, 2 November 2022
- Kingsbury & Kenton Brent Connects, 10 November 2022
- Residents meeting with Roundwood ward, 11 November 2022
- Willesden Brent Connects, 15 November 2022
- Wembley Brent Connects, 17 November 2022
- Public drop in session, 6 December 2022
- Public drop in session 7 December 2022
- Public drop in session 11 January 2023
- Public drop in session 18 January 2023
- Renters representative groups, 11 January 2023

The above meetings were publicised to more than 7,000. A total of more than 420 attended.

Communications Channels

The council used a wide range of communication channels to promote the consultation and make stakeholders aware of the proposals.

Activities to engage all stakeholder groups, inside and outside the borough, and raise their awareness included:

- A direct email to landlords, MPs and landlord and tenant representatives was sent on 10 November 2022
- Updating the council website corporate homepage to include the consultation
- Posting a news article about the consultation on the council website
- Press release to announce start of consultation was published on 31 October 2022
- Inclusion within the Brent Black Community Action Plan members newsletter on 14 November 2022, 19 December 2022, 9 January 2023 and 23 January 2023.

Using the council's social media

- 15 twitter posts with a total of 14,503 impressions, 533 engagements, 84 re-tweets and 32 likes
- 14 Facebook posts with a total of 4,761 people reached, 28 engagements, 15 likes, 225 clicks, 5 comments, 8 shares and 5,149 impressions
- One LinkedIn post on 1 November with a total of 607 impressions, 15 engagements, 10 clicks, 4 reactions and 1 comment.

Activities to reach out to Brent tenants and residents included:

- The consultation was included as an item in an email to private tenants on 4 January 2023 to 1,777 subscribers
- A direct email to all resident associations in Brent was sent on 14 November 2022
- The consultation was included within the following e-newsletters:
    - Your Brent on 31 October 2022 and 9 January 2023 to 12,121 subscribers
    - Business newsletter on 8 November to 13,682 subscribers
    - Brent Town Centre newsletter at the end of November to more than 220 Brent businesses
- A full page advertisement was placed within the Brent Magazine, delivered to 135,905 households across the borough.
- An out of home campaign ran with adverts added to 55 JC Decaux print and digital sites across the borough. The out of home campaign ran from 21 November to 5 December 2022
- A borough-wide leaflet drop to 135,905 Brent households was completed on 25 November 2022
- Pull up banners were installed and displayed at:
    - Ealing Road Library
    - Kilburn Library
    - Kingsbury Library
    - Willesden Green Library
    - Wembley Civic Centre Library
    - Wembley Civic Centre Welcome Desk from 9 November 2022
- Two libraries within the borough displayed information on digital screens
- The Civic Centre displayed information across six screens
- Seven Community Hubs displayed pull up banners
- An announcement was published on 17 November 2022 and sent to 164 Brent headteachers
- Six student sector providers were contacted on 28 November 2022:

- Iqstudent.com
- Scape
- CRM
- Fresh
- UNITE
- Quintain.

Activities to reach out to landlords included the landlords newsletter and was distributed on 31 October 2022 to 20,909 subscribers.

Activities to reach out to landlords outside the borough included:

- A digital campaign on the London Property Licensing (LPL) website which ran for 12 weeks. LPL is the award winning, leading website for informing private landlords in the UK. It is the only website dedicated to providing simple, impartial and expert advice on property licensing and explaining the licensing requirements across every London borough. The website reaches out to landlords based throughout the UK and those based abroad. The campaign started on 31 October 2022 and ran until 23 January 2023. The campaign included:
  - A pixel banner advert promoting the licensing consultation was placed on eight London borough pages from 31 October 2022 to 23 January 2023. Anyone clicking on the advert was taken directly to the council's consultation webpage. The eight boroughs were the neighbouring boroughs:
    - Barnet
    - Brent
    - Camden
    - Ealing
    - Hammersmith & Fulham
    - Harrow
    - Kensington & Chelsea
    - Westminster
  - On 31 October 2022, the London Borough of Brent webpage was updated with information about the licensing consultation and how to take part. During the consultation the London Borough of Brent's webpage was the third most viewed borough webpage on the LPL website
  - From 31 October 2022 to 23 January 2023 a pixel banner advert promoting the consultation was placed on the LPL homepage
  - From 31 October 2022 to 23 January 2023 a banner headline attached to a rotating image at the top of the LPL home page with a link to the consultation listing
  - From 3 November 2022 to 23 January 2023, the consultation was promoted on the LPL latest events webpage. It was also promoted in the events section on the LPL home page and eight borough pages
  - A news article about the consultation was posted in the LPL news section on 31 October 2022, promoted on social media and in the LPL newsletter. The five most recent news stories are listed on the LPL home page and the London Borough of Brent's page

- The licensing consultation was promoted in posts on the LPL Facebook page and the LPL LinkedIn page on 1 November 2022
- Tweets about the licensing consultation were published on the LPL Twitter Feed (@lplicensing) every 12 to 14 days, timed to cover a variety of morning, afternoon and evening posts, between 2 November 2022 and 23 January 2023. During this period the @lplicensing twitter feed had more than 2,300 followers, generating impressions, likes, retweets and comments.
- The consultation was promoted in the LPL newsletter on 2 November 2022, 8 December 2022 and 21 December 2022. The newsletter is widely distributed to landlords, letting agents, organisations, local authority officers and government officials and sent to more than 3,500 people who have requested updates on housing regulation and property licensing schemes
- A paid Facebook campaign ran from 9 November to 21 November 2022. The campaign received 583 clicks that went directly to the consultation page
- Emails were sent to neighbouring borough regulatory services on 14 November.

Activities to make digitally excluded and vulnerable stakeholders aware of the consultation included:

- Reaching out to local community and outreach groups to ask them to share the consultation with the groups they interact with:
  - Rumi's Kitchen
  - Granville Community Kitchen
  - Kilburn Street Kitchen
  - Salvation Army Lunch Club Brent Food Bank
  - Sufra
  - Willesden Mutual Aid
  - Posters were sent to eight Wellbeing Family Centres on 9 November 2022.

Activities to make stakeholders within the council aware of the consultation included:

- Notices were placed on the internal channel Yammer on:
  - 31 October 2022, and seen by 157 members of staff
  - 9 January 2023 and seen by 93 members of staff
- Updating the council website corporate homepage to include the consultation
- Posting a news article about the consultation on the council website on the first day of the consultation
- Six digital screens in the Civic Centre displayed messages
- Members bulletin was published on 4 November 2022
- Managers brief was published on 7 November 2022
- Weekly round up was published on 23 November 2022
- Email to all Housing staff was sent on 5 December 2022
- Brent Black Community Action Plan members newsletter on 14 November 2022, 19 December 2022, 9 January 2023 and 23 January 2023
- Using the council's social media:

- 15 twitter posts with a total of 14,503 impressions, 533 engagements, 84 re-tweets and 32 likes
- 14 Facebook posts with a total of 4,761 people reached, 28 engagements, 15 likes, 225 clicks, 5 comments, 8 shares and 5,149 impressions
- One LinkedIn post on 1 November with a total of 607 impressions, 15 engagements, 10 clicks, 4 reactions and 1 comment.

Activities to make other stakeholders outside the borough aware of the consultation included emails to neighbouring London borough councils Private Sector Housing teams at:

- Ealing
- Westminster City
- Camden
- Harrow
- Royal Borough of Kensington & Chelsea
- Hammersmith & Fulham
- Barnet.

Consultation Methods

The council used several formats to gather feedback from stakeholders on the consultation.

Online Survey

The online survey was open to the general public. In total, there were 853 responses to the online survey. The consultation survey was the main method of gathering feedback during the consultation. Respondents were asked their views on selective licensing, the proposed fees and conditions, and their views on issues within the borough. Their responses are analysed and broken down by stakeholder type below. Respondents could also request a paper version of the survey.

Public Forums

The council ran online public forums to provide more information about the proposed scheme and to gather feedback from stakeholders who would be impacted by licensing. The public meetings were held over Microsoft Teams and in person where council officers presented information about the proposed schemes, followed by a question-and-answer session.

Other Written Feedback

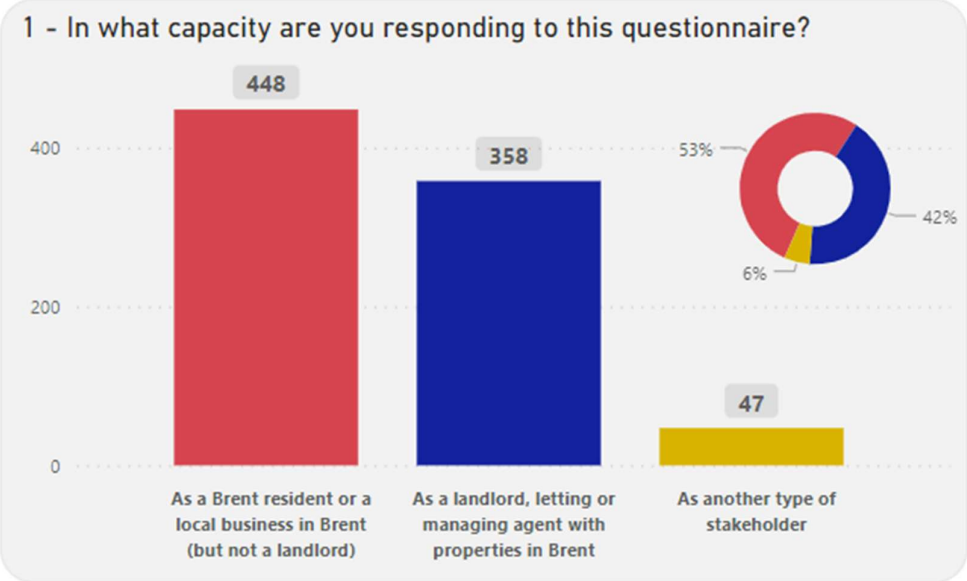
The council accepted feedback on the proposed licensing schemes by email or written response. The feedback in the emails received has been analysed below and the written responses received can be found in the appendices.

Consultation Survey Results

This section of the report presents the results from the consultation survey. There were 853 responses to the consultation survey.
In the following analysis, the percentages are based on the answers to the question and will state where less than the total 853 respondents answered the question.

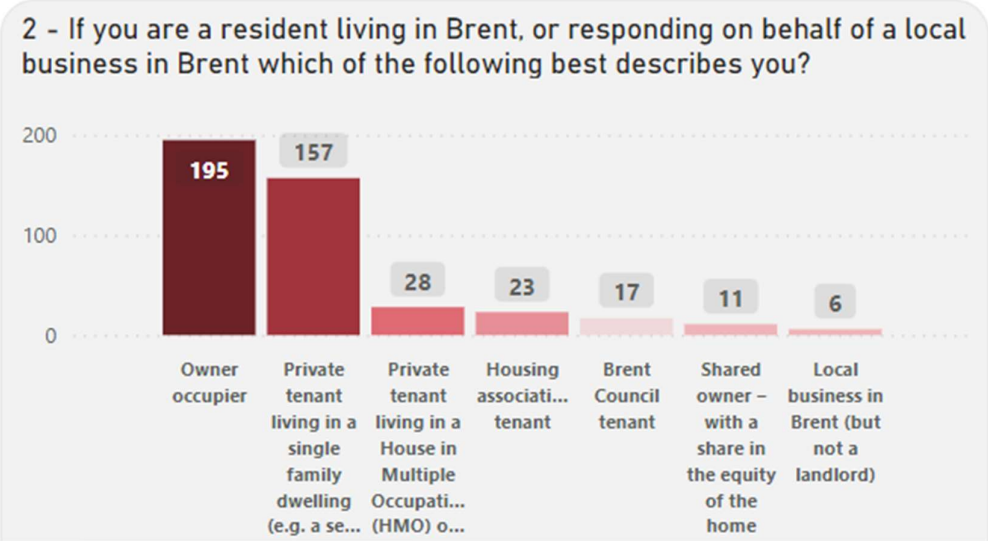
Overall Consultation Response

Respondents to the consultation were categorised into the following stakeholder groups.



Respondents who stated they were a Brent resident or local business, or a landlord, letting or managing agent were then asked which description would best describe them.

Of the 448 residents and local businesses who responded, 195 (44%) said they were an owner occupier and 157 (35%) said they were private tenants living in a single family dwelling.

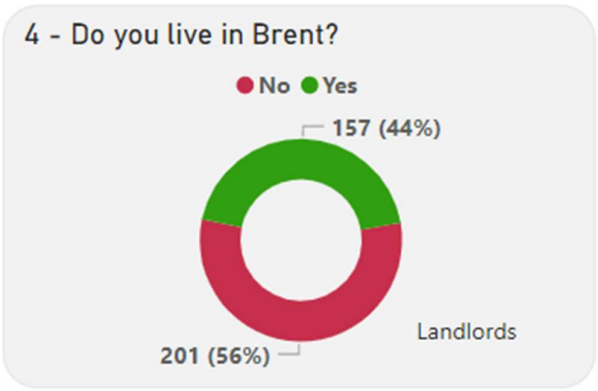


Of the 358 landlords, letting or managing agents who responded, 213 (59%) said they were a landlord who manages their own property, and 121 (34%) said they were a landlord who uses a managing agent.



The range of respondents to the consultation show a good representation of views from different stakeholder groups.

Landlords, letting or managing agents who responded to the consultation were asked if they lived in the London Borough of Brent. Of the 358 landlords, letting or managing agents who responded, 157 (44%) said they lived in Brent, and 201 (56%) said they lived outside of Brent.



These results clearly indicate that the consultation reached landlords both in and outside the borough.

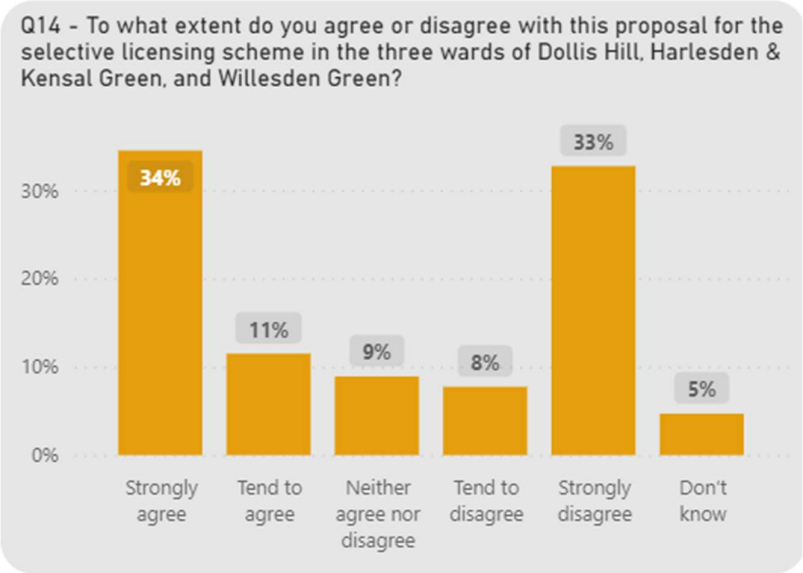
Views on the proposed licensing scheme for designation 1

The council is proposing to introduce two selective licensing designations which would apply to privately rented homes across 21 wards. To understand the views on the two designations, respondents were asked about the two designations separately. This section covers the responses regarding the proposed selective licensing scheme in designation 1, which would apply to the following three wards, Dollis Hill, Harlesden & Kensal Green and Willesden

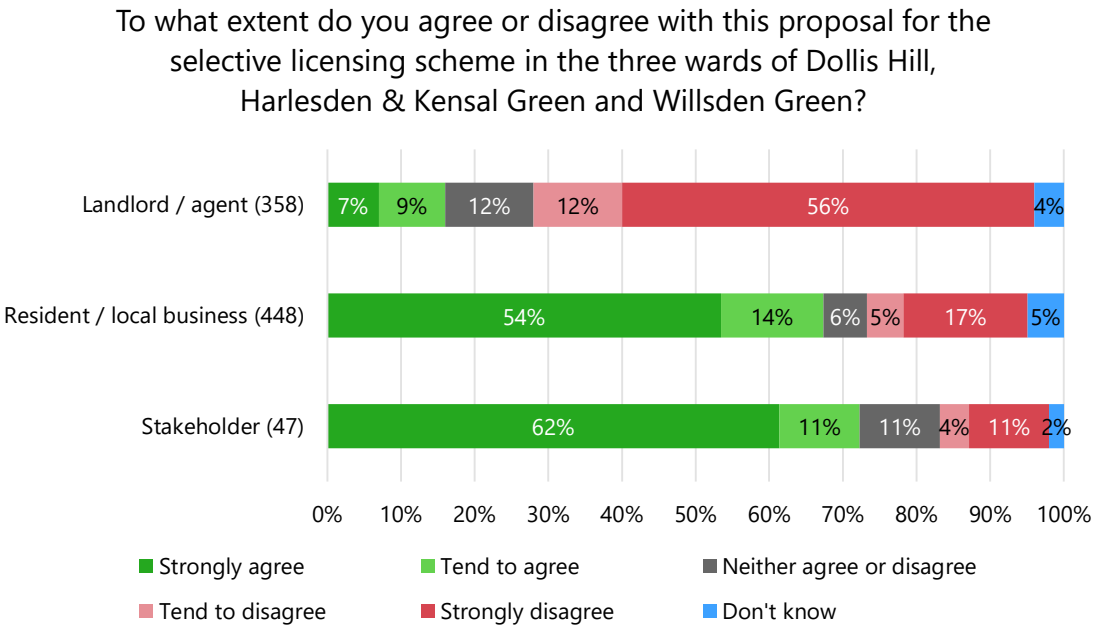
Green based on the criteria of poor property conditions and very high repeat antisocial behaviour (ASB).

The overall majority, around 45% of respondents, agree with the proposal for selective licensing in designation 1 and around 41% disagree.

All respondents (853) to the online consultation answered this question.



Looking at the responses by group, residents / local business and other stakeholders are in favour of the proposals with over 65% of each group agreeing. Landlords are opposed to the proposals with over 65% disagreeing.



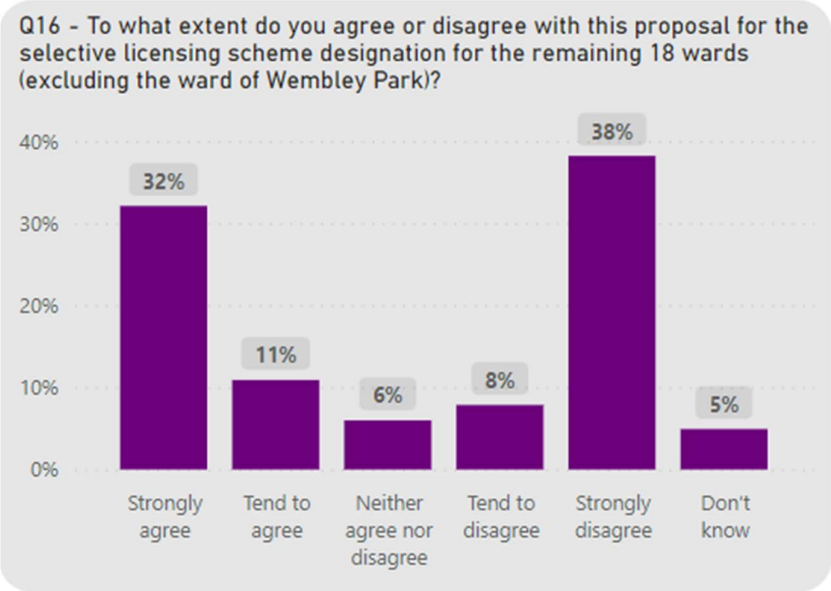
Views on the proposed licensing scheme for designation 2

The council is proposing to introduce two selective licensing schemes which would apply to privately rented homes across 21 wards. To understand the views on the two designations, respondents were asked about the two schemes separately. This section covers the responses regarding the proposed selective licensing scheme in designation 2, which would apply to the following 18 wards based on the criteria of poor property conditions:

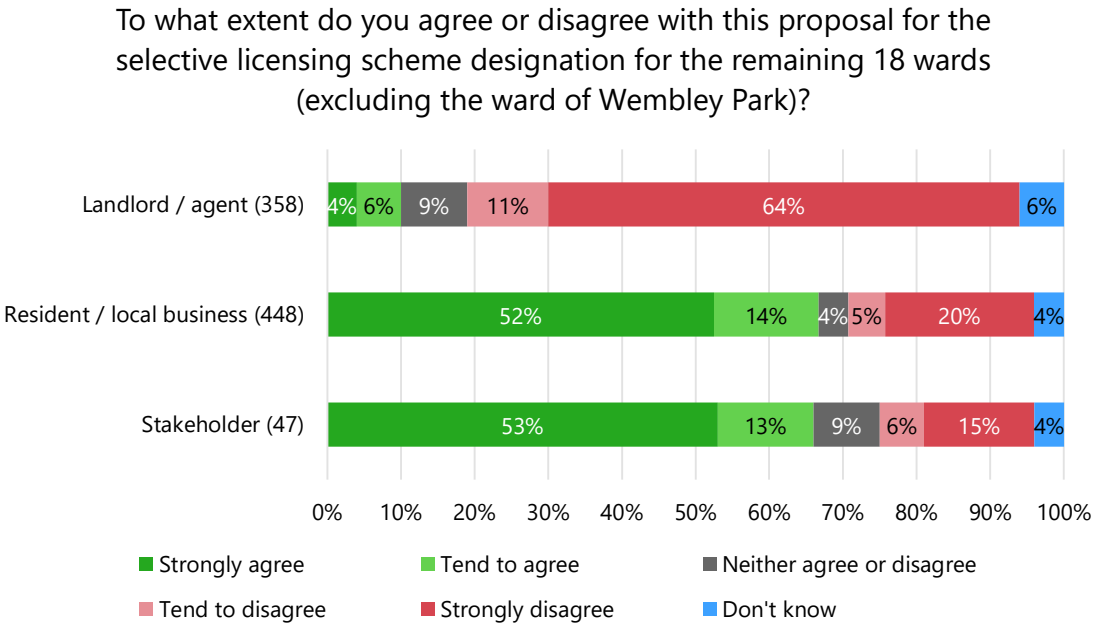
- Alperton
- Barnhill
- Brondesbury Park
- Cricklewood & Mapesbury
- Kenton
- Kilburn
- Kingsbury
- Northwick Park
- Preston
- Queens Park
- Queensbury
- Roundwood
- Stonebridge
- Sudbury
- Tokyngton
- Welsh Harp
- Wembley Central
- Wembley Hill

The overall majority, around 46% of respondents, disagree with the proposal for selective licensing in designation 2 and around 43% agree.

All respondents (853) to the online consultation answered this question.



Looking at the responses by group, residents / local business and other stakeholders are in favour of the proposals with over 65% of each group agreeing. Landlords are opposed to the proposals with around 75% disagreeing.

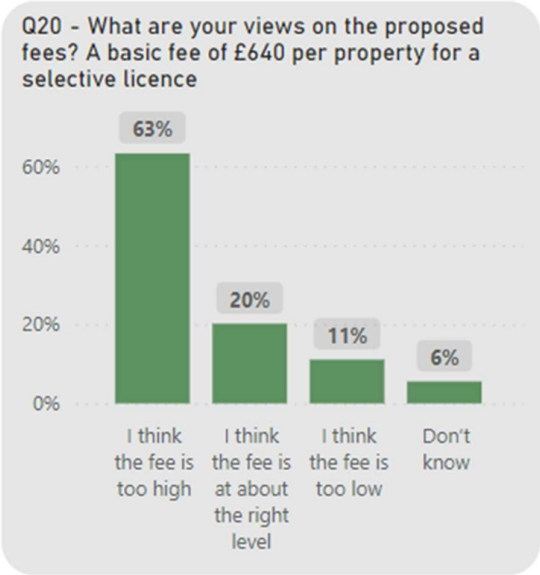


Views on the proposed licensing scheme fees

The consultation asked respondents for their views on the proposed licence fees for the proposed selective licensing scheme. Information about the proposed licence fees was provided within the consultation documents.

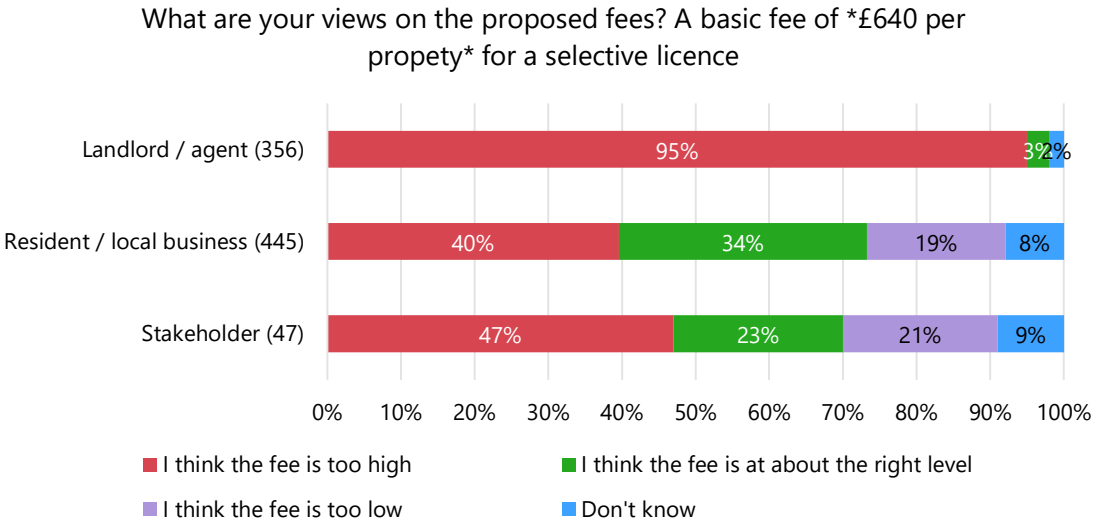
Respondents were asked how reasonable they feel the proposed selective licence fee of £640 for a five-year licence is.

The overall majority of respondents, 63% said that they thought that the fee is too high. 848 respondents to the online consultation answered this question.



Looking at the responses by group, 356 landlords/ agents, 445 residents / local business and 47 other stakeholders answered the question.

Residents / local businesses and other stakeholders had a more mixed view of the fee, with 40% and 47% respectively saying that the fee was too high. However, 53% of residents/local business and 44% of other stakeholders said the fee was about the right level or too low. Landlords / agents had a more consistent view, with 95% saying that the fee was too high.



Free Text Comments

The free text comments for the questions asking respondents to explain if they disagreed with the proposed licence schemes, and if they had any further comments were analysed. The analysis looked at the responses by stakeholder type.

Landlords/agents

For landlords / agents, the top reason given for negative responses is the perception that PRS licensing is a money-making scheme for Brent Council. Over a quarter of negative comments from landlords focused on this subject area. This reflects a general sense of cynicism about Brent Council. For instance, respondents question what the council is doing with the money from the scheme. There also are some requests to see the data and calculations that the fees are based on.

- *"This is just another 'cash grab' introduced to rinse landlords' pockets as much as possible."*
- *"I believe Selective Licensing is nothing more than a cash collecting scheme for Brent Council."*
- *"I feel it is another money grabbing exercise, not to help the landlord or tenant."*
- *"I paid the fee and have seen nothing from the council. No checks, no property inspection."*
- *"Prove with facts that the last scheme from 2015 achieved anything. I haven't seen any data."*

In regards to the concerns raised by landlords, the next most important issues with PRS licensing are that 1) extra costs incurred by landlords will lead to higher rents, and 2) the PRS scheme treats both responsible and rogue landlords in the same way. Both these notions received around a fifth of negative comments from landlords.

- *"As I stated in the previous page, any cost to landlords is passed to the end users, who are tenants."*
- *"Unnecessary burden on the landlord which WILL be passed onto tenants."*
- *"Deal with problem landlords and not have one size fits all policy and be more flexible with responsible landlords."*
- *"The licensing scheme does nothing for decent landlords."*

Lastly, landlords also expressed some concern that PRS fees would incentivise them to sell their properties, resulting in reduced housing stock in Brent as a whole. While, as with residents, concerns over lack of enforcement were also mentioned as some landlords felt that current legislation is already robust enough and more bureaucracy isn't needed.

- *"The higher the fees are the more landlords will just quit the market."*
- *"If the fee gets too high the landlords will leave the borough."*
- *"I would only be in favour of selective licensing in Brent if I really thought it targeted rogue landlords and had the resources to be properly enforced."*
- *"Anything a selective license is likely to add is already covered by existing procedures and services."*

Residents/ local businesses

For residents, the top reason for negative responses is the perception that PRS licensing will increase rents. Almost a third of negative comments from residents mentioned this.

- *"Licensing only has the effect of pushing up rents and property prices."*
- *"You will push landlords out of renting resulting in fewer properties which will result in higher rents."*
- *"I don't believe it's time to do more licensing which in the end will be reflected in the tenant's rent."*

Next comes the idea that PRS licensing is a money making scheme for Brent. Over 20% of resident comments mentioned this.

- *"Kensal does not have an anti-social problem and I view this as a method of raising more funds in an illegitimate manner."*
- *"Licences are purely being introduced to raise revenue for the Council."*
- *"Licensing appears to be a money-making scheme for Brent."*

Other notable themes were lack of enforcement and the idea that PRS licensing treats good and bad landlords in the same way.

- *"A difference will only be made if they are properly enforced."*
- *"Be careful not to price good landlords out of Brent. Good landlords have a much lower profit margin. Bad landlords charge us tenants the same rent but with much worse upkeep and responsiveness to repairs."*

Other stakeholders

The most notable sentiment among stakeholders is that PRS licensing is unnecessary, providing no benefit to those involved. A third of stakeholder comments related to this.

- *"I don't see any benefit."*
- *"No need for it."*

Other themes that appear important to stakeholders are that licensing will lead to higher rents and that it is a money-making scheme for Brent.

- *"Licensing is not necessary, it is just a money making exercise."*
- *"A blanket rule of selective licensing for every PRS property will increase the cost for landlords therefore the rent will go up which is already high, this can lead to homelessness."*

Alternative Solutions

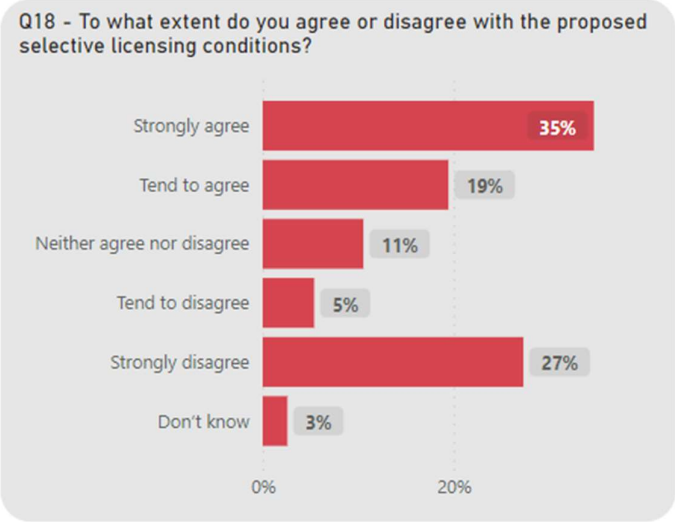
Many of the respondents had suggestions about how to improve the scheme and the private rented sector in Brent in general. These focused on three main areas:

- Lowering the licensing fee
- Better enforcement of current legislation
- The council should increase its own housebuilding

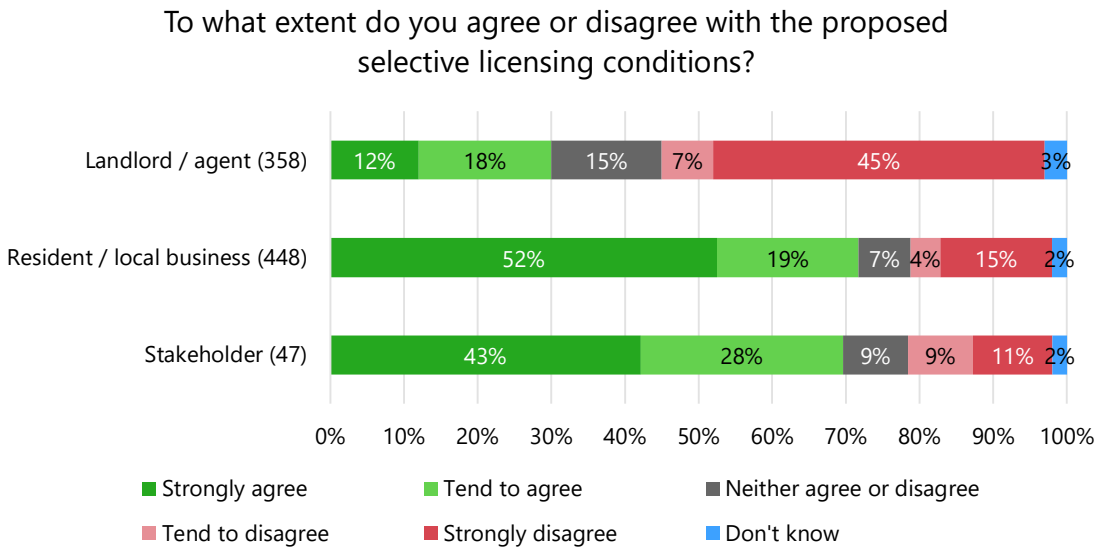
Views on the proposed licensing scheme conditions

The consultation asked respondents for their views on the proposed set of licence conditions. Information about the licence conditions was provided within the consultation documents.

The overall majority of respondents (54%) agreed with the proposed licence conditions. All respondents (853) to the online consultation answered this question.



Looking at the responses by group, residents / local businesses and other stakeholders are in favour, with over 70% of each group agreeing. Landlords are opposed, with 52% disagreeing with the proposed licence conditions.



Comments regarding the licence conditions

The free text comments for the questions asking respondents to explain why they disagreed with the proposed licence conditions were analysed. The analysis looked at the responses by stakeholder type.

Landlords / agents

For landlords / agents, the most common theme in the comments regarding the licence conditions is that the conditions are already covered by existing law, and therefore questioning the value of the proposed scheme:

- *"All of these issues are already addressed by law and by competent landlords who also require them for building insurance. Brent is adding nothing by requesting what is already being complied with."*
- *"All the conditions are already mandatory under Landlords and Tenants legislation. Putting this in a licensing is nothing more than check tick exercise. The license simply does not add value"*
- *"Most of these conditions are covered by law anyway and should be followed but I do not agree selective licencing is the way to do this"*
- *"Some of the conditions are already mandatory. there is no need for more paperwork and red tape. tenants are free to move on if conditions are unsuitable."*
- *"These are basic requirements which most responsible landlords do anyway. Making them for a licence in addition to this is unnecessary."*
- *"These are covered by Law in any case we don't need repetitive work by Brent on this"*

Landlords also expressed a view that good landlords will already be meeting these conditions:

- *"They are all things a responsible landlord already does, by Law. The council do not require any further fees to chase down those that do not comply"*
- *"All the conditions listed (gas appliance safety cert, electrical safety cert, How to Rent booklet, references, and so on are things a good landlord does anyway, and he/she should not need to pay the council for a licence for something they already do. Why not canvass individual tenants asking about their personal tenancies then target the bad landlords that way?"*

A theme in landlord responses, and in all other stakeholder responses, was opposition to the licence condition requiring references from tenants:

- *"Landlords can vet their own tenants and shouldn't be forced to obtain references and council should not be able to have this much control on properties"*
- *"many Brent tenants do not have any persons who could provide honest references for their renting, even when they are existing/previous Brent council tenants!"*

Another theme was that licensing would cause rents to increase and that it is a money-making scheme for the council, and that the fee is too expensive.

- *"It is just going through the motions and a way for the council to make money."*

- *"as before, not fair on tenants. increased costs for landlords will always be passed to tenants in higher rents. this is unfortunate for tenants."*
- *"I agree to the standards but not the high fee that the council requires for doing nothing."*

Lastly, landlords felt that the council should be doing more to support landlords and that tenants also have responsibilities as well:

- *"Other than the costly eviction route that can take up to 12 months through the courts - what support does a landlord have when the tenant does not look after the furniture or comply with the terms of the occupation? As it stands the tenant can in many ways trip up the landlord on technicalities which prevents the landlord seeking justice though the courts. The landlord can also do with free legal support as the tenant currently does - justice shouldnt be one sided!"*
- *"Landlords should not shoulder all responsibility, tenants must do their part as well"*

Residents / local businesses

Similarly to the responses from landlords / agents, the most common theme was that the licence conditions are covered by existing law:

- *"Aren't this already legal requirements?"*
- *"The conditions set out are already legal conditions applicable to any rental houses"*
- *"These are generally already required under a standard lease. This scheme does not provide additional requirements"*
- *"These are standard conditions which landlords already have to meet in order to let a property."*

Residents / local businesses also stated that they thought licensing would cause rents to increase:

- *"Just adding further layers of cost, which will increase rents for tenants. You will end up with a borough with little or no rental accommodation available within the next five years."*
- *"Reduce rental stock and push up rent prices"*

Other themes were that there should be more conditions and opposition to the condition requiring references from tenants:

- *"How about having to provide the right number of bins? Telling the truth about the number of people? Having the right number of people relative to rooms and bathrooms in-line with Building Regulations? Insulating the property to a minimum level? Proving they have a cleaning contract for properties in multiple occupation, when tenants tend to not do anything?"*
- *"There ought to be greater regulation on people proposing to be landlords I.e that they are indeed a "fit and proper" person, are responsible, have the means and capability of maintaining a property and the basic understanding and respect that the property is another a tenant's home"*

- *"They do not go strong enough - some of these landlords own hundreds of properties and businesses in the borough and they should have a duty of care to ensure their properties are well maintained, clean and tidy inside and out and that their tenant do not undertake ASB"*
- *"I don't agree with the final condition of references. It's an unfair ask on tenants who might face barriers in securing a reference that is deemed acceptable, and might lead to forms of discrimination. While the conditions for selective license puts some onus on landlords, they aren't required to provide proof of being an otherwise good landlord, so tenants shouldn't be asked either."*

Other stakeholders

The most consistent comment from stakeholders was that they disagreed with the licence condition relating to licence holders asking for references from tenants:

- "*References are a further obstacle to prospective tenants which disproportionately affects lower income families"*
- *"The requirement for persons wishing to occupy a dwelling to supply references makes it extremely difficult/impossible for people with no history of renting in England to live anywhere but 'the shadow PRS' as landlords will invariably demand a reference from a previous landlord. For those who have recently arrived in England, it is extremely difficult/impossible to negotiate an alternative referee because those people are not familiar enough with local law to know that landlords are not obliged to provide a reference so landlords cannot be specific about the source of any reference. But in any event, in practice, such a requirement leaves those newly-arrived unable to access licensed property."*

Other themes that appeared in the comments from stakeholders are that the conditions are already law and concerns about the implementation of the scheme:

- "*All the conditions included to obtain a selective licencing are already law (such gas safety etc) so why you need a separate licence. If you need to see safety documents create a central database where landlords can upload themselves. This shouldn't cost much and doesn't require admin teams to administrate the licencing scheme like how its done now. Council can check the landlords on database for up to date documents where necessary."*
- *"Do not disagree however have doubts regarding if it is going to be executed properly"*

Views on issues in the Brent

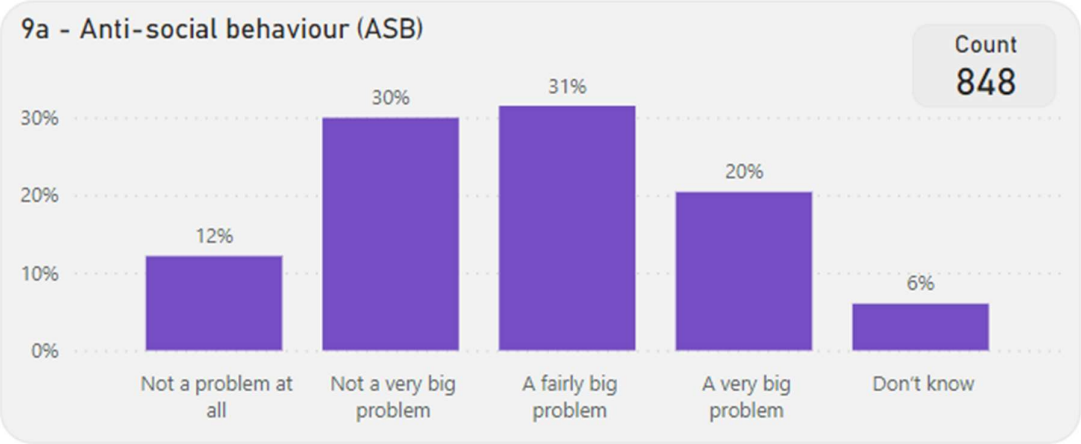
Respondents to the survey were asked their opinion of issues relating to poor property conditions, ASB and deprivation in private rented properties in the borough.

Respondents were asked to what extent they believed that anti-social behaviour, poor property conditions and deprivation are problems in their local area of Brent.

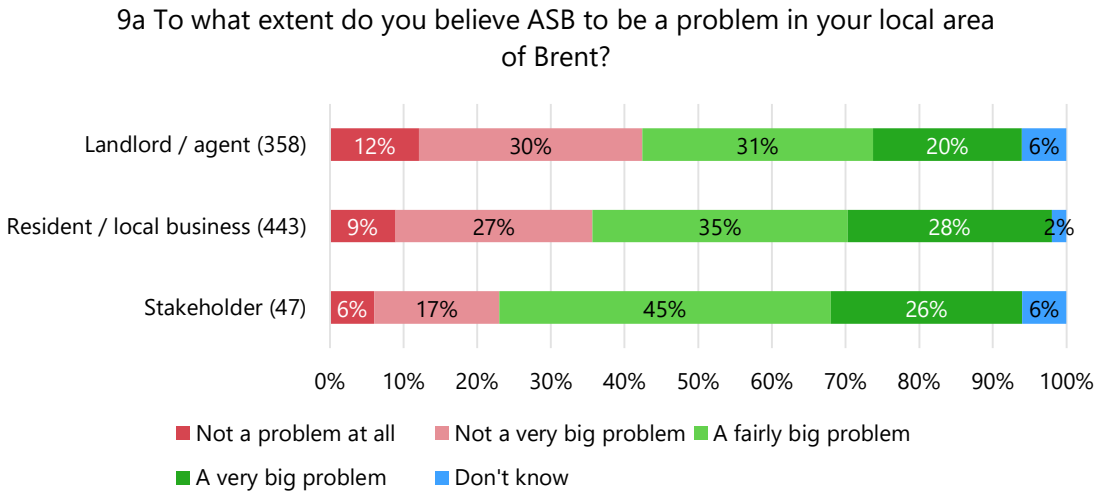
For each question the number of responses is shown as 'count' for the total responses, and in brackets against each stakeholder type.

Anti-social behaviour

51% of respondents thought that ASB was a very big or fairly big problem as opposed to 42% who thought it was not a problem at all or not a very big problem.

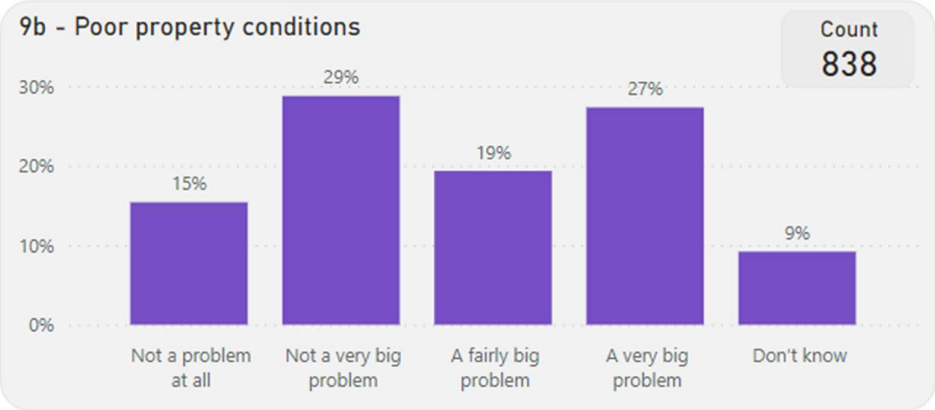


Looking at the responses by group, over 50% of all respondent groups think that ASB is a fairly big or very big problem in their area.

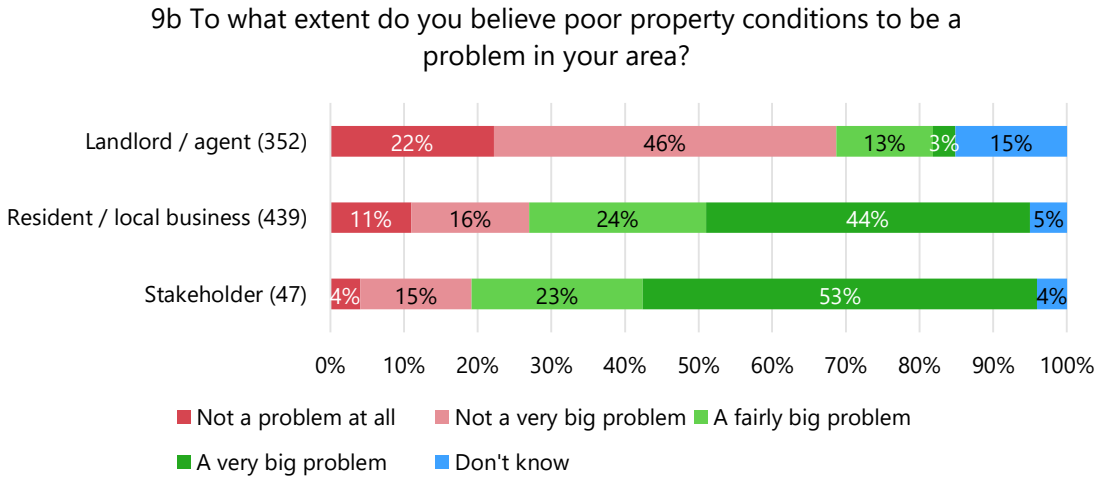


Poor property conditions

For poor property conditions, the majority of responses stated that they thought that poor property conditions are not a very big problem (29%) or a very big problem (27%).

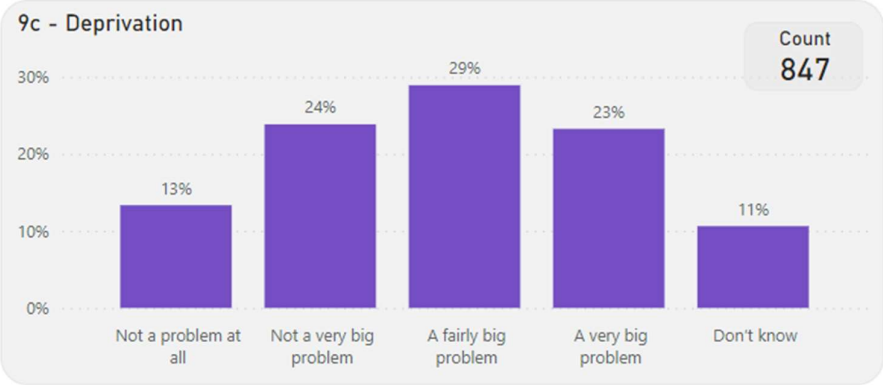


Looking at the responses by group, residents / local businesses and other stakeholders think that poor property conditions are a fairly big or very big issue (over 65% of each group). Landlords / agents think it is not a problem at all or not a very big problem.

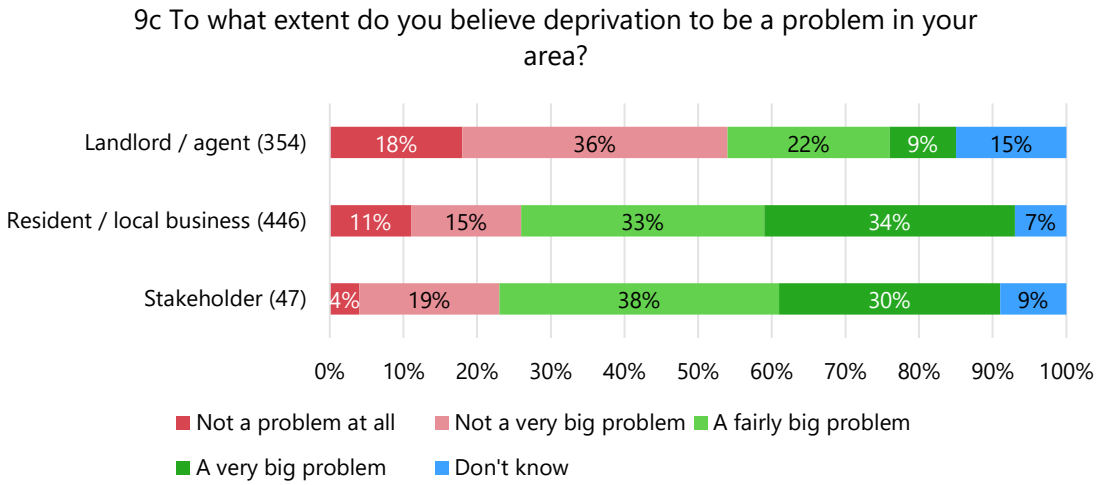


Deprivation

For deprivation, the largest proportion of respondents (29%) responded that deprivation is a fairly big problem.



Looking at the responses by group, residents / local businesses and other stakeholders think that deprivation is a fairly big or very big issue (over 65% of each group). Landlords / agents think it is not a problem at all or not a very big problem (54%).



Views on the private rented sector in Brent

Respondents were also asked about their views on the private rented sector in Brent.

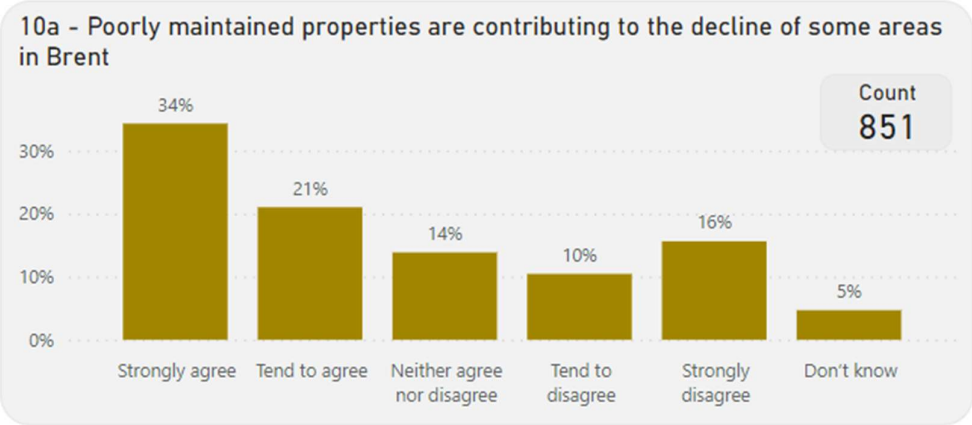
Poorly maintained and poorly managed properties

Respondents were asked to what extent they agreed that poorly maintained properties and poorly managed properties are contributing to the decline in some areas in Brent.

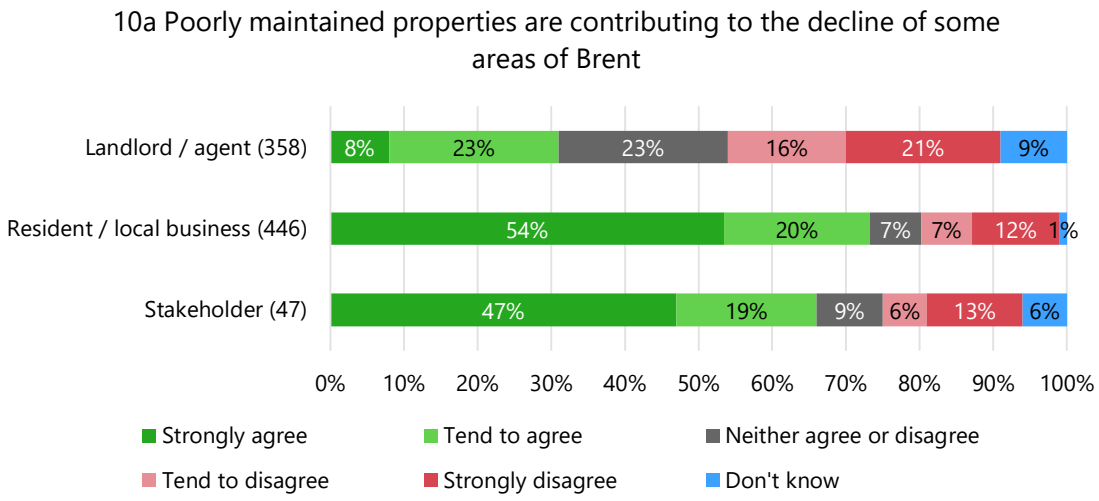
For each question the number of responses is shown as 'count' for the total responses, and in brackets against each stakeholder type.

Poorly maintained properties

When asked about poorly maintained properties contributing to the decline of some areas in Brent, the largest proportion of respondents (34%) strongly agreed.

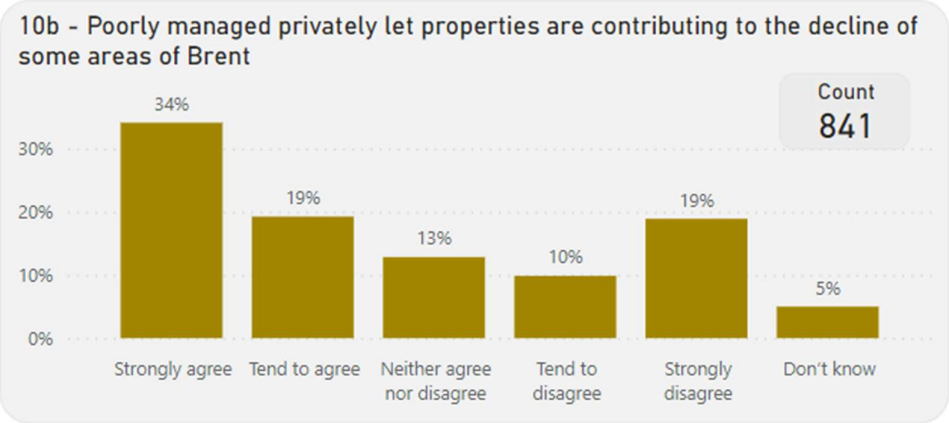


Looking at the responses by group, residents / local business and other stakeholders strongly agree that poorly maintained properties are contributing to the decline of some areas in Brent. The response from landlords is more evenly spread, with 23% responding with tend to agree and neither agree or disagree, and 21% strongly disagreeing.

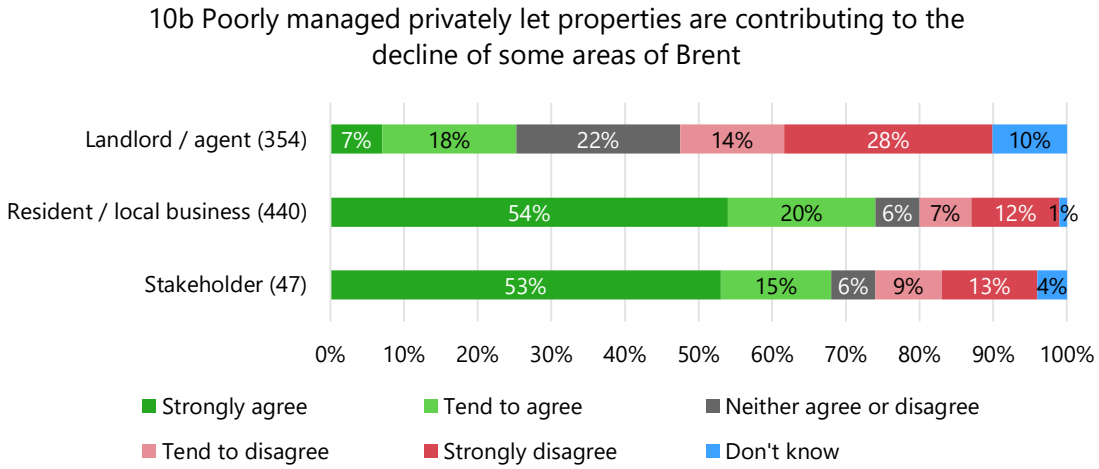


Poorly managed properties

When asked about poorly managed privately let properties contributing to the decline of some areas in Brent, the largest proportion of respondents (34%) strongly agreed.



Looking at the responses by group, residents / local business and other stakeholders strongly agree that poorly maintained properties are contributing to the decline of some areas in Brent. The response from landlords is more evenly spread, but the largest portion of respondents (28%) strongly disagree.



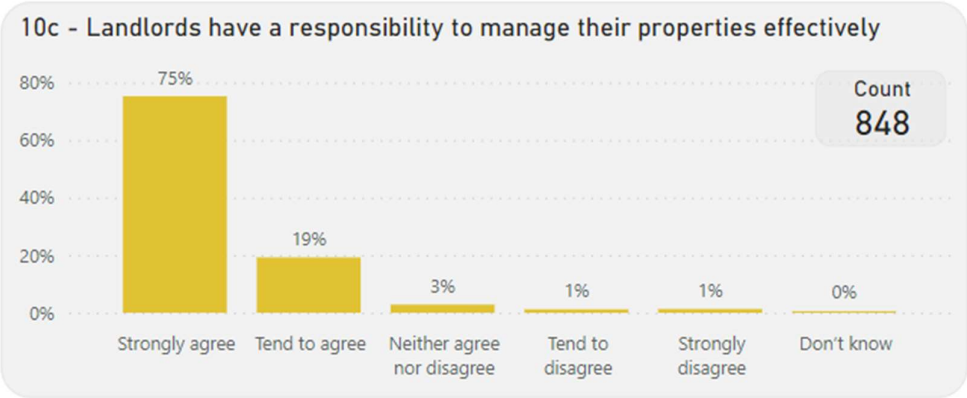
Landlord responsibility and 'fit and proper' persons

Respondents were asked to what extent they agreed that landlords have a responsibility to manage their properties properly, and that to help with the management of privately let properties in the borough, landlords should be 'fit and proper' persons.

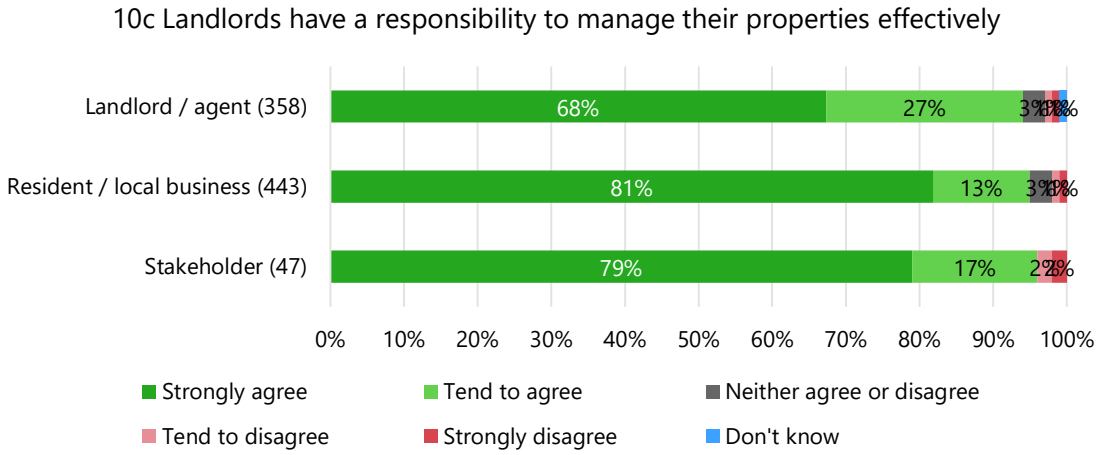
For each question the number of responses is shown as 'count' for the total responses, and in brackets against each stakeholder type.

Landlord responsibility

When asked if landlords have a responsibility to manage their properties effectively, the largest proportion of respondents (75%) strongly agreed.

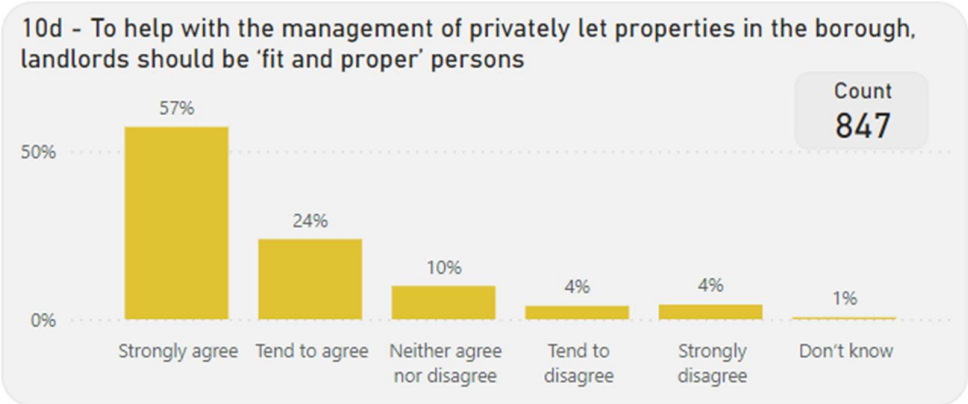


Looking at the responses by group, there is consistent strong agreement from each stakeholder group.

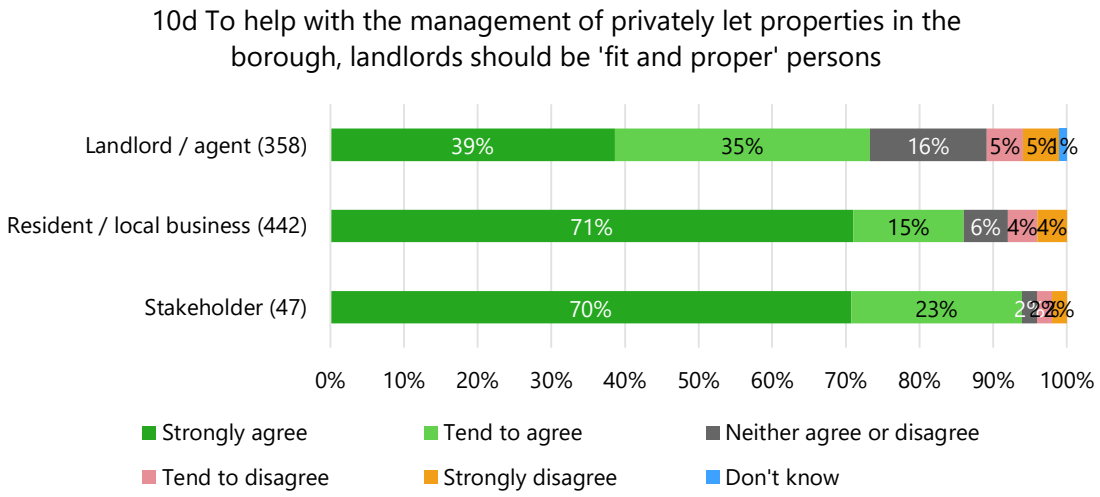


'Fit and proper' person

When asked if to help with the management of privately let properties in the borough, landlords should be 'fit and proper' persons, there was strong agreement (57%).



Looking at the responses by stakeholder group, the majority of each stakeholder group agreed with the statement.



Views on existing and previous selective licensing schemes in the Brent

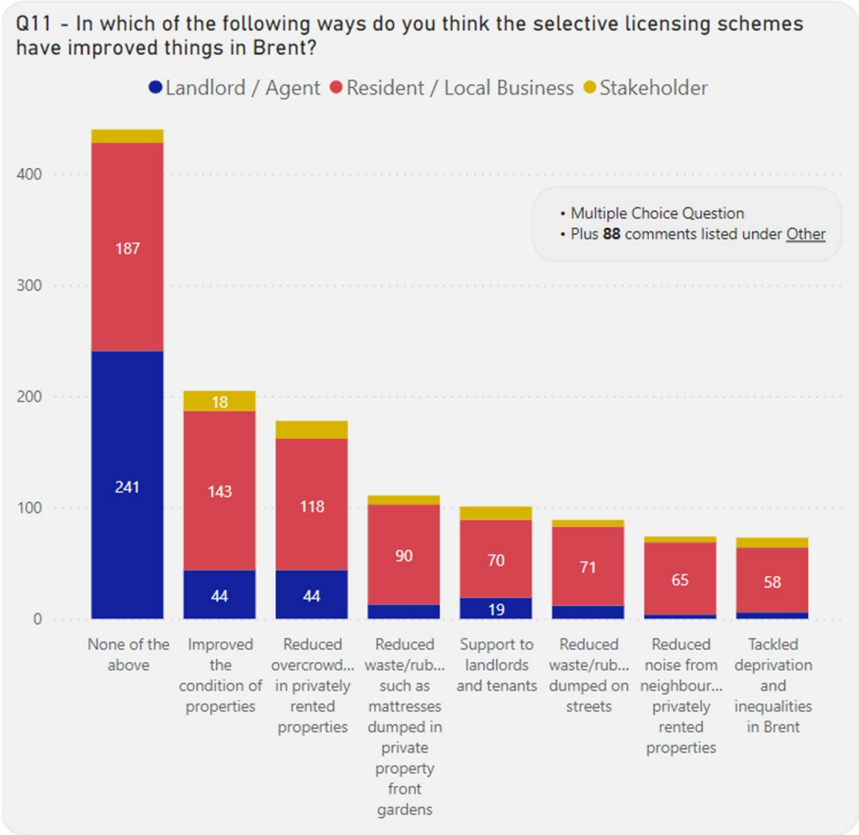
Respondents were also asked about their view on the previous and current smaller selective licensing schemes in Brent.

Views on the existing selective licensing scheme

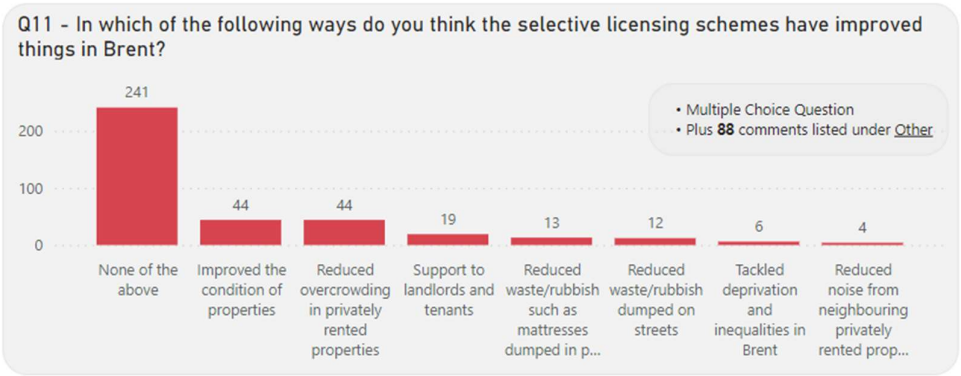
Respondents were asked if they thought that the selective licensing scheme had improved things in Brent. The question gave the following options and respondents could choose as many as they thought applied:

- Improved the condition of properties
- Reduced waste/rubbish such as mattresses dumped in private property front gardens
- Reduced waste/rubbish dumped on streets
- Reduced noise from neighbouring privately rented properties
- Reduced overcrowding in privately rented properties
- Tackled deprivation and inequalities in Brent
- Support to landlords and tenants
- Other (Please specify)
- None of the above

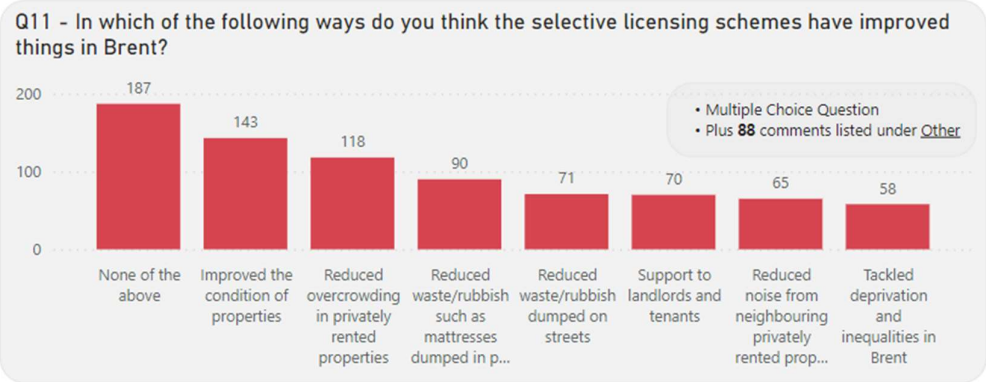
The option that received the highest number of responses was “none of the above”.



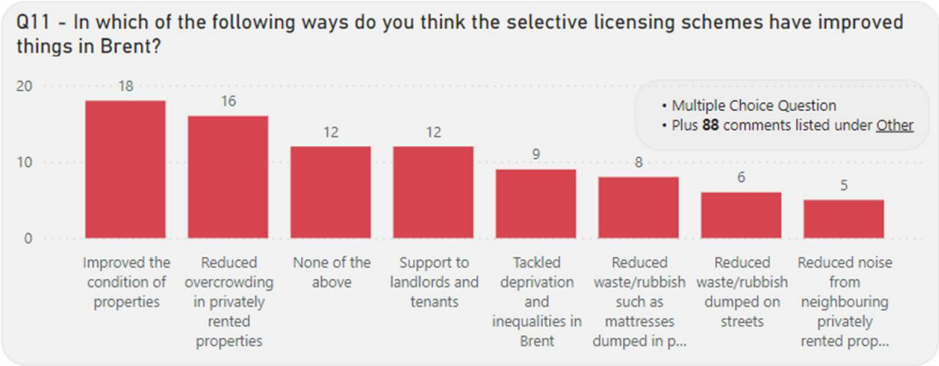
Looking at the responses by group, landlords / agents had the largest response for "none of the above", with comparatively very few other responses.



Residents / local businesses also gave the highest number of responses to "none of the above", but there were also a high number of responses for "improved the condition of properties" and "reduced overcrowding in privately rented properties".



The highest response of other stakeholders was "improved the condition of properties" and "reduced overcrowding in privately rented properties".



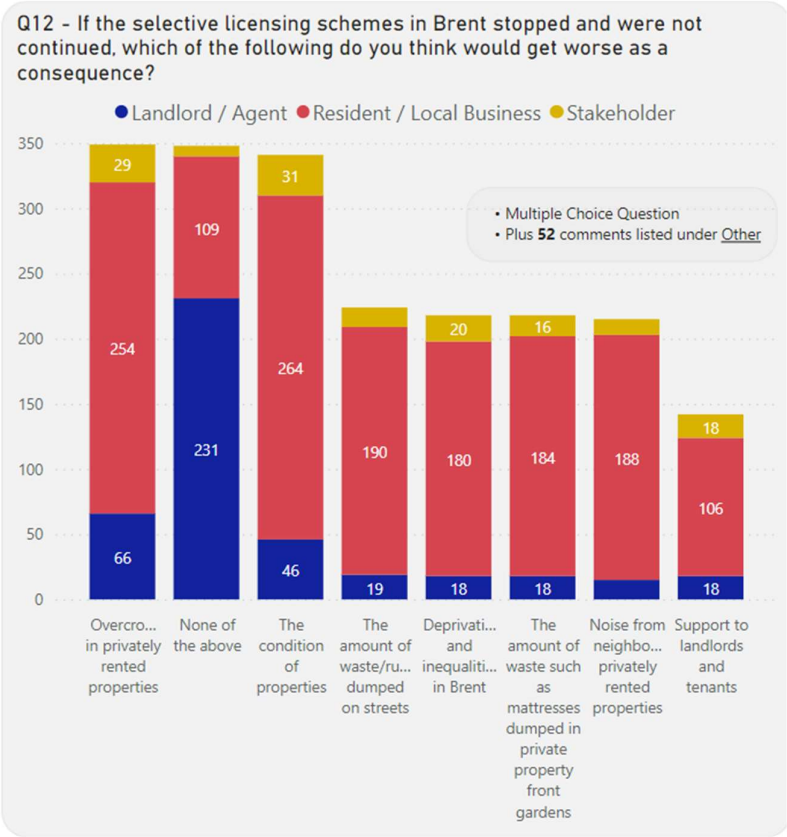
Views on the consequences of stopping the selective licensing schemes

Respondents were asked if the selective licensing schemes in Brent stopped and were not continued, what issues they thought would get worse as a consequence.

The question gave the following options and respondents could choose as many as they thought applied:

- The condition of properties
- The amount of waste such as mattresses dumped in private property front gardens
- The amount of waste/rubbish dumped on streets
- Noise from neighbouring privately rented properties
- Overcrowding in privately rented properties
- Deprivation and inequalities in Brent
- Support to landlords and tenants
- Other (Please specify)
- None of the above

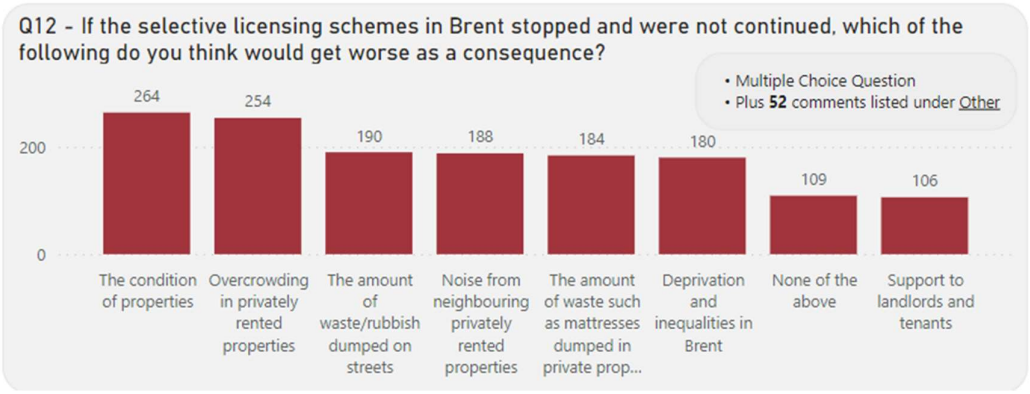
The highest number of responses were for "overcrowding in privately rented properties", "none of the above" and "the condition of properties".



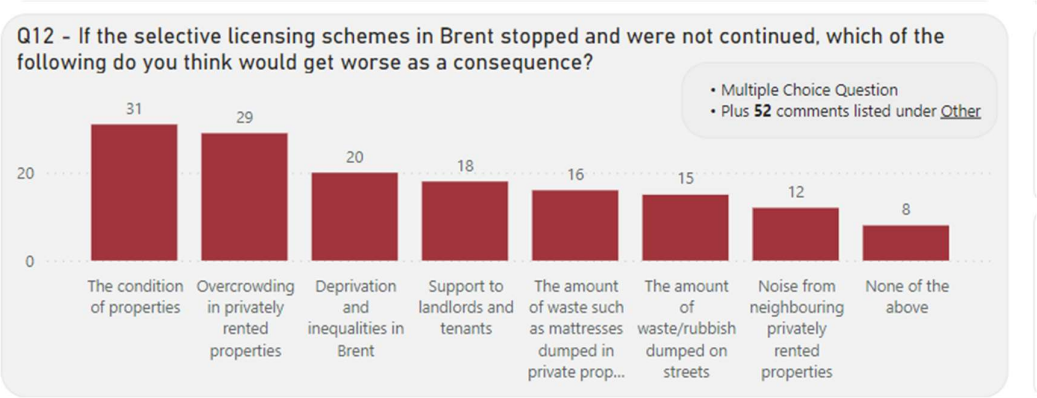
Looking at the responses by group, landlords / agents had the largest response for "none of the above", with comparatively very few other responses.



Residents / local businesses gave the highest number of responses to "the condition of properties" and "overcrowding in privately rented properties".



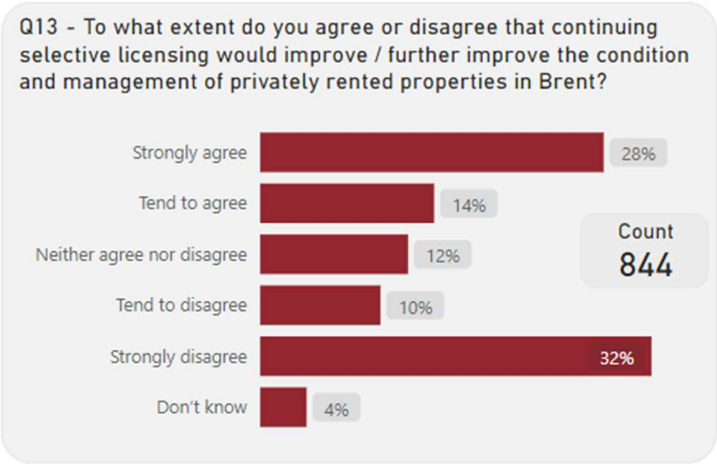
Similarly, other stakeholders also gave the highest number of responses to "the condition of properties" and "overcrowding in privately rented properties".



Views on if continuing selective licensing would improve the condition and management of privately rented properties

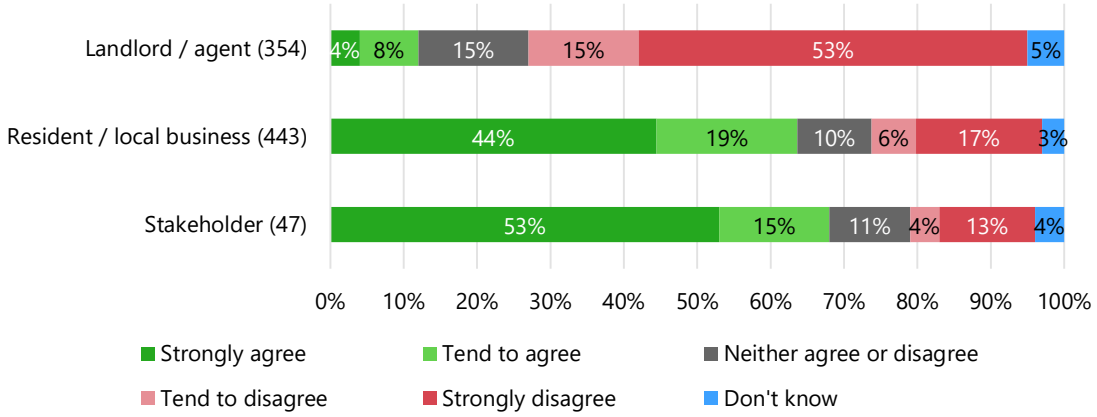
Respondents were asked the extent they agreed or disagreed that continuing selective licensing would improve / further improve the condition and management of privately rented properties in Brent.

844 respondents to the survey answered this question.



Looking at the responses by group, residents / local businesses and other stakeholder agree that continuing selective licensing would improve the condition and management of privately rented properties in Brent, whilst landlords / agents disagree.

13 - To what extent do you agree or disagree that continuing selective licensing would improve / further improve the condition and management of privately rented properties in Brent.



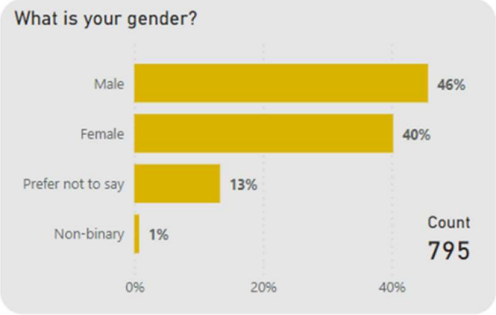
Online Survey Respondents

The respondents to the consultation survey were asked if they would give their age range, sex and their ethnic background. Their responses were compared with benchmarks for the borough.

The number of respondents to each question is shown in each graph as the "count".

Gender of respondents

Respondents were asked their gender. 93% of respondents chose to respond to this question. The highest proportion of responses were from male respondents.

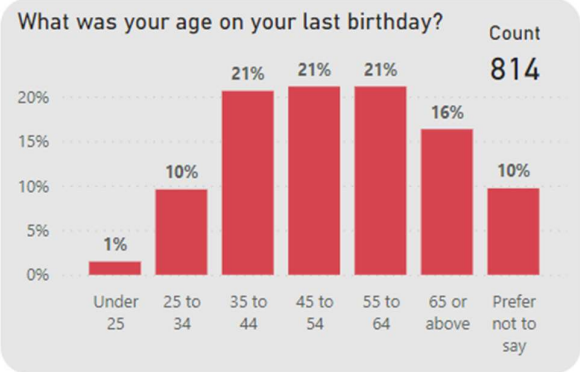


A proportion (13%) of those who answered the question gave the response of "Prefer not to say".

According to the 2021 Census, the population of Brent is 51% female and 49% male, therefore male respondents are slightly overrepresented, and female respondents are underrepresented in the consultation.

Age of respondents

Respondents were asked which age bracket they were in. 95% of respondents chose to answer this question.

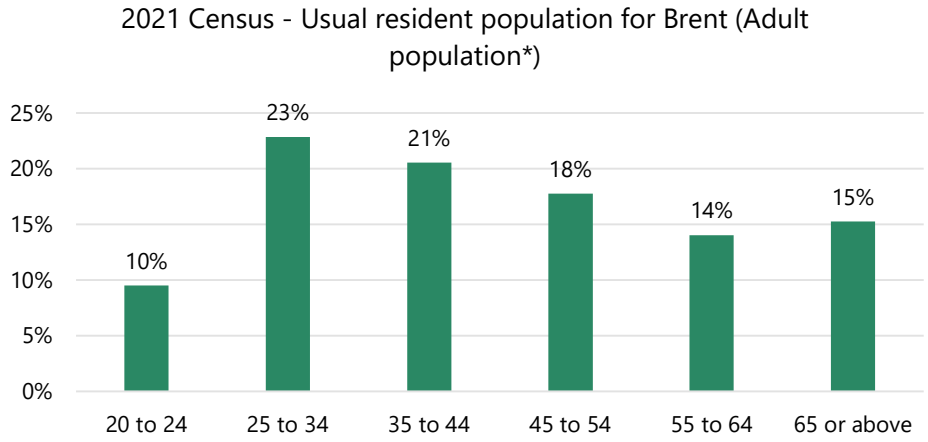


The expectation is that residents, landlords and stakeholders 18 and over were likely to respond to the consultation.

A proportion (10%) of those who answered the question gave the response of "Prefer not to say".

The age groups of 35 to 44, 45 to 55 and 55 to 64 were evenly represented by the respondents, with each group making up 21% of respondents. The age groups of 55 to 64 were overrepresented in the consultation.

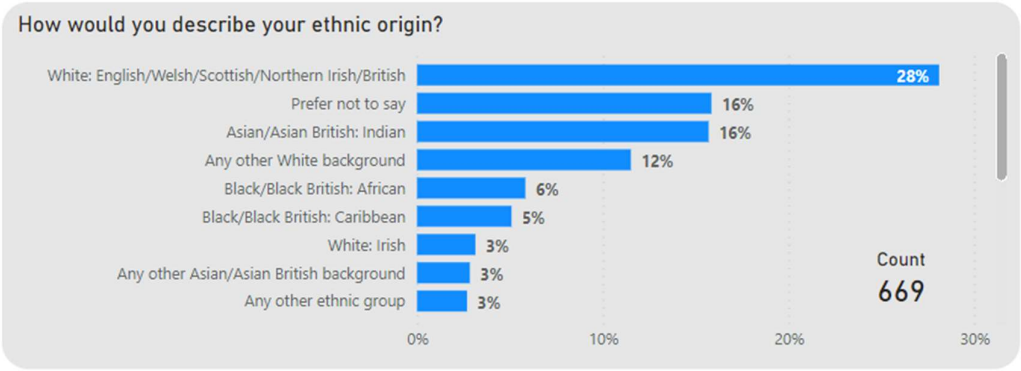
The 25 to 34 age group is underrepresented at 10% compared to the Census figure of 23% for that age group in the London Borough of Brent.



*Please note that the Census figures are the percentage of the adult population (percentage based on figures with ages 0-19 removed)

Ethnic origin of respondents

Respondents were asked "How would you describe your ethnic origin?". 669 (78%) of respondents chose to respond to this question.



31 - How would you describe your ethnic origin?	%	Count
White: English/Welsh/Scottish/Northern Irish/British	28%	188
Prefer not to say	16%	106
Asian/Asian British: Indian	16%	105
Any other White background	12%	77
Black/Black British: African	6%	39
Black/Black British: Caribbean	5%	34
White: Irish	3%	21
Any other Asian/Asian British background	3%	19
Any other ethnic group	3%	18
Asian/Asian British: Pakistani	2%	12
Any other mixed/multiple ethnic background	1%	10
Mixed: White and Black African	1%	8
Arab	1%	7
Mixed: White and Asian	1%	7
Asian/Asian British: Bangladeshi	1%	5
Asian/Asian British: Chinese	1%	5
Mixed: White and Black Caribbean	1%	5
White: Gypsy or Irish Traveller	0%	2
Any other Black/Black British background	0%	1
Total	**100%**	**669**

A notable proportion (16%) of those who answered the question gave the response of "Prefer not to say".

The 2021 Census results for Brent regarding ethnic groups are shown below:

Ethnic Group	**Percentage (2021 Census)**
Asian, Asian British or Asian Welsh: Bangladeshi	0.6
Asian, Asian British or Asian Welsh: Chinese	1.0
Asian, Asian British or Asian Welsh: Indian	19.5
Asian, Asian British or Asian Welsh: Pakistani	4.5
Asian, Asian British or Asian Welsh: Other Asian	7.2
Black, Black British, Black Welsh, Caribbean or African: African	9.1
Black, Black British, Black Welsh, Caribbean or African: Caribbean	6.3
Black, Black British, Black Welsh, Caribbean or African: Other Black	2.1
Mixed or Multiple ethnic groups: White and Asian	1.1
Mixed or Multiple ethnic groups: White and Black African	0.9
Mixed or Multiple ethnic groups: White and Black Caribbean	1.1
Mixed or Multiple ethnic groups: Other Mixed or Multiple ethnic groups	2.0
White: English, Welsh, Scottish, Northern Irish or British	15.2

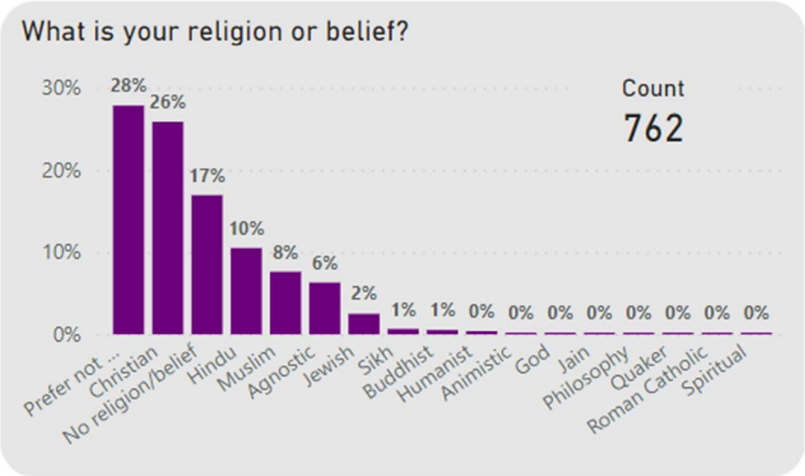
Ethnic Group	Percentage (2021 Census)
White: Irish	2.7
White: Gypsy or Irish Traveller	0.1
White: Roma	0.7
White: Other White	15.9
Other ethnic group: Arab	5.3
Other ethnic group: Any other ethnic group	4.7

The largest group were people of White British ethnic origin (28%), which is above the borough's demographic figure of 15.2%. However, any other white background (12%) is slightly under the borough figure of 15.9%. The proportion of respondents of Asian/Asian British: Indian ethnic origin (16%) is slightly below the borough figure of 19.5%.

The proportion of black / black British: African (6% of respondents vs 9.1% of the borough), black / black British: Caribbean (5% of respondents vs 6.3 of the borough), Asian / Asian British: Pakistani (2% of respondents vs 4.5% of the borough) and other Asian / Asian British background (3% of respondents vs 7.2% of the borough) are below the borough figures.

Religion and beliefs of respondents

Respondents were asked their religion or beliefs. 89% of respondents chose to answer this question. The largest proportion of respondents gave "Prefer not to say" as their response.



The 2021 Census results for Brent regarding religion or beliefs are shown below.

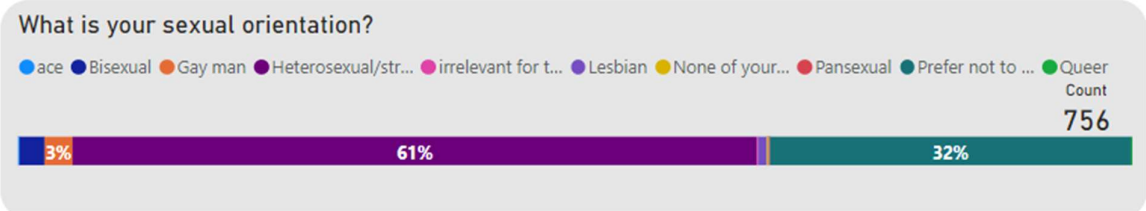
Religion or beliefs	Percentage (2021 Census)
No religion	13.6
Christian	38.8
Buddhist	0.9
Hindu	15.6

Jewish	1.1
Muslim	21.4
Sikh	0.5
Other religion	1.3
Not answered	6.9

Based on the answers of those who gave their religion or beliefs, Christians, people with no religion, Hindus and Muslims were underrepresented in the survey's respondents.

Sexual orientation of respondents

Respondents were also asked their sexual orientation. 89% of respondents chose to answer this question. The largest proportion of responses were from people who identified as heterosexual / straight. A large portion of respondents, 32%, gave the responses "prefer not to say".



For clarity, the consultation survey respondents responses were:

Sexual orientation	**Percentage (Consultation response)**
Straight or Heterosexual	61.4%
Prefer not to say	32.4%
Gay man	2.5%
Bisexual	2.2%
Lesbian	0.8%
Pansexual	0.1%
Asexual	0.1%
Queer	0.1%
Irrelevant / none of your business	0.2%

The 2021 Census results for Brent regarding sexual orientation are below.

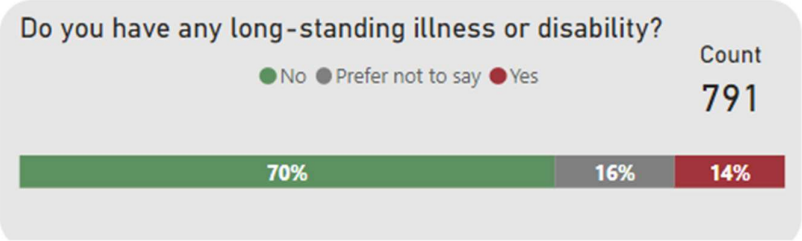
Sexual orientation	**Percentage (2021 Census)**
Straight or Heterosexual	85.10
Gay or Lesbian	1.31
Bisexual	1.29
Pansexual	0.45
Asexual	0.04
Queer	0.03
All other sexual orientations	0.07

Sexual orientation	Percentage (2021 Census)
Not answered	11.70

Straight / heterosexual respondents are underrepresented by the consultation responses (61% compared to 85% according to 2021 Census). Gay and lesbian respondents were slightly over presented, as were bisexual respondents.

Long standing illness or disability of respondents

Respondents were also asked if they had a long-standing illness or disability. 93% of respondents chose to respond to this question.



A proportion (16%) of those who answered the question gave the response of "Prefer not to say".

14% of the respondents to the question said they have a long-standing illness or disability, which is comparable with the combined figures of 7.1% of people in Brent who are disabled under the equalities act and their day-to-day activities are limited a lot, and the 7.6% of Brent who are disabled under the equalities act and their day-to-day activities are limited a little (figures from 2021 Census).

Public Meetings and Written Responses

Brent Council held three public meetings, attended five Brent Connects meetings and a residents' ward meeting and held four public drop-in sessions to gather feedback from stakeholders. Feedback was also gathered through written responses on the proposed schemes by email. Below is a summary of the key themes that came out of the Brent Connects and the written feedback. It should be noted that council officers were present at every meeting and that most of the sessions were taken up by a question and answer session following on from a presentation about the proposals. During each public meeting, council officers attempted to address all questions posed by attendees or directed them to the consultation documents for further information (often when there were specific questions about the proposed licence conditions, fees etc). Council officers also responded to email queries that were sent as part of the consultation.

The full email and written responses can be found in the appendices. All representations to the consultation will be considered in line with the Housing Act 2004 and published as an Annex to this consultation report.

Landlord Meetings

The council held two meetings aimed at engaging with landlords and agents, to make them aware of the consultation and to gather their feedback. There was an online meeting (via Microsoft Teams) which was held on 14 December 2022 with around 120 attendees (the actual number of attendees fluctuated during the meeting as attendees joined late or left early), and an in-person event held on 11 January 2023, with 140 attendees.

For both meetings, a presentation was given on the two proposed selective licensing schemes, followed by a question and answer session, where attendees could give their views and ask questions about the proposals. Participants were able to express their opinions freely and to highlight areas on which they required clarification while suggesting matters for the council officers to consider. The main themes of the questions and views expressed were:

- Licensing will force landlords to leave the market / sell their properties
- The fee is too high
- Questions about the level of inspections that will take place under the scheme
- Licensing is money making scheme for the council / a landlord tax
- The emphasis of the scheme is to penalise not supporting landlords
- Which landlord organisations are eligible for a discount?
- Why is licensing necessary for landlords with managing agents
- Issues are often due to tenant behaviour, which is not the responsibility of the landlord
- What is the benefit of the scheme to landlords?
- Will there be advice and support for landlords?
- How will the council make landlords aware of the proposed scheme if approved?
- If there are issues with damp and mould, this may be due to the tenants behaviour, as they will control the heating and ventilation of the property, and may not want to

heat and air the property in the winter and during a cost of living crisis/high energy prices.

In summary, most landlords and agents held strong views and were negative to PRS licensing in general. In particular, the negative perception linking ASB to private renting and the effectiveness of selective licensing schemes in combating problems in the areas, and the economic costs of licensing schemes on landlords.

Some attendees made points and suggestions about ways that Brent Council might act to make the scheme either more effective or less unpalatable to landlords and agents e.g., a focus on inspections and to consider the impact of the licence conditions, with thoughts on the impact on housing homeless clients.

Renters Representative Forum

The council held a meeting with renter representatives aimed at gathering their feedback on the proposed schemes. The forum was held in person on 11 January 2023 with representatives from Brent Renter's Union, Willesden Residents Town Centre team, Crisis, Single Homeless Prevention Service and Brent Advice for Renters.

At the meeting a presentation was given on the two proposed selective licensing designations, followed by a question and answer session, where attendees could give their views and ask questions about the proposals. Participants were able to express their opinions freely and to highlight areas on which they required clarification while suggesting matters for the council officers to consider. The main themes of the questions and views expressed were:

- How is the scheme going to be enforced and what difference will it make to tenants?
- The scheme should be more about aggressive enforcement, and punishing landlords if they don't meet the conditions
- What is the enforcement policy?
- Will the council fine landlords if properties aren't licenced?
- How are you planning to educate tenants and landlords?
- The licence conditions should have more emphasis on the property conditions
- The council need to educate tenants on their rights, but be aware that tenants can face eviction if they report their landlords, so the emphasis should be on the council not the tenants, and there needs to be better information for tenants when threatened with eviction
- Other councils found that landlords feel more responsible for their properties with licensing schemes, but they are aware it's a balance between improving conditions and not reducing the stock of PRS available
- The council should support smaller landlords, who may need a lot of communication and support. The licence conditions can give them a guide
- Will the council consider an early bird scheme to encourage early applications?
- What are metrics for success when the scheme is rolled out, and what the benefits of the scheme will be.

In summary, the attendees supported the proposed selective licensing scheme, but were of the view that the schemes had to be enforced for them to have an impact. There was also an emphasis on support for tenants who complain to the council about their rented properties, or make the council aware of an unlicensed property, as there was a view that this would lead to illegal evictions.

Brent Connects and Written Responses

Below is a summary of the key themes that came out from both the written responses and the feedback from the public meetings:

- Concerns that licensing will cause an increase in rents
- Questions about how the scheme will be enforced and inspections
- Questions about the council's capacity to enforce the scheme
- Questions about how licensing can address ASB, and if it would have an impact in ASB
- Questions about the role of tenants, and the need for tenants to be educated on their rights and responsibilities
- Questions about what the benefit is for landlords of the scheme
- Questions about why licensing is necessary, with existing legislation on rented properties.

Appendices

Please see Consultation on Private Sector Licensing in Brent Appendices document. The appendices include:

- Maps of the proposed licensing designations
- The survey questions
- Communication visuals
- Email responses to the consultation.

Report on Brent Council's Consultation on Selective Licensing Proposals

Report Appendices

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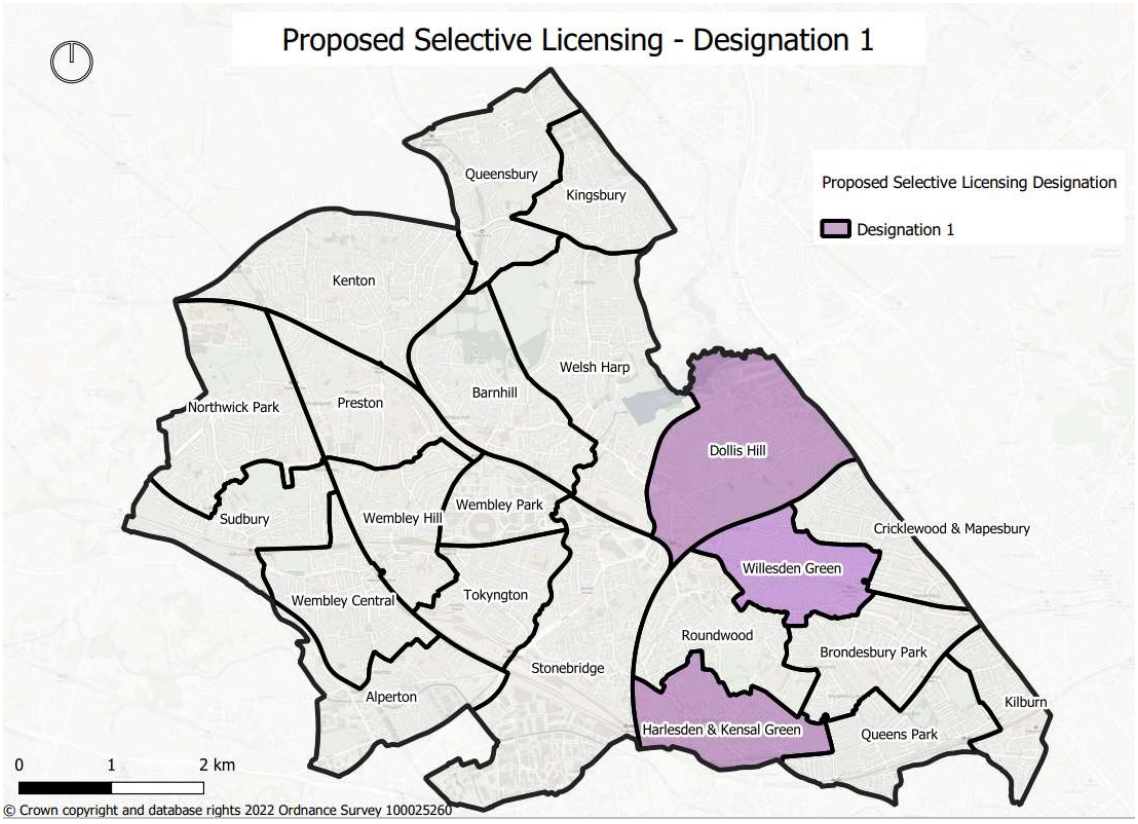
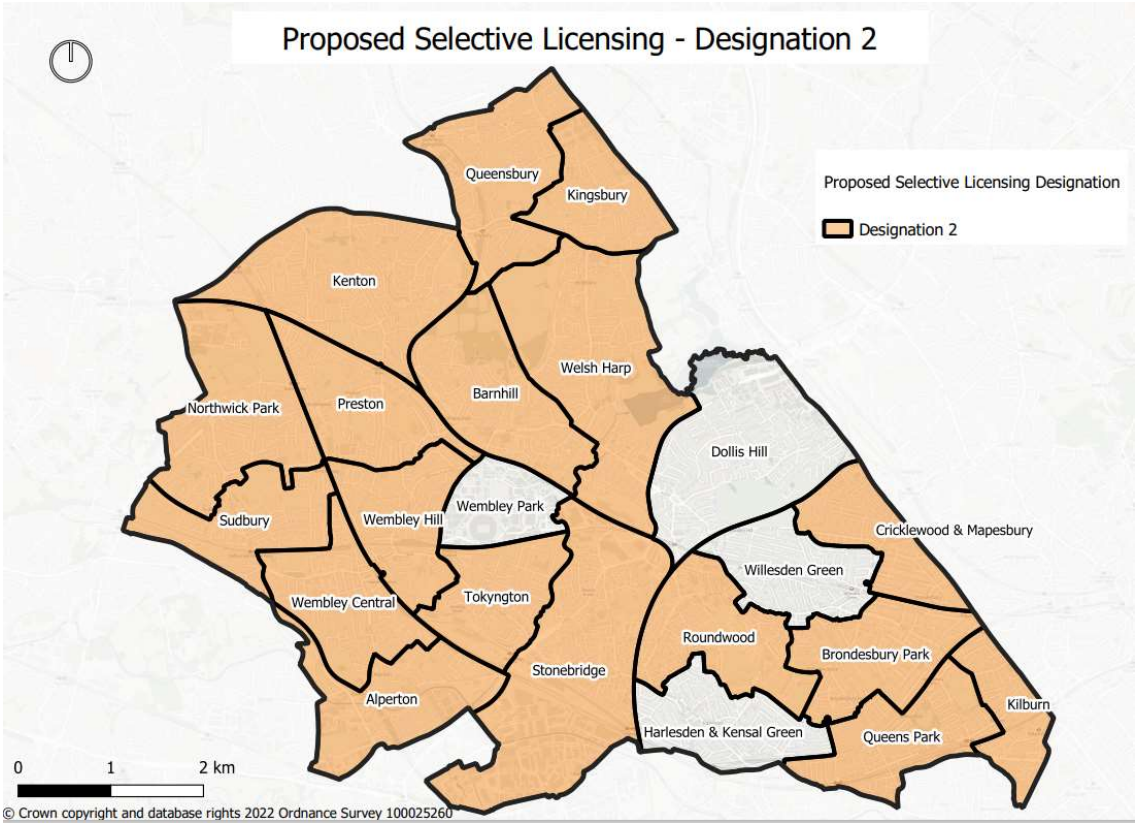
Maps of the Proposed Licensing Designations

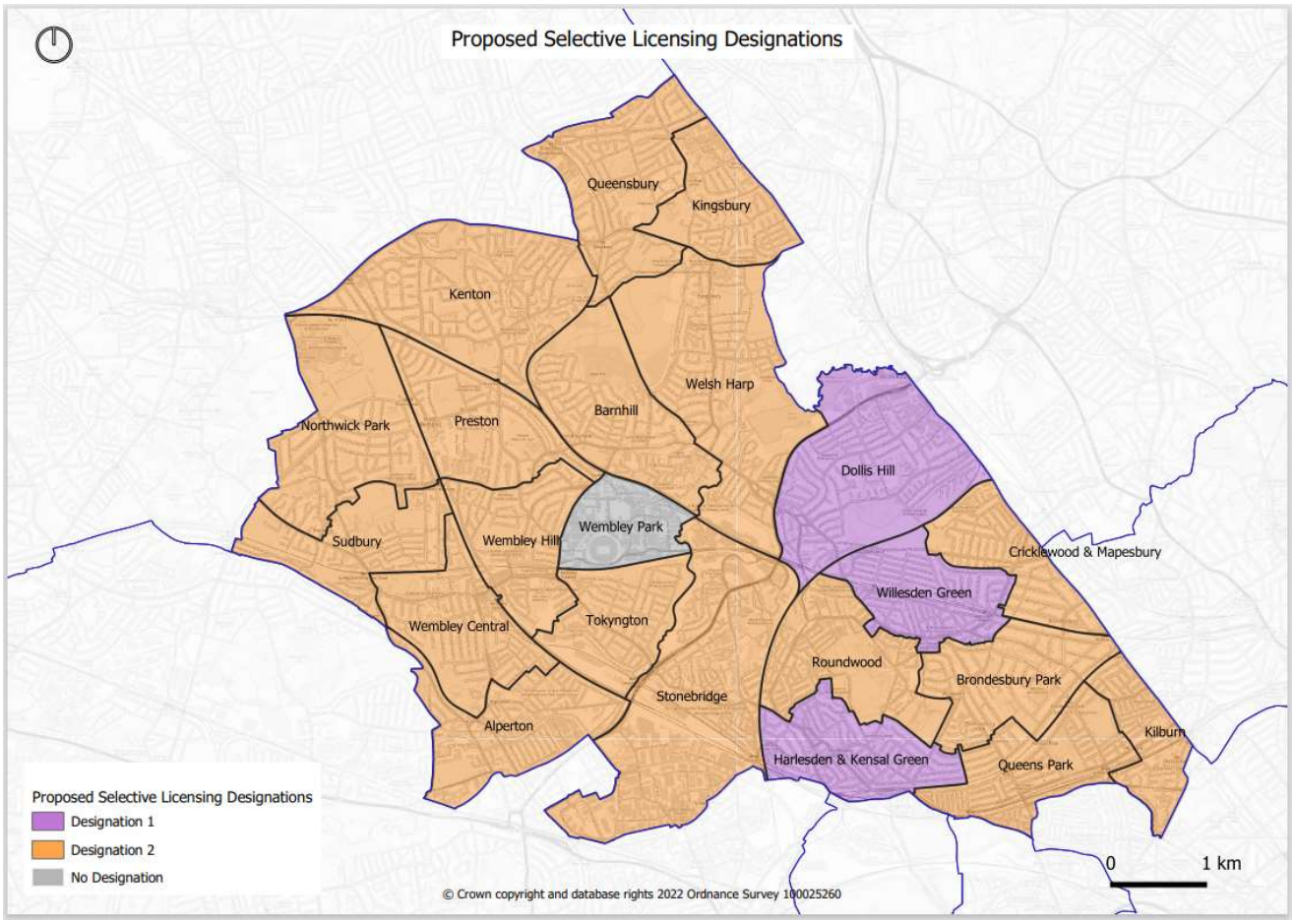
Map of Designation 1



Map of Designation 2



Map of the Both Proposed Designations



Consultation on selective licensing of private rented housing

Over the last 20 years, there has been an increase in the number of properties in Brent that are rented out by private landlords. The London Borough of Brent wants to ensure that private rented properties offer residents a choice of safe, good quality and well managed accommodation.

In January 2015, the council introduced an additional licensing scheme which applied to Houses in Multiple Occupation (HMOs) borough-wide and selective licensing for all other privately rented properties such as single-family dwellings in certain wards. In the old wards of Queens Park, Kensal Green, Kilburn, Dudden Hill and Mapesbury the council introduced a further (current) selective licensing scheme in 2018 for non-HMO privately rented properties which will end in April 2023. The council is considering introducing new schemes that will apply to the three wards of Dollis Hill, Harlesden & Kensal Green, and Willesden Green and also extending to a further 18 wards (excluding the ward of Wembley Park.

You can read about the proposals for the new schemes in the council's consultation document, which is available at www.brent.gov.uk/landlordconsultation

To give your feedback, please complete the online questionnaire, which you can access via the Council website [URL} by 23 January 2023 deadline, or you can request a paper copy complete and return it FREEPOST to the Council to arrive by the same deadline date.

Brent Council has appointed Cadence Innova, an independent business management company, to support the consultation exercise. Brent will produce a consultation report in which feedback from individual members of the public will be anonymous, but views from organisations may be attributed in full.

Any information that you provide in response to this consultation will be processed in accordance with the UK Data Protection Act and the EU General Data Protection Regulation. Information will only be used to inform this consultation and any personal information that could identify you will be kept for no more than one year after any decisions have been finalised. For further information, please see https://www.brent.gov.uk/the-council-and-democracy/access-to-information/data-protection-and-privacy/brent-privacy-policy .

If you have any queries about the consultation, or to request a paper copy of the survey, please contact Tony Jemmott, Private Housing Licensing Manager at Brent Council by emailing the licensing team on prslicensing@brent.gov.uk or by telephoning the team on 020 8937 2384/5.

YOUR CONNECTION TO LONDON BOROUGH OF BRENT

Q1 In what capacity are you responding to this questionnaire?
PLEASE TICK ✓ ONLY ONE BOX THAT APPLIES TO YOU

☐ **As a Brent resident or a local business in Brent (but not a landlord)** – *please answer the red shaded question overleaf, then go to the 'Local Issues?' section*

☐ **As a landlord, letting or managing agent with properties in Brent** – *please answer the blue section overleaf, then go to the 'Local Issues?' section*

☐ **As another type of stakeholder** – *please answer the green shaded section overleaf, and following questions*

Please provide the following information about yourself (where relevant) so that we can monitor the representativeness of the responses and identify trends. We will take all feedback into account, regardless of whether you provide your personal details.

INFORMATION ABOUT YOU: BRENT RESIDENTS & BUSINESSES

Q2 If you are a resident living in Brent, or responding on behalf of a local business in Brent which of the following best describes you? PLEASE TICK ✓ ONE BOX ONLY

☐	Private tenant living in a single family dwelling (e.g. a self-contained flat or house)
☐	Private tenant living in a House in Multiple Occupation (HMO) or bedsit where you share some basic amenities (e.g. toilet, bathroom, kitchen) with others
☐	Brent Council tenant
☐	Housing association tenant
☐	Owner occupier
☐	Shared owner – with a share in the equity of the home
☐	Local business in Brent (but not a landlord)
☐	Other

INFORMATION ABOUT YOU: LANDLORDS AND AGENTS

Q3 If you are a landlord or agent with properties in Brentwhich of the following best describes you? PLEASE TICK ✓ ONE BOX ONLY

☐	Landlord who manages their own property	☐	Managing agent
☐	Landlord who uses a managing agent	☐	Registered social landlord
☐	Letting agent	☐	Other

Q4 Do you live in Brent?

☐	Yes	☐	No

Q5 Please indicate how many properties you own/manage in Brent, for each of the following types. PLEASE TICK ✓ ONE BOX FOR EACH TYPE OF PROPERTY

	0	1	2-10	11-50	51-100	101+
Single family occupancy house/bungalow	☐	☐	☐	☐	☐	☐
Self-contained flat converted	☐	☐	☐	☐	☐	☐
Self-contained flat	☐	☐	☐	☐	☐	☐

purpose built						
HMO (3 or more people)	☐	☐	☐	☐	☐	☐

Q6 Are you a member of any of the following? PLEASE TICK ✓ ALL THAT APPLY

☐	National Landlords Association (NLA)	☐	Association of Residential Lettings Agents (ARLA)
☐	Residential Landlords Association (RLA)	☐	Other landlord/letting agent association
☐	London Landlord Accreditation Scheme (UKLAS/LLAS)	☐	No

INFORMATION ABOUT YOU: ORGANISATIONS AND OTHER STAKEHOLDERS

Q7 If you are responding on behalf of an organisation, which organisation do you represent?
PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

Please give us the name of the organisation and any specific group or department. Please also tell us who the organisation represents, what area it covers and how you gathered the views of members.

Q8 If you are another stakeholder (e.g. with links to a neighbouring borough), please use the box below to provide full details. PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

LOCAL ISSUES?

Q9 To what extent do you believe each of the following to be a problem in your local area of Brent? PLEASE TICK ✓ ONE BOX IN EACH ROW

	Not a problem at all	**Not a very big problem**	**A fairly big problem**	**A very big problem**	Don't know

Anti-social behaviour (ASB)	☐	☐	☐	☐	☐
Poor property conditions	☐	☐	☐	☐	☐
Deprivation	☐	☐	☐	☐	☐

Q10 And thinking about the private rented sector (PRS) as a whole in Brent, to what extent do you agree with the following statements?

PLEASE TICK ✓ONE BOX FOR EACH STATEMENT

	Strongly agree	**Tend to agree**	**Neither agree nor disagree**	**Tend to disagree**	**Strongly disagree**	Don't know
Poorly **maintained** properties are contributing to the decline of some areas in Brent	☐	☐	☐	☐	☐	☐
Poorly **managed** privately let properties are contributing to the decline of some areas of Brent	☐	☐	☐	☐	☐	☐
Landlords have a responsibility to manage their properties effectively	☐	☐	☐	☐	☐	☐
To help with the management of privately let properties in the borough, landlords should be 'fit and proper' persons *(e.g. have proper management or financial arrangements in place, and not have convictions for certain types of offences)*	☐	☐	☐	☐	☐	☐

THE LICENSING SCHEMES

Brent Council has introduced various five-year licensing schemes intended to tackle some of the problems associated with private rented properties in the borough. The first selective licensing scheme applied to all non-HMO privately rented homes in the wards of Harlesden, Willesden Green and Wembley Central and ended in December 2019 and the current five–year selective scheme applies to the old wards boundaries of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park.

Since the schemes were introduced, the council has selectively licensed 11,000 properties. Licensing has also been used strategically to deal with problems of ASB and to improve conditions associated with the PRS. For example, the council has operated a licence condition and compliance inspection regime, along with proportionate enforcement action, to target non-compliant landlords and improve the condition of properties. This has led to over 9,600 properties being improved in the period outturns for the eight years 2015 to 2022/23.

Within Private Housing Services over the same period, over 2,200 enforcement notices have been served on private landlords with over 160 prosecutions, resulting in fines and costs totalling £1.5m. As an alternative to prosecutions, the council has also issued over 100 civil penalty notices.

Q11 In which of the following ways do you think the selective licensing schemes have improved things in Brent? PLEASE TICK ✓ ALL THAT APPLY

Improved the condition of properties	☐
Reduced waste/rubbish such as mattresses dumped in private property front gardens	☐
Reduced waste/rubbish dumped on streets	☐
Reduced noise from neighbouring privately rented properties	☐
Reduced overcrowding in privately rented properties	☐
Tackled deprivation and inequalities in Brent	☐
Support to landlords and tenants	☐
Other (Please specify)	☐
None of the above	☐

Q12 If the selective licensing schemes in Brent stopped and were <u>not</u> continued, which of the following do you think would get worse as a consequence? PLEASE TICK ✓ ALL THAT APPLY

The condition of properties	☐
The amount of waste such as mattresses dumped in private property front gardens	☐
The amount of waste/rubbish dumped on streets	☐
Noise from neighbouring privately rented properties	☐
Overcrowding in privately rented properties	☐

Deprivation and inequalities in Brent	☐
Support to landlords and tenants	☐
Other (Please specify)	☐
None of the above	☐

Q13 To what extent do you agree or disagree that continuing selective licensing would improve / further improve the condition and management of privately rented properties in Brent? PLEASE TICK ✓ ONE BOX ONLY

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
☐	☐	☐	☐	☐	☐

SELECTIVE LICENSING SCHEMES *(i.e. the licensing of properties occupied by a single family or household, or by two unrelated people sharing)*

Brent Council knows that many landlords operate properly. However, as the PRS in Brent continues to grow, the council remains concerned about levels of ASB, poor living conditions, deprivation and poor tenancy and property management.

Therefore, Brent Council proposes to continue selective licensing scheme(s) beyond the current scheme which received Secretary of State Approval in 2018, for the wards of Dudden Hill, Kilburn, Queens Park, Kensal Green and Mapesbury. This scheme ends on 30 April 2023. The council believes that licensing will allow it to continue to find landlords who are not fit and proper, to improve conditions for tenants and to improve the area in general by tackling ASB, poor property conditions and deprivation.

The council has identified particular problems with property conditions and ASB in the three wards of Dollis Hill, Harlesden & Kensal Green, and Willesden Green. It also believes that the remaining 18 wards (excluding the ward of Wembley Park) have poor property conditions significantly higher than the national average, and that particular have specific issues with deprivation. The council believes that there are links between these issues and the PRS.

The council has also chosen to exclude the Wembley Park ward because it does not believe the area is suffering from poor property conditions, ASB linked to the PRS or deprivation.

Factors that have been used to determine whether a proposed area suffers from high level of deprivation include: the employment status of adults; the average income of households; the health of households; the availability and ease of access to education, training and other services for households; housing conditions; the physical environment; and levels of crime.

More information about the criteria and evidence used to select the areas above, and about the evidence linking the issues to the PRS, can be found in the consultation document.

The council is considering proposals for two specific designations for selective licensing, each affecting different wards in the borough. The council proposes to consult with the public for a minimum of ten weeks commencing in November 2022.

1. To introduce a selective licensing scheme under Part 3 of the Housing Act 2004 to the following designated area of the borough with effect from 1 June 2023, or at a later date, in accordance with the statutory time in the three wards of Dollis Hill, Harlesden & Kensal Green, and Willesden Green (covering 18% of the PRS stock in Brent and 14.12% of the total geographical area of the borough). The grounds for this designation will be Poor Property Conditions and ASB.

2. Consult on the designation **in** the remaining 18 wards (excluding the ward of Wembley Park) on the grounds of poor property conditions. The decision to designate other areas will be brought to a Cabinet meeting at a later date than the first proposed designation as more time will be needed to consider the consultation responses as this proposed designation covers a significantly much larger area. If this was to be designated, consent from the Secretary of State for the Department for Levelling Up, Housing and Communities (DLUHC) will be needed.

If the schemes are implemented, landlords will be required to apply to the council for a licence for each privately rented property they own or manage in the area. Each licence application must be accompanied by a licence fee. Conditions will be attached to each licence and landlords would be bound by these conditions. Details of the proposed areas, licence conditions and fees are detailed in the consultation document and on the website www.brent.gov.uk/landlordconsultation

INTRODUCING SELECTIVE LICENSING INTO AREAS

Q14 To what extent do you agree or disagree with this proposal for the selective licensing scheme in the three wards of Dollis Hill, Harlesden & Kensal Green, and Willesden Green? PLEASE TICK ✓ ONE BOX ONLY

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
☐	☐	☐	☐	☐	☐

Q15 To what extent do you agree or disagree with this proposal for the selective licensing scheme designation for the remaining 18 wards (excluding the ward of Wembley Park)?

PLEASE TICK ✓ ONE BOX ONLY

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
☐	☐	☐	☐	☐	☐

If you disagree with any of the above, please can you explain why and what alternatives you think should be considered to address the problems?

PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

LICENCE CONDITIONS

Selective licence conditions

The council has discretion to set the precise conditions of the licence. These can include conditions relating to the management, use or occupation of the house, and measures to deal with ASB of the actual tenants or those visiting the property. There are also certain mandatory conditions which must be included in a licence. For example, licensees are required to:

- Have a valid gas safety certificate covering the current 12 month period, if gas is supplied to the house;
- Keep electrical appliances and furniture (supplied under the tenancy) in a safe condition;
- Install smoke and carbon monoxide alarms and keep them in proper working order;
- Supply the occupier with a written statement of the terms of occupation; and
- Request references from persons wishing to occupy the house.

Full selective licensing conditions can be found in the annex of the consultation document found at www.brent.gov.uk/landlordconsultation

Q16 To what extent do you agree or disagree with the proposed selective licensing conditions?

PLEASE TICK ✓ ONE BOX ONLY

Strongly agree	Tend to agree	Neither agree nor disagree	Tend to disagree	Strongly disagree	Don't know
☐	☐	☐	☐	☐	☐

If you disagree with any of the conditions for selective licensing, please can you explain why?

PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

LICENCE FEES

The Housing Act 2004 permits the council to set licensing fees to cover the costs of administering the licensing scheme over five years but this charging is not designed to make a profit. As long as the conditions are complied with, the licence would remain valid up to a maximum of five years.

The current basic fee in Brent effective from 1 June 2018 is £540.00 for a selective licence. A fee discount of £40.00 per property application is allowed for landlords who are accredited to the London Landlords Accreditation Scheme (LLAS).

It is proposed that the fee for a selective licence will increase to **£640.00.** Due to case law and in accordance with the European Services Directive (ESD), the licensing fee is collected in two parts. For the selective licence, a proportion at the time of the application **(£340.00) and the remainder (£300.00) prior to the licence being issued.**

The licensing fees will be kept under review at least annually.

Q17 What are your views on the proposed fees? PLEASE TICK ✓ ONE BOX ON EACH ROW

	I think the fee is too high	**I think the fee is at about the right level**	**I think the fee is too low**	Don't know
A basic fee of **£640 per property** for a selective licence	☐	☐	☐	☐

DO YOU HAVE ANY FURTHER COMMENTS?

Are there any other things you think the council should consider to help improve the condition and management, ASB, deprivation and other issues about the PRS in Brent? Are there any other comments that you would like to make about the licensing proposals?

PLEASE ANSWER IN THE BOX BELOW AND CONTINUE ON A SEPARATE SHEET IF NECESSARY

LICENSING DESIGNATION

Brent Council is legally obliged to offer to send you a copy of the Licensing Designation(s) before any licensing scheme is introduced. These are supporting documents that define various things including the area where licensing will be required, as well as detailing the commencement and duration of the designation(s).

If you would like to receive a copy of the Licensing Designation(s) please provide your name with either an email or postal address in the box below.

Please be aware that Brent Council are the data controllers and the data processors for this questionnaire and that any contact details you provide will be sent to Brent Council. Your contact details will be separated from your questionnaire response before being sent; therefore, you will not be identified in the results and report of findings received by the Council. We will not pass your details on to any third parties. The Council's Data Protection Officer can be contacted via dpo@brent.gov.uk, or 020 8937 1402.

Your contact details will be used by Brent Council only for the purpose of the Notification under the **Housing Act 2004,** and of issuing the Licensing Designation(s), as required to fulfil the council's duties under **Regulation 9 (3) - The Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations 2006 –** the publication requirements relating to designations made under the Housing Act 2004, require that within two weeks after the designation was confirmed or made the local housing authority must send a copy of the notice to any person who responded to the consultation.

The contact information will not be shared, shall be retained for no more than three years after decisions have been finalised, and shall be processed in adherence to your legal rights, including but not limited to the right to withdraw consent, right to copies of your information and right to be forgotten. If you are dissatisfied with the processing of your information, you

can raise your concern with the council's data protection officer. You have a right to lodge a complaint with the Information Commissioner's Office (www.ico.org.uk). Further information can be found at www.brent.gov.uk/privacy

MORE INFORMATION ABOUT YOU

What is your full postcode?
This will help us understand views in different areas

If you are providing your own personal response, please answer the questions below…

Brent Council has a duty to promote equality and wants to make sure all parts of the community are included in this consultation, but these questions are optional. All consultation responses will be taken fully into account when making decisions, regardless of whether you provide your details.

What was your age on your last birthday?

- ☐ Under 25
- ☐ 25 to 34
- ☐ 35 to 44
- ☐ 45 to 54
- ☐ 55 to 64
- ☐ 65 or above
- ☐ Prefer not to say

What is your gender?

- ☐ Male
- ☐ Female
- ☐ Prefer not to say

How would you describe your ethnic origin?

- ☐ Asian/Asian British: Bangladeshi
- ☐ Asian/Asian British: Chinese
- ☐ Asian/Asian British: Pakistani
- ☐ Asian/Asian British: Indian
- ☐ Any other Asian/Asian British background
- ☐ Black/Black British: African
- ☐ Black/Black British: Caribbean
- ☐ Any other Black/Black British background
- ☐ Mixed: White and Black Caribbean
- ☐ Mixed: White and Black African
- ☐ Mixed: White and Asian
- ☐ Any other mixed/multiple ethnic background
- ☐ White: English/Welsh/Scottish/Northern Irish/British
- ☐ White: Irish
- ☐ White: Gypsy or Irish Traveller
- ☐ Any other White background
- ☐ Arab
- ☐ Any other ethnic group
- ☐ Prefer not to say

Do you have any long-standing illness or disability?

- ☐ Yes
- ☐ No
- ☐ Prefer not to say

What is your religion or belief?

- ☐ Agnostic
- ☐ Buddhist
- ☐ Christian
- ☐ Hindu
- ☐ Humanist
- ☐ Jewish
- ☐ Muslim
- ☐ Sikh
- ☐ No religion/belief
- ☐ Other *(please specify)*

☐ Prefer not to say

What is your sexual orientation?

- ☐ Heterosexual/straight
- ☐ Lesbian
- ☐ Gay man
- ☐ Bisexual
- ☐ Other *(please specify)*

☐ Prefer not to say

How did you hear about this consultation? *(tick all that apply)*

- ☐ Leaflet
- ☐ Email
- ☐ Brent Connects
- ☐ Brent Citizens' Panel
- ☐ Poster
- ☐ Brent website
- ☐ Local newspaper
- ☐ Word of mouth
- ☐ Other *(please specify)*

How long have you owned property in Brent?

- ☐ Less than one year
- ☐ 1 -2 years
- ☐ 2 - 5 years
- ☐ 5 - 10 years
- ☐ 10+ years
- ☐ Not applicable

Examples of Communication Visuals

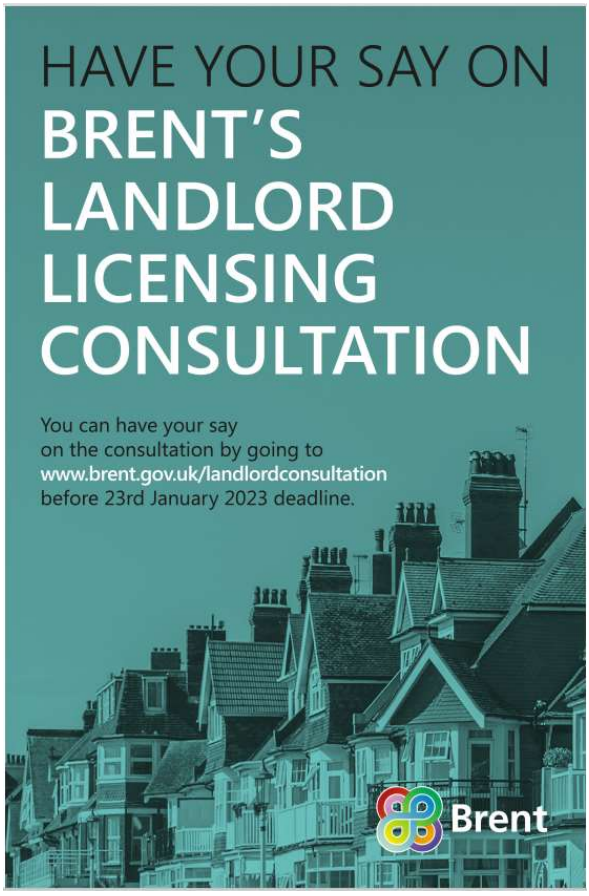
Flyer



Library Screen Graphic

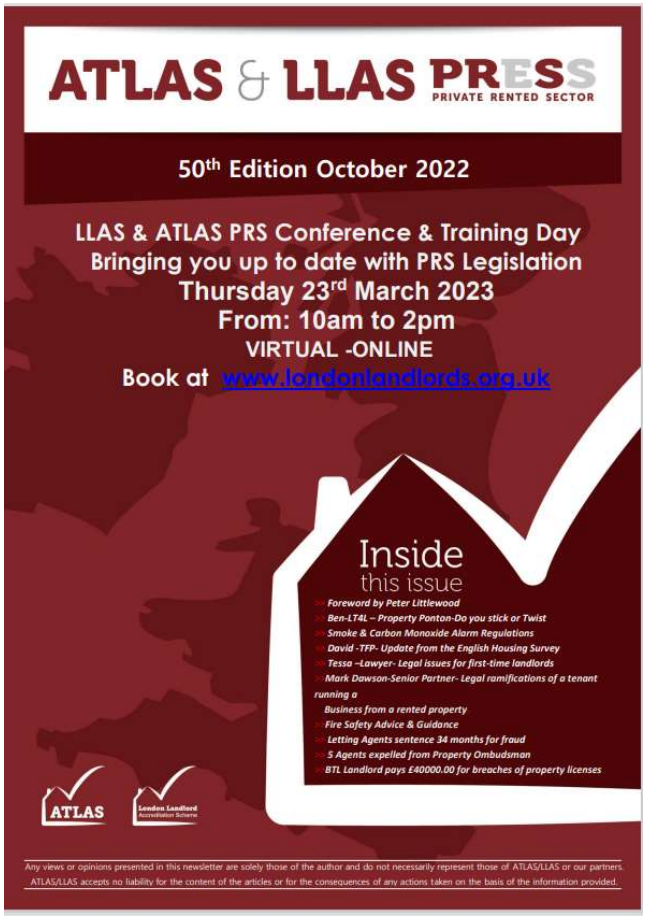


JCD Screen Graphic and JCD Screen Photo





ATLAS & LLAS (London Landlord Accreditation Scheme) Press Advertisement





Have your say on licensing for private rented properties in Brent

A borough-wide consultation on landlord licensing for privately rented properties in Brent launched yesterday (31 October 2022) for twelve weeks. The consultation is now live.

The online consultation is open to anyone to have their say on landlord licensing in the borough.

Three types of licensing schemes operate in the borough: mandatory, additional, and selective licensing. Selective licensing applies to a single household renting a property, be that a family or just one or two tenants.

This consultation asks people whether they are in favour of selective licensing schemes in Brent.

Cllr Promise Knight, Cabinet Member for Housing, Homelessness & Renters Security, said: "More than a third of people in Brent rent in the private sector. Whilst most landlords provide safe and decent homes, sadly that isn't always the case.

"Licensing has helped keep renters safe. Since we introduced our first selective licensing scheme in 2015, we've driven up housing standards, reduced overcrowding and tackled anti-social behaviour. Where landlords have fallen short, we have been relentless in taking action and will not hesitate to throw the full-force of the law at rogue landlords."

All wards, with the exception of Wembley Park, are being considered for selective licensing in Brent. Selective licensing previously applied to Harlesden, Wembley Central and Willesden Green, and presently applies to the old wards of Queens Park, Kensal Green, Kilburn, Dudden Hill and Mapesbury. But this current scheme ends on 30 April 2023.

Have your say on the licensing consultation today at **www.brent.gov.uk/landlordconsultation**

Letters of Support

Willesden Green Town Team

Willesden Green Town Team is a not-for-profit volunteer lead organisation and limited by guarantee. We work with all stakeholders in the Willesden Green area, from businesses to local residents, Brent Council and other organisations, to help bring about improvements that will benefit the entire community. Our projects focus on environmental improvements and other leisure and cultural activities for the wellbeing of our community.

We wish to submit a letter in support of Brent Council's application for Selective Licensing for the Private Rented sector, in Willesden Green and across the borough of Brent. This letter is in addition to the video* in support of the scheme produced by Willesden Green Town Team, and to feedback provided when I attended the consultation meeting hosted by yourself on the 17th of January, 2023. (*Video can be viewed on our Facebook page or www.youtube.com/watch?v=wcgIzL6ef9Y)

Willesden Green, has long suffered from problems of Antisocial Behaviour including noise nuisance, flytipping, waste mismanagement, and poor quality and unsafe property conditions that are associated with the private rented (46% of residents in Willesden Green live in private rented accommodation). As such, we are in favour of the additional powers and funds that the Selective Licensing Scheme and fees will bring, in order for Brent Council to tackle these long standing issues more effectively by targeting rogue landlords and bad tenants.

The aim of further licensing is to provide an additional tool to assist Brent Council, the Police, Social Services and other parties to help to bring about a transformation of the private rental market in Willesden Green; by improving the condition of private rental properties the scheme will also encourage better and longer term tenancies which in turn will help to create a stronger sense of belonging and community spirit.

As a lot of antisocial behaviour and linked activity isn't limited by ward boundaries, we support Brent Council application for Selective Licensing across all other wards. This will ensure a consistent approach and clear messaging across the entire borough which we believe will ensure greater success of the scheme.

Harlesden Neighbourhood Forum Response

The Harlesden Neighbourhood Forum's (HNF) membership is drawn primarily from the Harlesden and Kensal Green (ward) community, and HNF works closely with other local stakeholders in the aim of making our area a better place to live and work.

The HNF is in favour of the new selective licensing scheme proposed, which includes designation of our local ward in Phase 1. The Forum is very supportive of Brent's drive to improve the condition of housing in the private rented sector, but also keen to see solutions that aim to tackle anti-social behaviour. Having reviewed the evidence base it is encouraging to see that the pilot scheme, over the last five years, has raised substantial funds for the Council to invest in enforcement and compliance, for the benefit of members of our

community dealing with the consequences of London's insecure and expensive housing market.

The HNF also supports the proposal of the Phase 2 extension, which would bring these benefits to more of the Borough.

Email responses to the consultation

NRLA Response

Introduction

The National Residential Landlords Association (NRLA) exists to protect and promote the interests of private residential landlords.

The NRLA would like to thank the council for the opportunity to respond to the consultation. We are happy to discuss any comments that we have made and develop any of the issues with the local authority.

The NRLA seek a fair legislative and regulatory environment for the private rented sector, while aiming to ensure that landlords are aware of their statutory rights and responsibilities.

Response

The NRLA believes that local authorities need a healthy private rented sector to compliment the other housing in an area. Brent has seen the development of an unhealthy situation due to policies delivering high rents and where the poor have greater difficulty renting in the private rented sector. The ability to provide a variety of housing types that can be flexible around meeting the needs of both the residents that live and want to live in the area and the landlords in the area. There are already significant challenges around housing in Brent, and we have concerns that this will be exasperated by this policy, unless it is introduced in a fair and equitable way.

The sector is regulated, and enforcement is an important part of maintaining the sector from criminals who exploit landlords and tenants. An active enforcement policy that supports good landlords is important as it will remove those that exploit others and create a level playing field. While Brent has been active in enforcement it can do more. We have concerns around the council's approach to licensing, you have failed to inspect all properties that come under previous schemes, while you have done the most in London, you should be aiming to inspect all the properties. Some schemes are delivering multiple inspections, up to 3 of every property during a scheme, while this is at the top and Brent is close to it, it should undertake an inspection of all properties covered by the scheme. Multiple inspections push criminals out of the sector and drives up the standards for landlords and tenants. Brent has been good so far but there is still room for improvement.

Landlords are often victims of criminal activity with their properties being exploited, both through subletting and criminals exploiting properties through county lines and other criminal activity such as people smuggling, drugs and prostitution.

We believe the council should adopt an approach similar to the Leeds rental Standard, which supports the compliant landlords and allows the local authority to target the criminals and inspecting all properties.

The NRLA will judge the scheme against the criteria that the council is proposing the scheme under. We are not opposed to licensing schemes, what we wish to see is them delivered against what they are proposed to do. As you will be aware, the NRLA publishes data against performance against peer councils. We support league tables of councils performances.

Good practice should be recognised and encouraged, in addition to the required focus on enforcement activity. We recognise Brent has done good work on enforcement, we just believe it needs to go further. How does the local authority plan to communicate best practice to the landlord and tenants of Brent? Brent should commit to inspect each property at least once?

The law is clear landlords do not manage their tenants; they manage a tenancy agreement. If a tenant is non cooperative, or causing a nuisance a landlord can end the tenancy, will the council make it clear in the report that they will support the landlord in the ending of the tenancy for anti-social behaviour? Will the council support the landlord going to court to regain possession, if they are, what is the process? The House of Commons (Library report) says it is not the landlord's responsibility, who's is it?

With the government proposal to reform Section 21 (Renters Reform Bill) and Anti-social Behaviour clear guidance on how the council will support landlords when an allegation is made needs to be documented. Landlords will require support, if the tenancy is to be ended, how will the council provide support and what will it be? Will the council support the ending of a tenancy?

Licensing is a powerful tool. If used correctly by Brent Council, it could resolve specific issues. We have supported/worked with many local authorities in the introduction of licensing schemes (additional and selective) that benefit landlords, tenants and the community. We can support parts of the proposal. Our main questions are

You sight poor property conditions; this would mean that you will be required to inspect all properties in the scheme?

In relation to anti-social behaviour, will you provide guidance for landlords with the government reforms up to and including support in the removal of problem tenants?

The increase in rent-to-rent or those who exploit people (both tenants and landlords), has increased in recent years. Landlords who have legally rented out a property that has later been illegally sublet, the property still has a license, with the council not inspecting all properties they know there is no risk. The landlord does not rent the property as an HMO,

but is illegally sublet. The license holder can end the tenancy (of the superior tenant, the sub tenants have no legal redress) but the landlord would need support the local authority for a criminal prosecution. Including the work to identify elsewhere is the borough where this is happening. But what is the process for landlords, it would help if the council could document how this would work. Often, landlords are victims, just as much as tenants. What support will the council provide for landlords to whom this has happened? Will the council support an accelerated possession order?

The issue of overcrowding is difficult for a landlord to manage if it is the tenant that has overfilled the property. A landlord will tell a tenant how many people are permitted to live in the property, and that the tenant is not to sublet it or allow additional people to live there. Beyond that, how is the landlord to manage this matter without interfering with the tenant's welfare? Equally, how will the council assist landlords when this problem arises? It is impractical for landlords to monitor the everyday activities or sleeping arrangements of tenants. Where overcrowding does take place, the people involved know what they are doing and that they are criminals, not landlords. The council already has the powers to deal with this.

Costs

While any additional costs levied on the private rented sector runs the risk of these being passed through to the tenants, as has previously been established. We are disappointed that the local authority has not looked at a cost in a monthly basis. Is the council going to allow landlords to pay monthly, thus following best practice? If other councils are able to do this, why cannot Brent? The introduction of licensing post Covid 19 will have an impact on cash flow for many landlords, and tenants therefore following best practice a monthly fee as highlighted by other councils does seem appropriate. As other local authorities are able to deliver this, we hope Brent follows these examples as it benefits all parties.

This will also the issue of insurance is often overlooked as a cost, as premiums increase for everyone (homeowners and landlords) when a local authority designates an area with licensing it is indicating problems in the area. This will add costs to those renting as well as to owner-occupiers. Already Brent is expensive, and this will continue affecting those on the lowest income.

A joined-up coordinated approach within the council will be required. Yet there is no evidence from the council that this will be done – can this be provided? How will landlords feed into system if they suspect a tenant is at risk? What support will be put in place so a landlord can support a tenancy where a tenant has mental health, alcohol, drug issues or they have problems and need support.

Tenant behaviour

Landlords are usually not experienced in the management of the behaviour of tenants, and they do not expect to. The contractual arrangement is over the renting of a property, not a social contract. They do not and should not resolve tenants' mental health issues or drug

and alcohol dependency. If there are allegations about a tenant causing problems (e.g., nuisance) and a landlord ends the tenancy, the landlord will have dispatched their obligations under the additional licensing scheme, even if the tenant has any of the above issues. This moves the problems around Brent, but does not actually help the tenant, who could become lost in the system, or worst moved towards the criminal landlords. They will also blight another resident's life. There is no legal obligation within licensing for the landlord to resolve an allegation of behaviour, as outlined by the House of Commons. Rather, a landlord has a tenancy agreement with a tenant, and this is the only thing that the landlord can legally enforce.

We would also like to see the council develop a strategy that includes action against any tenants who are persistent offenders. These measures represent a targeted approach to specific issues, rather than a blanket licensing scheme that would adversely affect all professional landlords and tenants alike, while leaving criminals able to operate covertly. Many of the problems are caused by mental health or drink and drug issues. Landlords cannot resolve these issues and will require additional resources from the council.

Waste

Often when tenants are nearing the end of their contract/tenancy and are in the process of moving out, they will dispose of excess household waste by a variety of methods. These include putting waste out on the street for the council to collect. This is in hope of getting there deposit back. Local authorities with a large number of private rented sector properties need to consider a strategy for the collection of excess waste at the end of tenancies. We would be willing to work with the council to help develop such a strategy. An example is the Leeds Rental Standard, which works with landlords and landlord associations to resolve issues while staying in the framework of a local authority.

Current law

A landlord currently has to comply with over 180 pieces of legislation, and the laws with which the private rented sector must comply can be easily misunderstood. A landlord is expected to give the tenant a 'quiet enjoyment' of the property. Failure to do so could result in a harassment case being brought against the landlord. The law within which landlords must operate is not always fully compatible with the aims of the council. For example, a landlord keeping a record of a tenant could be interpreted as harassment.

Changes to Section 21

We would like clarification on the council's policy in relation to helping a landlord when a section 21 notice (or future notice as currently being consulted upon under the Renters Reform Bill) is served, the property is overcrowded or the tenant is causing antisocial behaviour. What steps will the council take to support the landlord? It would be useful if the

council were to put in place a guidance document before the introduction of the scheme, to outline its position regarding helping landlords to remove tenants who are manifesting antisocial behaviour.

The change to how tenancies will end and a move to a more adversarial system, especially in the lower income market. Landlords will become more risk adverse to take tenants that do not have a perfect reference and history. It also poses a question where does the council expect people to live who have been evicted due to a tenancy issue?

Safeagent response

An Introduction to safeagent

Safeagent is a not for profit accrediting organisation for lettings and management agents in the private rented sector. Safeagent (formerly NALS) provides an overarching quality mark, easily recognised by consumers, with minimum entry requirements for agents. Safeagent operates a government approved client money protection scheme and is a training provider recognised by the Scottish and Welsh governments for agents meeting regulatory requirements in those devolved nations.

Safeagent agents are required to:

- deliver defined standards of customer service
- operate within strict client accounting standards
- maintain a separate client bank account
- be included under a Client Money Protection Scheme

Agents must provide evidence that they continue to meet safeagent criteria on an annual basis to retain their accreditation. The scheme operates UK wide and has 1,700 firms with over 3,000 offices, including agents within the London Borough of Brent.

We very much welcome the opportunity to contribute to this consultation exercise

Overview

We understand that Brent Council is seeking to introduce a new selective licensing scheme covering most of the borough, to be implemented in two phases. In preparing this consultation response, we have carefully considered the information published on the council's website.

Previous licensing scheme

The council's consultation report explains that one selective licensing scheme covering three wards ended on 31 December 2019 and a second selective licensing scheme covering five wards will end on 30 April 2023. Whilst the report explains how many properties have been licensed under the current and previous licensing schemes, there is limited evaluation about how successful these schemes have been in achieving their objectives. For example, the

report says the worse property conditions and highest repeat ASB is found in Dollis Hill, Harlesden & Kensal Green and Willesden Green. Whilst we understand some ward boundaries have changed, Harlesden, Willesden Green and Kensal Green have all been subject to five year selective licensing schemes. If these areas remain the worst in the borough, it calls into question how successful the schemes have been and what value will be achieved in repeating the schemesfor another five years.

We would encourage the council to publish a more detailed evaluation of the current and previous schemes. This will help us understand how many of the licensed properties have been inspected and improved, what steps have been taken in partnership with landlords and agents to tackle poor tenant behaviour and whether staffing resources have been maintained at an appropriate level to address these issues.

Evidence base

We note that Wembley Park ward is the only ward to be excluded from the proposed selective licensing scheme. According to the council's report it has 98% private rented properties and no serious concerns about property condition or ASB. This ward could be a useful benchmark for a comparative study exploring factors that influence poor condition, poor property management and poor tenant behaviour. What is the demographic of tenants in that area and why does the ward differ so markedly from those around it?

We understand the council's greatest concern relates to the council wards of Dollis Hill, Willesden Green and Harlesden & Kensal Green and these three wards would form phase I of a proposed selective licensing scheme. It is unclear whether the statistical mapping takes account of housing enforcement activity to raise standards under previous licensing schemes. It is also unclear whether the data excludes Houses in Multiple Occupation that fall outside the scope of this scheme.

If these factors have been considered, commentary could helpfully explain why the council think housing conditions remains so poor after five years of intensive licensing activity designed to address this issue.

From an ASB perspective, we are given no breakdown of the data which we understand is cumulative data gathered over five years. This approach gives no indication of annual trends and no comparison of data between wards that were and were not previously subject to licensing. Is ASB data in these wards trending up or down and what interventions are being proposed to address these issues?

We note that the main ASB concerns relate to substance misuse, noise and rowdy behaviour. Whilst dealing with excess noise is a common housing management function, our safeagent members have limited ability to address substance misuse and no control over the availability of health treatment programmes for addiction. Likewise, whilst the police can tackle rowdy behaviour, it is not an easy topic to resolve through tenancy management. We would welcome a further discussion with the council to explore how our members can assist in addressing these challenging societal issues.

We do have concerns that a proposed scheme encompassing around fifty thousand properties distributed across the borough is a step too far. The council will lack the resources needed to deliver meaningful results within five years. Instead, we would encourage the council to focus their limited resources in the three wards where the worst problems are concentrated. Once those issues have been addressed the council could then refocus their resources on a new area.

Licensing fees

We recognise that the council need to charge a reasonable fee to cover the cost of administering and enforcing the licensing scheme. It is important that the council implement an efficient and streamlined licence application processing system. This will help to minimise costs and keep fees at a reasonable level, thereby minimising upward pressure on the rent that is charged to tenants.

We understand the council is intending to increase the selective licensing fee from£540 to £640, with the same fee for licence renewals. Whilst we appreciate this fee is below average when compared to all London Boroughs, we would question whether an 18.5% fee increase is reasonable and necessary in the midst of a costof living crisis.

One alternative option would be to charge a new application fee of £640 and retaining the £540 fee for licence renewals. This would acknowledge the reduced workload involved in reissuing a licence and benefit those landlords who licensed their property under the previous scheme.

We welcome the proposed fee discount if the licence holder or managing agent is accredited. However, we do not agree it should be restricted to one accreditation scheme. The discount should be widened to other recognised schemes. Safeagent is a not for profit accrediting organisation for lettings and management agents in the private rented sector. We are a training provider recognised by the Scottish and Welsh governments for agents meeting regulatory requirements. Our members are required to deliver defined standards of customer service, operate within strict client accounting standards, maintain a separate client bank account and be included under a Client Money Protection Scheme. Membership of safeagent can be easily verified by visiting our website: https://safeagents.co.uk/find-an-agent/ or by contacting us by phone or email. We would ask the council to include safeagent within their list of recognised accreditation schemes.

There is no mention of an early bird fee discount for landlords who apply before the start date of the scheme. To ensure landlords and agents have sufficient time to prepare and submit applications, we would request that the application process is launched and early bird discount offered for a three month period before the scheme comes into force.

Licence Conditions

We have studied the proposed list of licence conditions in the consultation report. We have made some suggestions to help improve and fine tune the wording of the conditions. This in turn should help landlords and agents to understand and comply with the requirements.

3. Rent payments

Whilst we appreciate that rent books are appropriate for rent paid in cash, they are not appropriate for the vast majority of rent payments made by BACS transfer, standing order or direct debit. Neither are weekly or monthly rent statements appropriate for payments made via bank transfer which are recorded on the bank statements of both parties.

We would ask that this condition is reworded to differentiate between cash and other rent payments.

5. Complaints

Whilst all safeagent members belong to a government approved redress scheme and will have an associated complaints policy, it is unlikely that all private landlords would have such an arrangement in place.

Tenants already receive a substantial bundle of statutory documentation at the start of every tenancy. We question the value of including a written complaints policy within the bundle. We would suggest you seek feedback from tenants before insisting they are presented with even more paperwork.

6. Antisocial Behaviour

As mentioned above, tenants already receive a substantial bundle of statutory documentation at the start of every tenancy. We question the value of including a written ASB procedure within the bundle. We would suggest you seek feedback from tenants before insisting they are presented with even more paperwork.

If an ASB procedure must be provided, we would suggest the council publish a template that can be used for this purpose and supply a copy with the licence. We would also enquire whether similar arrangements will be rolled out to all new council housing tenants so private landlords are not placed under more onerous requirements than the council provide for their own tenants.

We think condition 6a (IV) is not appropriate as a licence condition. It does not relate to management of the property being licensed and the council should not seek to insist on information being disclosed which could be sensitive personal information under GDPR. Likewise, we have concerns about condition 6a (VI) as it would be unreasonable, and could appear threatening, to advise tenants that any ASB by them or their visitors, regardless of how serious, could result in eviction. We would encourage the council to seek legal advice before adopting these proposed conditions.

7. Gas safety

The condition contains an unusual requirement that if the council highlight any safety risk, the licence holder must submit a new gas safety certificate within 14 days. This contradicts the gas safety enforcement regime enforced by HSE that imposes no such requirement. It is also potentially unlawful as case law confirms any perceived hazards should be dealt with via HHSRS and not selective licence conditions.

10. Security

Whilst well meaning, condition 10 a, b and c cannot be imposed on a selective licence as they breach the more restricted power to impose conditions under Part 3 of the Housing Act 2004. For selective licensing, conditions can only relate to the management, use and occupation of the property. The Court of Appeal has confirmed that licence conditions cannot relate to property condition and contents (Brown v Hyndburn Borough Council [2018]).

11. External areas

Condition 6a (V) imposes a reasonable requirement for six monthly inspections. The reference to regular and interim inspections in condition 11 need to be defined to make clear one six monthly inspection will satisfy all these requirements.

12. Refuse and waste

We disagree with condition 12e. The Housing Act 2004 makes clear the council cannot impose specific clauses within a current or future tenancy agreement. Each house or flat will have different provisions for waste storage which would be difficult to capture in a tenancy condition. We believe condition 12a and d deal with this matter appropriately. i.e., that tenants are told how to dispose of waste and recycling and that any concerns are investigated and appropriately dealt with.

14. Pest Control

In a single family property subject to selective licensing, the licence holder will not be responsible for all pest issues. It will depend on the circumstances. For example, if the tenant complains about a wasps nest, it is more likely this will be the tenant's responsibility and advice given about contacting a reputable pest control company. Clearly, if there was a rodent infestation caused by a broken drain, this would be the landlord's responsibility although it is unlikely all remedial action could be completed within 7 days.

15.1 Smoke Alarms

Condition 15.1 (e) and advisory note 3 in Appendix 1 should be deleted. It exceeds the Schedule 4 smoke alarm condition and breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004.

16. Means of escape

Condition 16 and advisory note 4 in Appendix 1 should be deleted. It is unclear what it means in the context of a single family property and it breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004.

20. Compliance inspections

Whilst safeagent members will always cooperate with the council to help facilitate access for an inspection, they have no power to guarantee access if the tenant is unavailable and/or refuses entry. Council officers have much stronger powers of entry then landlords or agents.

Delivering effective enforcement

It is vital that the council have a well-resourced and effective enforcement team to take action against those landlords and agents that seek to evade the licensing scheme. In the absence of a previous scheme evaluation, we do not know and cannot comment upon what arrangements are currently in place.

Without effective enforcement, new regulatory burdens will fall solely on those that apply for a licence whilst the rogue element of the market continue to evade the scheme and operate under the radar. This creates unfair competition for safeagent members who seek to comply with all their legal responsibilities. They are saddled with extra costs associated with the licence application process and compliance, whilst others evade the scheme completely.

Recognising the important role of letting agents

Letting agents have a critical role to play in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent accredited firms.

Regulation of letting agents

To achieve better regulation of the private rented sector and improve consumer protection, it is important the council takes a holistic approach that extends far beyond the proposed licensing scheme.

Since October 2014, it has been a requirement for all letting agents and property managers to belong to a government-approved redress scheme. In May 2015, new legislation required agents to display all relevant fees, the redress scheme they belong to and whether they belong to a client money protection scheme. On 1 April 2019, new legislation required letting agents and property managers that hold client money to be members of a government approved client money protection scheme. At safeagent we operate one of the six government approved client money protection schemes.

To assist councils in regulating the private rented sector and effectively utilising these enforcement powers, we developed an Effective Enforcement Toolkit. Originally published in June 2016, the second edition was published in 2018. The third and most recent edition of the safeagent Effective Enforcement Toolkit, developed in conjunction with London Trading Standards, was published in 2021. It can be downloaded free of charge from our website: https://safeagents.co.uk/wp-content/uploads/2021/11/safeagent-EffectiveEnforcement-Toolkit-2021.pdf

Should you wish to discuss any aspect of this consultation response, please do not hesitate to contact me. Can you also please confirm the outcome of the consultation exercise in due course

Propertymark response

Background

1. Propertymark is the UK's leading professional body of property agents, with over 17,000 members. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry leading training programme and mandatory Continuing Professional Development.

Overview

2. Brent Council are consulting on a proposal to implement a borough-wide selective licensing scheme for all Private Rented Sector (PRS) accommodation. The scheme will include all Brent wards apart from the Wembley Park ward and builds on previous selective licensing schemes that the council implemented back in 2015.

3. Thank you for the opportunity to respond to the consultation on the licensing proposals for the borough-wide scheme in Brent Council. Propertymark is supportive of efforts made by local authorities to improve housing stock within the PRS. However, we do not believe that licensing is the best method to achieve this aim. Accordingly, we object to your proposal.

4. Propertymark would prefer a regulatory framework, which seeks to educate landlords in improving their stock rather than punitive measures that are difficult to enforce and only punish compliant landlords letting those that require improvements to go undetected. We oppose this proposal on several grounds which are headed below.

Licensing structure

5. Number of properties – One of our concerns about licensing schemes, especially ones as large as the proposed Brent scheme, is that the enforcement of schemes to ensure standards are being met in the PRS is often inadequate resulting in compliant landlords having to pay for the scheme and rogue landlords continuing to operate below standard under the radar.

6. Clarification needed on Council resources - The licensing scheme will operate in 21 of the 22 Brent wards only excluding the Wembley Park ward. The PRS is very large in Brent and is an important housing tenure that in total makes up 45.6 per cent of total housing stock. In total there are around 50,000 PRS properties within the scope of the scheme. This is a very large number of properties to check to ensure that landlords are operating to standard. We would like clarification on how much resources Brent will put into enforcement and compliance of the scheme. If insufficient resources are not put into staffing the scheme, then we are concerned the aims of the scheme will not be met.

7. Identifying non-registered properties - For a scheme on this scale, we are disappointed that there is no clear strategy on how the council will identify properties that have not been registered within the proposed scheme. Turning back to our concern that complaint landlords will pay for the scheme while rouge landlords will operate under the radar, we advocate using council tax records to identify tenures used by the private rented sector and those landlords in charge of those properties. Unlike discretionary licensing, landlords do not require self-identification, making it harder for criminal landlords to operate under the radar.

With this approach, the council would not need to seek permission from the UK Government and would be able to implement it with no difficulty

8. Fees – At £640 for a selective licence, the fee is in line with fees incurred in other local authority areas including £650 in Newcastle and £550 in Liverpool. However, other local authority schemes have considered 'early bird' discounts which given the large number of properties involved in this scheme would be a good incentive to ensure compliance. We also note that other schemes sometimes offer discounts for landlords or agents who belong to an accredited scheme. We note there is a discount for members of the London Landlord accreditation scheme, but consideration could have been given to members of landlord and letting agent accreditation schemes such as Propertymark (formally, the Association of Residential Letting Agents – ARLA).

9. Impact of cost-of-living and landlords - Regardless of the fee level, we are concerned these charges will come at a time when landlords are impacted by the cost-of-living crisis and the impact fees could have on the ability of landlords to improve standards. Our members have also told us that a common concern from landlords on licensing schemes is that the costs can be extremely high for landlords who own several properties within a self-contained unit such as a block of flats. We welcome Merton Council's acknowledgement of the high cost for these landlords who offer discounts for multiple licenses within one unit in their proposed scheme.

10. Impact on supply of homes - Exiting the market is especially a concern for smaller landlords who are more likely to sell their properties and further shrink the supply of PRS properties leaving remaining private tenants with higher rents. Our research on the shrinkage of the PRS found 53% of buy to let properties sold in March 2022 left the PRS and that there were 49% less PRS properties to let in March 2022 compared with 2019. In addition to these concerns, those landlords who remain in the market, often have less money to improve conditions from increased costs. If the decision to operate a selective licensing scheme across the whole of Brent is approved, then there is a concern that landlords currently operating within Brent could invest in neighbouring local authority areas or exit the market altogether. This could result in fewer housing options for people living in Brent meaning some people might be forced to find housing options outside the area, change employment or break social ties within the community.

11. Unintended Consequences – We are pleased to see that Brent Council acknowledge that the PRS is an important and increasingly growing tenure that is home to many people living within Brent. Renting in parts of London, including Brent, can be very expensive. The median monthly rent for London is £1,750 compared to £1,775 in Brent4. Some renters living within Brent will require cheaper accommodation due to being on a low income and the continued challenges in the cost-of-living crisis. We previously outlined the possibility that further legislation could reduce the housing options of the most vulnerable from landlords exiting the market there could be further implications on the rent level for those landlords who remain. As is the general law of supply and demand, if the supply of PRS property reduces, the cost of rent for the remaining properties is likely to rise. With already high rental prices

within the area, there is a very real danger that many low-income families will be priced out of living in the area.

Improving standards

12. Property condition – Large parts of Brent is characterised as including large amounts of terraced housing and older stock. The purpose for excluding Wembley Park is due in part to the large amounts of new build housing to concentrate on older stock in other areas. Areas that have these characteristics are often inner-city communities with large section of pre-1919 built housing. Accordingly, a significant amount of investment is required to improve the condition of stock including the energy efficiency of properties. We would be grateful if Brent Council have any proposed grants or funds available for landlords to improve stock and energy efficiency.

13. Energy efficiency – Brent Council have highlighted improving energy efficiency as one of the key aims of the selective licensing scheme. This is not the purpose of selective licensing schemes. The Department for Business, Energy and Industrial Strategy (BEIS) already have the Minimum Energy Efficiency Standards (MEES) in place to improve the energy efficiency of PRS stock in place.

14. Empty properties – Brent Council briefly mention in their proposal document that they have worked with the Empty Property Team. However, details are vague and there is no clear strategy of the council's aims in reducing empty properties. There is no mention of previous activity from the council on how empty homes have been tackled in the form of Empty Management Dwelling Orders, loans/grants available to bring these properties back into use or case studies involving empty properties. The council should provide further information into what active steps have been taken the reduce the number of empty properties within the city to aid the high number of people waiting on the housing list for social housing.

15. Current enforcement – Brent is experienced in the implementation of Selective Licensing Scheme and have introduced them since 2015. We would be grateful for some clarity on the performance of previous schemes. For example, how many working days did it take for a typical selective licence application to be processed and issued? The council also highlight some of the key statistics on their enforcement activity including warning letters, prosecutions, and civil penalties issues. We would be grateful if this data could be broken down by years and whether the action was within a selective licensing scheme area or from general enforcement. We would also be grateful for clarity on the reasons for issuing civil penalties for example, how many were for over-crowding, banning orders or for simply not obtaining the correct license.

Engagement

16. Engagement with landlords and letting agents - For most cases of substandard accommodation, it is often down to landlord's lack of understanding rather than any intent to provide poor standards. Judging from the evidence provided, Brent Council have made several efforts to positively engage with landlords in the local area.

17. To strengthen this engagement, we would be very happy to support the council in engaging with our members and local property agents. A licensing scheme is a very reactive mechanism, and it is far more beneficial to have a programme of education to engage with landlords on helping them improve before a situation gets worse. We would welcome clarity on what training opportunities the council will provide to landlords and agents to help them understand their responsibilities and improve standards. We recognise the council have made strong efforts in this in the past with engagement via the council's Landlord Forum and an accreditation scheme for local landlords. However, engagement is more credible over a longer more embedded period. Propertymark has a network of Regional Executives and a series of Regional Conferences that take place throughout the year. We would be very happy to work with the council to engage with local agents over a victual roundtable discussion on how standards can be improved.

Tackling Anti-Social Behaviour (ASB)

18. The council have also identified reducing levels of anti-social behaviour and support for landlords dealing with anti-social tenants. Landlords are not the best equipped to deal with anti-social behaviour and certainly do not have the skills or capacity to deal with some tenants' problems such as mental health or drug and alcohol misuse. As one example, if a landlord or their agent had a tenant that was causing anti-social behaviour, the only tool that the landlord or agent could use would be to seek possession from the tenant under a Section 8 notice. While this would remedy the problem in the short-term, the tenant is likely to still occupy this behaviour and all that has been achieved is that the anti-social behaviour has moved from one part of Brent to another.

19. In this context, it should be noted that with regards to reducing anti-social behaviour, landlords and their agents can only tackle behaviour within their properties. Effectively, they are managing a contract and not behaviour. Landlords and their agents are not responsible in any form for anti-social behaviour occurring outside the property. Nevertheless, we would be interested to learn about any partnership work the council are proposing with stakeholders such as the Metropolitan Police in reducing anti-social behaviour within communities.

20. Brent highlights burglary as an issue for the local PRS. The council misjudges selective licensing as a tool to reduce home burglary, as selective licensing is designed to address property conditions, not burglary. Should the council wish to address this issue, there are alternatives such as offering grants to tenants for home security improvements and strengthening community ties with police and voluntary organisations. Furthermore, securing entry points, i.e., secure doors and locks, falls under HHSRS and Section 11 of the landlord and tenant act. Selective licensing is not needed to tackle these issues.

Selective Licensing and Section 21

21. Propertymark would like clarification on the council's policy concerning helping a landlord when a section 21 notice is served, the property is overcrowded, or the tenant is causing antisocial behaviour, as per the council's consultation. What steps will the council take to support the landlord? It would be useful if the council were to put a guidance

document before introducing the scheme to outline its position regarding helping landlords remove tenants who are manifesting antisocial behaviour. The change in section 21 legislation and how tenancies will end will mean landlords will become more risk-averse to taking tenants with a perfect reference and history. We would be willing to work with the council and develop a dispute resolution service with other local authorities.

Conclusions and alternatives

22. Propertymark believes that local authorities need a healthy private rented sector to complement the other housing in an area. This provides a variety of housing types that can meet the needs of both residents and landlords in the area. The sector is regulated, and enforcement is essential for keeping criminals who exploit landlords and tenants. An active enforcement policy that supports good landlords is crucial as it will remove those who exploit others and create a level playing field. It is essential to understand how the sector operates as landlords can often be victims of criminal activity and antisocial behaviour with their properties being exploited.

23. If the scheme is approved, the council should consider providing an annual summary of outcomes to demonstrate to tenants and landlords' behaviour improvements and the impact of licensing on the designated area over the scheme's lifetime. This would improve transparency overall. Propertymark has a shared interest with Brent Council in ensuring a high-quality private rented sector but strongly disagrees that the introduction of the proposed measures is the most effective approach to achieve this aim both in the short term and long term.

24. We would welcome the opportunity to work with Brent Council to further engage with our members and property agents in the local area.

Email Responses from Individuals

Email Response 1

I have a number of points to raise and questions to ask as part of your consultation as follows:

1. Consultation with landlords and publicising of the consultation process

There are a number of references to the need to consult and publicise within The Government Guide for Local Authorities on Selective Licensing in the Private Rented Sector.

In respect of landlords, this has not been adequately complied with and therefore undermines the validity of the consultation process.

The references are as follows:

- Take reasonable steps to consult persons who are likely to be affected by the designation, and, consider any representations made in accordance with the consultation

- Local housing authorities should ensure that the consultation is widely publicised using various channels of communication.
- Consultees should be invited to give their views, and these should all be considered and responded to.

1.a Could you clarify the purpose of the 'drop in session' please?

I attended your drop in session on Wednesday 11th January. It was disappointing to discover that there was no means of providing verbal input to the consultation process in a way that could be relied upon to systematically feed into the consultation process. I was advised instead to simply complete the online form. How can there be confidence in the consultation process without any systematic method of capturing input?

1.b How were the Brent Connect Forums conducted?

I attempted to attend one of them. There was insufficient information on your website to enable this. My attempts to communicate with your office were unable to provide me with any further information.

1.c Did these happen? I have asked the question already, but not received a response.

1.d Please confirm when you added the information concerning the Landlord forum which took place on 14th December to your web page?

The information regarding this event only has only recently appeared on your web page.

1.e Please also confirm how you publicised the Landlord Forum event. As a Brent landlord (whose details you have) I was not informed of it.

2. Previous Licensing Consultations

I can see from your documents that there was at least one previous Licensing Consultation from 10 June to 25th August 2019.

2.a Please confirm how this was publicised, who was invited to participate, what was the criteria for inclusion as a landlord?

I was a landlord in Brent at that time but have no knowledge of this consultation.

3. Implications of increased costs for landlords

3.a The cost of the licence will add to the already considerably increased costs borne by landlords, particularly good landlords who have higher cost bases as they actively maintain their properties in good order.

Landlords will have no option but to pass on the cost to tenants, reduce costs in other areas (reducing active maintenance) or exit the market reducing the amount of quality housing in the area.

The Government Guide for Local Authorities on Selective Licensing in the Private Rented Sector states 'Local authorities should also carefully consider any potential negative

economic impact that licensing may have on their area – particularly the risk of increased costs to landlords who are already fully compliant with their obligations. These additional costs can reduce further investment and are frequently passed on to tenants through higher rents.'

How are you addressing this?

4. Inequity of licensing only private landlords

The cost burden of improving rented housing conditions is falling entirely on the shoulders of private landlords. This is unfair and unreasonable.

It is evident that the issues relating to rented housing (poor quality housing, antisocial behaviour and overcrowding) is not exclusively limited to the private rental sector. Yet those are the only landlords required to pay the licence and therefore fund the attempted enforcement of matters related to these issues.

The licence fee is effectively a tax on private landlords designed to fill a gap in local authority funding.

5. Value for money

I have been a licensed landlord in Brent since 2018 and have seen no input/value to either myself or my tenants as a result of this scheme.

Your own documentation states 'all groups will benefit from improvements in engagement, communication and signposting information between the council, landlords and tenants and other service providers.'

I have had no communication apart from one email on 31st October inviting me to participate in this consultation process for the extension of the scheme.

5.a What evidence is there that the scheme already in place has been effective and that it has been implemented in the way intended?

6. Access to the full consultation report

6.a When and where will the full consultation report be made available?

Currently the only information I can find is that it will be will be 'published on the property licensing pages of the web site'. This is not specific enough to ensure that I will be able to access it in a timely manner.

Email response 2

The questionnaire did not give me the opportunity to make my points, so-

Overall the proactive ethos of this consultation is a good thing.

Why are these basic standards not applied and enforced throughout the borough?

Yes landlords must come under scrutiny- they play a big part in civic life.

When a housing association is renting from the council or vice versa is that covered by these standards?

My daughter lives in [removed]. Disgustingly irresponsible attitude to waste disposal by residents. There is always stuff dumped on the street and residents are oblivious to recycling, risk of rodents etc. The council needs to be more forthright on this. People should be fined if their bins are open and spilling onto the street. Roundwood Road was really unpleasant during the summer.

One property on [removed] is very poorly maintained and has bars at all the front windows. There are children living at the property. I know there is a lot of temporary housing in the road and Victorian property is expensive to maintain, especially when landlords have maximised renting income by chopping up properties, messing around with drainage etc. The culture of the slum landlord getting the upper hand is alive and kicking in Brent. We are not after gentrification, just a pleasant streets and clean and tidy properties.

My impression is that nothing is being enforced. Current legislation surely exists to stop fly tipping, not refunding deposits etc?

Please take my points into consideration.

Email Response 3

I would like to inquire into the scope of the scheme and areas covered. We live in the [removed] and have experienced a dramatic escalation of property investors buying up family houses and converting them into multiple dwellings. This is having an increasingly detrimental impact on the area, we have seen an increase in traffic, anti social behaviour, fly tipping and above all, seen these properties managed to a very poor standard.

I would be interested to know if there were plans to extend this initiative to surrounding areas like ours, and who would be best placed to speak to about our growing concerns

Consultation on Private Sector Licensing in London Borough of Brent

Summary of Representations made to the Consultation and of the Council's Considerations and Responses

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Introduction

Sections (9)(b) Housing Act 2004 requires the Council to consider any representations made in accordance with the consultation which are not withdrawn. The representations received are captured in this document. The table also shows the Council's considerations and responses.

Changes made in response to Consultation Feedback

In response to the consultation feedback, the council has made the following changes to the proposed two selective licensing designations:

Licence Condition	Previous wording	Summary of Feedback	Changed Wording
Condition 3	"The licence holder must ensure that there is a record of all rent payments received in respect of the property. All occupiers should be given a rent book or similar receipt for payments made, such as a rent statement. This should be provided to the occupiers at weekly or monthly intervals as a minimum. Evidence of rent records must be provided to the Council within 14 days on demand."	Rent books are not appropriate for the vast majority of rent payments made by BACS transfer, standing order or direct debit. Neither are weekly or monthly rent statements appropriate for payments made via bank transfer which are recorded on the bank statements of both parties. The condition should be reworded to differentiate between cash and other rent payments.	Tenants or licensees should be given a rent book or written rent receipt, invoice or a statement for payments made, confirming the tenant, the date and amount paid. This should be provided to the occupiers at weekly or monthly intervals as a minimum after the payment is made.
Condition 6a (IV)	"When giving a reference state whether or not they are aware of any allegations of anti-social behaviour made against the tenant. If allegations have been made they must give details, to the best of their knowledge, of	The condition does not relate to management of the property being licensed and the council should not seek to insist on information being	This has been considered and we will reflect any changes in the final conditions to be imposed.

Licence Condition	Previous wording	Summary of Feedback	Changed Wording
	whether the allegations have been admitted or have been found proven in any court or tribunal. "	disclosed which could be sensitive personal information under GDPR.	
Condition 6a (V)	"Ensure regular inspections of the property are carried out, at least every six (6) months to check on the state of repair of the house and to ensure that the occupiers are not in breach of tenancy terms and conditions."	The condition imposes a reasonable requirement for six monthly inspections. The reference to regular and interim inspections in condition 11 need to be defined to make clear one six monthly inspection will satisfy all these requirements	This has been considered and we will reflect any changes in the final conditions to be imposed.
Condition 7	"If gas is supplied to the property, the Licence Holder must produce to the local housing authority, within 14 days if requested, an annual gas safety certificate obtained in respect of the house within the last 12 months for the Authority's inspection. If gas is supplied to the property, the licence holder must ensure that the gas installation and appliances are tested annually by an approved Gas Safe engineer. Within 14 days of the licence holder being notified by the Council of any safety risk, a new Gas Safe certificate must be submitted to the Council. The licence holder must provide to the Council, a current Gas Safe Certificate within 14 days on demand."	The condition contradicts the gas safety enforcement regime enforced by HSE that imposes no such requirement. Also, case law confirms any perceived hazards should be dealt with via HHSRS and not selective licence conditions.	This has been considered and we will reflect any changes in the final conditions to be imposed.

Licence Condition	Previous wording	Summary of Feedback	Changed Wording
Condition 10a, 10b and 10c	The licence holder is responsible for ensuring adequate precautions are provided for the security of the property and must ensure: a. The access to the property, such as locks, latches and entry systems are maintained and in good working order at all times. b. The front door of the property is fitted with a mortice lock (thumb turn) or equivalent, to a five-lever security level. c. Where window locks are fitted, the keys are provided to the relevant occupants.	Selective licensing conditions can only relate to the management, use and occupation of the property.	This has been considered and we will reflect any changes in the final conditions to be imposed.
Condition 11	"The licence holder must ensure that they: a. Carry out regular inspections of the exterior of the property, including the roof, walls, drainage, window and door elements to identify any problems in relating to the maintenance and state of repair. b. Carry out interim inspections to ensure that gardens, fencing, paths, etc., and other external elements are kept in a clean, clear and/or sound condition. c. Carry out interim inspections to identify any maintenance problems associated with outbuildings such as garages, sheds and	The reference to regular and interim inspections in condition 11 need to be defined to make clear one six monthly inspection will satisfy all these requirements	The licence holder must ensure that they carry out inspections at least every 6 months.

Licence Condition	Previous wording	Summary of Feedback	Changed Wording
	to ensure that such buildings are not used for sleeping purposes. d. Provide any such inspection report to the Council with 14 days, on demand.		
Condition 12e	"The Licence Holder must ensure that the statement, in any tenancy or licence granted contains a clause which stipulates that no refuse or rubbish may be kept in the front or rear gardens of the house, or in any yards, forecourts, alleyways or other spaces within the house curtilage, other than in refuse and rubbish storage facilities provided specifically for that purpose."	The Housing Act 2004 makes clear the council cannot impose specific clauses within a current or future tenancy agreement. Each house or flat will have different provisions for waste storage which would be difficult to capture in a tenancy condition. We believe condition 12a and d deal with this matter appropriately. i.e., that tenants are told how to dispose of waste and recycling and that any concerns are investigated and appropriately dealt with	This has been considered and we will reflect any changes in the final conditions to be imposed.
Condition 14	"The licence holder is responsible for ensuring that the property, including external areas such as gardens, are free from pest infestation e.g. rodents. Any pest infestations must be managed effectively and within a period of 7 days of being reported. Records of treatment and management must be kept and copies of these must be provided to the Council within 14 days on demand. "	In a single-family property subject to selective licensing, the licence holder will not be responsible for all pest issues. It will depend on the circumstances.	This has been considered and we will reflect any changes in the final conditions to be imposed.

Licence Condition	Previous wording	Summary of Feedback	Changed Wording
Condition 15.1 (e)	The licence holder must ensure that; e. The installed smoke alarms are appropriate to the house	It exceeds the Schedule 4 smoke alarm condition and breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004.	This has been considered and we will reflect any changes in the final conditions to be imposed.
Condition 16	"The licence holder must ensure that all means of escape from fire that adequate fire precautions are maintained. "	Means of escape – Condition 16 and advisory note 3 in Appendix 1 should be deleted. It is unclear what it means in the context of a single family property and it breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004	This has been considered and we will reflect any changes in the final conditions to be imposed.

Positive Responses to the Proposed Scheme

The council would like to acknowledge some of the comments received during the consultation in support of the proposed scheme:

- I personally think landlords should take more interest and care of their properties. Some areas of Brent, not all of course, look very deprived and private property does look old and unkept. I believe the licensing proposal and the points made in this section will enforce some of the landlords to engage more with their tenants and improve conditions.
- Landlord earn a lot of money from renting their properties and the least they can do, is provide a decent home for its renters.
- Landlords should be regulated
- Licensing properties is important
- Overall I'm happy with the way the Council is approaching the improvement of conditions for tenants. The message must be clear to landlords that all tenants must be respected and therefore properties must be maintained to a safe and high standard. This will have a positive impact on local communities.
- The proposed fee would help ensuring professionalism amongst landlords and go some way in reducing the decline of the area
- Increased regulation of the private rented sector is a good thing
- I think it a great idea and it will make deprivation improve
- Too many landlords don't care about the condition of the property, they are only care about the money. So many tenants live in squalor and unsafe conditions.
- EVERY landlord in Brent should be licenced NOW, without any further delay. There is no reason whatsoever why ALL landlords have not been licenced yet! I was amongst the first to be licenced and it is only right. What is wrong and grossly unfair is that there are still so many unlicensed landlords!
- Lots of landlords don't know what they're doing, conditions will give them a guide
- Large landlords often support licensing as they want good areas to invest in
- [Licensing] improves the neighbourhoods and creates a level playing field. The council can change things in response to knowing more about the PRS such as changing waste disposal systems (more tips etc). Also, the council can look at how to create more community in the knowledge that some areas have a more transient population. Landlords should want long term tenancies (less hassle for them) and the council can support that by knowing where the PRS is, and investing in areas to make them areas that people want to stay in

Comments Received in Written Submissions

Submission	Consultation Responses	Council's Response
Propertymark	Propertymark is supportive of efforts made by local authorities to improve housing stock within the PRS. However, we do not believe that licensing is the best method to achieve this aim. Accordingly, we object to your proposal Propertymark would prefer a regulatory framework, which seeks to educate landlords in improving their stock rather than punitive measures that are difficult to enforce and only punish compliant landlords letting those that require improvements to go undetected	We engage with landlords advising of management issues, providing training and accreditation. Licensing builds upon this work especially aimed at non-complaint landlords and those who fail to engage voluntarily. A robust enforcement policy which is adequately resourced will support any the licensing scheme introduced.
Propertymark	Number of properties – One of our concerns about licensing schemes, especially ones as large as the proposed Brent scheme, is that the enforcement of schemes to ensure standards are being met in the PRS is often inadequate resulting in compliant landlords having to pay for the scheme and rogue landlords continuing to operate below standard under the radar	If the schemes are approved, the Council's enforcement capability will be increased in line with the number of licences, including pro-active compliance checks. The council will be actively inspecting for unlicensed properties and will take action against those who refuse to license their properties.
Propertymark	Clarification needed on Council resources - The licensing scheme will operate in 21 of the 22 Brent wards only excluding the Wembley Park ward. The PRS is very large in Brent and is an important housing tenure that in total makes up 45.6 per cent of total housing stock. In total there are around 50,000 PRS properties within the scope of the scheme. This is a very large number of properties to check to ensure that landlords are operating to standard. We would like clarification on how much resources Brent will put into enforcement and compliance of the scheme. If insufficient resources are not put into staffing the scheme, then we are concerned the aims of the scheme will not be met	
Propertymark	Identifying non-registered properties - For a scheme on this scale, we are disappointed that there is no clear strategy on how the council will identify properties that have not been registered within the proposed scheme. Turning back to our concern that complaint landlords will pay for the	The council will develop an enforcement strategy for the proposed scheme, which would come into effect if the schemes are approved. This strategy would include :

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	scheme while rouge landlords will operate under the radar, we advocate using council tax records to identify tenures used by the private rented sector and those landlords in charge of those properties. Unlike discretionary licensing, landlords do not require self-identification, making it harder for criminal landlords to operate under the radar. With this approach, the council would not need to seek permission from the UK Government and would be able to implement it with no difficulty	• Using the Tenure intelligence model to identify privately rented properties in the designated areas. Applications received can be monitored against this database to pinpoint areas which need improvement. A combination of targeted street by street communication will be implemented, followed by door-to-door visits in unlicensed hot spots to ensure tenants and landlords know their licensing obligations. • Intelligence-led 'Compliance days' involving concentrated enforcement activity in discrete areas to identify unlicensed addresses, to ensure that licensed addresses have the correct licence in place and to ensure compliance with licence conditions. • The use application and case management systems which will flag properties that are a high priority for inspection, including properties without gas and electric safety certificates and properties with a record of ASB incidents or complaints.
Propertymark	Fees – At £640 for a selective licence, the fee is in line with fees incurred in other local authority areas including £650 in Newcastle and £550 in Liverpool. However, other local authority schemes have considered 'early bird' discounts which given the large number of properties involved in this	We are not proposing an "early bird" discount. The cost of the licence has been calculated based on the cost of administration and enforcement

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	scheme would be a good incentive to ensure compliance. We also note that other schemes sometimes offer discounts for landlords or agents who belong to an accredited scheme. We note there is a discount for members of the London Landlord accreditation scheme, but consideration could have been given to members of landlord and letting agent accreditation schemes such as Propertymark (formally, the Association of Residential Letting Agents – ARLA).	The council feels that the proposed fees are at a lower level than comparable schemes in London, and this is because we have looked carefully at our charging and activities. However, we will look at the timing and the circumstances around when the fee is applied. Currently, a renewal fee is less than the initial fee.
Propertymark	Impact of cost-of-living and landlords - Regardless of the fee level, we are concerned these charges will come at a time when landlords are impacted by the cost-of-living crisis and the impact fees could have on the ability of landlords to improve standards. Our members have also told us that a common concern from landlords on licensing schemes is that the costs can be extremely high for landlords who own several properties within a self-contained unit such as a block of flats. We welcome Merton Council's acknowledgement of the high cost for these landlords who offer discounts for multiple licenses within one unit in their proposed scheme.	We are mindful of the impact of the cost-of-living crisis on our PRS. Where there are multiple units, our team can assist with making multiple applications. This is particularly well developed for our build-to rent sector and "bulk applications" for larger landlords and agents.
Propertymark	Impact on supply of homes - Exiting the market is especially a concern for smaller landlords who are more likely to sell their properties and further shrink the supply of PRS properties leaving remaining private tenants with higher rents. Our research on the shrinkage of the PRS3 found 53% of buy to let properties sold in March 2022 left the PRS and that there were 49% less PRS properties to let in March 2022 compared with 2019. In addition to these concerns, those landlords who remain in the market, often have less money to improve conditions from increased costs. If the decision to operate a selective licensing scheme across the whole of Brent is approved, then there is a concern that landlords currently operating within Brent could invest in neighbouring local authority areas or exit the market altogether. This could result in fewer housing options for people living in	The council appreciates that the private rented sector plays a very important role in providing decent homes throughout the borough. However, as outlined in the evidence base, there is evidence of persistent issues relating to ASB and poor property conditions throughout the borough. In light of the evidence, the council believes that is has to take steps to address these widespread issues in the borough

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	Brent meaning some people might be forced to find housing options outside the area, change employment or break social ties within the community.	
Propertymark	Unintended Consequences – We are pleased to see that Brent Council acknowledge that the PRS is an important and increasingly growing tenure that is home to many people living within Brent. Renting in parts of London, including Brent, can be very expensive. The median monthly rent for London is £1,750 compared to £1,775 in Brent. Some renters living within Brent will require cheaper accommodation due to being on a low income and the continued challenges in the cost-of-living crisis. We previously outlined the possibility that further legislation could reduce the housing options of the most vulnerable from landlords exiting the market there could be further implications on the rent level for those landlords who remain. As is the general law of supply and demand, if the supply of PRS property reduces, the cost of rent for the remaining properties is likely to rise. With already high rental prices within the area, there is a very real danger that many low-income families will be priced out of living in the area.	
Propertymark	Property condition – Large parts of Brent is characterised as including large amounts of terraced housing and older stock. The purpose for excluding Wembley Park is due in part to the large amounts of new build housing to concentrate on older stock in other areas. Areas that have these characteristics are often inner-city communities with large section of pre-1919 built housing. Accordingly, a significant amount of investment is required to improve the condition of stock including the energy efficiency of properties. We would be grateful if Brent Council have any proposed grants or funds available for landlords to improve stock and energy efficiency.	Energy grants and support is available via the Council's Energy and Climate Change Team Empty Property grants are also available for landlord and developers to return empty property back into use and provides significant funding to return properties to a Decent Homes standard. The Council has had previous successful Government bids for funding targeted PRS work

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		activities including enforcement. We will submit bids to DHULU, BEIS etc., when funding streams are available
Propertymark	Energy efficiency – Brent Council have highlighted improving energy efficiency as one of the key aims of the selective licensing scheme. This is not the purpose of selective licensing schemes. The Department for Business, Energy and Industrial Strategy (BEIS) already have the Minimum Energy Efficiency Standards (MEES) in place to improve the energy efficiency of PRS stock in place.	We do not require ang EPC rating. Information should be available for all rented properties at https://www.gov.uk/find-energy-certificate . We will check as part of the licensing administration especially in relation to MEES requirements. The scheme will be used to identify properties for (Part 1) HHSRS inspections or fuel poverty action.
Propertymark	Empty properties – Brent Council briefly mention in their proposal document that they have worked with the Empty Property Team. However, details are vague and there is no clear strategy of the council's aims in reducing empty properties. There is no mention of previous activity from the council on how empty homes have been tackled in the form of Empty Management Dwelling Orders, loans/grants available to bring these properties back into use or case studies involving empty properties. The council should provide further information into what active steps have been taken the reduce the number of empty properties within the city to aid the high number of people waiting on the housing list for social housing	We have considered empty properties as part of our overall coordinated approach to Housing in Brent. Information on the council's approach to empty properties can be found here on the council's website. The council is addressing empty properties in the borough through increases to council tax if properties remain empty, and through the use of grants, to bring properties back into use. These grants include: • refurbishment grants - a grant which could cover works such as faulty and unsafe electrics, inferior heating system, windows that are so faulty as to be very poor insulation, inadequate kitchen food safety or food preparation arrangements

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		and bathrooms that are very old. It may also cover work to provide additional bedroom(s) • conversion grants - a grant can help pay for converting a large empty home into smaller units) • commercial grants – a grant aimed at converting commercial units into residential units
Propertymark	Current enforcement – Brent is experienced in the implementation of Selective Licensing Scheme and have introduced them since 2015. We would be grateful for some clarity on the performance of previous schemes. For example, how many working days did it take for a typical selective licence application to be processed and issued? The council also highlight some of the key statistics on their enforcement activity including warning letters, prosecutions, and civil penalties issues. We would be grateful if this data could be broken down by years and whether the action was within a selective licensing scheme area or from general enforcement. We would also be grateful for clarity on the reasons for issuing civil penalties for example, how many were for over-crowding, banning orders or for simply not obtaining the correct license.	Typically, licenses are determined within 6 weeks with initial drafts issued within 28 days of the application. The system is supported by our IT and in line with the minimum timelines as set out in schedule 5 of the Housing Act 2004 Statistics were submitted as analysed as part of the Metastreet "stocks and stressors" report appended to the proposals. We have met with PropertyMark and have clarified the general enforcement data
Propertymark	Engagement with landlords and letting agents - For most cases of substandard accommodation, it is often down to landlord's lack of understanding rather than any intent to provide poor standards. Judging from the evidence provided, Brent Council have made several efforts to positively engage with landlords in the local area.	Brent has run face to face training and accreditation in conjunction with London Landlords Accreditation Scheme. These training sessions will shortly be restarting this post Covid impasse. Landlords are encouraged to attend training and at present we have 5th highest number of accredited landlords.

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	To strengthen this engagement, we would be very happy to support the council in engaging with our members and local property agents. A licensing scheme is a very reactive mechanism, and it is far more beneficial to have a programme of education to engage with landlords on helping them improve before a situation gets worse. We would welcome clarity on what training opportunities the council will provide to landlords and agents to help them understand their responsibilities and improve standards. We recognise the council have made strong efforts in this in the past with engagement via the council's Landlord Forum and an accreditation scheme for local landlords. However, engagement is more credible over a longer more embedded period. Propertymark has a network of Regional Executives and a series of Regional Conferences that take place throughout the year. We would be very happy to work with the council to engage with local agents over a victual roundtable discussion on how standards can be improved.	The council will continue with our e-newsletters to registered landlords, and landlord forums inviting notable landlords and industry experts to address the meetings. We accept and welcome the opportunity to work with PropertyMark
Propertymark	The council have also identified reducing levels of anti-social behaviour and support for landlords dealing with anti-social tenants. Landlords are not the best equipped to deal with anti-social behaviour and certainly do not have the skills or capacity to deal with some tenants' problems such as mental health or drug and alcohol misuse. As one example, if a landlord or their agent had a tenant that was causing anti-social behaviour, the only tool that the landlord or agent could use would be to seek possession from the tenant under a Section 8 notice. While this would remedy the problem in the short-term, the tenant is likely to still occupy this behaviour and all that has been achieved is that the anti-social behaviour has moved from one part of Brent to another. In this context, it should be noted that with regards to reducing anti-social behaviour, landlords and their agents can only tackle behaviour within their	The council understands that is the responsibility of all residents in the borough not to cause anti-social behaviour. The council do not expect landlords to be responsible for the behaviour of their tenants, but the council would expect landlords to meet the proposed licence conditions, which lay out how to help address issues with ASB in licensed properties. The council is also proposing, if the schemes are approved, to recruit a dedicated ASB officer and resources to help with tenancy relations, and to work with the housing team and landlords to address issues with ASB.

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	properties. Effectively, they are managing a contract and not behaviour. Landlords and their agents are not responsible in any form for anti-social behaviour occurring outside the property. Nevertheless, we would be interested to learn about any partnership work the council are proposing with stakeholders such as the Metropolitan Police in reducing anti-social behaviour within communities	The council's ASB policy is available on the council's website here which outlines how the council will investigate reports of ASB when both the person experiencing and the person perpetrating anti-social behaviour are owner occupiers or reside in privately rented accommodation As stated in the evidence pack provided, the council works with a number of partner organisation on ASB. Since 2015 an Enforcement Practitioners Group (EPG) has been operational which brings together regulatory enforcement teams from across the council, including Trading Standards and Planning to tackle complaints about ASB in privately rented properties. These complaints range from crack houses, brothels and cannabis factories to harassment of neighbours and issues with aggressive dogs. The group meets every five weeks, shares intelligence and works together to try and resolve ASB. On average twenty multi-agency operations are carried out each year. In addition, the Brent Joint Action Group (BJAG) is a multi-agency group which meets monthly to manage issues raised by residents (through ward panels) or through data analysis. Monthly hotspot maps are used routinely to prioritise multi-agency

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		enforcement and engagement in the appropriate areas. In 2021/22, eight high priority cases were referred and managed through the BJAG. Issues such as drug dealing, and drug use were tackled during tasking operations and ASB enforcement powers such as Closure Orders used to deal with nuisance.
Propertymark	Brent highlights burglary as an issue for the local PRS. The council misjudges selective licensing as a tool to reduce home burglary, as selective licensing is designed to address property conditions, not burglary. Should the council wish to address this issue, there are alternatives such as offering grants to tenants for home security improvements and strengthening community ties with police and voluntary organisations. Furthermore, securing entry points, i.e., secure doors and locks, falls under HHSRS and Section 11 of the landlord and tenant act. Selective licensing is not needed to tackle these issues	The scheme is not predicated on the crime criteria For entry by intruders or acquisitive crime, we agree there are provision within part 1 of the Housing Act. However, SL will deal with the management of the property including inspections and addressing issues in connection with the tenancy.
Propertymark	Propertymark would like clarification on the council's policy concerning helping a landlord when a section 21 notice is served, the property is overcrowded, or the tenant is causing antisocial behaviour, as per the council's consultation. What steps will the council take to support the landlord? It would be useful if the council were to put a guidance document before introducing the scheme to outline its position regarding helping landlords remove tenants who are manifesting antisocial behaviour. The change in section 21 legislation and how tenancies will end will mean landlords will become more risk-averse to taking tenants with a	The current policy is that t he council do not assist landlords to obtain possession. The council will intervene to try and prevent the eviction, but if they want to proceed the council advises them to seek independent legal advice. We await final outcomes of proposed reforms and will work with all agencies to adopt a workable and supportive framework for landlord

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	perfect reference and history. We would be willing to work with the council and develop a dispute resolution service with other local authorities.	while ensuring that tenants' rights are protected within the provision of the law.
Propertymark	Propertymark believes that local authorities need a healthy private rented sector to complement the other housing in an area. This provides a variety of housing types that can meet the needs of both residents and landlords in the area. The sector is regulated, and enforcement is essential for keeping criminals who exploit landlords and tenants. An active enforcement policy that supports good landlords is crucial as it will remove those who exploit others and create a level playing field. It is essential to understand how the sector operates as landlords can often be victims of criminal activity and antisocial behaviour with their properties being exploited.	Brent Council already has a very effective enforcement policy that is key in seeing improvements within the PRS. This policy will be refined and developed with these proposals in mind and this will include the steps for proactive enforcement for unlicensed properties.
Propertymark	If the scheme is approved, the council should consider providing an annual summary of outcomes to demonstrate to tenants and landlords' behaviour improvements and the impact of licensing on the designated area over the scheme's lifetime. This would improve transparency overall. Propertymark has a shared interest with Brent Council in ensuring a high-quality private rented sector but strongly disagrees that the introduction of the proposed measures is the most effective approach to achieve this aim both in the short term and long term	The council intends to produce an annual review of the licensing schemes, which will show how the council is tracking against the scheme objectives, and provide transparency to landlords, tenants and residents of the borough on the scheme
Propertymark	We would welcome the opportunity to work with Brent Council to further engage with our members and property agents in the local area.	Brent Council welcomes the opportunity to engage with Propertymark, and would want to continue to meet with their members and agents
NRLA	An active enforcement policy that supports good landlords is important as it will remove those that exploit others and create a level playing field. While Brent has been active in enforcement it can do more. We have concerns around the council's approach to licensing, you have failed to inspect all properties that come under previous schemes, while you have done the most in London, you should be aiming to inspect all the	The council appreciates that its good work for the previous scheme is acknowledged. The council will inspect at least 50% of licensed properties but will have risk based, intelligence led programmes and will proactively look to find

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	properties. Some schemes are delivering multiple inspections, up to 3 of every property during a scheme, while this is at the top and Brent is close to it, it should undertake an inspection of all properties covered by the scheme. Multiple inspections push criminals out of the sector and drives up the standards for landlords and tenants. Brent has been good so far but there is still room for improvement.	unlicensed properties. Whilst the council would want to inspect every property, (and aims to inspect a high percentage,) within the proposed scheme, the staff implications of this would greatly increase the cost of the proposed licence fee. The council believes that its strategic and targeted approach will improve the property conditions across the borough, without increasing the cost further to landlords
NRLA	Landlords are often victims of criminal activity with their properties being exploited, both through subletting and criminals exploiting properties through county lines and other criminal activity such as people smuggling, drugs and prostitution. We believe the council should adopt an approach similar to the Leeds rental Standard, which supports the compliant landlords and allows the local authority to target the criminals and inspecting all properties.	The council have looked at the Leeds experience and while there are good benefits, the council feels that this is not appropriate for Brent. The council also acknowledges that Leeds Council does also have a selective licensing scheme, as well as the rental standard. Brent Council does already work with the police to on issues facing the borough (please see the above response on the Enforcement Practitioners Group and the Brent Joint Action Group), and information is available on the council's website about their work with the police, fire brigade, the National Probation Service, the Community Rehabilitation Company and other agencies in the Safer brent Partnership, which is a multi-agency, strategic group that oversees the approach to reducing crime and antisocial behaviour.

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NRLA	The NRLA will judge the scheme against the criteria that the council is proposing the scheme under. We are not opposed to licensing schemes, what we wish to see is them delivered against what they are proposed to do. As you will be aware, the NRLA publishes data against performance against peer councils. We support league tables of councils performances. Good practice should be recognised and encouraged, in addition to the required focus on enforcement activity. We recognise Brent has done good work on enforcement, we just believe it needs to go further. How does the local authority plan to communicate best practice to the landlord and tenants of Brent? Brent should commit to inspect each property at least once?	As stated above, the council intends to produce an annual review of the licensing schemes, which will show how the council is tracking against the scheme objectives, and provide transparency to landlords, tenants and residents of the borough on the scheme. The council welcomes benchmarking data, which will be considered in the reviews of the scheme. As stated above, Brent Council has run face to face training and accreditation in conjunction with London Landlords Accreditation Scheme. These training sessions will shortly be restarting this post Covid impasse. Landlords are encouraged to attend training and at present we have 5th highest number of accredited landlords. The council will continue with our e-newsletters to registered and landlords forums inviting notable landlords and industry experts to address the meetings. The council will inspect at least 50% of licensed properties and will proactively look to find unlicensed properties. Whilst the council would want to inspect every property, (and aims to inspect a high percentage,) within the proposed scheme, the staff implications of this would

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		greatly increase the cost of the proposed licence fee.
NRLA	The law is clear landlords do not manage their tenants; they manage a tenancy agreement. If a tenant is non cooperative, or causing a nuisance a landlord can end the tenancy, will the council make it clear in the report that they will support the landlord in the ending of the tenancy for anti-social behaviour? Will the council support the landlord going to court to regain possession, if they are, what is the process? The House of Commons (Library report) says it is not the landlord's responsibility, who's is it?	Our SL conditions gives actions which landlords should take to indicate that they are dealing with ASB associated with their properties. Evidence presented to the LA may be used in claims for possession. The Council has dedicated ASB officers who work with the Police and the Brent safety Partnership to support landlords in dealing with tenants causing ASB.
NRLA	With the government proposal to reform Section 21 (Renters Reform Bill) and Anti-social Behaviour clear guidance on how the council will support landlords when an allegation is made needs to be documented. Landlords will require support, if the tenancy is to be ended, how will the council provide support and what will it be? Will the council support the ending of a tenancy?	We await final outcomes of proposed reforms and will work with all agencies to adopt a workable and supportive framework for landlord while ensuring that tenants' rights are protected within the provision of the law.
NRLA	Licensing is a powerful tool. If used correctly by Brent Council, it could resolve specific issues. We have supported/worked with many local authorities in the introduction of licensing schemes (additional and selective) that benefit landlords, tenants and the community. We can support parts of the proposal. Our main questions are • You sight poor property conditions; this would mean that you will be required to inspect all properties in the scheme? • In relation to anti-social behaviour, will you provide guidance for landlords with the government reforms up to and including support in the removal of problem tenants?	The Council is committing to inspecting all HMOs licensed and at least 50% of selectively licensed properties during the life of the licence. In regards to ASB, the council will work with LLAS to provide training for landlords, and also will send out an e-newsletter to registered landlords, which will include guidance for landlords with the government reforms. The council will work with landlords who are experiencing issues with tenants, and are proposing that, if the schemes are approved, a

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		dedicated resources will be appointed to work with the private rented sector team to support this work.
NRLA	The increase in rent-to-rent or those who exploit people (both tenants and landlords), has increased in recent years. Landlords who have legally rented out a property that has later been illegally sublet, the property still has a license, with the council not inspecting all properties they know there is no risk. The landlord does not rent the property as an HMO, but is illegally sublet. The license holder can end the tenancy (of the superior tenant, the sub tenants have no legal redress) but the landlord would need support the local authority for a criminal prosecution. Including the work to identify elsewhere is the borough where this is happening. But what is the process for landlords, it would help if the council could document how this would work. Often, landlords are victims, just as much as tenants. What support will the council provide for landlords to whom this has happened? Will the council support an accelerated possession order?	We appreciate the problems that can arise from subletting and rent-to-rent, neither of which are illegal schemes. The requirement to licence a PRS property means that ownership and landlord details are checked. Tenants are able to find certain information on our public register. Concerns about licensed and unlicensed properties reported to us will be investigated. Landlords may be signposted to reputable agencies for specific and independent advice regarding illegal letting and claims for possession.
NRLA	The issue of overcrowding is difficult for a landlord to manage if it is the tenant that has overfilled the property. A landlord will tell a tenant how many people are permitted to live in the property, and that the tenant is not to sublet it or allow additional people to live there. Beyond that, how is the landlord to manage this matter without interfering with the tenant's welfare? Equally, how will the council assist landlords when this problem arises? It is impractical for landlords to monitor the everyday activities or sleeping arrangements of tenants. Where overcrowding does take place, the people involved know what they are doing and that they are criminals, not landlords. The council already has the powers to deal with this.	The council believes there are steps that landlords can take to determine if a property has been sublet or overfilled. In the licence conditions, it states that the licence holder should carry out regular inspections to "check on the state of repair of the house and to ensure that the occupiers are not in breach of tenancy terms and conditions". The NRLA's own guidance recommends that "inspections should be no less than every three months" (Source:

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		The landlord's essential guide to periodic property inspections | NRLA). The council does not believe that these inspections would impact the tenants' welfare. As stated above, the council will work with landlords who are experiencing issues with tenants, and are proposing that, if the schemes are approved, a dedicated resources will be appointed to work with the private rented sector team to support this work.
NRLA	While any additional costs levied on the private rented sector runs the risk of these being passed through to the tenants, as has previously been established. We are disappointed that the local authority has not looked at a cost in a monthly basis. Is the council going to allow landlords to pay monthly, thus following best practice? If other councils are able to do this, why cannot Brent? The introduction of licensing post Covid 19 will have an impact on cash flow for many landlords, and tenants therefore following best practice a monthly fee as highlighted by other councils does seem appropriate. As other local authorities are able to deliver this, we hope Brent follows these examples as it benefits all parties	The payment of fees on a weekly/monthly basis would lead to a substantial increase in administration which would raise the overall cost of the licence. Fees are however payable in two instalments. Our experience show that pro-rating fees or monthly payments is unrealistic as it would incur a administrative burden on the scheme
NRLA	This will also the issue of insurance is often overlooked as a cost, as premiums increase for everyone (homeowners and landlords) when a local authority designates an area with licensing it is indicating problems in the area. This will add costs to those renting as well as to owner-occupiers. Already Brent is expensive, and this will continue affecting those on the lowest income. A joined-up coordinated approach within the council will be required. Yet there is no evidence from the council that this will be done – can this be	Landlords are encouraged to claim the reasonable business expenses. We will continue to feature advise on money, taxation etc as part of our Brent Landlords forums and the e-newsletters

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	provided? How will landlords feed into system if they suspect a tenant is at risk? What support will be put in place so a landlord can support a tenancy where a tenant has mental health, alcohol, drug issues or they have problems and need support.	We have considered as part of an overall approach how licensing is coordinated with other Council strategies and policies, which can be seen in the evidence pack provided as part of the consultation We can liaise with the Council has "Safeguarding" and Wellbeing Teams to support vulnerable residents where concerns are found.
NRLA	Landlords are usually not experienced in the management of the behaviour of tenants, and they do not expect to. The contractual arrangement is over the renting of a property, not a social contract. They do not and should not resolve tenants' mental health issues or drug and alcohol dependency. If there are allegations about a tenant causing problems (e.g., nuisance) and a landlord ends the tenancy, the landlord will have dispatched their obligations under the additional licensing scheme, even if the tenant has any of the above issues. This moves the problems around Brent, but does not actually help the tenant, who could become lost in the system, or worst moved towards the criminal landlords. They will also blight another resident's life. There is no legal obligation within licensing for the landlord to resolve an allegation of behaviour, as outlined by the House of Commons. Rather, a landlord has a tenancy agreement with a tenant, and this is the only thing that the landlord can legally enforce. We would also like to see the council develop a strategy that includes action against any tenants who are persistent offenders. These measures represent a targeted approach to specific issues, rather than a blanket licensing scheme that would adversely affect all professional landlords and tenants alike, while leaving criminals able to operate covertly. Many of the	As stated above, the council will work with landlords who are experiencing issues with tenants, and are proposing that, if the schemes are approved, a dedicated resources will be appointed to work with the private rented sector team to support this work

Submission	Consultation Responses	Council's Response
	problems are caused by mental health or drink and drug issues. Landlords cannot resolve these issues and will require additional resources from the council.	
NRLA	Often when tenants are nearing the end of their contract/tenancy and are in the process of moving out, they will dispose of excess household waste by a variety of methods. These include putting waste out on the street for the council to collect. This is in hope of getting there deposit back. Local authorities with a large number of private rented sector properties need to consider a strategy for the collection of excess waste at the end of tenancies. We would be willing to work with the council to help develop such a strategy. An example is the Leeds Rental Standard, which works with landlords and landlord associations to resolve issues while staying in the framework of a local authority.	Conditions relate to dealing with waste, including buking items or items which the regular waste collection will not ordinarily take. Tenants can contact the councils waste service. Landlords can advise tenants re-waste as part of the end of tenancy information.
NRLA	A landlord currently has to comply with over 180 pieces of legislation, and the laws with which the private rented sector must comply can be easily misunderstood. A landlord is expected to give the tenant a 'quiet enjoyment' of the property. Failure to do so could result in a harassment case being brought against the landlord. The law within which landlords must operate is not always fully compatible with the aims of the council. For example, a landlord keeping a record of a tenant could be interpreted as harassment.	The council is not sure what the comment is referring to regarding keeping a record of a tenant, as this is not required by the proposed licensing scheme or the proposed conditions
NRLA	We would like clarification on the council's policy in relation to helping a landlord when a section 21 notice (or future notice as currently being consulted upon under the Renters Reform Bill) is served, the property is overcrowded or the tenant is causing antisocial behaviour. What steps will the council take to support the landlord? It would be useful if the council were to put in place a guidance document before the introduction of the scheme, to outline its position regarding helping landlords to remove tenants who are manifesting antisocial behaviour.	We will await the passage of the Renters Reform Bill and together with our Legal team ensures that the requirement of the bill is satisfied and that the rights of landlords as allowed in the law are protected.

Submission	Consultation Responses	Council's Response
	The change to how tenancies will end and a move to a more adversarial system, especially in the lower income market. Landlords will become more risk adverse to take tenants that do not have a perfect reference and history. It also poses a question where does the council expect people to live who have been evicted due to a tenancy issue?	The Council will carefully consider and note any relevant government guidance and good industry practice.
Safeagent	The report says the worse property conditions and highest repeat ASB is found in Dollis Hill, Harlesden & Kensal Green and Willesden Green. Whilst we understand some ward boundaries have changed, Harlesden, Willesden Green and Kensal Green have all been subject to five year selective licensing schemes. If these areas remain the worst in the borough, it calls into question how successful the schemes have been and what value will be achieved in repeating the schemes for another five years.	The Council has analysed the evidence for ASB across all borough wards. New schemes will allow the Council to continue with previous actions and to use new approaches in dealing with the neighbourhood problems which still exist.
Safeagent	We would encourage the council to publish a more detailed evaluation of the current and previous schemes. This will help us understand how many of the licensed properties have been inspected and improved, what steps have been taken in partnership with landlords and agents to tackle poor tenant behaviour and whether staffing resources have been maintained at an appropriate level to address these issues.	As stated above, the council intends to produce an annual review of the licensing schemes, which will show how the council is tracking against the scheme objectives, and provide transparency to landlords, tenants and residents of the borough on the scheme
Safeagent	We note that Wembley Park ward is the only ward to be excluded from the proposed selective licensing scheme. According to the council's report it has 98% private rented properties and no serious concerns about property condition or ASB. This ward could be a useful benchmark for a comparative study exploring factors that influence poor condition, poor property management and poor tenant behaviour. What is the demographic of tenants in that area and why does the ward differ so markedly from those around it?	The council has chosen to propose licensing in areas where there is the evidence to support a scheme. In this case, there evidence supported a scheme based on poor property conditions (and ASB in the three wards), however, there was not the evidence of poor property conditions or ASB in Wembley Park, therefore it is not included in the proposed designation. The demographics of tenants in the area is not relevant to the designation.

Submission	Consultation Responses	Council's Response
		If respondents would like more information on Wembley Park, information on the area may be gained from Census 2021 data
Safeagent	We understand the council's greatest concern relates to the council wards of Dollis Hill, Willesden Green and Harlesden & Kensal Green and these three wards would form phase I of a proposed selective licensing scheme. It is unclear whether the statistical mapping takes account of housing enforcement activity to raise standards under previous licensing schemes. It is also unclear whether the data excludes Houses in Multiple Occupation that fall outside the scope of this scheme. If these factors have been considered, commentary could helpfully explain why the council think housing conditions remains so poor after five years of intensive licensing activity designed to address this issue.	The council took a fresh look at the housing data and noted the effect of boundary changes and the effectiveness of longitudinal studies and ultimately the mapping exercise on its wards. Brent commissioned a fresh report by Metastreet following the BRE 2019 report Known HMO properties were removed from analysis and figures presented as part of the evidence base. The previous small SL schemes and the decision not to approve the renewal of Harlesden and WG schemes by SoS in 2020 has meant that previous scheme actions came to an end.
Safeagent	From an ASB perspective, we are given no breakdown of the data which we understand is cumulative data gathered over five years. This approach gives no indication of annual trends and no comparison of data between wards that were and were not previously subject to licensing. Is ASB data in these wards trending up or down and what interventions are being proposed to address these issues?	Over a 5-year period, 10, 398 ASB incidents have been recorded linked to PRS properties. We have the data incidences information and this has been independently analysed and reported as part of our Private Rented Sector: Housing Stock Condition and Stressors Report.

Submission	Consultation Responses	Council's Response
		Again, we feel that Electoral Commission Boundary changes has made it not possible to show trends. The council's objectives with the proposed scheme are to reduce ASB and repeat ASB in single family dwelling, to reduce ASB incidents and the number of ASB concerns raised by residents over the lifetime of the scheme, and to improve engagement with tenants in the PRS. The council intends to inspect 50% of licensed properties and work with licence holders and tenants to address ASB
Safeagent	We note that the main ASB concerns relate to substance misuse, noise and rowdy behaviour. Whilst dealing with excess noise is a common housing management function, our safeagent members have limited ability to address substance misuse and no control over the availability of health treatment programmes for addiction. Likewise, whilst the police can tackle rowdy behaviour, it is not an easy topic to resolve through tenancy management. We would welcome a further discussion with the council to explore how our members can assist in addressing these challenging societal issues.	The council welcomes the opportunity to engage with Safeagent to discuss how their members can assist in addressing the issues raised.
Safeagent	We do have concerns that a proposed scheme encompassing around fifty thousand properties distributed across the borough is a step too far. The council will lack the resources needed to deliver meaningful results within five years. Instead, we would encourage the council to focus their limited resources in the three wards where the worst problems are concentrated. Once those issues have been addressed the council could then refocus their resources on a new area.	If the proposed schemes are approved, the council will scale up resources to administer and enforce the schemes. The evidence provided shows that there are widespread issues with poor property conditions across the borough, and the council does not wish to ignore the evidence of these issues. Three wards have been

Submission	Consultation Responses	Council's Response
		selected for a separate designation on the basis of poor property conditions and high ASB, but the council's aim is to improve housing standards across the borough
Safeagent	We recognise that the council need to charge a reasonable fee to cover the cost of administering and enforcing the licensing scheme. It is important that the council implement an efficient and streamlined licence application processing system. This will help to minimise costs and keep fees at a reasonable level, thereby minimising upward pressure on the rent that is charged to tenants.	We already have an adequate IT system the licensing function. Systems changes and functionally will be implemented as necessary within our licensing cost structure to support the service
Safeagent	We understand the council is intending to increase the selective licensing fee from £540 to £640, with the same fee for licence renewals. Whilst we appreciate this fee is below average when compared to all London Boroughs, we would question whether an 18.5% fee increase is reasonable and necessary in the midst of a cost of living crisis. One alternative option would be to charge a new application fee of £640 and retaining the £540 fee for licence renewals. This would acknowledge the reduced workload involved in reissuing a licence and benefit those landlords who licensed their property under the previous scheme	Currently the renewal fee is less than the new fee and this can be continued in addition to the LLAS discount. The licence fee structure has been calculated to cover the cost of the scheme. The Council will look at the fee in terms of when licence applications will commence.
Safeagent	We welcome the proposed fee discount if the licence holder or managing agent is accredited. However, we do not agree it should be restricted to one accreditation scheme. The discount should be widened to other recognised schemes. Safeagent is a not-for-profit accrediting organisation for lettings and management agents in the private rented sector. We are a training provider recognised by the Scottish and Welsh governments for agents meeting regulatory requirements. Our members are required to deliver defined standards of customer service, operate within strict client accounting standards, maintain a separate client bank account and be included under a Client Money Protection Scheme. Membership of	The council have a partnership working group with LLAS as part of London alliance. The council welcomes the opportunity to continue working and communicating with Safeagent and other landlord groups on how their members can best engage with the scheme.

Submission	Consultation Responses	Council's Response
	safeagent can be easily verified by visiting our website: https://safeagents.co.uk/find-an-agent/ or by contacting us by phone or email. We would ask the council to include safeagent within their list of recognised accreditation schemes.	
Safeagent	There is no mention of an early bird fee discount for landlords who apply before the start date of the scheme. To ensure landlords and agents have sufficient time to prepare and submit applications, we would request that the application process is launched and early bird discount offered for a three month period before the scheme comes into force.	As stated above, the council are not proposing an "early bird" discount. The cost of the licence has been calculated based on the cost of administration and enforcement The council fees that the proposed fees are at a lower level than comparable schemes in London, and his is because we have looked carefully at our charging and activities.
Safeagent	Whilst we appreciate that rent books are appropriate for rent paid in cash, they are not appropriate for the vast majority of rent payments made by BACS transfer, standing order or direct debit. Neither are weekly or monthly rent statements appropriate for payments made via bank transfer which are recorded on the bank statements of both parties. We would ask that this condition is reworded to differentiate between cash and other rent payments.	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Rent payments - Whilst all safeagent members belong to a government approved redress scheme and will have an associated complaints policy, it is unlikely that all private landlords would have such an arrangement in place. Tenants already receive a substantial bundle of statutory documentation at the start of every tenancy. We question the value of including a written complaints policy within the bundle. We would suggest you seek feedback from tenants before insisting they are presented with even more paperwork.	The council does not believe that the addition of a complaints policy would cause a problem to new tenants receiving paperwork at the start of a new tenancy. A clear complaints procedure, outlining how complaints of property conditions will be dealt with, is something many tenants would expect to receive, and would be keen to understand, when starting a new tenancy.

Submission	Consultation Responses	Council's Response
Safeagent	ASB - As mentioned above, tenants already receive a substantial bundle of statutory documentation at the start of every tenancy. We question the value of including a written ASB procedure within the bundle. We would suggest you seek feedback from tenants before insisting they are presented with even more paperwork	Similar to the above, the council does not believe that the addition of a ASB procedure would cause a problem to new tenants receiving paperwork at the start of a new tenancy.
Safeagent	ASB - If an ASB procedure must be provided, we would suggest the council publish a template that can be used for this purpose and supply a copy with the licence. We would also enquire whether similar arrangements will be rolled out to all new council housing tenants so private landlords are not placed under more onerous requirements than the council provide for their own tenants	The council will share templates and examples of ASB and complaints procedures for landlords/licence holders if the scheme is approved
Safeagent	ASB - We think condition 6a (IV) is not appropriate as a licence condition. It does not relate to management of the property being licensed and the council should not seek to insist on information being disclosed which could be sensitive personal information under GDPR. Likewise, we have concerns about condition 6a (VI) as it would be unreasonable, and could appear threatening, to advise tenants that any ASB by them or their visitors, regardless of how serious, could result in eviction. We would encourage the council to seek legal advice before adopting these proposed conditions.	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Gas safety - The condition contains an unusual requirement that if the council highlight any safety risk, the licence holder must submit a new gas safety certificate within 14 days. This contradicts the gas safety enforcement regime enforced by HSE that imposes no such requirement. It is also potentially unlawful as case law confirms any perceived hazards should be dealt with via HHSRS and not selective licence conditions.	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Security - Whilst well meaning, condition 10 a, b and c cannot be imposed on a selective licence as they breach the more restricted power to impose conditions under Part 3 of the Housing Act 2004. For selective licensing,	This has been considered and we will reflect any changes in the final conditions to be imposed.

Submission	Consultation Responses	Council's Response
	conditions can only relate to the management, use and occupation of the property. The Court of Appeal has confirmed that licence conditions cannot relate to property condition and contents (Brown v Hyndburn Borough Council [2018])	
Safeagent	External areas - Condition 6a (V) imposes a reasonable requirement for six monthly inspections. The reference to regular and interim inspections in condition 11 need to be defined to make clear one six monthly inspection will satisfy all these requirements	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Refuse and waste - We disagree with condition 12e. The Housing Act 2004 makes clear the council cannot impose specific clauses within a current or future tenancy agreement. Each house or flat will have different provisions for waste storage which would be difficult to capture in a tenancy condition. We believe condition 12a and d deal with this matter appropriately. i.e., that tenants are told how to dispose of waste and recycling and that any concerns are investigated and appropriately dealt with	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Pest Control - In a single-family property subject to selective licensing, the licence holder will not be responsible for all pest issues. It will depend on the circumstances. For example, if the tenant complains about a wasps nest, it is more likely this will be the tenant's responsibility and advice given about contacting a reputable pest control company. Clearly, if there was a rodent infestation caused by a broken drain, this would be the landlord's responsibility although it is unlikely all remedial action could be completed within 7 days	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Smoke Alarms - Condition 15.1 (e) and advisory note 3 in Appendix 1 should be deleted. It exceeds the Schedule 4 smoke alarm condition and breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004.	This has been considered and we will reflect any changes in the final conditions to be imposed.

Submission	Consultation Responses	Council's Response
Safeagent	Means of escape – Condition 16 and advisory note 4 in Appendix 1 should be deleted. It is unclear what it means in the context of a single family property and it breaches the more restricted power to impose conditions under Part 3 of the Housing Act 2004	This has been considered and we will reflect any changes in the final conditions to be imposed.
Safeagent	Compliance inspections - Whilst safeagent members will always cooperate with the council to help facilitate access for an inspection, they have no power to guarantee access if the tenant is unavailable and/or refuses entry. Council officers have much stronger powers of entry then landlords or agents	The council accepts that they have powers to enter a property if required, the licence condition states that the licence holder must not obstruct the council officers
Safeagent	It is vital that the council have a well-resourced and effective enforcement team to take action against those landlords and agents that seek to evade the licensing scheme. In the absence of a previous scheme evaluation, we do not know and cannot comment upon what arrangements are currently in place. Without effective enforcement, new regulatory burdens will fall solely on those that apply for a licence whilst the rogue element of the market continue to evade the scheme and operate under the radar. This creates unfair competition for safeagent members who seek to comply with all their legal responsibilities. They are saddled with extra costs associated with the licence application process and compliance, whilst others evade the scheme completely	Agreed.
Safeagent	Letting agents have a critical role to play in effective management of the private rented sector. We would encourage the council to explore mechanisms for effective liaison with letting agents and to acknowledge the benefits of encouraging landlords to use regulated letting agents such as safeagent accredited firms	The council will consider further improving our engagement with letting agents including SafeAgent, PropertyMark and our Consumer Protection/Trading Standards Team.
Safeagent	To achieve better regulation of the private rented sector and improve consumer protection, it is important the council takes a holistic approach that extends far beyond the proposed licensing scheme.	The council will consider creating resources for landlords, as a possible output from the engagement with landlords and landlord

Submission	Consultation Responses	Council's Response
	Since October 2014, it has been a requirement for all letting agents and property managers to belong to a government-approved redress scheme. In May 2015, new legislation required agents to display all relevant fees, the redress scheme they belong to and whether they belong to a client money protection scheme. On 1 April 2019, new legislation required letting agents and property managers that hold client money to be members of a government approved client money protection scheme. At safeagent we operate one of the six government approved client money protection schemes. To assist councils in regulating the private rented sector and effectively utilising these enforcement powers, we developed an Effective Enforcement Toolkit. Originally published in June 2016, the second edition was published in 2018. The third and most recent edition of the safeagent Effective Enforcement Toolkit, developed in conjunction with London Trading Standards, was published in 2021. It can be downloaded free of charge from our website: https://safeagents.co.uk/wp-content/uploads/2021/11/safeagent-Effective-Enforcement-Toolkit-2021.pdf	groups, which could include sharing the safeagent toolkit

Main Themes from the Consultation Survey

The consultation focused on the extent to which respondents agree or disagree with the council's proposal to introduce the selective licensing scheme, and the two proposed designations. The consultation also looked at views on the proposed licence conditions and fees. The Text comments in the consultation questionnaire provided respondents with opportunities to comment on the proposals in their own words, specifically:

- If you disagree with any of the above, please can you explain why and what alternatives you think should be considered to address the problems?
- If you disagree with any of the conditions for Selective licensing, please can you explain why?
- Are there any other things you think the council should consider to help improve the condition and management, ASB, deprivation and other issues about the private rented sector in Brent? Are there any other comments that you would like to make about the licensing proposals?

The comments received from the survey have been analysed and categorised into themes. The council's response to these comments and themes are shown below

Responses regarding the proposed licensing schemes

Theme	Comment	Council response
PRS licensing is unnecessary, providing no benefit to those involved	*"I don't see any benefit."*	Whilst the Council acknowledges that many landlords operating in the borough keep their properties to a high standard, the evidence presented during the consultation shows that there are large scale issues with poor property conditions, and ASB in the borough's private rented sector, that licensing can help to address. The council believes that many landlords will meet the licence conditions, and do keep their properties in good condition, but licensing enables the council to take action against those landlords who place their tenants in unsafe properties.
	"No need for it."	

Theme	Comment	Council response
Licensing will lead to higher rents	*"A blanket rule of selective licensing for every PRS property will increase the cost for landlords therefore the rent will go up which is already high, this can lead to homelessness."*	The council has seen no evidence that landlords have increased rents to cover their licence fee costs or that landlords have moved elsewhere and this is similar to the findings from other authorities who have also been operating licensing schemes. Similarly, research carried out by an independent agency on behalf of the government (An Independent Review of the Use and Effectiveness of Selective Licensing) showed that selective licensing did not result in an increase in rents in areas with a scheme, that market forces dictated the rent level
	"Licensing only has the effect of pushing up rents and property prices."	
	"You will push landlords out of renting resulting in fewer properties which will result in higher rents."	
	"I don't believe it's time to do more licensing which in the end will be reflected in the tenant's rent."	
it is a money-making scheme for Brent	*"Licensing is not necessary, it is just a money making exercise."*	Under the law, the Council is not allowed to make money from the licensing schemes. The proposed fees have been calculated based on the cost of setting up and operating the licensing schemes, so that the costs would be met by the expected income from the number of licence applications the Council anticipate, under the proposed designations.
	"Kensal does not have an anti-social problem and I view this as a method of raising more funds in an illegitimate manner."	
	"Licences are purely being introduced to raise revenue for the Council."	
	"Licensing appears to be a money-making scheme for Brent."	
Concerns about scheme enforcement	*"A difference will only be made if they are properly enforced."*	If the schemes are approved, the Council's enforcement capability will be increased in line with the number of licences, including pro-active compliance checks. The council will be actively inspecting for unlicensed properties and will take action against those who refuse to license their properties.
	"I would only be in favour of selective licensing in Brent if I really thought it targeted rogue landlords and had the resources to be properly enforced."	
	"Be careful not to price good landlords out of Brent. Good landlords have a much lower profit	The council understands that many landlords who rent out properties in the private sector manage their properties

Theme	Comment	Council response
Licensing treats good and bad landlords in the same way.	*margin. Bad landlords charge us tenants the same rent but with much worse upkeep and responsiveness to repairs."*	responsibly. However, the evidence shows that the borough is experiencing large scale issues in the private rented sector with poor property conditions and Anti-Social Behaviour. The Council's intention is to use the regulatory framework provided by selective licensing scheme to focus on those that do not comply and impact negatively on the reputation of those responsible landlords as well as having a detrimental effect on tenants and neighbourhoods. We will develop guidance and work with landlords to bring about compliance where possible, but we will also use robust enforcement against wilfully non-compliant landlords.
	"Deal with problem landlords and not have one size fits all policy and be more flexible with responsible landlords."	
	"The licensing scheme does nothing for decent landlords."	
PRS fees would incentivise them to sell their properties, resulting in reduced housing stock in Brent as a whole	*"The higher the fees are the more landlords will just quit the market."*	We have seen no evidence that landlords have moved elsewhere or that there has been an increase in difficulty in finding rental properties in a licensable area. This is similar to the evidence from other authorities who have also been operating licensing schemes. The private rented sector is a growing sector, and properties continue to be in high demand, including in areas where licensing has been introduced.
	"If the fee gets too high the landlords will leave the borough."	
The fee is too high	*"I agree to the standards but not the high fee that the council requires for doing nothing."*	The proposed fees have been calculated based on the cost of setting up and operating the licensing schemes, so that the costs would be met by the expected income from the number of licence applications the Council anticipate, under the proposed designations. A selective licence obtained at the start of the five-year scheme for a property will pay a one-off fee of £640 (which equates to around £2.46 per week). Whilst the Council recognises that the licence fee is a cost to the landlord, this is
	"I agree with them, and feel like setting standards is a positive move, however the expensive fees involved doesn't seem fair as all of the requirements to uphold standards are still sat with the landlord."	
	"Selective licensing is fine in theory, but reputable landlords renting nice flats are asking to pay	

Theme	Comment	Council response
	£500+ for basically nothing. Just pointless admin from the Council. A £100 fee would cover the cost of someone coming to do a quick check. £500 is just a money-making scam for the Council. The result is it just pushes up rental costs."	not considered unaffordable compared to the average rental income obtainable in Brent at present
Why is Wembley Park excluded	*"All wards of Brent should be treated equally, removing licensing from some wards over others is literal discrimination"*	The council can only introduce selective licensing in areas in the borough where there is evidence that the area meets the criteria as laid out in section 80 of the Housing Act 2004 and the Selective Licensing of Houses (Additional Conditions) (England) Order 2015.The council carried out a detail analysis of the evidence available and has been selective in proposing designations for areas that meet the criteria of poor property conditions and ASB.
	"For a small property the licensing fee is expensive. Not sure that Wembley Park should be left out of the scheme."	
	"Why is Wembley Park being excluded?"	
ASB is not the landlords' responsibility	*"Anti-social behaviour is a police and council matter not one for landlords to manage"*	The council understands that is the responsibility of all residents in the borough not to cause anti-social behaviour. The council do not expect landlords to be responsible for the behaviour of their tenants, but the council would encourage landlords to include clauses in their tenancy agreements about ASB, and to manage their tenancies and ensure that ASB caused by their tenants is effectively addresses and if necessary appropriate action taken. As stated above, the council will work with LLAS to provide training for landlords, and also will send out an e-newsletter to registered landlords, which will include guidance for landlords with the government reforms. The council will work with landlords who are experiencing issues with tenants, and are proposing that, if the schemes are approved, a dedicated resources will be appointed to work with the private rented sector team to support this work.
	"The landlord is now responsible for the tenants behaviour. Surely the Tenant should answer for bad behaviour ???? Maybe they should Licence themselves?? A Tenant Licence."	

Responses in relation to the Licence Conditions

Theme	Comment	Council response
Opposed to the condition regarding electrical appliances	*"As a tenant it is none of the landlords business what electrical appliances I use, it is an invasion of my privacy. Furthermore, none of these conditions have any relevance to your claims as to why you want selective licensing."*	The licence condition only applies to electrical appliances provided by the licence holder, not to appliances that the tenant may bring into the property. The conditions is "The Licence holder must keep electrical appliances made available by him in the house in a safe condition" which does not impact the privacy of the tenant, and which is relevant to the aims of the selective licensing scheme, which is to address poor property conditions (such as unsafe properties or properties containing unsafe electrical goods) in the designated area.
Opposed to the references condition	*"References are a further obstacle to prospective tenants which disproportionately affects lower income families"*	Schedule 4 of the Housing Act 2004 sets out the mandatory conditions to be applied to property licences, including for selective licences that the licence holder must demand and obtain references from persons who wish to occupy the house. Enforcement action is considered on a case-by-case basis and factors impacting on the ability to obtain references will be taken into consideration
	"A request of letters of reference may unfairly penalize those who are potentially good tenants but face difficulty accessing such letters, and may be ineffective in deterring those who fraudulently obtain such letters."	
	"I disagree with the condition asking for references in regards to tenants. I believe this condition doesn't protect the right for everyone to have a home (especially immigrants and homeless people)"	
	"I don't agree with the final condition of references. It's an unfair ask on tenants who	

Theme	Comment	Council response
	might face barriers in securing a reference that is deemed acceptable, and might lead to forms of discrimination. While the conditions for selective license puts some onus on landlords, they aren't required to provide proof of being an otherwise good landlord, so tenants shouldn't be asked either."	
Provide routes for tenants to complain	*"Having a licence is NO guarantee of adherence to conditions. Legislate for this and provide tenants with ways of complaining, possibly via a routes such as the deposit protection important information sheet."*	The council does respond to complaints (information about how to raise an issue with housing conditions and disputes is here on the council website) and the council will respond to complaints raised as part of the licensing scheme. However the current process of reacting to complaints is very reactive and relies on complaints being made to the council. The council believes that a proactive approach will have a greater impact on improving property conditions and will increase the awareness of tenants of acceptable standards in privately rented properties.
	"Put in place a help line for tenants where they can complain about their landlords."	
Tenants should have responsibilities as well	*"Written license agreement should be binding on both sides that is bad tenants should not be allowed to hold landlords at ransom for months at a time making them lose their homes."*	The council agrees that tenants should be aware of their rights and responsibilities and this is key for the scheme to work. The council has advice for landlords who are experiencing issues with a tenant here on the council website. Also, as part of the proposed scheme, the council intends to increase their engagement with landlords, through forums and communication of good practise, and licence holders would be able to reach out to the council for advice if they are experiencing issues with a tenant

Theme	Comment	Council response
The conditions are already law	*"All of the examples given are legally required by landlords already, there seems to be no additional benefits of the licensing."*	The Council acknowledges that landlords are subject to existing regulations and laws. However, as stated above, the existing regulations and powers do not require landlords to declare themselves to the council. This means there is no obligation for landlords to make their properties known to the council or to be proactive in improving conditions, including minor issues (that may still pose a health and safety risk) but still need to be addressed, but which a tenant may not complain to the council about. Formal action under the Housing Act can be a slow process, and improvements to properties can take many months.
	"Most these are conditions that have to be met regardless of a licensing scheme. Landlords have to abide by these rules anyway when they set up a tenancy."	
	"Stop burdening landlords with things that they already gave to follow on issues required by central government legislation"	
	"The gas certificate has always been a condition for any rented property.lots of insurance companies also ask for electrical certificate and fire alarm system. These safety measures are all in place already and there is no need to bring them under licensing"	
Good landlords already meet these conditions	*"I disagree on the basis that responsible landlords conduct all these measures already"*	Whilst the Council acknowledges that many landlords operating in the borough keep their properties to a high standard, the evidence presented during the consultation shows that there are large scale issues with poor property conditions, and ASB in the borough's private rented sector, that licensing can help to address. The council believes that many landlords will meet the licence conditions, and do keep their properties in good condition, but licensing enables the council to take action against those landlords who place their tenants in unsafe properties.
	"I do all of the above without issue. The safety of my tenants is paramount and of course I want to do as much as possible to ensure that I have good tenants so would take references etc. A contract of expectations is necessary to keep everyone aware"	
	"These are required anyway and any proper landlord would ensure that they happen."	
Change the wording on Clause 16 - means of escape	*"Clause 16 Means of escape is badly worded, unclear and possibly grammatically incomplete.*	The council will delete condition 16 and add a revised advisory note on means of escape in cases of fire.

Theme	Comment	Council response
	Please expand and improve this clause to make it more useful."	
Exemption for landlords with letting/managing agents	*"It needs to be to landlords who have no letting agents - this would create an incentive to hire a letting agent who is regulated."*	Letting agents do not have legal powers under the Housing Act. Landlords should not rely on letting agents to ensure that they are meeting their legal obligations. The council acknowledges that many good letting agents operate in the borough, but the council's experience is that the use of letting agents doesn't guarantee a good standard of properties.
	"This is already legal and agents hold all this information. If a landlord uses an agent they should be exempt from the licence costs"	
Licensing will not stop bad landlords and punishes good ones	*"The council does not seem to target all rented properties. so landlords like me who pay the fees and keep the properties in good condition do the work whereas the dodgy ones escape. unless the council physically walk into properties unannounced there is no way of catching these landlords. Also tenants are not aware of the rules so they rent houses with no licenses"*	The council does and will be actively inspecting for unlicensed properties and will take action against those who refuse to licence their properties. The council will also inspect properties and where they are not in a safe condition, the council can issue Management orders and Penalty Notices to the licence holder if they do not address the issue raised. If the scheme is approved, the council will undertake a large communications campaign to raise awareness of the scheme to both landlords and tenants, to make tenants aware of the fact they need to check that a property is licenced, and what conditions they should expect from their rented property.
The council should do more to support landlords	*"This is not helping struggling landlords teetering on the edge of bankruptcy"*	If the licensing schemes are introduced, the council proposes to increase the landlord forums and support events, with help and guidance for dealing with anti-social behaviour as part of the programme. In relevant cases, the Council will also provide further support for responsible landlords who are struggling with their tenants' behaviour and causing deliberate ASB.
	"Help landlords rather than making matter worst through licensing"	
	"Other than the costly eviction route that can take up to 12 months through the courts - what support does a landlord have when the tenant does not look after the furniture or comply with	

Theme	Comment	Council response
	the terms of the occupation? As it stands the tenant can in many ways trip up the landlord on technicalities which prevents the landlord seeking justice though the courts. The landlord can also do with free legal support as the tenant currently does - justice shouldn't be one sided!"	
There should be more conditions	*"Also have restrictions on the number of properties one landlord can rent out - if they have too many they are not effective and able to manage"*	The council does not have the authority under the Housing Act to restrict the number of properties a landlord can rent out
	"How about having to provide the right number of bins? Telling the truth about the number of people? Having the right number of people relative to rooms and bathrooms in-line with Building Regulations? Insulating the property to a minimum level? Proving they have a cleaning contract for properties in multiple occupation, when tenants tend to not do anything?"	The proposed licence conditions state that "The Licence Holder must ensure that there are adequate arrangements for the storage and disposal of waste. In particular…Ensure that a sufficient number of suitable external rubbish bins for the occupiers to dispose and recycle waste." Landlords are required to comply with the 2018 Minimum Level of Energy Efficiency standard which is an EPC rating of band E. Licence applicants will be required to submit the EPC rating for the property as part of the application process for a selective licence, and if the property is below an E rating, they will be required to take steps to improve the rating. Selective Licensing does not apply to properties in multiple occupation. Properties in multiple occupation are licensed under Mandatory and Additional HMO licensing schemes. Information about the licence conditions for additional and mandatory licensing can be found via the council's website here
	"I think the conditions should include upkeep of communal areas and the outside of the property	The proposed licence conditions do require the licence holder to:

Theme	Comment	Council response
	(gardens, roof, pathways etc). And the conditions should also include conditions on the disposal of waste and rubbish - to ensure people don't flytip and dump their furniture etc on the street, and put their household waste in your provided bins, keep the bins in their gardens and off the public pathway etc."	"11a Carry out regular inspections of the exterior of the property, including the roof, walls, drainage, window and door elements to identify any problems in relating to the maintenance and state of repair. 11b. Carry out interim inspections to ensure that gardens, fencing, paths, etc., and other external elements are kept in a clean, clear and/or sound condition. 11c. Carry out interim inspections to identify any maintenance problems associated with outbuildings such as garages, sheds and to ensure that such buildings are not used for sleeping purposes. 11d. Provide any such inspection report to the Council with 14 days, on demand." The proposed licence conditions do also require the licence holder to: "12. The Licence Holder must ensure that there are adequate arrangements for the storage and disposal of waste. In particular; a. ensure that the occupiers of the house are given the information in writing about waste and recycling within 7 days of the start of their occupation: b. Ensure that a sufficient number of suitable external rubbish bins for the occupiers to dispose and recycle waste. c. Ensure that any kind of refuse which the Council will not ordinarily collect (e.g. large items, bedding, furniture, hazardous waste etc.) are disposed of responsibly and appropriately.

Theme	Comment	Council response
		d. Actively respond to complaints of poor waste practices associated with the property. The licence holder must keep a record of the action taken and provide this to the Council within 14 days on demand. e. The Licence Holder must ensure that the statement, in any tenancy or licence granted contains a clause which stipulates that no refuse or rubbish may be kept in the front or rear gardens of the house, or in any yards, forecourts, alleyways or other spaces within the house curtilage, other than in refuse and rubbish storage facilities provided specifically for that purpose." The council believes that these conditions are sufficient to address the upkeep of communal areas and the exterior of properties, and to address issues relating to waste disposal.
	"I think there should be annual or 'every 5 years' inspections in order to ensure everything is working in the property. This will help ensure that the landlords fix any issues there are in the property without tenet being worried of the rent being increased or being kicked out property if they tell the landlord about the issue."	The licence conditions state that the landlord should inspect the property at least every six months to check on the state of repair of the house and to ensure that the occupiers are not in breach of tenancy terms and conditions. The Council will carry out a desktop risk assessment of the licence applications to determine the properties in most urgent need of inspection. If a tenant raises a complaint or says that the property is in a state of disrepair, the council will inspect the property and can take action, such as an improvement notice, to get the landlord to address the issues.
	"Landlords must be identified to neighbours of property"	The council cannot disclose personal information

Theme	Comment	Council response
	"Have the below conditions - but only impose licence of penalty fee to those that landlords that don't comply: Have a valid gas safety certificate covering the current 12 month period, if gas is supplied to the house; *• Keep electrical appliances and furniture (supplied under the tenancy) in a safe condition;* *• Install smoke and carbon monoxide alarms and keep them in proper working order;* *• Supply the occupier with a written statement of the terms of occupation; and* *• Request references from persons wishing to occupy the house."*	The Licensing team will offer guidance to landlord to help them make their application, and will contact applicants where further information is needed, or documents are missing before deciding whether to refuse to grant a licence. Failure to satisfy these mandatory conditions may result in the licence being refused or a licence being granted for a less than the full 5 years. If they are not supplied the council may issue a notice requiring them to be supplied, and take action if they are not? The matters will directly affect the proposed licence duration and gives the opportunity for the applicant to comply prior to any final licence being granted. In addition, these matters will be used to determine the licensing inspection priority and need for housing conditions enforcement.
	"ensure anti- eviction terms are included"	During the licensing application processing, fit and proper person checks are done. The licence application requires a response regarding whether illegal eviction has happened.
	"References required by tenants should be fair and not onerous. There needs to be a greater focus on accountability for landlords, such as response times to emergencies, responding to problems such as damp and mould, and responsibilities to neighbouring residents. The conditions should commit landlords to housing only suitable numbers of people in their properties. They could be a focus on a joint	As stated above, Schedule 4 of the Housing Act 2004 sets out the mandatory conditions to be applied to property licences, including for selective licences that the licence holder must demand and obtain references from persons who wish to occupy the house. Enforcement action is considered on a case-by-case basis and factors impacting on the ability to obtain references will be taken into consideration

Theme	Comment	Council response
	responsibility for landlords and tenants when it comes to antisocial behaviour, dumping etc."	The council accepts that the conditions on repairs does not have specific timeframes. However, strict time limits on repairs in a licence condition would be difficult as the council understands that a wide range of works fall under the phrasing of "repair" – ranging from serious structural works to minor repairs to devices, and therefore the timescale which is reasonable for a structural repair is different to a reasonable timescale for a small repair However, the council will monitor repairs time frames on a case-by-case basis and follow up with repeat inspections and further action if necessary to ensure repairs are carried out. As stated above, the licence conditions state that the licence holder must ensure that there are adequate arrangements for the storage and disposal of waste, and actively respond to complaints of poor waste practices associated with the property
	"There ought to be greater regulation on people proposing to be landlords I.e that they are indeed a "fit and proper" person, are responsible, have the means and capability of maintaining a property and the basic understanding and respect that the property is another a tenant's home"	For a licence to be issued, the licence holder has to be a "fit and proper person". According to the Housing Act of 2004, Section 89, "In deciding…whether a person ("P") is a fit and proper person to be the licence holder… the local housing authority must have regard (among other things) to any evidence … [that] it shows that P has— (a)committed any offence involving fraud or other dishonesty, or violence or drugs, or any offence listed in Schedule 3 to the Sexual Offences Act 2003 (c. 42) (offences attracting notification requirements);

Theme	Comment	Council response
		(b)practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any business; or (c)contravened any provision of the law relating to housing or of landlord and tenant law... (a)it shows that any person associated or formerly associated with P (whether on a personal, work or other basis) has done any of the things set out in subsection (2)(a) to (c), and (b)it appears to the authority that the evidence is relevant to the question whether P is a fit and proper person to be the licence holder or (as the case may be) the manager of the house. A person is not a fit and proper person… if a banning order under section 16 of the Housing and Planning Act 2016 is in force against the person." When a person is applying to be a licence holder, they will be assessed by the above criteria to determine if they are a "fit and proper" person.
	"They do not go strong enough - some of these landlords own hundreds of properties and businesses in the borough and they should have a duty of care to ensure their properties are well maintained, clean and tidy inside and out and that their tenant do not undertake ASB"	The council believes that the licence conditions are sufficient, and that if the licence holder meets these conditions, their properties will be kept in a good condition and will address issue with ASB within the properties
More clarity is needed on some conditions	*"I am not clear on what is meant by 'a suitable written complaint procedure' for the tenants. This*	The council will share templates and examples of ASB and complaints procedures for landlords/licence holders if the scheme is approved

Theme	Comment	Council response
	is not clear from the proposed conditions document."	
	"I don't disagree with them however you need to be more specific on how to implement things, for example: a declaration to say furniture is in safe conditions - this is very vague, what exactly document/declaration you require, would a written email from the Landlord suffice or there is a specific document that you will need to see, same for smoke alarms, a written declaration in form of email, a specialist certificate???? reading the licence conditions and understand some is a mission impossible at times. Please be more clear in licence conditions what you wants from the Landlords/ Managing agents"	We have created the online application form so that the applicant responds "yes" or "no" to these questions. A signed declaration is needed indicating that the information provided is true to the best of their knowledge. Inspection officers may ask to see other documents or for verification.
Other	*"There must be provisions for the agent of a licensed person to act on their behalf eg 6biii licence holder OR THEIR AGENT should visit the premises within 7 days (not all landlords will be able to visit themselves in such a short timeframe to deliver a letter). Section12e - where tenancy agreements already exist it would not be possible to insert new clauses. Section 10b - it would not be possible or desirable in all properties to comply, especially the older housing stock, and represents a huge expense to replace a door to already financially burdened landlords. Section 11 - the terms 'regular' and 'interim' need to be*	The conditions are for the Licence Holder and anyone who e.g. agent who has agreed, to be bound by the conditions. We normally ask for a signed statement of agreement. This may be limited to some or to all of the conditions.

Theme	Comment	Council response
	clarified, are they interchangeable or do they mean the same thing?	
	"Although we support both designations, we do not agree with the ASB basis for Designation 1. Property conditions are clearly very poor in these wards, and we have not seen any compelling evidence base for reducing ASB through punitive housing exclusion. Brent LRU wants a tenant-centred licensing scheme, which holds landlords accountable rather than excluding prospective renters from the borough. *The focus of the license conditions should be on the landlord's responsibilities regarding management, including a greater focus on ensuring quality repairs when a tenant has complained, and clearer timelines, as in for example Waltham Forest's license conditions.* *We strongly disagree with point 6a. II, in which any prospective tenant is asked to disclose unspent criminal convictions. If the council wish to deal with ASB in 3 wards, they should consider having two license conditions documents. A condition which means that someone with an unspent criminal conviction has more challenges to accessing housing across the entire borough apart from Wembley Park is inappropriate.* *It should be clear to landlords that not only their*	The council believes that the evidence provided in the evidence pack shows that in the wards in designation 1 are experiencing high levels of ASB. The council accepts that the conditions on repairs does not have specific timeframes. However, strict time limits on repairs in a licence condition are would be difficult as the council understands that a wide range of works fall under the phrasing of "repair" – ranging from serious structural works to minor repairs to devices, and therefore the timescale which is reasonable for a structural repair is different to a reasonable timescale for a small repair However, the council will monitor repairs time frames on a case-by-case basis and follow up with repeat inspections and further action if necessary to ensure repairs are carried out. The Council will check whether the licence holder and or manager are "fit and proper" persons. As well as looking at criminal convictions, also considers if they have "practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any business; or…contravened any provision of the law relating to housing or of landlord and tenant law"

Theme	Comment	Council response
	criminal convictions will be taken into account, but also previous incidences of complaints to EH by tenants. This should also be publicly stated as a deterrent. *LRU believes that where likely to succeed, managing agents should be fined for lack of license or breach of conditions. To this end, the license conditions should have a clearer section regarding the responsibilities of managing agents - i.e. that any managing agent must accept the license terms, and their liability for any breaches."*	The council must ensure that any information the council provides is compliant with the council's data protection policy and GDPR rules The conditions are for the Licence Holder and anyone who e.g. agent who has agreed, to be bound by the conditions. We normally ask for a signed statement of agreement. The council will look into properties at the licence application stage to determine who us responsible and should be the licence holder. If the managing agent is not the licence holder, then they are not bound by the licence conditions, however, if a managing agent is involved in keeping a property in an unsafe condition or other offences, then the council can take action against managing agents using other legalisation, and can prosecute the license holder and managing agent for the same offence

Theme	Comment	Council response
	"As the scheme is aimed at improving the PRS for the benefit of tenants (and the area), we believe the licensing conditions should concentrate on benefitting tenants, in particular improving the condition and management of properties (rather than ASB issues), given some properties are badly managed and in very poor condition (mould and damp), badly affecting tenants' and their family's health. Tenants' safety should be emphasised (eg. fire, CO, gas) and deposit protection requirements complied with.	Schedule 4 of the Housing Act 2004 sets out the mandatory conditions to be applied to property licences, including for selective licences that the licence holder must demand and obtain references from persons who wish to occupy the house. Enforcement action is considered on a case-by-case basis and factors impacting on the ability to obtain references will be taken into consideration
	Tenant Reference (para 2): second paragraph 'No new....checks.' should be removed.	The council has been very careful with the conditions being imposed and the wording as selective licensing can only deal with the management, use and occupation (not conditions) of the property. In addition to the mandatory and standard conditions, the Council is able to use other legal powers to deal with poor conditions and bad management practices.
	Deposits (para 4): please could you add: first para - place in deposit scheme - within 30 days of receipt; and a sentence about financial penalties for landlords for not complying with Deposit requirements (s213/214 Housing Act 2004)	Considered and provision in place with help also provided by external agencies.
	ASB (para 6, 6a and 6b): as ASB is only identified as a problem in designation area 1, and in any event, we ask that much of the conditions relating to ASB be removed, in particular para 6a II	As stated above, Schedule 4 of the Housing Act 2004 sets out the mandatory conditions to be applied to property licences, including for selective licences that the licence holder must demand and obtain references from persons who wish to occupy the house. To address the issues relating to ASB, the council would recommend that a

Theme	Comment	Council response
	regarding checks before tenancy starts.. *Regarding 6b IV, if any eviction action is being proposed, tenants should be given information regarding where they can get housing support from Brent Housing Options/tenancy relation service and independent legal advice (local legal advice agencies, CAB, Shelter).* *Fit and proper person: the criteria used by Brent should by published by Brent/set out in the licensing conditions so landlords and tenants can check. They should also apply to any person the license holder intends to appoint to manage the property (para 19). Any tenant's complaints about landlord or poor condition/management of property should be taken into consideration (e.g. disrepair/EHO/TRO involvement).* *Suggested additions to conditions:* *Rent increases: any rent increases must only be by landlord serving a Notice complying with section 13 Housing Act 1988.* *Penalties: in particular financial penalties for license holders or managers breaching licence conditions should be clearly set out in the conditions* *Landlord training sessions: We suggest that it should be a condition that landlords should attend a training session by Brent, before license*	landlord/licence holder ask about ASB when asking for the required references The licence conditions are for the licence holders, rather than conditions imposed on the tenants. However, if tenants are threatened with eviction, they can reach out to the council for support and advice. Also, when the council visits properties and carries out inspections, tenants are given information regarding evictions, and this information is available on the council website An explanation of the Fit and Proper person requirements will be included in the landlords guide to applying for a licence We are limiting the terms of the licence to the specific conditions attached to the licence and those which must be complied with and practicably enforced. We have placed guidance and supporting information for users where it can be easily located elsewhere. Our licensing application form sets out detailed questions which must be answered. The applicant is advised to read the landlord's guide before completing the application and is

Theme	Comment	Council response
	granted, regarding statutory obligations (Fire and CO safety, gas safety certificates, deposit protection etc.) and obligations under Brent Selective licensing conditions. *We suggest that Waltham Forrest Selective Licensing conditions be considered when finalising Brent's conditions eg. regarding tackling ASB, Manager's responsibility for compliance, setting out Penalties for breach of licence conditions."*	required to sign a declaration as to the truth of the information being submitted to the council. We are careful that conditions are not included which alter or affect the terms under which the tenancy has been granted. Additional information is provided in the landlord guide and Enforcement policy. The Council is able to add supplementary conditions, e.g. re training to the standard condition being applied to some licences.
	"I do not necessarily disagree, but I think there could be issues around requirements of landlords re ASB. 6a. 1 and iv. Could be open to discrimination. 6b is open to false allegation and is onorous for a landlord to seek clarity. 1 - iv should there not first be a duty to investigate/hear other side?"	The licence conditions states that the licence holder has to contact the tenants and state the allegations made against them and the consequences of continued ASB. If the allegation has been made to the council, police service or other agencies, then as part of their work, they would have looked into the claim and determined if it is likely to be a false claim. If a false claim has been made against a tenant, then they can discuss this with the landlords on receipt of the letter
	"The main concern is that the proposed selective licensing conditions are not based on the principle of equality between housing provider and renter and the principle of proportinality. For instance, if a housing provider (license holder) 'must demand references from persons who wish to occupy	As stated above, when someone applies to be a licence holder, they have to prove that they are a fit and proper person, which as well as looking at criminal convictions, also considers if they have "practised unlawful discrimination on grounds of sex, colour, race, ethnic or national origins or disability in, or in connection with, the carrying on of any

Theme	Comment	Council response
	the house' why can't the renter demand references from the license holder? If 'no new occupiers should be allowed to occupy the property if they are unable to provide a suitable reference. When referencing consideration must be given to the tenant's history, credit and right to rent checks.', a housing provider (license holder) should not be allowed to let until they are unable to provide a suitable reference (incl. service provision history and credit check) either. Moreover, the license holder should be the same as the housing provider to assure quality of service. If the license holder and the housing provider are not the same entity, the license holder may meet the conditions stipulated in the proposed licensing condition, but the actual housing provider can keep providing low quality service to a renter. There is no room here to comment on the proposed text here, but there are plenty of other paragraphs, when the proposal favours the housing provider over the renter. This will never lead to better housing situation in the borough"	business; or…contravened any provision of the law relating to housing or of landlord and tenant law" According to the Housing Act 2004, the licence holder should be "out of all the persons reasonably available to be the licence holder in respect of the house, the most appropriate person to be the licence holder;". When reviewing a licence application, the council will consider the relationship of the applicant to the property, as the most appropriate person may not be the landlord.
	Comments in a public meeting - *Brent has less emphasis on property conditions in the licence conditions which they disagree with, and this should change* *See Waltham Forest's licence conditions on disrepair, they set expectations in regard to the*	We are asking the licence holders to ensure that the properties are well managed, maintained and elements of the property kept in proper working order. We accept that guidance is needed to assist landlords in meeting expectations and the scheme aims.

Theme	Comment	Council response
	quality of contractors, the time taken to address a repair, pest control, a clause addressing the use of agents	Poor properties conditions can be improved through Part 1 of the Housing Act.
	Comments in a public meeting - *People have been evicted if they have reported their property as an illegal HMO. The response from the landlord has been an illegal eviction, and there has not been support for the tenants. Want to know how the scheme will support tenants if evicted. Could the council use an interim management order to protect tenants?* *There needs to be better information for tenants when threatened with eviction*	The council will support and advice tenants who have been illegally evicted or are at risk of being eviction. An Interim Management Order (IMO) may be used to ensure that steps are taken to protect the health, safety or welfare of occupiers and to ensure the proper management of the house. This includes providing information and referring tenants to specialist agencies for legal advice.
	Comments in a public meeting - *Question about section 18 – can the council share or should the landlord have to tell tenants how many times they have been inspected by the council and how many enforcement visits have ben made (e.g. landlords gets new tenants every year and every year has enforcement action take and the tenants aren't aware that the landlord has had previous action against them* *)*	Information may be asked from the Council for under the Freedom of Information Request Act 2000 Information may also be available the Brent Licensing public register or from the Greater London Authority's Rogue Landlords Database to help tenants avoid bad landlords.

Table of Deletions and Amendments to proposed licence conditions

Proposed Condition topic	Deletion from existing conditions	Amend-ment	Reason/ change
ASB prevention	6a(1v)		Does not relate to the property being licensed. Risks disclosure of personal information
ASB Action	6b(v1)		Covered in 6b(1V) and likely to be covered in a tenancy agreement
Door Security	10(b)		Falls outside management, use and occupation parameter
Smoke alarms	15.1 (e)		Exceeds the mandatory smoke alarm condition which is already included
Means of escape from fire	16		Unclear in respect to single family properties. However, a fire safety advisory note and fire safety guidance has been added to condition 15.
Tenant references		2	Condition 2 - We have accepted that a strict requirement in every case may cause difficult to those good landlords who house certain vulnerable tenants. The condition is amended to "*As a minimum any reference checks should give consideration to the tenant's history and credit and must consider whether the tenant has the right to rent the property*".
Rent payments		3	Condition 3 - Slightly amended to reflect the move away from rent books and note other normal methods of paying rent and records.
Gas safety		7	Condition 7 – The short sentence requiring a new certificate if a risk is identified has been removed as it is deemed inconsistent with the gas safety enforcement regime.
Electrical Appliances		8	Condition 8 - Amended to include the schedule 4 mandatory electrical installation condition

Security of the property		10(a)	Condition 10 (a) - Following the deletion of 10(b), this condition has been amended to also require that "entry systems are appropriate"
Inspection of the external Areas		11	Condition 11 – Amended to clarify that one six-monthly inspection may be sufficient to complete all the required checks
Refuse and waste		12 (e)	Condition 12(e) - Amended to avoid interference with the terms under which the tenancy is granted, s90(7).
Pest Control		14	Condition 14 – Amended to restrict the requirement to "checking and ensure", as it is accepted that the licence holder will not be responsible for all pest issues in single-family property.

Improving the Private Rented Sector in Brent

Selective Licensing Proposals

Evidence for Consultation 2022

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1. Glossary

Term	Meaning
Private Rented Sector (PRS)	The portion of housing in the borough that is rented from private landlords
Privately rented	Homes rented from a private landlord
Socially rented	Homes rented from the council or a housing association
Selective Licensing	A local scheme which requires landlords to have a licence to legally let their property to a family or two sharers
Additional Houses in Multiple Occupation (HMO) Licensing	A local scheme which requires landlords to have a licence to legally let their property to three or four unrelated sharers living in two or more separate households
Mandatory Houses in Multiple Occupation (HMO) Licensing	A national scheme which requires landlords to have a licence to legally let their property to five or more unrelated sharers living in two or more separate households
Designation	A geographical area chosen for licensing based on evidence
Housing Health and Safety Rating System (HHSRS)	A government prescribed system that rates housing hazards based on their risk to occupiers' health, safety, and welfare
Category 1 hazard (Cat 1)	A serious or immediate risk to a person's health and safety that is related to housing
Category 2 hazard (Cat 2)	A less serious or less urgent risk that can still be regarded as placing the occupiers' health, safety, and welfare at risk
Statutory Notice	A legal document issued by the Council that requires the recipient to complete specified actions within a specified timeframe
Antisocial behaviour (ASB)	Behaviour related to a rented property that causes annoyance and irritation to neighbours and the community. Most commonly noise, litter and waste.
Deprivation	Living on low income and not having the money to pay for some basic requirements.
Indices of Multiple Deprivation	A dataset produced by the government to give a relative value to how deprived an area is, compared to the rest of the country.
Barriers to housing and services	One of the government's measures of deprivation. It combines measures relating to housing affordability, overcrowding and homelessness.
Minimum Energy Efficiency Standard (MEES)	Regulations that set a minimum energy efficiency standard (EPC rating of E) that applies to private rented properties.
Energy Performance Certificate (EPC)	EPCs rate how energy efficient properties are using grades from A to G (with 'A' the most efficient grade).
Accreditation	Schemes overseen by various organisations, including local authorities and landlord associations, to provide training and encourage good practice by private landlords.

2. Executive Summary

The private rented sector (PRS) in Brent has seen rapid growth over the last eleven years, with around 58,000 homes in the borough privately rented. However, poverty is widespread across the borough with many households experiencing financial difficulties. In addition, there is significant and persistent evidence of antisocial behaviour (ASB) across particular wards in the borough.

Above average London rents and rising energy costs has severely impacted affordability which in turn has led to overcrowding, a deterioration in property conditions and high levels of evictions and homelessness.

The prevalence of Covid-19 has demonstrated the vulnerabilities of those in the most deprived areas, often where Black, Asian and Minority Ethnic (BAME) communities are concentrated.

Whilst the majority of PRS properties are well maintained and safe, there is a growing minority that are sub-standard and dangerous. Even well-meaning landlords may not always be up to date with the latest legal and safety requirements. These properties not only endanger the health, safety and wellbeing of tenants, but cause issues with neighbours and end up requiring many interventions from already stretched council teams. The council needs to use all the tools it has to improve the situation for tenants renting properties in this sector. Licensing is a vital part of this.

In order to build on the successes of its current licensing schemes, the council is proposing to introduce a new selective licensing scheme that will apply to all privately rented properties in 21 wards of the borough. The scheme will be implemented in two phases. The phased approach to implementation will allow the Council to scale up resources to administer and enforce a larger designation.

The first phase (designation 1) would cover a total of 3 wards and would allow the council to deal with the worst ASB and poor property conditions as soon as possible. ASB and poor property conditions are the grounds relied upon for this proposed first designation, which covers less than 20% of the geographical area of Brent and less than 20% of its privately rented housing and therefore, this can be approved by the Council's Cabinet. This designation could be implemented in June/July 2023.

The second phase (designation 2) would cover a total of 18 wards on the basis of poor property conditions. Due to its size, this designation would need confirmation by the Department of Levelling up Housing and Communities (DLUHC). If approved, designation 2 could be introduced by the end of 2023, or early in 2024 however this will be dependent upon DLUHC.

Whether you are a private tenant, landlord, managing or letting agent, local resident or business, we want to hear your views on the councils' proposals for private property licensing in Brent.

3. Introduction

This consultation document provides information about the scale of problems relating to poor housing conditions and high ASB in Brent's private rented sector and the evidence to support the council's proposal to introduce new licensing schemes. It also provides a detailed description of the proposed new licensing schemes, the proposed new licence conditions and proposed fees.

We want to know your views on our proposals before any final decision is made about private rented sector licensing in Brent. We are keen to hear from all Brent residents, especially private tenants. Also, landlords and managing agents with properties in the borough and anyone or any organisation with an interest in the private rented sector.

We would encourage you to complete our online survey by visiting: www.brent.gov.uk/landlordconsultation

We shall also be holding a number of forums and workshops during the consultation period. If you are interested in sharing your experiences and views, please email prslicensing@brent.gov.uk

The consultation will run for 12 weeks from **31 October 2022 until 23 January 2023**

For further information about the proposed new licensing schemes, assistance with completing the questionnaire or to request a paper copy of the consultation please contact:

- **Email**: prslicensing@brent.gov.uk
- **Telephone**: 020 8937 2384/5
- **Post:** Tony Jemmott, Private Housing Services, 6th Floor, Brent Civic Centre, Engineers Way, Wembley, HA9 0FJ

Once the consultation has closed the council will review the replies. A full consultation report, including the council's response to any alternatives suggested, will be published on the property licensing pages of the web site.

4. The private rented sector in Brent

In order to obtain a greater understanding of the private rented sector in Brent, Metastreet Ltd was commissioned to review the housing stock in the borough and investigate and provide accurate estimates of:

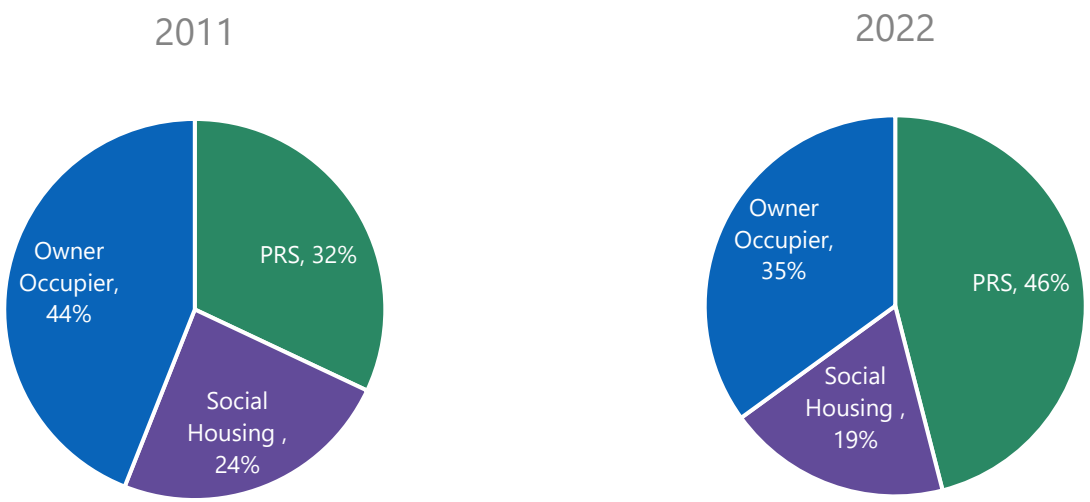
- Current levels of private rented sector (PRS) properties and tenure change over time.
- Levels of serious hazards that might amount to a Category 1 hazard (HHSRS).
- Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS.

The full report is attached as **Appendix 1** however, some key findings from the report are detailed below.

Housing Tenure

Consistent with the long term nationwide and regional trend, the private rented sector (PRS) in Brent has grown steadily from 32% in 2011 to 46% in 2022.[1] This represents a 43.8% increase over the last 11 years. There are a total of 127,378 residential dwellings in Brent, 58,105 of which are privately rented.[2]

Housing Tenure in Brent 2011 & 2022



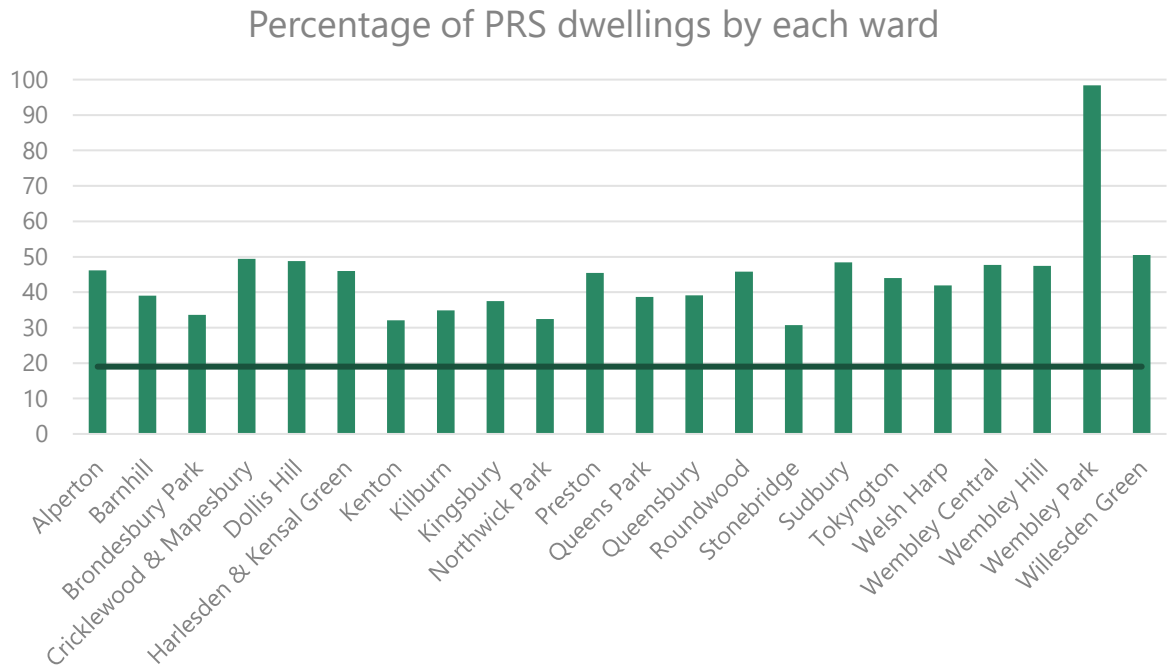
Private renting has grown at the expense of owner occupation; however, a sizable proportion of the growth appears to come from new supply.

[1] https://data.london.gov.uk/dataset/dwelling-stock-tenure-and-condition-borough
[2] Housing Stock and Stressors Report, Metastreet, 2022

Number of dwellings by tenure 2001, 2011 & 2022 dwellings by ward [3]

	2001	2011	2022
PRS	20,183	34,735	58,105
Social housing	23,881	26,591	24,053
Owner occupier	55,927	48,960	45,220
Total	**99,991**	**110,286**	**127,378**

The PRS is spread across all 22 wards in Brent. The percentage of PRS properties in each ward ranges between 98% in Wembley Park and 31% in Stonebridge. All of Brent's wards have a higher percentage of PRS than the national average (England), which was 19% in 2021. The average rate of PRS across all wards is 46%, (and the average is 39.6% for all wards excluding Wembley Park).



Horizontal black line shows national average 2021 (19%)

Rent and affordability

One of the major changes to the PRS across London over the last 20 years has been the increase in rent. This has resulted in problems with residents being able to afford and access decent, affordable housing. Brent has above average rents for London, with 53% of average earnings used to pay rent.[4] The London average is 47.9%.

[3] ONS & Housing Stock and Stressors Report, Metastreet, 2022
[4] Valuation Office Agency (VOA), Private rental market summary statistics: 2018



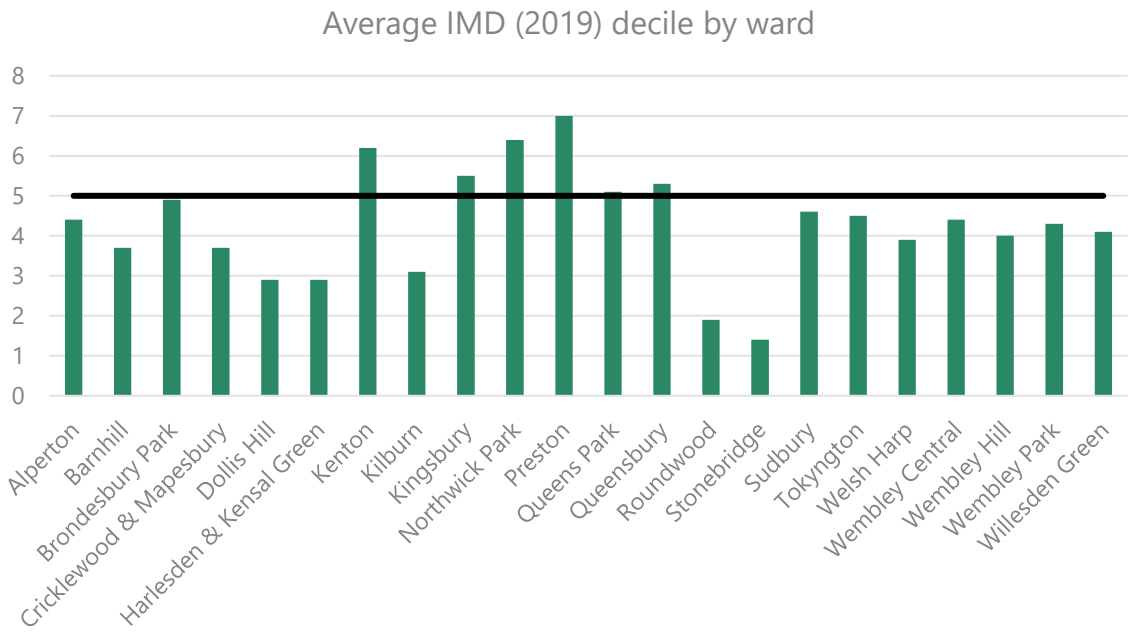
Horizontal black line shows London average (47.9%)

Deprivation

The Indices of Multiple Deprivation (IMD) is a measure of relative deprivation for small areas (Lower Super Output Areas (LSOAs), based on seven domains of deprivation: income, employment, education, health, crime, living environment, and barriers to housing and services. Brent ranks as the 49th most deprived borough in England out of 317.[5]

Brent has a mixture of high and low deprivation wards with 16 of 22 wards having an aggregated IMD ranking below the national average.

[5] ONS 2019 https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019,



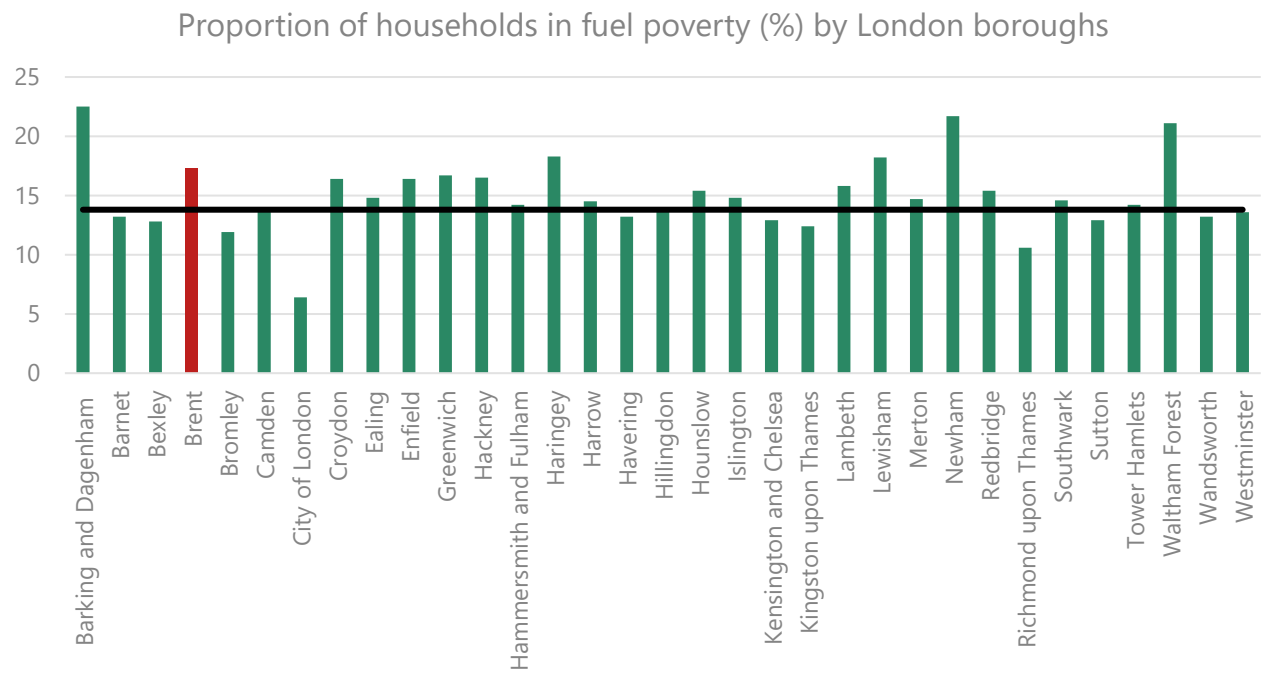
Horizontal line shows the national average (5)

Fuel Poverty

With energy prices set to surge in the next 12 months, the number of households in fuel poverty is set to significantly rise. In general, fuel poverty relates to households that must spend a high proportion of their household income to keep their home at a reasonable temperature. Fuel poverty is affected by three key factors: a household's income, their fuel costs, and their energy consumption (which in turn is affected by the energy efficiency of the property).

The fuel poverty score produced by the Department for Business, Energy & Industrial Strategy (BEIS) using 2019 data and published in 2021 shows that currently Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%).[6] These figures are likely to significantly change as a result of the recent acute fuel price increases.

[6] Department for Business, Energy & Industrial Strategy 2021 https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2021



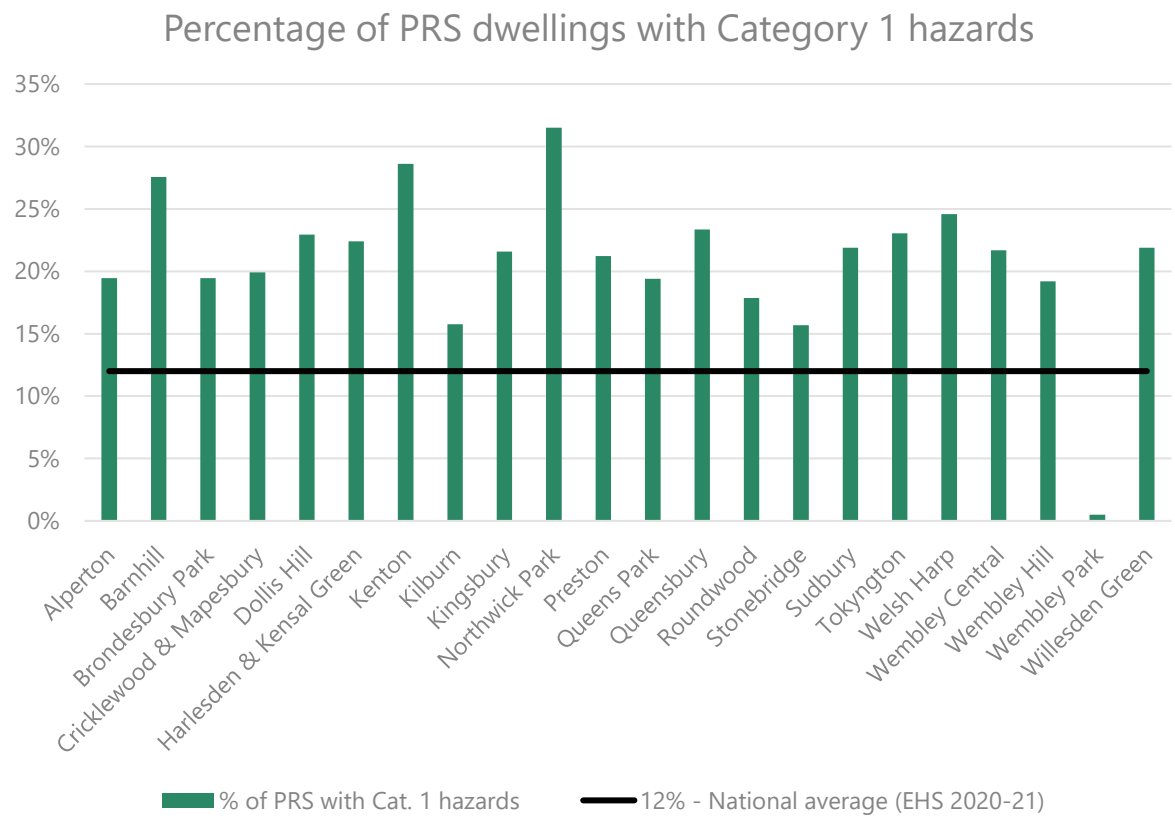
Horizontal line shows England average (13.8%)

Housing Conditions

The recent review of Brents housing stock has provided insights about the presence and distribution of a range of housing factors in the borough[7]. The main finding was that poor housing conditions are widespread in the PRS. Under the Housing Health and Safety Rating System (HHSRS), category 1 hazards are the most serious housing hazards and may result in the immediate risk to a person's health and safety. A significant category 2 hazard, although less serious or less urgent, can still be regarded as placing the occupiers' health, safety and welfare at risk.

Our evidence shows that category 1 hazards in Brent's PRS are distributed across the whole borough, with over 10,000 private rented properties having at least one category 1 hazard, representing 18% of Brents PRS (excl. known HMOs). 21 of 22 wards have levels of category 1 hazards above the national average (12%).

[7] Housing Stock and Stressors Report, Metastreet, 2022



Under the current Minimum Energy Efficiency Standard (MEES), properties must have an Energy Performance Certificate (EPC) rating of E and above before they can be let out. Currently in Brent, 1.3% of the PRS have an F and G rating, which means approximately 755 PRS properties are likely to fail the MEES statutory requirement.

The statistical evidence shows that there is a continuous relationship between indoor temperature and vulnerability to cold-related deaths [8]. The colder the dwelling, the greater the risk. The percentage rise in deaths in winter is greater in dwellings with low energy efficiency ratings. Children in cold homes are twice as likely to suffer from a variety of respiratory problems [9]. Therefore, the F and G properties present a serious risk to the occupants' health, particularly if over the age of 65.

There is also a gradient of risk with age of the property, the risk being greatest in dwellings built before 1850, and lowest in the more energy efficient dwellings built after 1980[10]. Brent has a high level of residential properties (65.7%) built before the Second World War. Wards with a majority of older properties tend to have more hazards such as excess cold, fire & electrical issues, damp and mould.

[8] Housing Health and Rating System, Operation Guidance, 2006 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf
[9] Health Equity in England: The Marmot Review 10 Years On, 2020 https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on
[10] Housing Health and Rating System, Operation Guidance, 2006

5. Property licensing schemes

Property licensing allows the council to regulate private rented properties in their areas by issuing a licence to the person responsible for the property, usually the landlord, which contains conditions that relate to the properties management, use and upkeep. This helps to improve the condition and management of privately rented properties and makes renting in the private rented sector safer and fairer for tenants.

Property licence conditions are wide ranging and include requirements relating to maximum occupation, gas, electrical and fire safety, pest control, refuse/recycling management and energy efficiency.

There are three types of property licensing schemes operating in Brent:

Selective Licensing

- Applies to properties let to single family households or two sharers
- Area designated by the council
- Large scheme need approval by DLUHC

Additional HMO Licensing

- Applies to smaller houses in multiple occupation (HMOs) let to 3 or 4 unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.
- Certain converted blocks of flats (Section 257 HMOs)
- Area designated by the council

Mandatory HMO licensing

- National scheme
- Applies to all Councils and affects large HMOs, let to 5 or more unrelated people, forming 2 or more households who share amenities such as a kitchen or bathroom.







6. Property licensing schemes in Brent

In January 2015 Brent introduced a Selective Licensing scheme which applied to all private rented housing in the wards of Harlesden, Wembley Central and Willesden. This scheme expired on 31st December 2019.

In June 2018 the Selective Licensing scheme was extended to the wards of Dudden Hill, Kensal Green, Kilburn, Mapesbury and Queens Park. This latter designation is still in operation and will run until 30th April 2023.

Borough wide Mandatory HMO Licensing and Additional HMO licensing schemes are also in force.

Licensing schemes require landlords to proactively manage their properties and take action to address any problems in order to comply with licence conditions. It encourages better standards of property management. The council has worked collaboratively with landlords to make sure these requirements are met. The council has carried out enforcement actions when needed to raise standards. Whilst these schemes have enabled the council to begin to make real progress in raising standards in the private rented sector, there is still much more to do.

Results of the previous licensing schemes

Key to any licensing scheme is an inspection and enforcement regime that ensures that licences are applied for, valid applications are processed and that there is compliance with the conditions of licences issued.

Since the introduction of the licensing schemes in 2015, a total of 17,930 licences have been granted.

Licence Type	Licences Granted
Mandatory	3419
Additional	3241
Selective (Scheme 1) 2015 -2019	5644
Selective (current scheme) 2018 – To date	5626

Prior to the existing schemes coming into force the council had estimated the number of properties that would be licensable. The actual number of properties licensed has been greatly exceeded. The success of the take-up of the selective licensing schemes is shown in the following table.

Licence Type	Properties Licensed	Estimated Number of licensable properties	Percentage %
Selective (Scheme 1) 2015 -2019	4699	2823	166%
Selective (current scheme) 2018 – To date	5626	4360	129%

Local authority housing statistics data returns for 2020 to 2021[11] show that Brent has licensed the highest number of mandatory HMOs out of all London boroughs and the fifth highest in England.

England		London	
Bristol	2,718	**Brent**	**2,364**
Nottingham	2,574	Ealing	1,452
Birmingham	2,500	Haringey	1,225
Liverpool	2,394	Southwark	851
Brent	**2,364**	Lewisham	847
Manchester	2,247	Croydon	804
Southampton	2,208	Hounslow	800
Newcastle upon Tyne	2,168	Newham	759
Brighton & Hove	2,155	Tower Hamlets	680

As part of the licensing process properties are risk assessed and prioritised for compliance inspections. This approach has allowed the council to target properties of most concern. The council has carried out over 11,000 targeted and random inspections during the lifetime of the schemes to ensure ongoing compliance and that landlords are making necessary improvements to property conditions.

As a result of direct action taken, over 8,200 properties have been improved during the lifetime of the schemes.

Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Totals	1281	968	1008	1167	1055	1245	1004	516*	8244

**Year to date – The total PRS properties improved per year*

Over the past five and a half years 8,753 properties have been inspected, resulting in 5,995 properties seeing an improvement in condition as a consequence. This equates to an improvement rate of 68%.

An effective licensing scheme relies on robust enforcement and by using intelligence gathered via licence applications and service requests, the council has been able to

[11] Local authority housing statistics data returns 2020 to 2021

better target enforcement action towards the minority of landlords who fail to invest in their properties or meet their legal obligations.

Properties owned by landlords who have deliberately evaded the licensing schemes are often doing so in order to operate under the radar. This allows them to cover up evasion in other areas such as unpaid tax on rental income, unpaid Council tax, fraudulent housing benefits claims, illegal immigration and even slavery[12]. Their properties are also much more likely to have hazards. Bringing landlords into the framework of licensing schemes shines a light on these other areas and can bring them into compliance in multiple areas.

The table below summarises the councils' enforcement outcomes that have been achieved through the licensing schemes.

Activity	Output	Outcome
One-year licences issued as a consequence of concerns at time of application	2131	Issues mainly regarding lack of gas safety certificates, overcrowding, planning issues and irregularities in ownership details.
Warning letters sent	5280	Properties brought into compliance i.e. licence application made or confirmation of property status received.
Prosecutions	187	£1.8m in fines and costs 1 prison sentence issued
Civil Penalty notices issued	253	£850,000 reinvested in to PRS Enforcement
Proceeds of Crime Confiscation Award	1	£365k in confiscation order, fines and costs. In December 2018, Brent became first LA to be granted a Confiscation Order under the Housing Act 2004
Landlords training and accreditation	1796	Third highest number of accredited landlords of all London boroughs (January 2022)

Supporting good landlords

Through the licensing schemes a database of over 10,500 landlords and agents operating in Brent has been compiled, supporting better communication and engagement with the sector through a regular e-newsletter and a twice-yearly landlords forum.

The council recognises that having accredited landlords is part of the key to raising standards in the private rented sector and have actively encouraged all landlords to become accredited to achieve a level of housing knowledge and competence before letting a home. As of January 2022, Brent had 1796 landlords accredited to the

[12] Dealing with Rogue Landlords, P7, DCLG, 2012

London Landlord Accreditation Scheme, which is the third highest figure of all London boroughs.

Since 2015, in conjunction with Midas Property Club, the Council has hosted landlord forums which on average have been attended by over 200 landlords and agents with private property interest. Landlord training and forums have continued virtually during and post the covid-19 pandemic.

Supporting private rented sector tenants

In promoting tenant's rights and responsibilities, tenants' awareness of the minimum standards to be expected in rented accommodation has dramatically increased. Tenants have been encouraged to report landlords who do not comply with licensing conditions. Since the start of the licensing schemes the council has received 5804 requests for service from tenants in the private rented sector regarding disrepair, resulting in significant interventions and property improvements.

It is clear from running these schemes, that licensing allows the council to work proactively with landlords and tenants. Licensing provides clear conditions for landlords to comply with, promotes an improvement in property conditions and enables ASB to be minimalised through better, effective management. Licence conditions can be enforced against much more effectively and quickly than using other powers available to the council, such as Part 1 of the Housing Act (2004). Formal action under Part 1 is generally a slow process with appeals allowed for most types of notices, which can significantly delay the time period for compliance.

7. Proposals for a new selective licensing scheme

Brent is a diverse borough with various housing issues related to the PRS. There is evidence of poor housing in most wards, which is compounded by other factors such as ASB, deprivation, high rents, above London average private rented property possession claims, fuel poverty and homelessness.

The council has been truly selective in proposing the areas for this licensing scheme. Thorough evidence gathering and research has been carefully carried out to ensure that the most severe problems in each ward can be dealt with. All properties in the designated areas that are rented to single families (or two sharers) will need to have a licence to be legally let.

The council is proposing a five-year scheme made up of two proposed designations to be implemented in, potentially, two phases.

The first proposed phase (designation 1) covers a total of 3 wards. The size of these designations, which affect less than 20% of the geographical area of Brent and less than 20% of its privately rented housing, means they can be agreed locally by the council's cabinet and could be brought in by June/July 2023.

Subject to consideration of the responses in the consultation process, the Council is keen to seek to address the serious problems of ASB and poor property / housing conditions in the 3 wards at Dollis Hill, Harlesden and Kensal Green, and Willesden Green as soon as reasonably practicable

The Cabinet decision on whether to designate other areas in the second designation phase as set out below will be brought to a subsequent Cabinet, to give further consideration to the larger designation, as well as giving time to scale up resources and systems to administer and enforce a larger designation

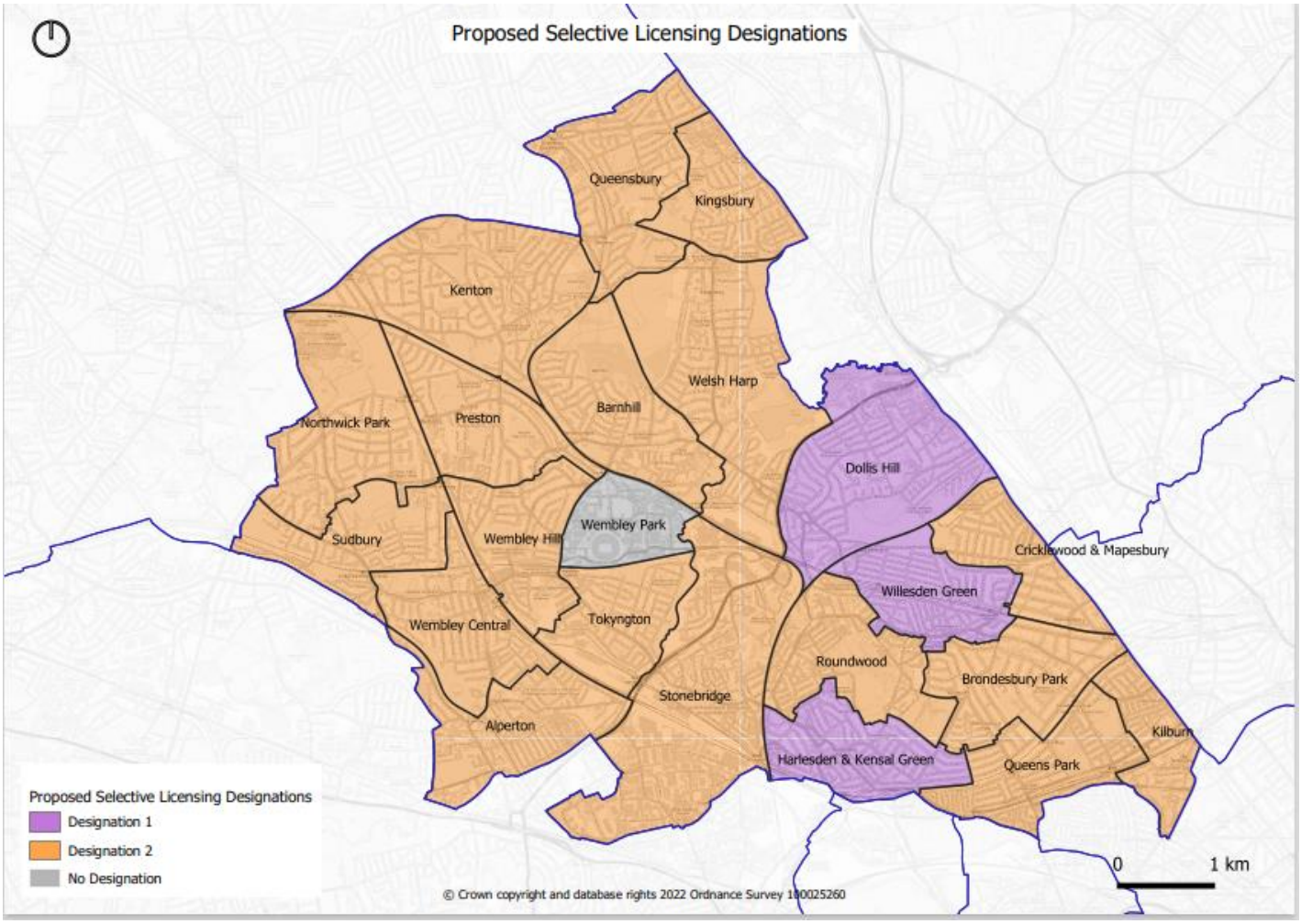
The second phase (designation 2) covers a total of 18 wards and 62% of the total PRS. Due to its size, after being agreed by Brent Council, this designation would need confirmation by the Department of Levelling up Housing and Communities (DLUHC). If approved, designation 2 could be introduced by the end of 2023. The decision on designation 2 will be made at a separate and subsequent later Cabinet meeting after the Cabinet decision on designation 1.

DESIGNATION 1	DESIGNATION 2
Poor Property Conditions & Very High Repeat ASB	**Poor Property Conditions**

Dollis Hill Harlesden & Kensal Green Willesden Green	Alperton Barnhill Brondsbury Park Cricklewood & Mapesbury Kenton Kilburn Kingsbury Northwick Park Preston	Queens Park Queensbury Roundwood Stonebridge Sudbury Tokyngton Welsh Harp Wembley Central Wembley Hill

All the designations are subject to change as a result of this consultation and the council welcomes input into the scheme.

Map of the proposed selective licence scheme designations



Designation	Designation Criteria
1	Poor property conditions and very high, repeat ASB
2	Poor property conditions

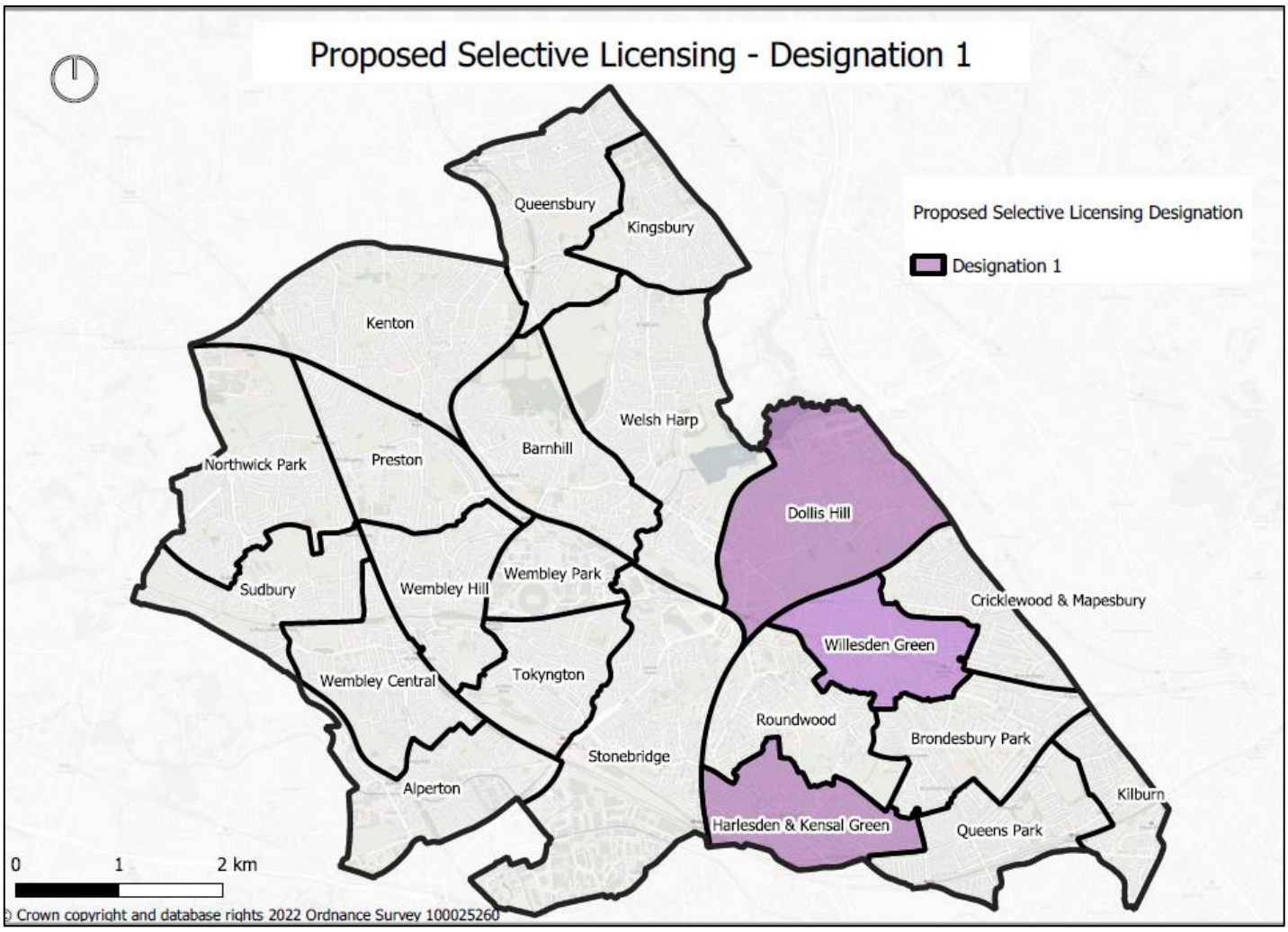
Data summary for the borough

Wards	Designation Criteria		
	High Proportion of PRS (above the national average of 19%)	Poor Property Conditions (above national average of 12%)	Very High Number of PRS Properties with Repeat ASB
Alperton	✓	✓	
Barnhill	✓	✓	
Brondesbury Park	✓	✓	
Cricklewood & Mapesbury	✓	✓	
Dollis Hill	✓	✓	✓
Harlesden & Kensal Green	✓	✓	✓
Kenton	✓	✓	
Kilburn	✓	✓	
Kingsbury	✓	✓	
Northwick Park	✓	✓	
Preston	✓	✓	
Queens Park	✓	✓	
Queensbury	✓	✓	
Roundwood	✓	✓	
Stonebridge	✓	✓	
Sudbury	✓	✓	
Tokyngton	✓	✓	
Welsh Harp	✓	✓	
Wembley Central	✓	✓	
Wembley Hill	✓	✓	
Wembley Park			
Willesden Green	✓	✓	✓

7.1 Phase 1 - Designation 1: Poor property conditions and Antisocial behaviour (ASB)

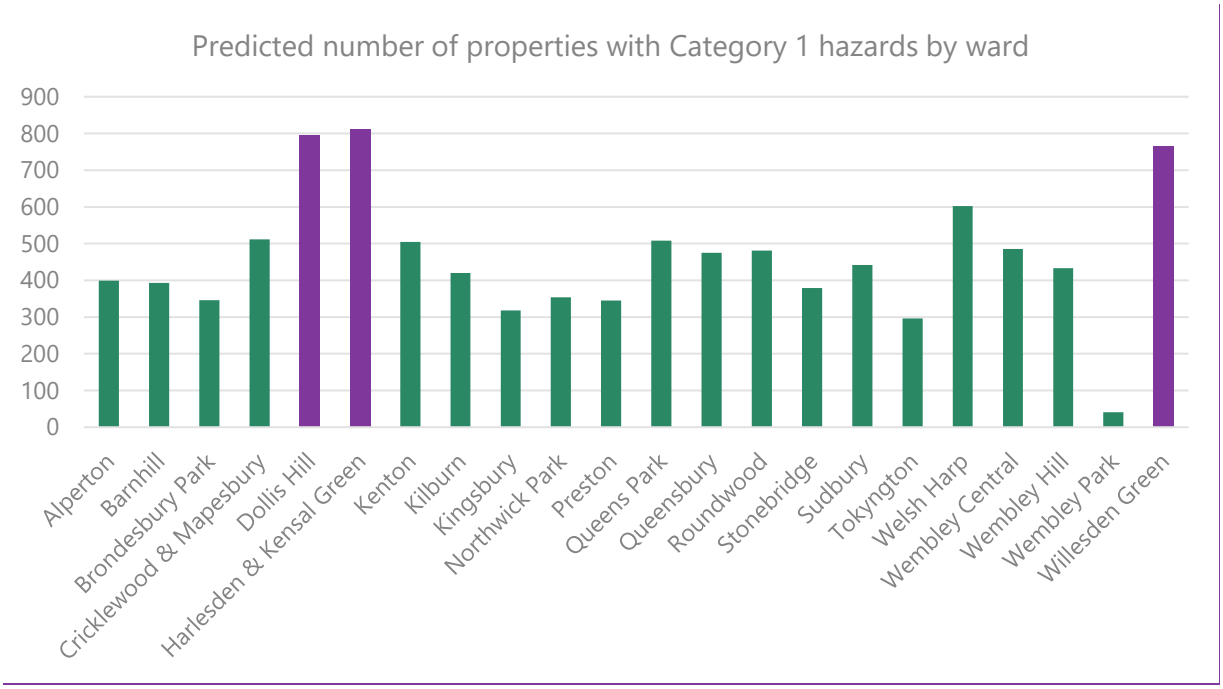
Which areas are included in this designation?

The three wards in this designation are Dollis Hill, Harlesden & Kensal Green and Willesden Green. These wards have poor property conditions and the highest levels of ASB connected to the PRS compared to all other wards in the borough. In addition, these wards have a high proportion of properties in the private rented sector (above the national average of rented properties).

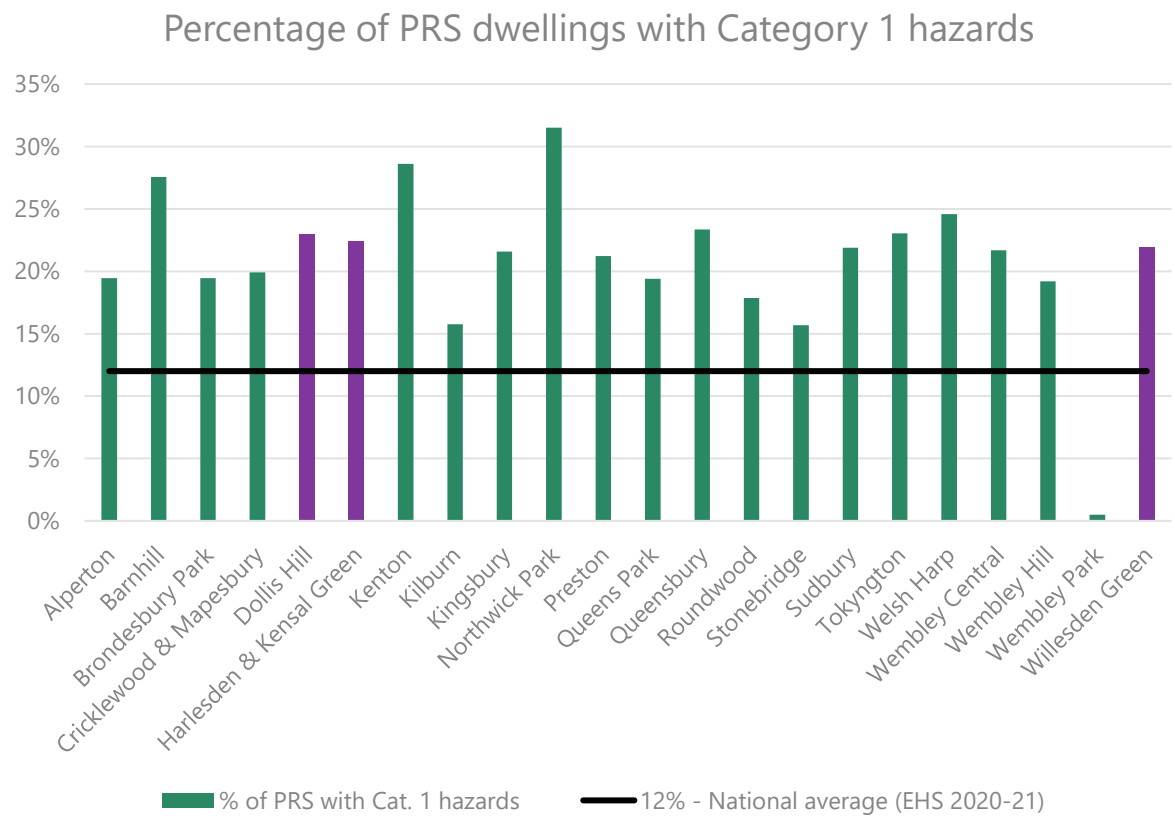


What is the evidence of poor property conditions in this area?

Our evidence shows that the three wards in this designation have the highest number of properties with at least one Category 1 hazard. Harlesden & Kensal Green (812), Dollis Hill (796) and Willesden Green (766). The proportion of properties in each ward with category 1 hazards is also around double the national average of 12%.[13]



[13] English Housing Survey 2020-21



Overall, in these three wards, there are 2,374 properties in the PRS that are predicted to have category 1 hazards. A significant number of these would need to be inspected to ensure tenant safety.

The council has powers to take enforcement action under various legal provisions. Where housing hazards, disrepair, public health or planning concerns are identified that need enforcing, statutory notices can be served on the responsible persons requiring action to be taken within a specified timeframe.

The properties in these three wards have required a significant number of council interventions, representing a huge drain on council resources. Over a five-year period (2017-2022) the council has issued 2283 housing, public health and planning enforcement notices. Willesden Green (875), Harlesden & Kensal Green (729) and Dollis Hill (679) received the most statutory notices.

How will licensing deal with poor property conditions in the designated area?

The designation of these three wards will allow the council to start dealing with some of the worst property conditions in the borough. This designation is in phase 1, which could be brought in by June / July 2023.

There will be clear licence conditions relating to the standard and management of rented properties in the area. Higher risk properties will be prioritised for inspection by officers to check for hazards and compliance with licence conditions. The council

will take enforcement action (under Part 1 of the Housing Act), where necessary, to improve poor property conditions.

It is much easier to rectify property issues under the legal framework of the licensing scheme and when the landlord and other property management companies are known to the council. Landlords who fail to licence their properties could receive a civil penalty for failure to license.

Information and support on the professional management of properties will be available to landlords through the council's web site and landlord forums (in person and online). The licence conditions relating to the management of the properties will help ensure that properties are properly managed to prevent further deterioration.

The council will work with landlords to address poor property conditions and help them to comply with the licence conditions in these wards.

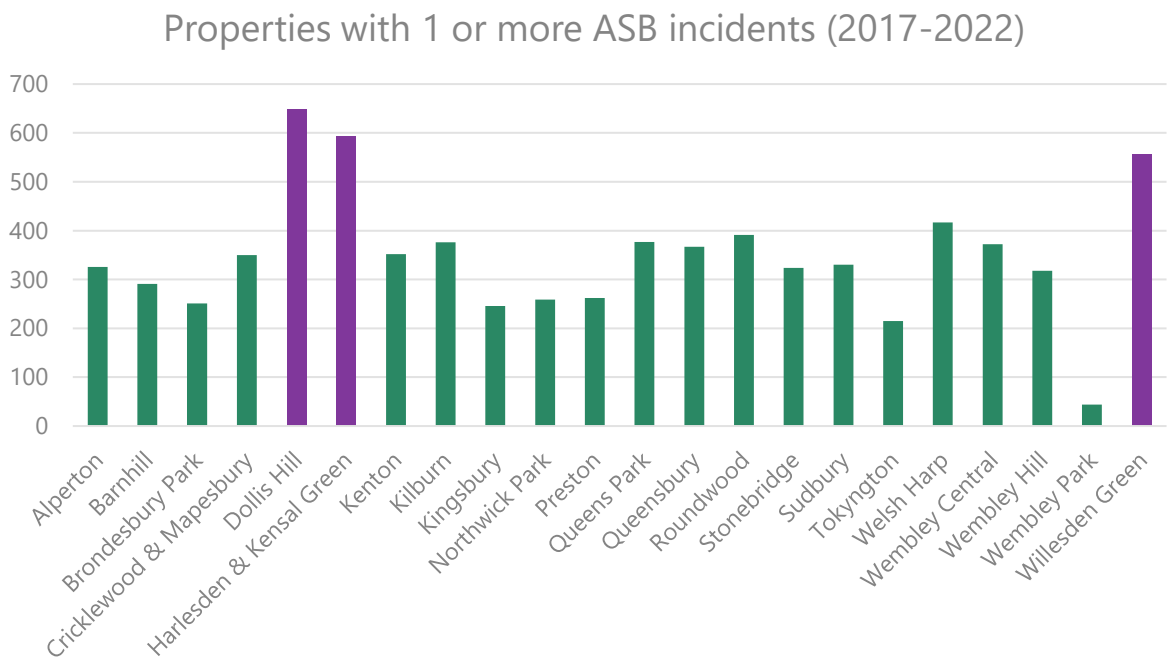
The council will also continue to work with the London Fire Brigade, Home Office, Police, HMRC, as well as additional council departments, to identify properties that need improvement. In addition licensing has seen better and more effective working with internal stakeholders too, such as planning enforcement, The Brent Joint Action Group (BJAG), Brents Enforcement Practitioners Group (EPG), Empty Properties Team, Housing Needs, Council Tax and others.

Over the last seven years of the previous schemes, this co-working resulted in an increase in prosecutions of rogue landlords to 189. This can largely be attributed to the increased and efficient intelligence sharing across multiple disciplines.

What is the evidence of ASB in the private rented sector in this area?

In these three wards alone, there were 2421 complaints of ASB over a five-year period. Follow up investigations identified that the majority of complaints were around substance misuse and noise and rowdy behaviour.

Once a complaint is received and verified as being in a property that is privately rented, the Housing Enforcement team is notified. 424 properties in these wards had repeat ASB, showing that some landlords are failing to take the appropriate action to deal with ASB in their properties when it first occurs.



How will selective licensing deal with ASB in the designated area?

A new selective licensing scheme in these wards would give the council greater information and powers to deal with the properties that cause such a problem for neighbours and the community.

A designation of these three wards would allow the council to work proactively with the landlords and owners of the properties to prevent ASB and, where necessary, deal with ASB in their properties. The licence conditions will clearly state the responsibilities of landlords to prevent and also deal with any ASB that arises. There will also be guidance and support for landlords on how to manage tenants who are causing ASB. Information for tenants about their responsibilities about causing ASB will also be available.

Since 2015 an Enforcement Practitioners Group (EPG) has been operational which brings together regulatory enforcement teams from across the council, including Trading Standards and Planning to tackle complaints about ASB in privately rented properties. These complaints range from crack houses, brothels and cannabis factories to harassment of neighbours and issues with aggressive dogs. The group meets every five weeks, shares intelligence and works together to try and resolve ASB. On average twenty multi-agency operations are carried out each year.

In addition the Brent Joint Action Group (BJAG) is a multi-agency group which meets monthly to manage issues raised by residents (through ward panels) or through data analysis. Monthly hotspot maps are used routinely to prioritise multi-agency enforcement and engagement in the appropriate areas. In 2021/22, eight high priority cases were referred and managed through the BJAG. Issues such as

drug dealing and drug use were tackled during tasking operations and ASB enforcement powers such as Closure Orders used to deal with nuisance.

Case study 1: A service request was received by the Housing Licensing & Enforcement Team regarding a first floor flat with disruptive tenants and leak from bathroom flowing into the electrics in ground floor flat and failure to licence.



Initial Research: Properties were in a Selective Licence ward but were not licensed.

Action: The managing company were requested to submit an application without delay. As part of the application process, the Team arranged a Compliance Inspection of both properties. From the ground floor flat, it was obvious that the leak had been ongoing for a long time, as there was extensive damp and mould in the ceiling, the bathroom electrics were non-functional, and the flooring was saturated. The occupant of the first floor flat was aggressive and abusive and was resistant to the visit by Council's staff. The Team contacted the Licence Holder, highlighting breaches of the Licence Conditions, being Repairs (leaking bath causing damage to the ground floor flat) and the display of Anti-social behaviour (aggression and verbal abuse of the tenants). The Team served a Schedule of Works for the repairs to the bath and for the Licence Holder to provide evidence of how they were dealing with the ASB issues of the tenants.



Outcome: The owner of the first floor flat promptly applied for a Selective Licence. A new bath with the associated pipework was installed. After weeks of deliberation with the tenants and the placement Local Authority, and other complaints of ASB issues (including aggression to neighbours, fights, and smoking of class A drugs), the tenants were relocated to the hosting Council.

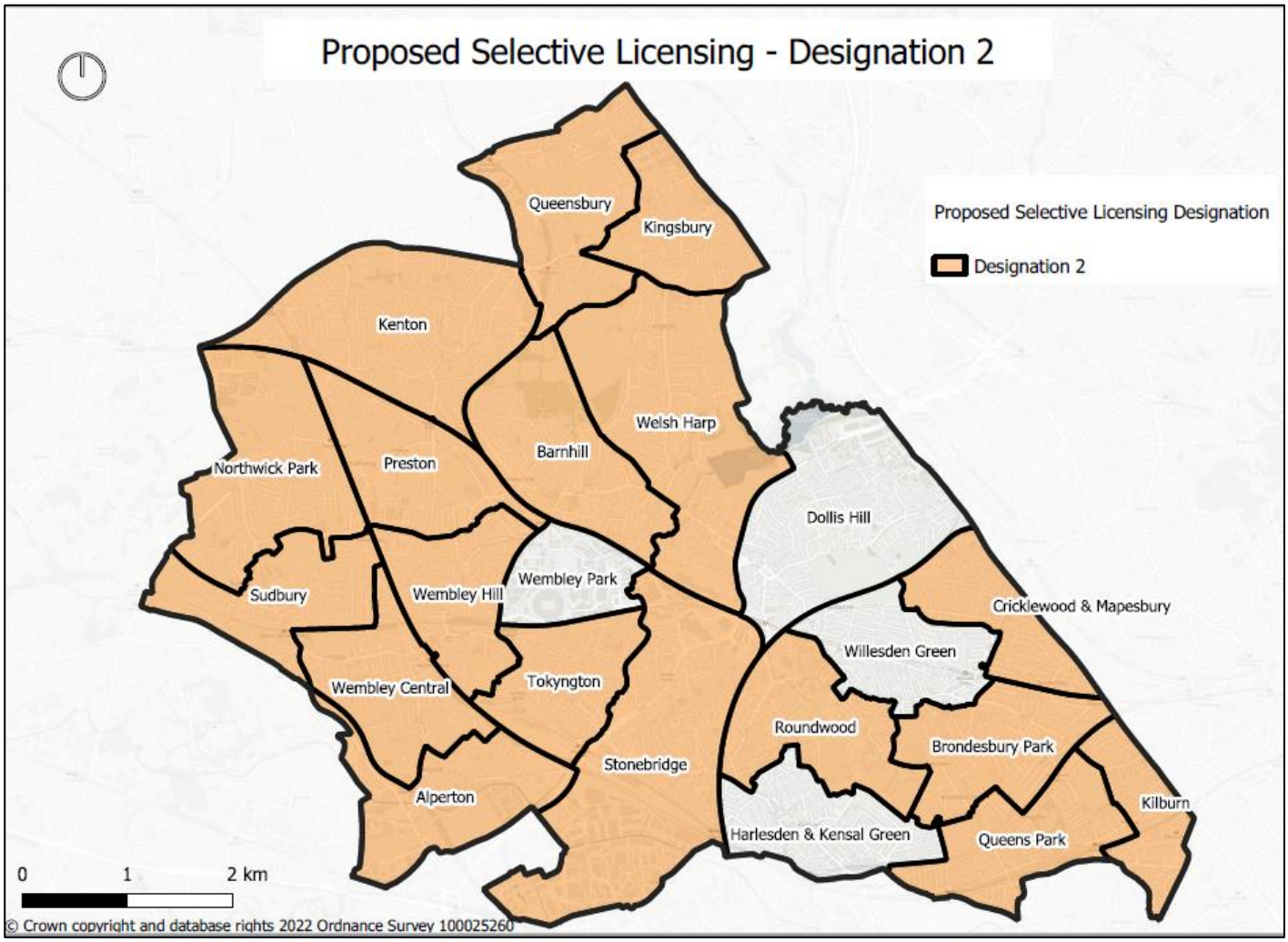
7.2 Phase 2 - Designation 2: Poor property conditions

Which areas are included in this designation?

The following eighteen wards are included in this designation:

Alperton	Queens Park
Barnhill	Queensbury
Brondsbury Park	Roundwood
Cricklewood & Mapesbury	Stonebridge
Kenton	Sudbury
Kilburn	Tokyngton
Kingsbury	Welsh Harp
Northwick Park	Wembley Central
Preston	Wembley Hill

These wards all have poor property conditions demonstrated by high levels of category 1 hazards in the PRS.



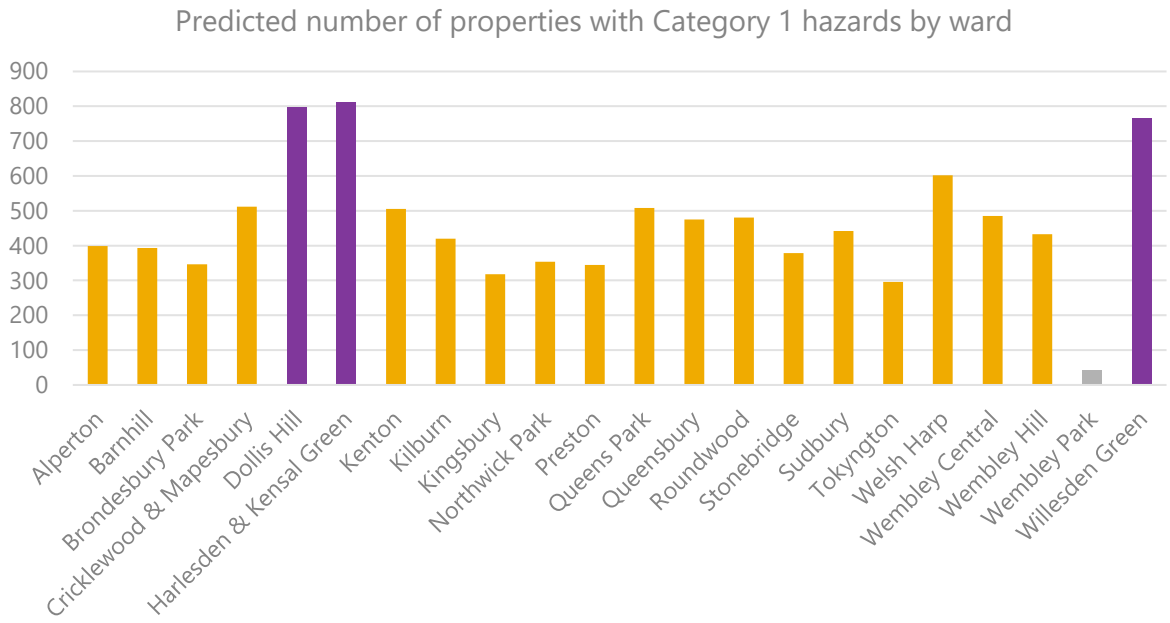
What is the evidence of poor property conditions in this area?

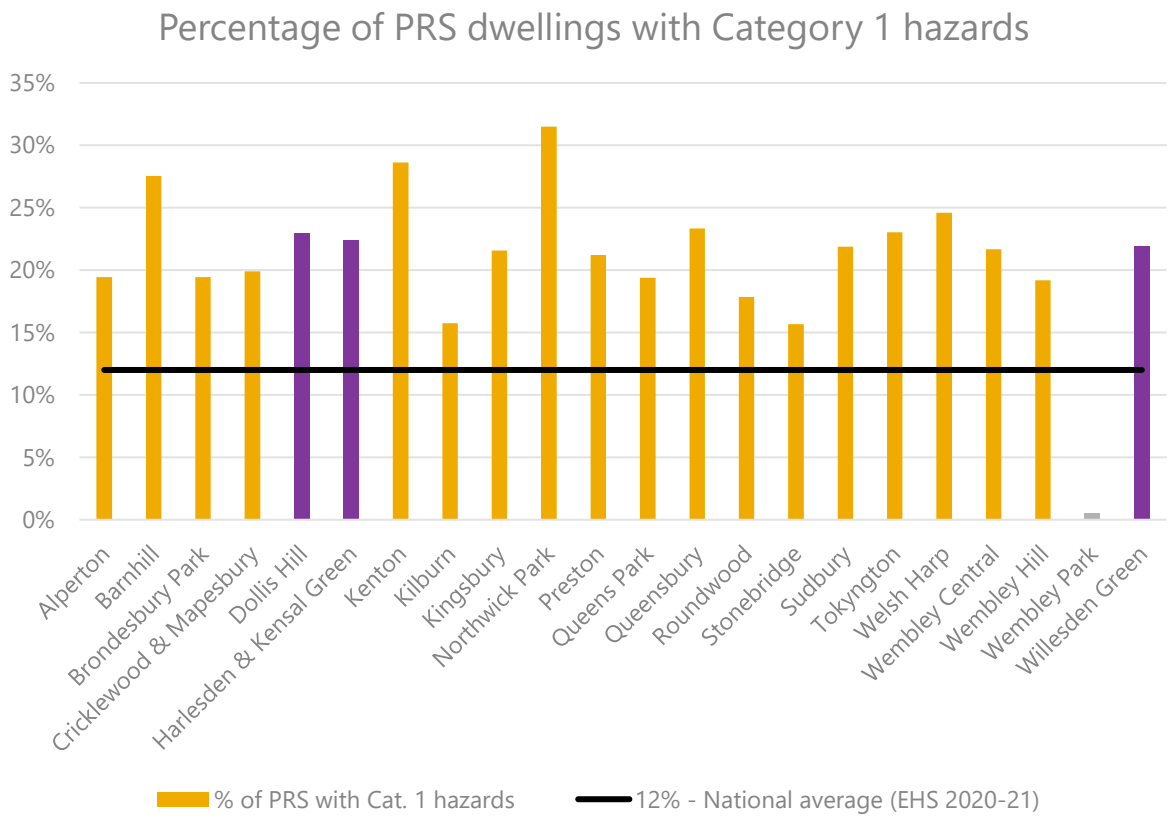
Our evidence shows that the eighteen wards in this designation have PRS properties that have unacceptably high levels of category 1 hazards.

The properties in this designation have levels of category 1 hazards that are higher than the national average for PRS of 12%[14]. There may be at least 7,693 PRS properties in this area that have a category 1 hazard, a large proportion of which will need to be inspected to ensure the safety of the tenants that live in them.

The council receives a significant number of complaints from residents in these wards and in response to non-compliance, over a five-year period (2017-2022) the council served 5891 housing, public health and planning enforcement notices in relation to properties in this designation.

[14] English Housing Survey 2020-21





How will licensing deal with poor property conditions in the designated area?

The designation of these eighteen wards will allow the council to bring about an improvement to property conditions in the area during the life of the scheme. There

are proposed licence conditions relating to the standard and management of the rented properties. Higher risk properties will be prioritised for inspection by officers to check for hazards and compliance with the licence conditions. This will allow the council to take enforcement action (under Part 1 of the Housing Act), where necessary, to improve properties.

The council will expect property condition issues identified during an inspection to be resolved within a reasonable period, depending on the severity of the issue. Improvement Notices, Overcrowding Notices and Prohibition Orders are formal notices that may be issued to bring about improvements in properties. The council charges the landlord if a formal notice is issued.

Landlords who fail to licence their properties could also receive a civil penalty.

The licence conditions will be used to ensure continued compliance with property conditions and standards to prevent a further deterioration in the rented properties. Landlords will be able to access information on the council's web site and through forums (either in person or online) to help them improve their property management skills.

The council will also continue to work with the local Police, the London Fire Brigade, UKBA and other council departments to identify properties that need improvement. The council will work with landlords to address poor property conditions and help them to comply with the licence conditions in these wards.

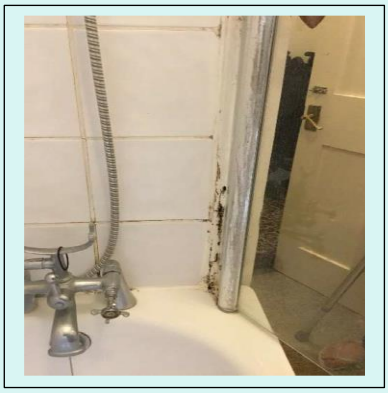
Case study 2: Ground floor flat with numerous defects including fire safety issues and failure to licence

The Issue: Private Housing Licensing & Enforcement Team was alerted about this property following a service request from an MP on behalf of one of their constituents. There were numerous concerns raised including a defective boiler, radiator and toilet leak, fire safety issues, trip hazards, excess draught via the front door, defective bath faucet



Action: Desktop search revealed that the property was in one of the Selective wards. The investigating Officer contacted the owner, informing them of the licensing requirements and the concerns raised. An application was submitted forthwith. The Team arranged a visit and carried out a Licence Compliance inspection of the property as part of the application process. The property was occupied by a young woman with disabilities and her 2 years old son. The inspection highlighted breaches of the Licence Conditions, including Gas (defective boiler, no hot water), Security (damaged front door frame), External areas, Smoke alarms (no smoke or heat detectors), Carbon Monoxide alarms (no CO detector), Means of escape (defective door handles and locks), Electrical (damaged electrical kitchen socket), and Repairs (defective water closet flushing unit & leak from tank, missing bath glass rubber seal, defective bathroom floor covering, mouldy bathroom grout & silicone, defective bath faucet, rusty & leaking radiator, missing intumescent strips to lounge door, several trip hazards, and missing fire blanket).
The Council served a Schedule of Works with various timeframes for the completion of the works.





Outcome: The owner applied for a Selective Licence**.** They had a new boiler installed, along with installation of a carbon monoxide detector, smoke & heat detectors, and a fire blanket. The owner completed all the other works within the timeframe given. The tenant called in to express a big “thank you” for improving the property and her mental wellbeing**.**

7.3 Why is Wembley Park ward not included in the selective licensing scheme proposals?

Although Wembley Park ward has a high level of rented properties, these tend to be relatively new builds and therefore do not have the high levels of housing hazards that we see in other parts of the borough. Wembley Park has required the least number of interventions from the council with only 28 Housing & Public Health Statutory Notices served over a five-year period.

Although there has been a small number of ASB incidents, there is negligible repeat ASB incidents. Therefore the evidence to support a designation based on ASB is also lacking.

The council considers it more appropriate to be selective in its approach and focus resources on the worst affected areas. However, this ward will be kept under review and a third designation could be considered should the evidence change.

7.4 Proposed selective licensing scheme conditions

There are two types of conditions that can be applied to a selective licensing scheme: mandatory and discretionary. The mandatory conditions are required by law (Schedule 4 of the Housing Act 2004) and must be included in a licence. These mandatory conditions do not form part of the consultation.

The discretionary conditions are part of the consultation and the council can decide on these in order to deal with the management, use and occupation of the licensed property.

In some circumstances, for a particular property, where the council believes there are specific issues not being covered by the discretionary conditions, additional or more specific conditions can be added.

As the two proposed selective licensing designations are based on different criteria, the discretionary conditions are tailored to tackle the conditions relating to the criteria in each area. For example, designation 1 includes ASB and there are specific discretionary licence conditions relating to ASB

The proposed selective licence conditions are attached as **Appendix 2**. These licence conditions form part of the consultation and the council welcomes any views on them.

7.5 Proposed selective licensing fee

Licence applicants will be required to pay a fee for each property that needs a licence. The proposed selective licence fee is £640 per property.

The council is required to split the fee into two payments. The initial part of the fee (£340) is charged to cover the cost of processing of the application. If the application for a licence is successful, the remainder of the fee (£300) will be charged before the full licence is issued. This part of the fee is a contribution to the other costs incurred by the Council in running and administering the licensing scheme, for example the cost to the council for enforcement of licences. Licence fees cannot be used elsewhere in the council or used to generate a profit.

We are also proposing to continue to offer a £40 discount to applicants who are members of the London Landlords Accreditation Scheme (LLAS).

The proposed schedule of fees and associated charges is attached as **Appendix 3.** These fess form part of the consultation and the council welcomes any views on them.

Selective licensing exemptions

Some properties do not require a licence and will be exempt from the selective licensing scheme including:

a) properties licensable as a mandatory or additional HMO.

b) properties let by a local authority or a Registered Provider (RP), traditionally known as a not-for-profit Housing Association.

c) properties already subject to a management order.

d) properties subject to a temporary exemption notice.

e) owners who reside in the property they own as their main residence (owner-occupiers).

f) holiday lets; and tenancies under a long lease and business tenancies.

g) Any building which is occupied principally for the purposes of a religious community whose principal occupation is prayer, contemplation, education or the relief of suffering.

h) Student accommodation directly managed by educational institutions, e.g. halls of residence.

i) properties managed by a charity registered under the Charities Act 2011 and which—

   a. is a night shelter, or

   b. consists of temporary accommodation for persons suffering or recovering from drug or alcohol abuse or a mental disorder.

A full list of exemptions can be found at The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 (legislation.gov.uk)

8. Alternatives to licensing that have been considered

We have considered other courses of action, or alternatives to the selective licensing proposals. But we do not believe that they provide as effective means of tackling poor housing conditions and repeat ASB in the borough.

Alternative Measure	Strengths	Weaknesses
Use of Part 1 Housing Act 2004 enforcement powers [HHSRS] and Public Health powers	Following an investigation, formal statutory notices can be served that require improvements to be carried out to a property. Councils can carry out work in default if a notice is not complied with. Landlords risk being prosecuted if they do not comply with the notice or the Council can impose a civil penalty on the person responsible.	The powers do not place any obligation on landlords to be proactive in improving conditions. Formal action is generally slow, with appeal provisions against most types of notices served, which can significantly delay the time period for compliance. Work in default can be effective but it is expensive and time consuming to the Council, with the risk that not all costs are recovered. Successful prosecutions and civil penalties do not in themselves secure improvements in property conditions and the Council's costs in pursuing legal action are often not met in full.
Rely on prosecutions and civil penalties for housing offences	Provides a disincentive to keep properties in poor conditions.	These powers do not place any obligation on landlords to be proactive in improving conditions. Successful prosecutions, or the imposition of civil penalties, do not in themselves secure improvements in property conditions. The absence of licensing significantly reduces the scope of the council to impose civil penalties in respect of identified housing breaches.
Wider promotion of voluntary accreditation schemes to facilitate improvement in management practices and standards	For those landlords who take part, accreditation can increase their knowledge and competence and their ability to effectively manage a property.	This requires voluntary landlord engagement and rogue operators are unlikely to attend/engage in such schemes.
Improvement grants to improve sub-standard properties	Grants subsidise improvement works, improving standards and giving	Generally, there are few grants available and the council has very limited scope to offer grants through successful external funding bids. In the most part, grant

Alternative Measure	Strengths	Weaknesses
	benefits for landlords and tenants.	awards would fund improvements that the landlord should be carrying out to meet their legal obligations. Any grant scheme would be discretionary and would rely on voluntary landlord engagement.
ASB powers	Formal notices can be served at addresses identified as having ASB issues. This can resolve ASB at the particular address.	Action would generally be taken against the tenant in occupation. The powers do not place any obligations on landlords to be proactive in managing their properties to prevent or reduce the likelihood of ASB occurring.

9. Proposed scheme objectives

Licensing is part of an overall approach to help improve privately rented properties in the London Borough of Brent. As such, any outcomes will be as a result of a range of initiatives and methods that the council can use. However, licensing is an important element and will place the responsibility on the landlord to inform the council that their property is licensable and encourage them, with the council's support, to ensure that they meet the required standards. The council can then prioritise its resources effectively to dealing with the properties of most concern and target enforcement actions to those landlords who fail to licence their properties and/or breach licence conditions.

The selective licensing scheme will be assessed against the following scheme objectives:

Objective	Outcome
Improve property conditions in single family dwellings	Reduce category 1 and 2 hazards. Licence conditions complied with. Achieve a general improvement of property conditions in the designated area within the lifetime of the designation. Improved engagement with tenants in the PRS.
Improve management standards in PRS	Improved engagement with landlords. Improved engagement with tenants in the PRS.
Reduction in (repeat) antisocial behaviour in single family dwellings	Reduction in ASB incidents. Reduction in repeat ASB incidents. Reduced number of ASB concerns raised by residents over 5 years. Improved engagement with tenants in the PRS.
Increased awareness for tenants on the minimum standards to be expected in rented accommodation and what their other rights are when renting in the PRS	Supporting the most vulnerable tenants. Combat deprivation in the most deprived areas. Improved engagement with tenants in the PRS.

10. Licensing and wider council strategies

The licensing proposals are set in the context of the council's wider programmes to tackle housing need, improve property standards and reduce ASB.

Council Borough Plan

The Council's Borough Plan 2021-22 is based on the vision to "make Brent a borough of culture, empathy and shared prosperity": The plan sets out five strategic themes to improve the lives of those who live work, study and do business in Brent. Desired outcomes include extending regulation to ensure private landlords offer decent standards for their tenants. Also to reduce anti-social behaviour (including environmental nuisance) by tackling it on a targeted neighbourhood basis.

Licensing will assist the council in achieving these desired outcomes.

The draft version of the Borough Plan 2023-27 is currently going through consultation, which is available for here - 07a. Appendix A - Draft Borough Plan 2023 27.pdf (brent.gov.uk)

Housing Strategy

Brent Council is currently in the process of drafting the new Housing Strategy for 2023 onwards. However, the licensing proposals are in line with the existing draft Housing Strategy 2017-2022.

The interventions in the proposed areas support the Council's Draft Housing Strategy, 2017-22 "through the provision of decent and well-managed accommodation"; and the Brent Responsible Growth Strategy (RGS): Housing Theme 2018-2038 which aims to improving community safety and the neighbourhood environment and to address high levels of deprivation.

"The Housing Strategy identifies opportunities for the private rented sector to "play an important role in delivering new supply" to deliver "supply that meets required standards of management and maintenance and is accessible to people on a range of incomes in a market that is well regulated and offers appropriate protection to tenants".

Homelessness Strategy

Brent Council has outlined its strategy to maximise the prevention of homelessness and to minimise the negative impacts of homelessness upon families and individuals where prevention is not possible in the Brent Homelessness and Rough Sleeping Strategy 2020-2025. The council's homelessness review has shown that the loss of a private sector assured-shorthold tenancy is still the most common reason for people to approach the council for help.

Working to improve access to and conditions in the private sector is therefore vital for providing a wider housing offer for Brent residents and the council has committed (commitment 3) to *'work to increase the supply of and access to stable and affordable homes across the borough'.*

This will be achieved through licensing and enforcement processes and working together with local landlords through the Landlord forum to improve standards and drive-up conditions in the private rented sector. Continuing to facilitate access to stable homes in the private rented sector.

Poverty Reduction Strategy

The council has outlined its strategy for poverty reduction. The Poverty Reduction Strategy states Brent households in poverty stands at 17% before housing costs and rises to 33% with housing expenditure included. For children, rises from 22% in poverty before, rising to 43% with housing costs. In the PRS, rents very often exceed 40% of net incomes. The policy states there is a need to rigorously enforce standards in the private rented sector (PRS).

The policy states that many of those renting privately reported issues with the quality, security and affordability of their housing. These issues included overcrowding damp, disrepair, needing to share facilities and ultimately homelessness, which is closely linked to difficulty paying rent. The latter can lead to eviction associated with poverty.
The policy acknowledges that the council does "have powers to improve standards within the private rented sector, including through licensing of landlords."

Brent Climate & Ecological Strategy

In 2021 Brent declared a climate and ecological emergency and pledged to achieve carbon neutrality in the borough by 2030. The Brent Climate & Ecological Strategy 2021-2030 recognises that better insulating homes and making them more energy efficient is one of the key actions that must be taken to reduce carbon emissions.

ASB

Brent Council recognises the need to challenge any form of Anti-Social Behaviour (ASB) in an effective robust and proportionate manner. Residents have a right to a quiet and peaceful enjoyment of their environment, which they live in making sure cases are resolved through effective intervention and support services.

Brent Council ASB policy applies to all residents including all landlords and tenants in the private rented sector. To tackle ASB problems, we have made it conditional on all private landlords who hold licences under our HMO or selective scheme to prevent and combat ASB associated with properties they manage. Section 57(5) of

the Housing Act 2004 gives a definition of ASB for the purposes of licensing under Parts 2 and 3 of the Act.

PHS will use all tools and powers available to Council officers to support our customers affected by anti-social behaviour (ASB) and to take action, including prosecution, against licence holders who do not take adequate steps to tackle ASB. The Housing Act 2004 refers to an offence being committed if a landlord breaches a condition of a licence without reasonable excuse.

This procedure should be read in conjunction with Brent Council's ASB Policy Procedure, Anti-Social Behaviour Policy and procedure (.pdf, 519.5kB), which outlines how the Council deals with ASB.

PHS advise all customers to visit our ASB Team webpage; https://www.brent.gov.uk/your-community/crime-and-community-safety/anti-social-behaviour/

11. Further information

Further information about the council's proposals can be found in the following report:

Decision - Private Housing Service Selective Licensing Schemes Consultation (Non Key Individual Cabinet Member Decision) (brent.gov.uk)

The Public Sector Equality Duty (PSED), section149 of the Equality Act 2010 requires the Council to have "due regard" to its equality aims when exercising its public functions. Brent believes that an Equality Analysis (EA) is the best method to demonstrate compliance with the PSED. An equality analysis was carried out as part of these proposals. This Equalities Assessment found at Appendix 4 of the consultation bundle

12. Appendices

Appendix 1	Housing Stock and Stressors Report, Metastreet, 2022
Appendix 2	Proposed Selective Licence Conditions
Appendix 3	Proposed Schedule of Fees and Charges
Appendix 4	Equalities Assessment

Appendix 5	Map of the two proposed designations
Appendix 6	Map of proposed designation 1
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London Borough of Brent

Private Rented Sector: Housing Stock Condition and Stressors Report

October 2022

Executive Summary

Metastreet were commissioned by the London Borough of Brent to review housing stock in the borough and assess housing stressors related to key tenures, particularly the private rented sector.

The detailed housing stock information provided in this report will facilitate the development and delivery of Brent's housing strategy and enable a targeted approach to tackling poor housing.

The main aim of this review was to investigate and provide accurate estimates of:

- Current levels of private rented sector (PRS) properties and tenure change over time.
- Levels of serious hazards that might amount to a Category 1 hazard (HHSRS).
- Other housing related stressors, including antisocial behaviour (ASB), service demand, population and deprivation linked to the PRS.
- Assist the council to make policy decisions, including the possible introduction of property licensing schemes under Part 2 and Part 3 of Housing Act 2004.

Metastreet has developed a stock-modelling approach based on metadata and machine learning to provide insights about the prevalence and distribution of a range of housing factors. This approach has been used by a wide range of housing authorities to understand their housing stock and relationships with key social, environmental and economic stressors.

The models are developed using unique property reference numbers (UPRN) and a large range of council held and open-source data, which provide detailed analysis at the property level.

Data records used to form the foundation of this report include:

Council tax	Electoral register	Other council interventions records	Tenancy deposit data
Housing benefit	Private housing complaints and interventions records	ASB complaints and interventions records	Energy Performance data

Key Findings

- Brent's private rented sector has grown considerably in recent years, from 32% (2011) to 46% (2022)
- There are a total of 127,378 residential dwellings in Brent, 58,105 of which are privately rented
- 22 out of 22 Brent wards have a higher percentage PRS than the national average in 2021 (19%)
- Brent (339,771) the 5th most populous London borough
- 16 of 22 wards have aggregated IMD rankings below the national average
- Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%)
- Brent has the 4th highest number of private landlord possession claims in London, with 2,399 in 2019
- In Brent 53% of median earnings is used to pay rent
- There are 10,108 private rented properties in Brent that are likely to have at least 1 serious housing hazard (Category 1, HHSRS)
- Brent recorded 3,229 complaints and service requests from private tenants linked to PRS properties over a 5-year period
- 12.2% of PRS properties in Brent have an E, F, and G rating
- 1.3% of PRS properties have an F and G rating, extrapolated to the entire PRS, 755 PRS properties are likely to fail the MEES statutory requirement
- Over a 5-year period (2017-22) Brent served 6,920 housing and public health notices
- Additionally, 1,282 planning enforcement notices have been served on PRS properties in Brent
- Over a 5-year period, 10, 398 ASB incidents have been recorded linked to PRS properties

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Introduction & Project Objectives

Metastreet were commissioned by the London Borough of Brent to review its housing stock with a focus on the following key areas:

- Residential property tenure changes
- Distribution of the PRS
- Condition of housing stock in the PRS
- Housing related stressors, including Anti-Social Behaviour (ASB), regulatory interventions and deprivation.

The report provides the council with the evidence base for developing housing policy and service interventions. The report also helps satisfy the council's responsibility to review its housing stock as set out under Part 1, Section 3 of the Housing Act 2004.

The second section of the report details the findings of the stock and tenure modelling, including an introduction to the methodology. A combination of Brent's data warehouse, machine learning, and modelling techniques have been used to pinpoint tenure and predict property conditions within its PRS housing stock. An advanced property level data warehouse has been developed to underpin the process.

For the purposes of this review, it was decided that a ward-level summary is the most appropriate basis to assess housing conditions across Brent, built up from property level data.

Three separate predictive tenure models (Ti) have been developed as part of this project which are unique to Brent, they include:

- Private rented sector (PRS)
- Owner occupiers
- Serious PRS housing hazards (Category 1, HHSRS)

The third section provides a short private housing policy overview for the region to determine if characteristics exist in the Borough to support any specific intervention.

The appendices to the report contain a summary of the data and a more detailed report methodology.

1 London Borough of Brent overview

Brent is a borough of Northeast London. It covers an area of 43.2km². It borders the boroughs of Harrow to the north-west, Barnet to the north-east, Camden to the east, the City of Westminster to the south-east, as well as the Royal Borough of Kensington and Chelsea, Hammersmith and Fulham and Ealing to the south. [1]

1.1 Population

The Office of National Statistics (ONS) Census 2021 population estimates for Brent was 339,771. This makes Brent the 5th most populous London borough (Figure 1)[2] .

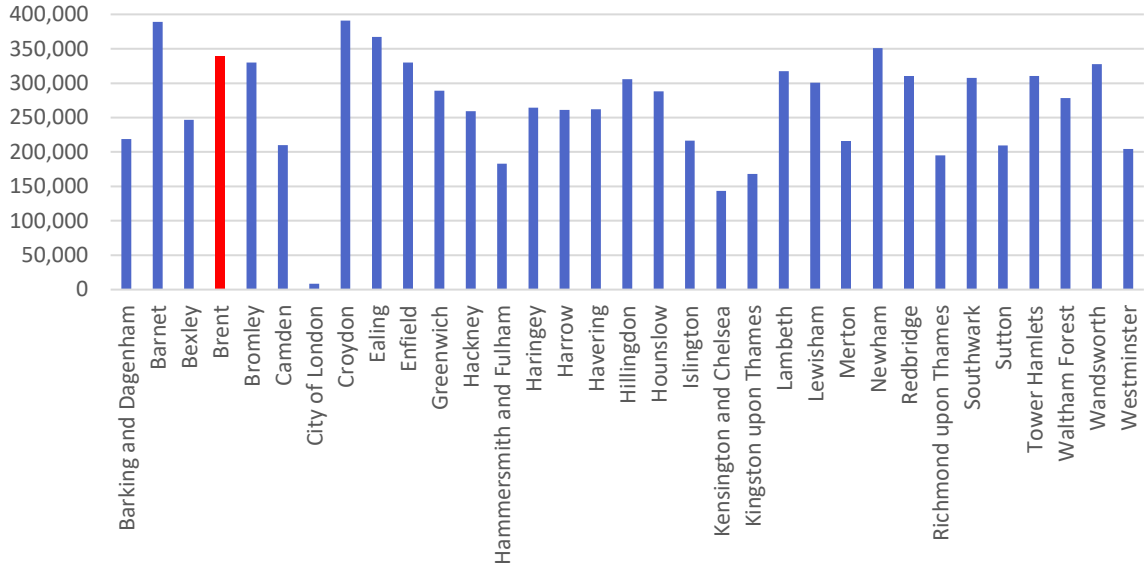


Figure 1. Population estimates by London boroughs (Source: Census 2021).

1.2 Migration

Net long term international migration into Brent in 2018-2019 was 3,193 (Figure 2) [3], making Brent the 9th highest London borough.

[1] Wikipedia, October 2022, https://en.wikipedia.org/wiki/London_Borough_of_Brent
[2] Office for National Statistics – Census 2021, https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/populationandhouseholdestimatesenglandandwales/census2021
[3] ONS 2018 https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland

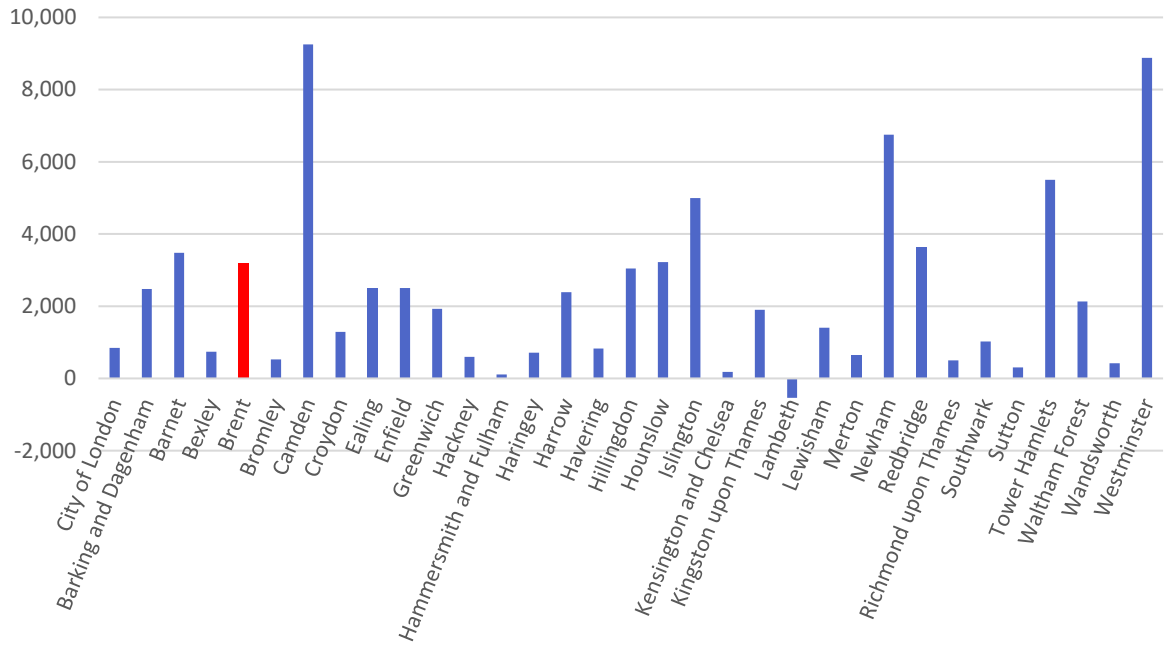


Figure 2. Long-term international migration (net flow) by London boroughs (2018/2019).

1.3 Deprivation

The Indices of Multiple Deprivation 2019 (IMD 2019) provide a set of relative measures of deprivation for LSOAs (Lower-layer super output areas) across England, based on seven domains of deprivation[4].

[4] ONS 2019 https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019,

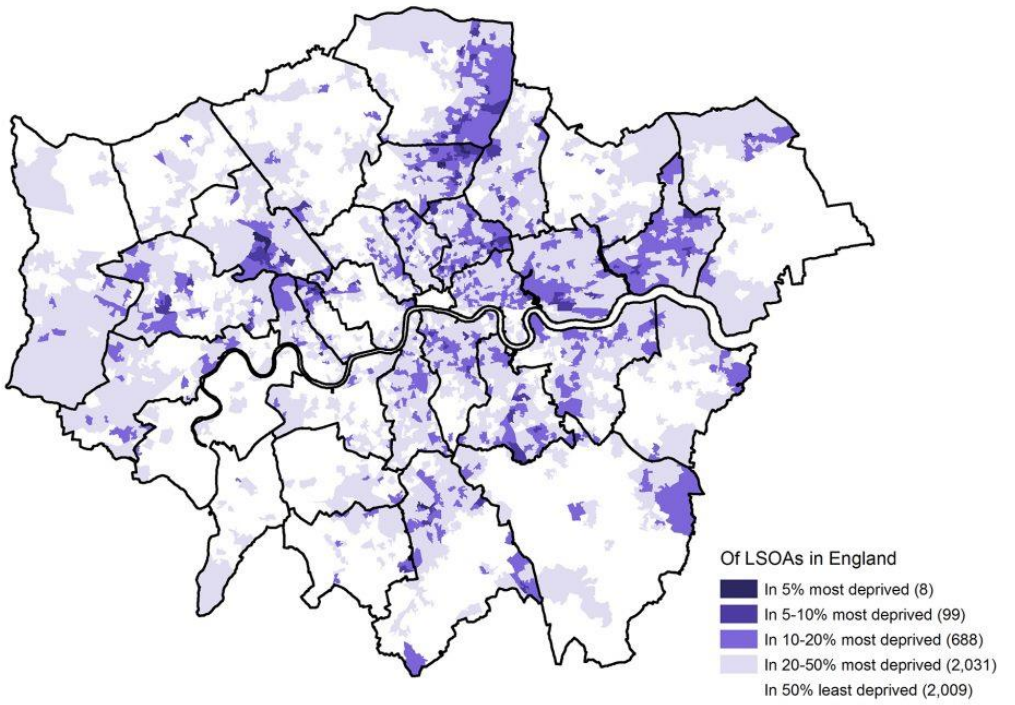


Figure 3. Distribution of deprivation across London (Source & map: London Datastore 2019).

The darker shades are the most deprived areas. Brent ranks (Rank of average rank) as the 49th most deprived borough in England out of 317.

To produce the ward level data, LSOAs have been matched to new wards using an Open Geoportal lookup table[5]. Average IMD 2019 decile aggregated at ward level reveals a clear picture (Figure 4 & Map 1). 1.0 on the graph represents the most deprived 10% areas and 5.0 represents 50% most deprived.

Brent has a mixture of high and low deprivation wards. 16 of 22 wards have aggregated IMD rankings below the national average (Figure 4).

[5] ONS2019 http://geoportal.statistics.gov.uk/datasets/8c05b84af48f4d25a2be35f1d984b883_0/data

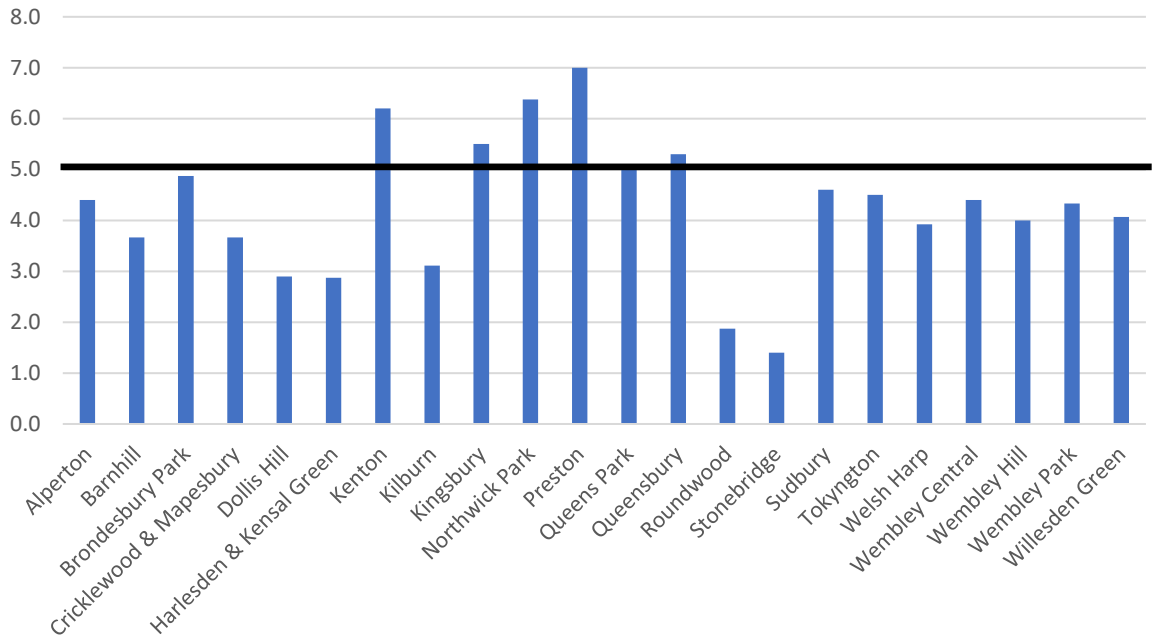
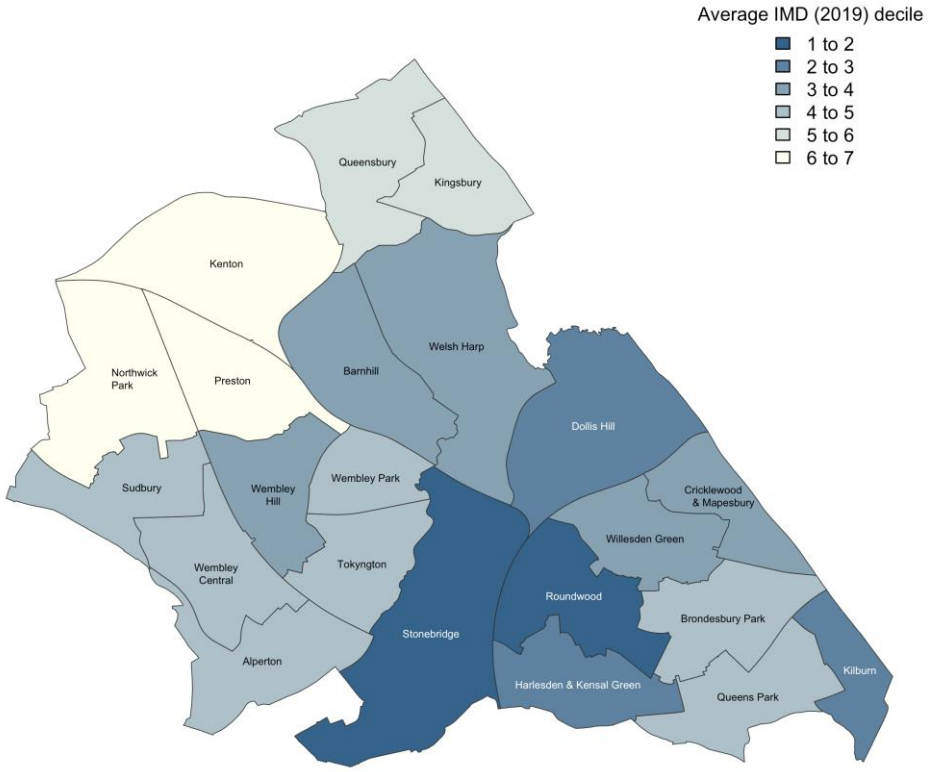


Figure 4. Average IMD (2019) decile by ward (Source: IMD 2019). Horizontal line shows the national average (5)



Map 1. ***Distribution of Average IMD (2019) decile by ward (Source: ONS 2019, Map by Metastreet).***

1.4 Fuel Poverty

Fuel poverty is defined by the Warm Homes and Energy Conservation Act. A household is considered to be fuel poor if they have required fuel costs that are above average (the national median level); and, were they to spend that amount, they would be left with a residual income below the official poverty line.

The fuel poverty score was produced by the Department for Business, Energy & Industrial Strategy using 2019 data and published in 2021. Over the next 12 months these figures are likely to change significantly as a result of acute fuel price increases. Notwithstanding, Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%) (Figure 5) [6].

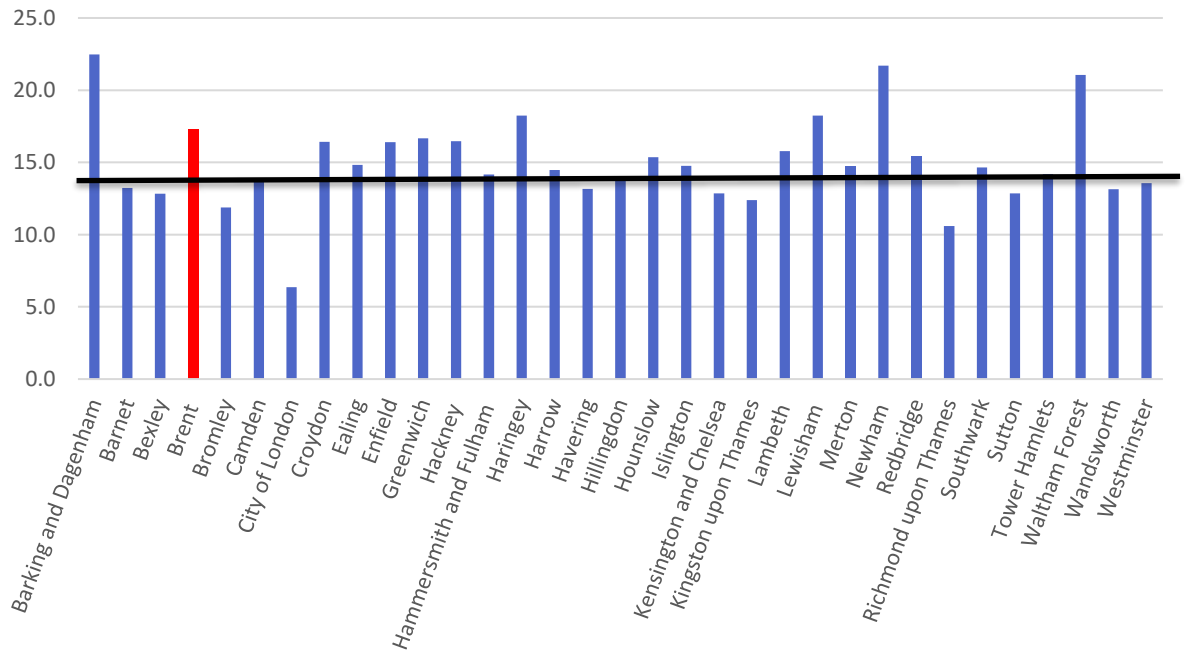


Figure 5. Proportion of households in fuel poverty (%) by London boroughs (BEIS 2021). Horizontal line shows England average (13.8%).

[6] Department for Business, Energy & Industrial Strategy 2021 https://www.gov.uk/government/statistics/sub-regional-fuel-poverty-data-2021

1.5 Rented property possession claim rates

Brent has the 4th highest number of private landlord possession claims in London, with 2,399 in 2019[7] (Figure 6). The average number of claims for London boroughs during this period was 1,224.

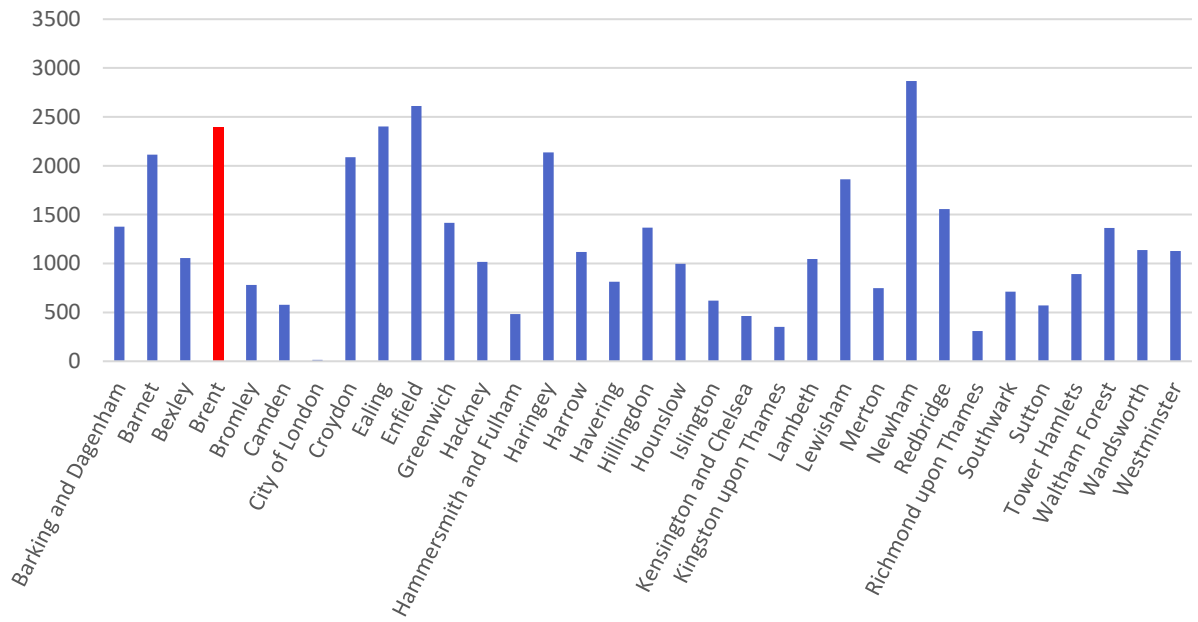


Figure 6. Possession order claims by private landlords by London boroughs (MOJ 2019)

1.6 Homelessness

Local authorities are required by law to either provide accommodation to homeless households (the main homelessness duty), work to stop households becoming homeless (the homelessness prevention duty) or relieve homelessness when it does occur (the homelessness relief duty).

The extent and nature of homelessness duties owed by different boroughs varies significantly. Homelessness returns to government in 2017/18 for Brent has the 12th highest numbers accepted as being homeless (536) (Figure 7)[8].

[7] MOJ Possession claims by local authority (2019) https://www.gov.uk/government/statistics/mortgage-and-landlord-possession-statistics-january-to-march-2020

[8] MHCLG, Homelessness Provision, https://data.london.gov.uk/dataset/homelessness

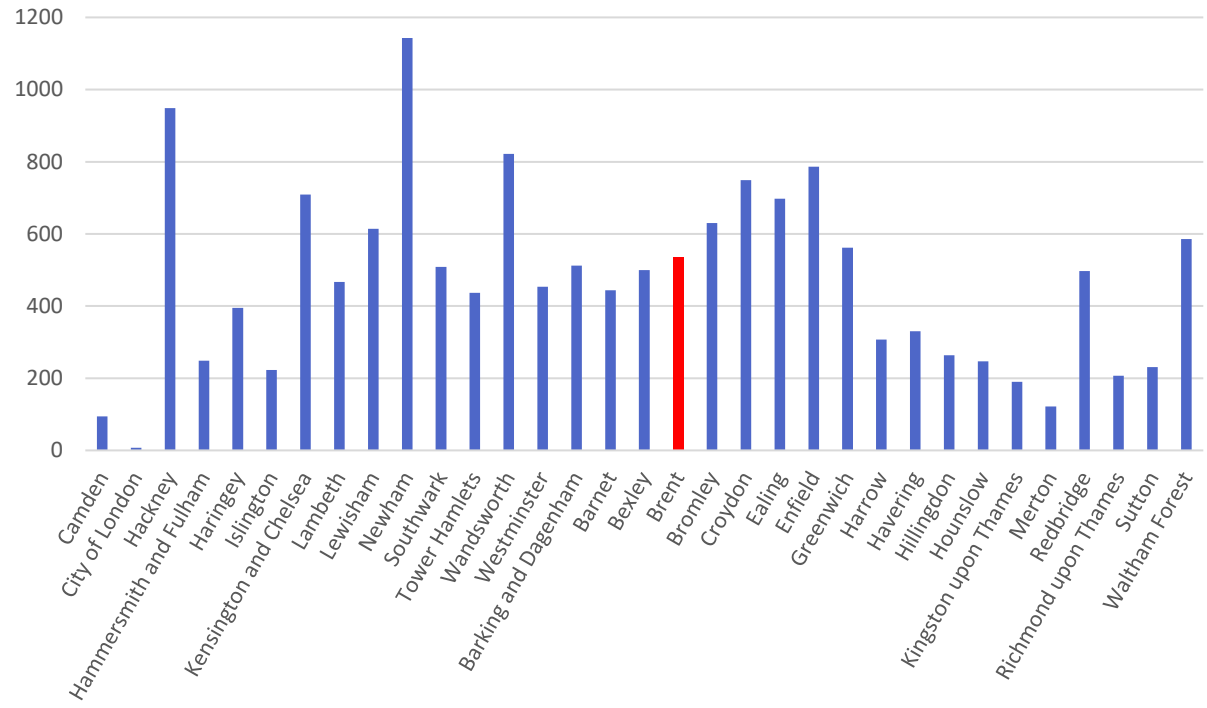


Figure 7. Homelessness acceptances by London boroughs (2017/18)

1.7 Rents and affordability

Private rents vary by borough. As this report is concerned with housing conditions and other housing stressors, we have looked at the average (median) earnings for one-bedroom dwellings as a proportion of median rents. Brent has above average rents for London, with 53% of median earnings used to pay rent (Figure 8)[9]. The London average is 47.9%.

[9] Valuation Office Agency (VOA), Private rental market summary statistics: 2018

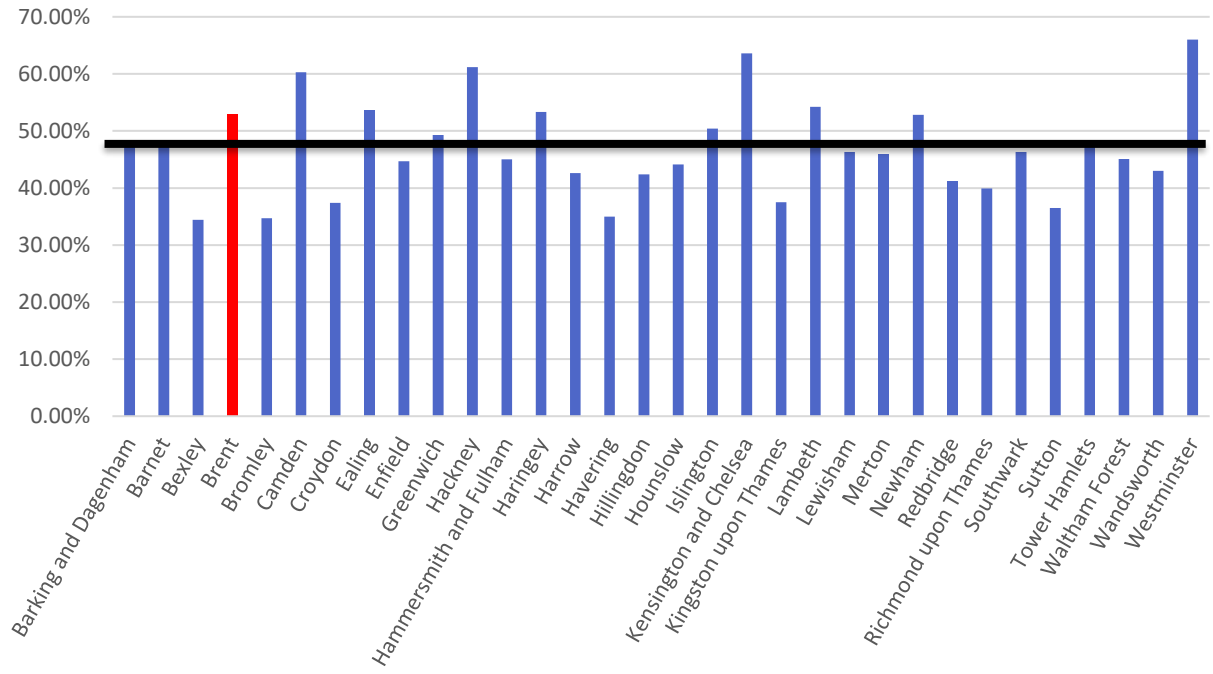


Figure 8. Median rent for a one-bedroom dwelling as a percentage of gross pay by London borough (2019/20) (Source: TFL 2020). ***Horizontal black line shows London average (47.9%)***

1.8 Residential property crime (burglary)

Between April 2021 and March 2022, 1,534 burglaries were reported to the Metropolitan Police across London, averaging (mean) 47.9 per London borough. 65 burglaries were reported in Brent for the same period. [10]

[10] MPS crime data 2022 https://data.london.gov.uk/dataset/mps-crime-data-dashboard--previous-crime-catogories-data

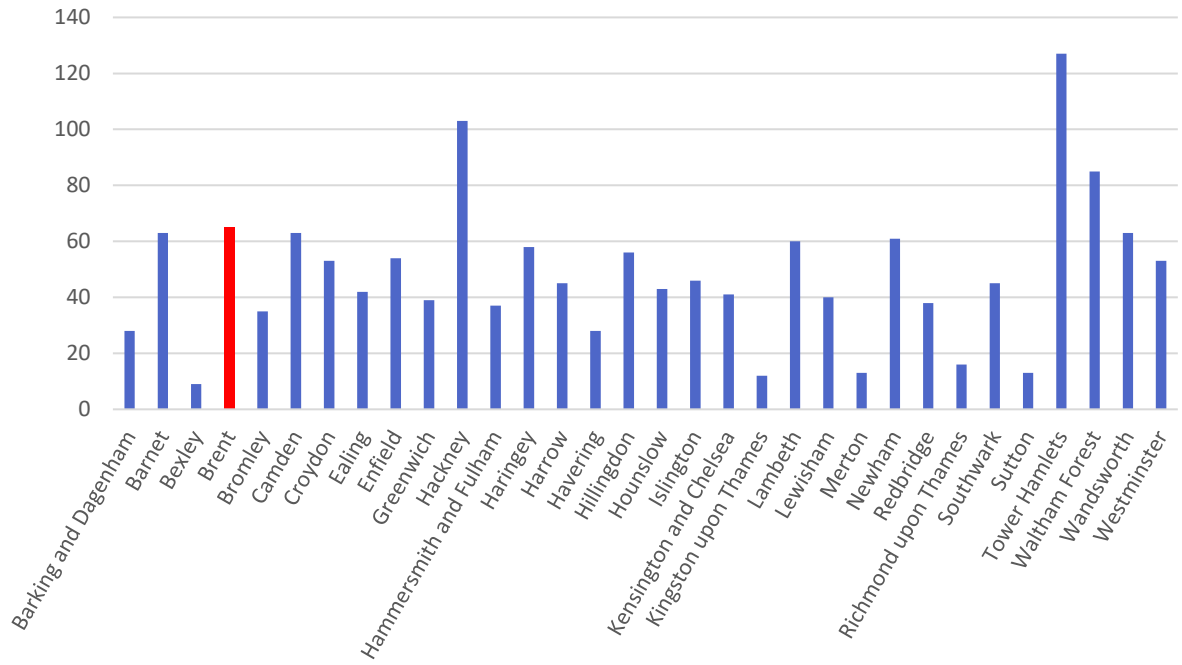


Figure 9*. Distribution of reported residential burglary in London boroughs - Metropolitan Police (April 2021-March 2022)*

2 Results of housing stock and stressor modelling

2.1 Methodology

Tenure Intelligence (Ti) uses council held and publicly available data to identify tenure and analyse property stressors, including property conditions and ASB.

Data trends at the property level are analysed using machine learning to help predict the tenure of individual properties where they are not already known. Metastreet has worked with the council to create a residential property data warehouse. This has included linking millions of cells of council and externally held data to 127,378 unique property references (UPRN), excluding parent and non-dwellings.

Machine learning is used to make predictions for each tenure and property condition based on a sample of known tenures and outcomes. Results are analysed to produce a summary of housing stock, predictions of Category 1 hazards (HHSRS) and other stressors. To achieve the maximum accuracy, unique models are built for each council and tenure, incorporating individual borough data and using local known outcomes to train predictive models.

Once the data warehouse was created, statistical modelling was used to determine tenure using the methodology outlined below. All specified and requested council held longitudinal data is 5 consecutive years, from April 2017 – March 2022.

Different combinations of risk factors were systematically analysed for their predictive power in terms of key outcomes. Risk factors that duplicated other risk factors but were weaker in their predictive effect were systematically eliminated. Risk factors that were not statistically significant were also excluded through the same processes of elimination.

For each UPRN a risk score was calculated using logistic regression. The selected risk factors have a better or worse than evens chance of being predictive.

A number of predictive models have been developed as part of this project which are unique to Brent. Known stressors linked to individual properties have been modelled to calculate population level incidences and rates.

It is important to note that this approach can never be 100% accurate as all large datasets and statistical models include some level of error. A more detailed description of the methodology and the specific factors selected to build predictive models for this project can be found in Appendix 2.

Metastreet was asked to exclude HMOs that have been licenced under part 2 of the Housing Act 2004 from the PRS stressors results, including housing conditions, ASB, service requests and council interventions. This resulted in the removal of 2,610 known HMO properties from the master PRS dataset. However, all PRS dwellings have been accounted for in the population and distribution section to enable the council to compare other authorities and government statistics.

2.2 Results - Private rented sector

2.2.1 Population and distribution

The private rented sector (PRS) in Brent has grown steadily since 2011 [11].

Based on tenure modelling (2022), Brent's PRS is now calculated to be 46% of all housing stock (Figure 10). This compares to 32% of households in 2011 (ONS). This represents a 43.8% increase over the last 11 years (Figure 11).

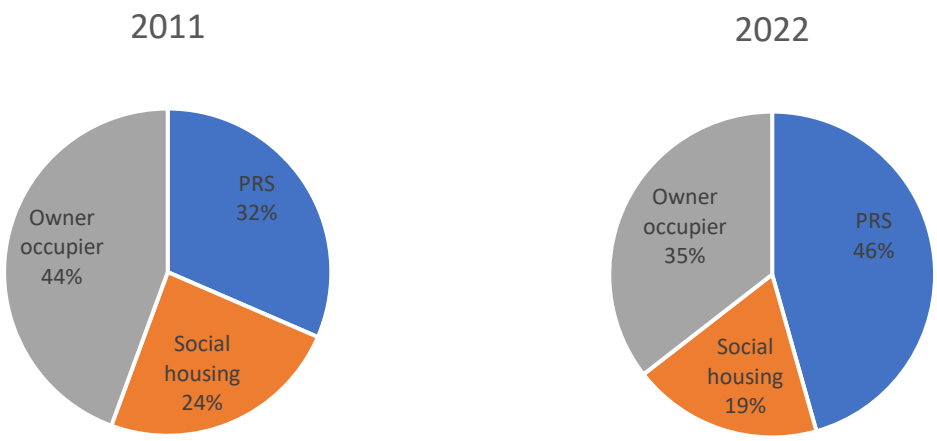


Figure 10. Tenure profile 2011 & 2022 (Source: ONS & Metastreet Ti model).

Tenure percentage change over the last two decades in Brent has been consistent with the London trend, owner occupation decreasing while private renting increasing. Private renting has grown at the expense of owner occupation; however, a sizable proportion of the growth appears to come from new supply.

[11]https://data.london.gov.uk/dataset/census-2001-key-statistics-18-tenure https://data.london.gov.uk/dataset/2011-census-housing

This PRS increase is part of a long term nationwide and regional trend. The PRS in the UK has grown from 9.4% of housing stock in 2000 [12] to 19% of households 2021 [13]. The PRS remains the second largest housing tenure in England. [14] .

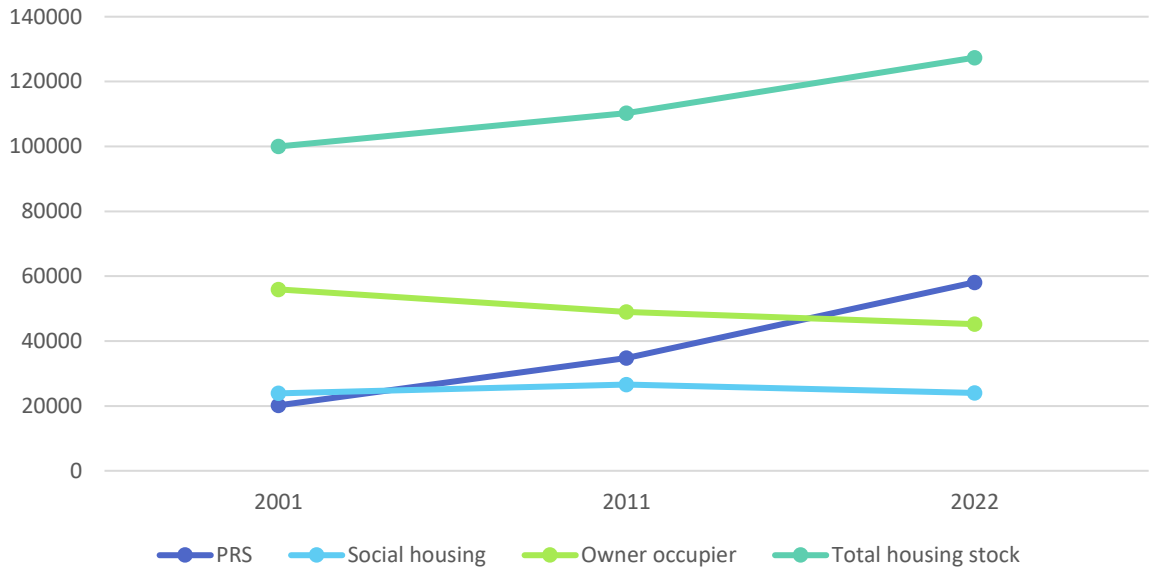


Figure 11. Brent tenure change and total housing stock, 2001, 2011 & 2022 (Source: ONS & Metastreet).

	2001	2011	2022
PRS	20,183	34,735	58,105
Social housing	23,881	26,591	24,053
Owner occupier	55,927	48,960	45,220
Total	**99,991**	**110,286**	**127,378**

Table 1. Number of dwellings by tenure 2001, 2011 & 2022 dwellings by ward (Source: ONS & Ti 2022).

The PRS in Brent is distributed across all 22 wards (Figure 12). The number of PRS dwellings per ward ranges from 8,410 (Wembley Park) to 1,163 (Northwick Park).

[12] The profile of UK private landlords Scanlon K & Woodhead C CML research. LSE London. December 2017 www.cml.org.uk
[13] EHS Headline 2020-2021, https://www.gov.uk/government/statistics/english-housing-survey-2020-to-2021-headline-report
[14] EHS Headline 2020-2021, https://www.gov.uk/government/statistics/english-housing-survey-2020-to-2021-headline-report

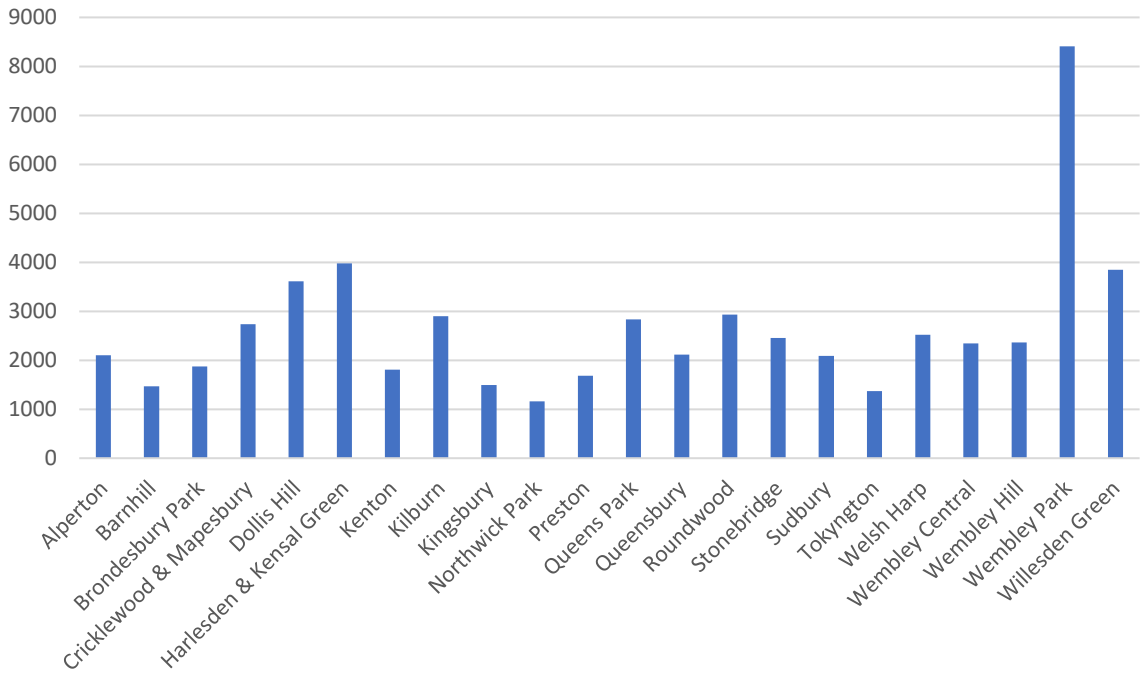


Figure 12. Number of PRS dwellings by ward (Source: Ti 2022).

The percentage of PRS properties in each ward ranges between 98.4% (Wembley Park) and 30.7% (Stonebridge) (Figure 13). Therefore, 22 out of 22 Brent wards have a higher percentage PRS than the national average in 2021 (19%)[15].

[15] EHS Headline 2020-2021, https://www.gov.uk/government/statistics/english-housing-survey-2020-to-2021-headline-report

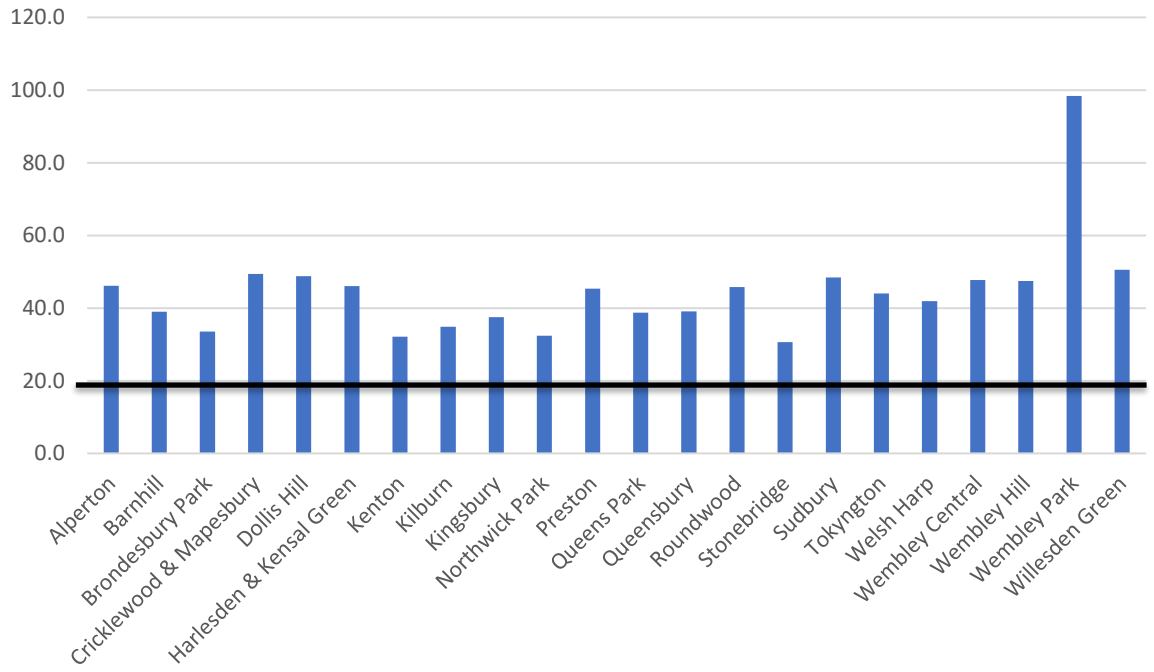


Figure 13. Percentage of PRS dwellings by each ward (Source Ti 2022). ***Horizontal black line shows national average 2021 (19%)***

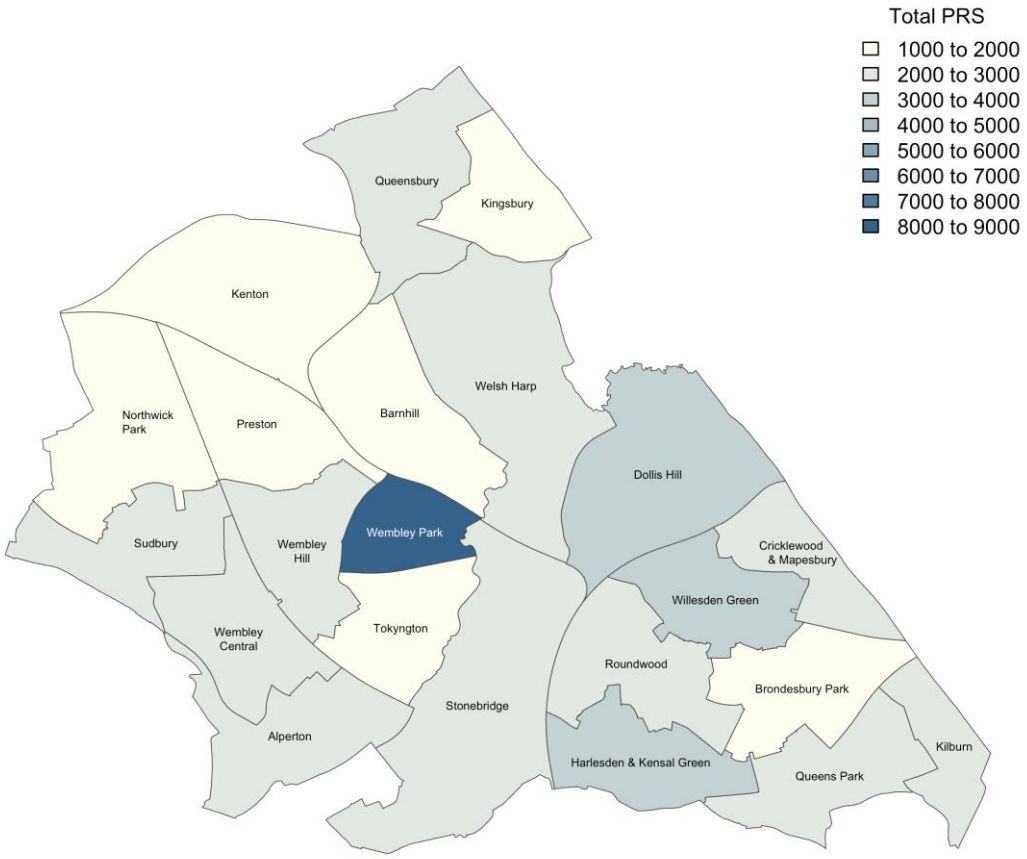
The table below shows the total PRS dwellings in each ward and the percentage PRS compared to the total housing stock.

Ward	No. PRS (predicted)	Total dwellings	% PRS
Alperton	2,099	4,546	46.2
Barnhill	1,469	3,765	39.0
Brondesbury Park	1,876	5,590	33.6
Cricklewood & Mapesbury	2,737	5,542	49.4
Dollis Hill	3,612	7,400	48.8
Harlesden & Kensal Green	3,976	8,642	46.0
Kenton	1,810	5,639	32.1
Kilburn	2,900	8,321	34.9
Kingsbury	1,496	3,993	37.5
Northwick Park	1,163	3,591	32.4
Preston	1,684	3,712	45.4
Queens Park	2,836	7,321	38.7
Queensbury	2,112	5,401	39.1
Roundwood	2,934	6,408	45.8
Stonebridge	2,457	8,012	30.7
Sudbury	2,088	4,314	48.4
Tokyngton	1,368	3,110	44.0
Welsh Harp	2,519	6,009	41.9
Wembley Central	2,346	4,916	47.7

Wembley Hill	2,366	4,990	47.4
Wembley Park	8,410	8,545	98.4
Willesden Green	3,847	7,611	50.5
Grand Total	**58105**	**127378**	**45.6**

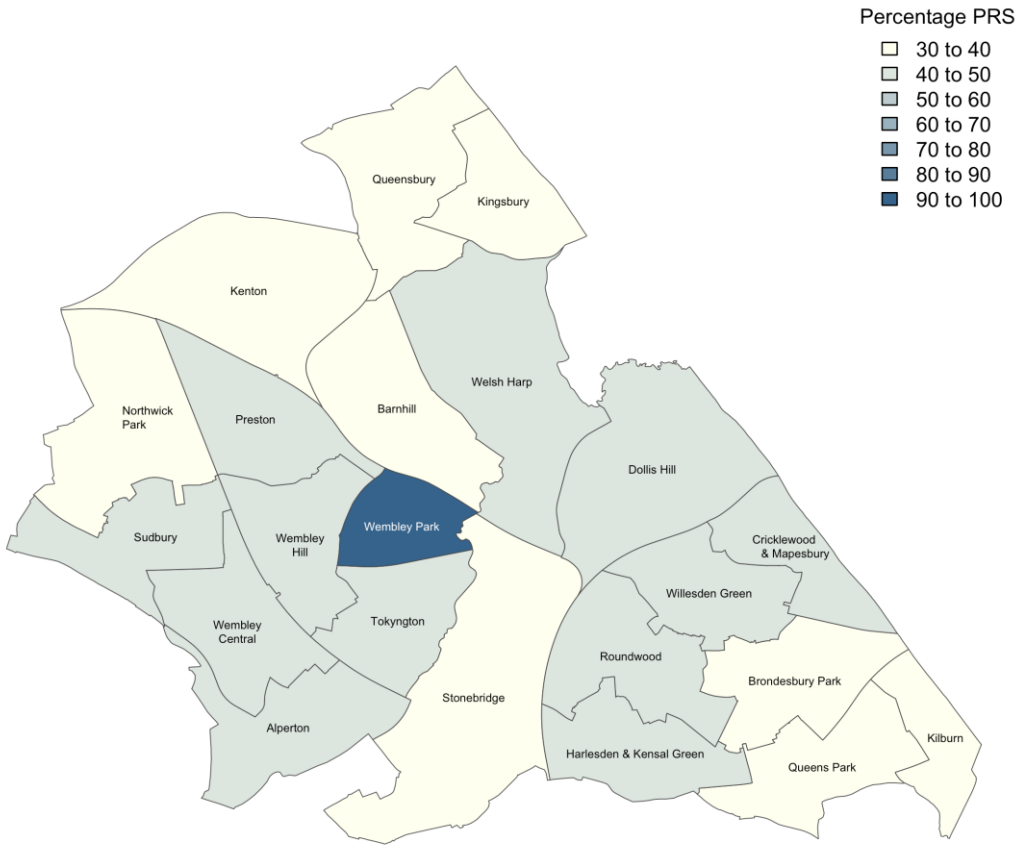
Table 2. Number, total housing stock and percentage of PRS properties by ward (Source Ti 2022).

PRS properties are distributed across the borough (Map 2 & 3).



Map 2. Number of PRS properties in Brent (Source: Ti* 2022, Map by Metastreet*).

Wembley Park (98.4%). has by far the highest concentration of PRS dwellings (Map 3).



Map 3. PRS properties as percentage of dwellings in Brent (Source: Ti 2022, Map by Metastreet).

2.2.2 Housing conditions (excluding known HMOs)

Housing conditions are affected by the level of maintenance and quality of repair, the age of the property, thermal efficiency, and type of construction. Category 1 (HHSRS) hazards have a physiological or psychological impact on the occupant and may result in medical treatment. [16] There is also serious impact on public services, hazardous conditions in the PRS cost the NHS around £340 million a year. [17]

[16] Housing Health and Rating System, Operation Guidance, 2006, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf

[17] House of Commons Committee of Public Accounts: https://committees.parliament.uk/committee/127/public-accounts-committee/news/165326/pac-private-rented-housing-failing-far-too-often-to-provide-safe-and-secure-homes/

In 2021, 12% of private rented dwellings in England had at least one Category 1 hazard; this was a higher proportion than the average for the total housing stock (9%) [18]. It is notable that there is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1900, and lowest in the more energy efficient dwellings built after 1980[19].

A local authority's property age profile can have an impact on housing conditions. Brent has a high number of residential properties (65.7%) built pre-Second World War (Figure 14) [20].

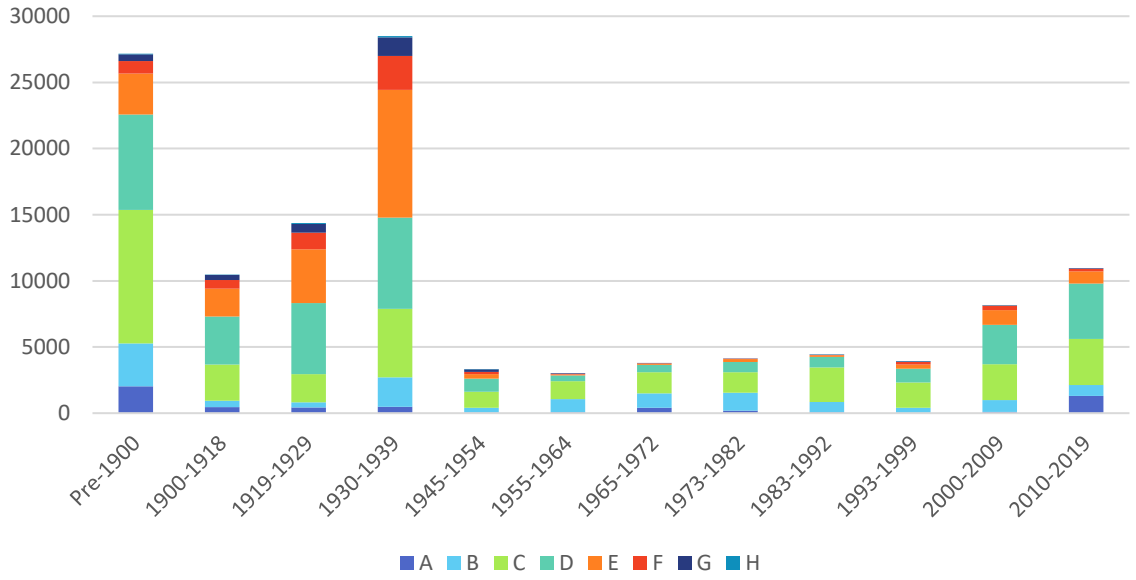


Figure 14. Housing Stock Age Profile and Council Tax band (Source: VOA 2019).

A borough's property type profile offers an indication of housing density, construction type and other population factors. The most common private rented property type in Brent is flats (67%), while bungalow is the least common property type (1%) (Figure 15).

[18] EHS Headline 2020-2021, https://www.gov.uk/government/statistics/english-housing-survey-2020-to-2021-headline-report
[19] Housing Health and Rating System, Operation Guidance, 2006, https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf
[20] VOA 2019 https://www.gov.uk/government/statistics/council-tax-stock-of-properties-2019

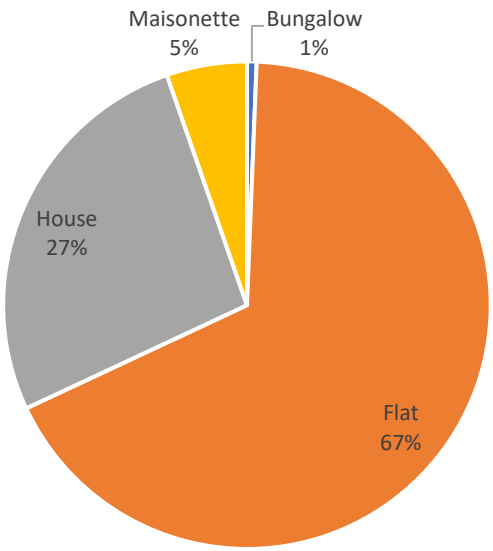


Figure 15. Private rented property type as a percent of total (Source: LBC matched EPC records 2022).

Using a sample of properties that are known to have at least one serious housing hazard (Category 1, HHSRS), it is possible to predict the number of PRS properties with at least one serious hazard across the borough (Figure 16), further details of the methodology can be found in Appendix 2.

There are 10,108 private rented properties in Brent that are likely to have at least 1 serious housing hazard (Category 1, HHSRS). PRS properties with serious hazards are distributed across the borough. Harlesden & Kensal Green (812) and Dollis Hill (796) have the highest number of properties with at least one Category 1 hazard (Figure 16 & Map 4).

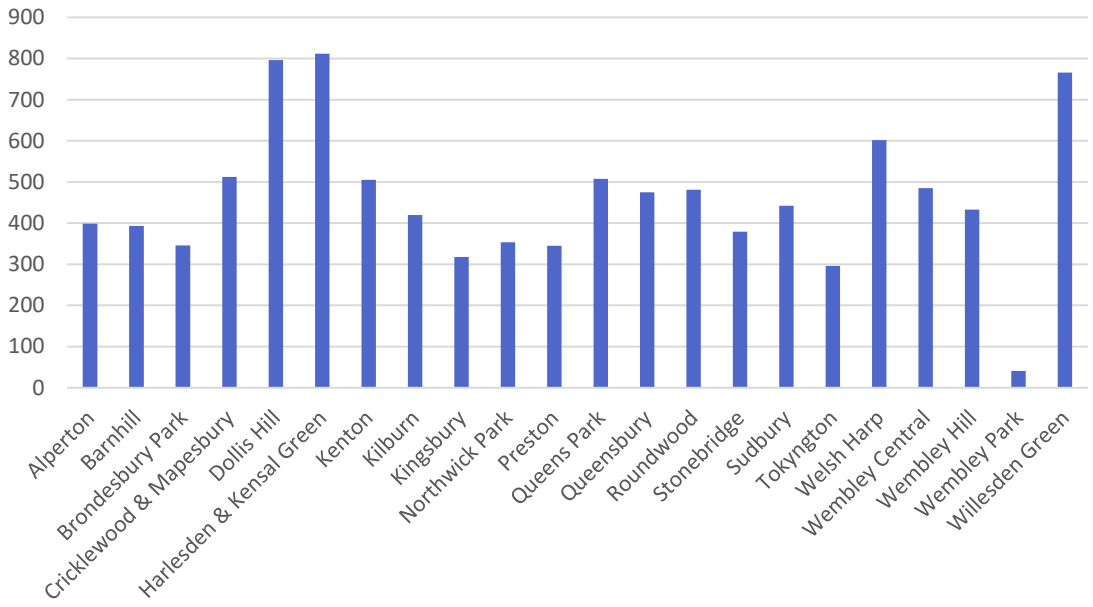
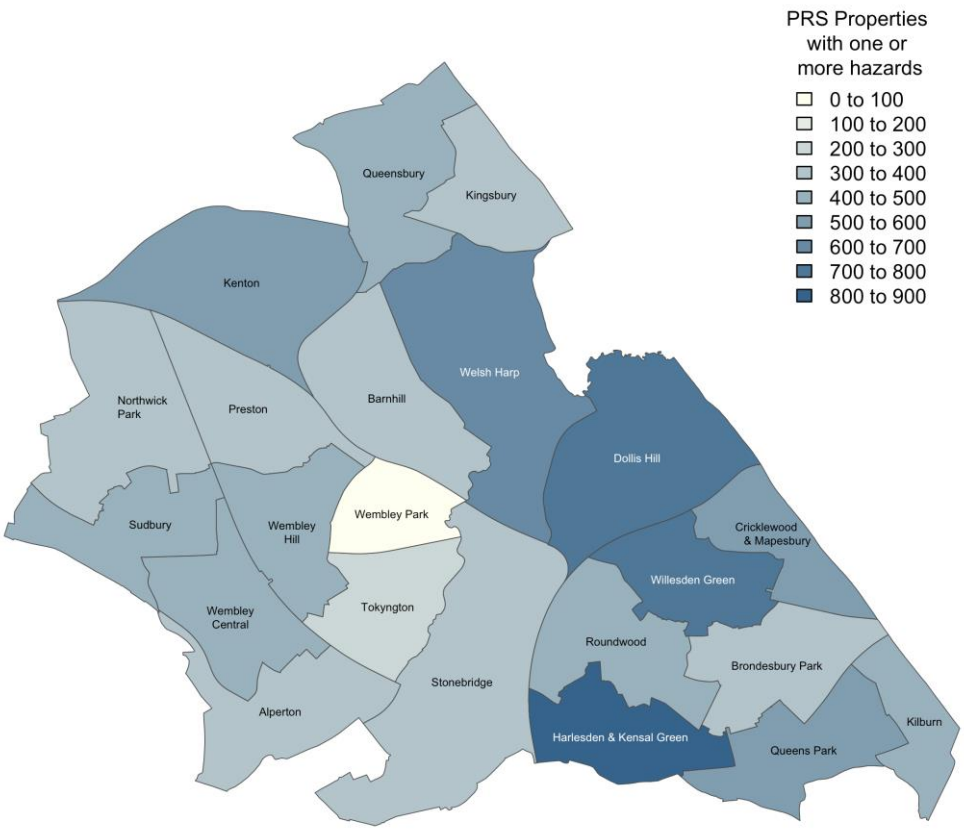


Figure 16. Predicted number of dwellings with Category 1 hazards by ward (Source: Ti 2022).

Category 1 hazards in the PRS are distributed across the whole borough. Wembley Park has the lowest levels of predicted hazards (41) .



Map 4. Distribution of PRS dwellings with Category 1 hazards (HHSRS) (Source: Ti 2022, map by Metastreet).

The rates of Category 1 hazards per 100 PRS properties reveals a wide distribution across Brent (Figure 17).

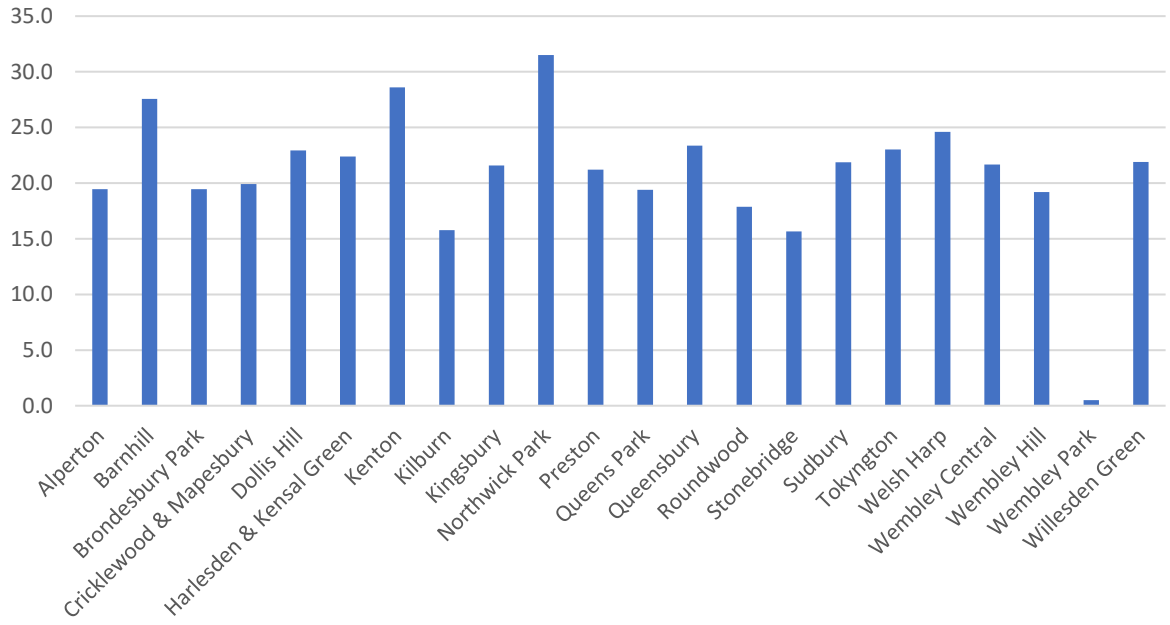


Figure 17. Rates per 100 PRS dwellings with predicted Category 1 hazards by ward (Source: Ti 2022).

Complaints made by PRS tenants to the council about poor property conditions and inadequate property management are a direct indicator of low quality PRS. Brent recorded 3,229 complaints and service requests from private tenants linked to PRS properties over a 5-year period (Figure 18).

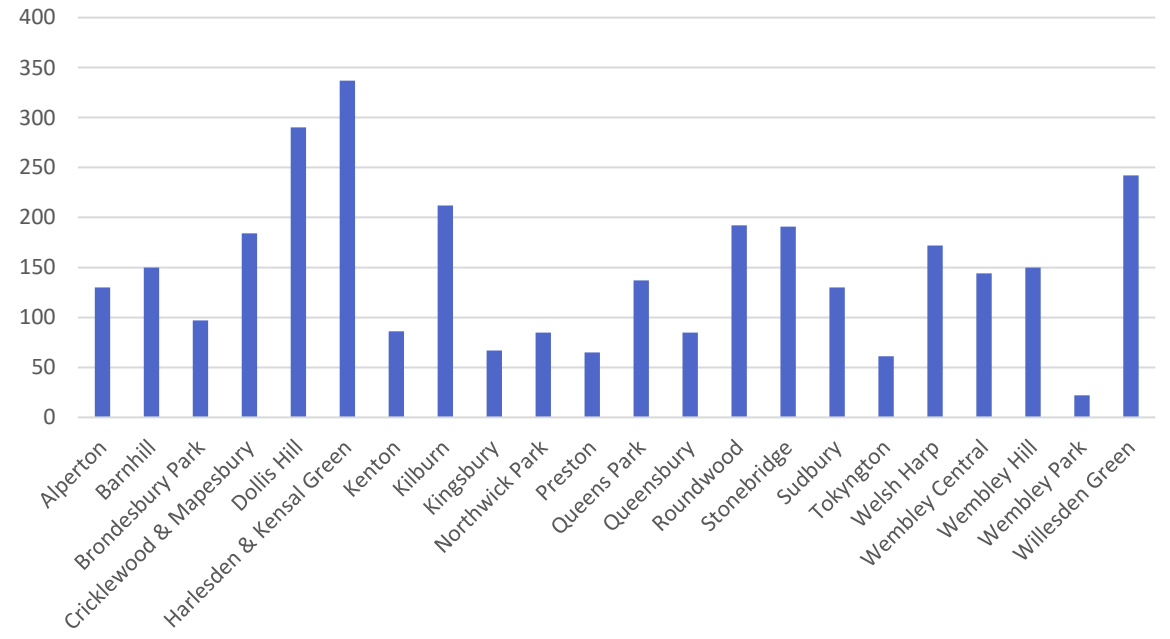
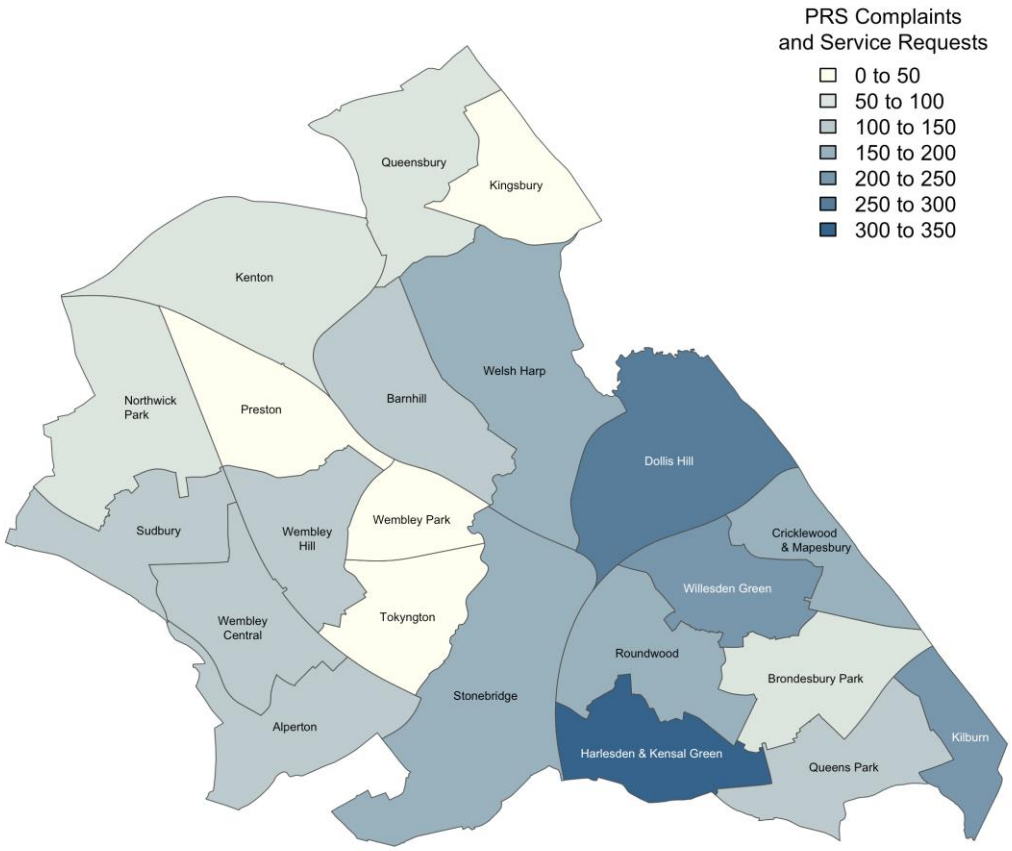


Figure 18. PRS complaints and service requests made by private tenants and others to the Council (Source Ti 2022)

Harlesden & Kensal Green (337) and Dollis Hill (290) received most private tenant service requests and complaints by private tenants and others to the Council (Map 5).



Map 5. Distribution of PRS service requests and tenant complaints (Source: Ti 2022, Map by Metastreet).

An EPC rating is an assessment of a property's energy efficiency. It's primarily used by buyers or renters of residential properties to assess the energy costs associated with heating a house or flat. The rating is from A to G. A indicates a highly efficient property, G indicates low efficiency.

The energy efficiency of a dwelling depends on the thermal insulation of the structure, on the fuel type, and the size and design of the means of heating and ventilation. Any disrepair or dampness to the dwelling and any disrepair to the heating system may affect efficiency. The exposure and orientation of the dwelling are also relevant.

As part of this project **41,527** EPC ratings were matched to PRS properties (Figure 19). All figures have been modelled from this group.

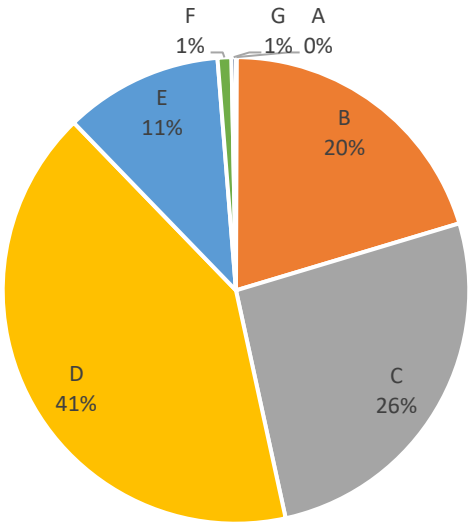


Figure 19. Distribution of Energy Performance Certificate ratings in PRS (Rating A-G) (Source: Ti 2022).

The Minimum Energy Efficiency Standard (MEES) came into force in England and Wales on 1 April 2018. The regulation applies to PRS properties and mandates that all dwellings must have an EPC rating of E and above to be compliant. It has been calculated using the matched addresses that 12.2% of PRS properties in Brent have an E, F, and G rating. 1.3% of PRS properties have an F and G rating (Figure 19). Extrapolated to the entire PRS, 755 PRS properties are likely to fail the MEES statutory requirement.

The statistical evidence shows that there is a continuous relationship between indoor temperature and vulnerability to cold-related death [21]. The colder the dwelling, the greater the risk. The percentage rise in deaths in winter is greater in dwellings with low energy efficiency ratings. Children in cold homes are twice as likely to suffer from a variety of respiratory problems [22]. There is a gradient of risk with age of the property, the risk being greatest in dwellings built before 1850, and

[21] Housing Health and Rating System, Operation Guidance, 2006 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf
[22] Health Equity in England: The Marmot Review 10 Years On, 2020 https://www.health.org.uk/publications/reports/the-marmot-review-10-years-on

lowest in the more energy efficient dwellings built after 1980[23]. Therefore, the F and G properties present a serious risk to the occupants' health, particularly if over the age of 65 (Figure 19 & 20).

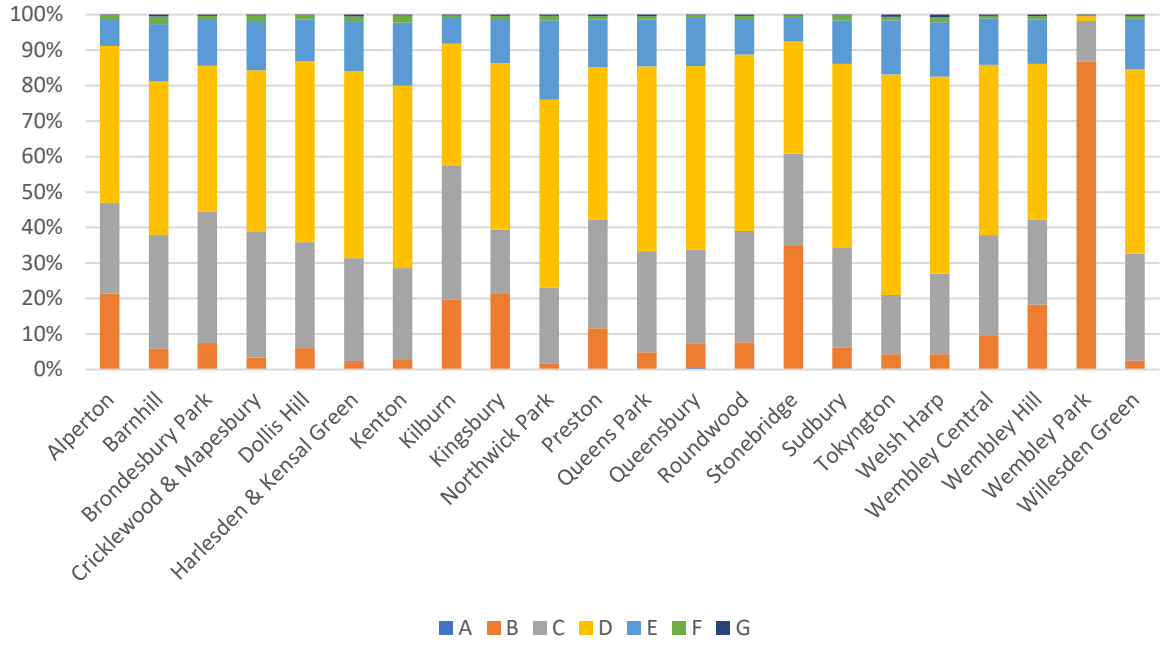


Figure 20. Energy Performance Certificate ratings in PRS by ward (Rating A-G) (Source: Ti 2022).

The difference between the current and potential energy performance score (EPC) helps owners of residential property understand what practicable improvements can be made to improve a properties energy performance. The gap between current and potential EPC scores represents the opportunity to improve energy performance within a reasonable economic envelope (Figure 21 & 22).

[23] Housing Health and Rating System, Operation Guidance, 2006
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/15810/142631.pdf

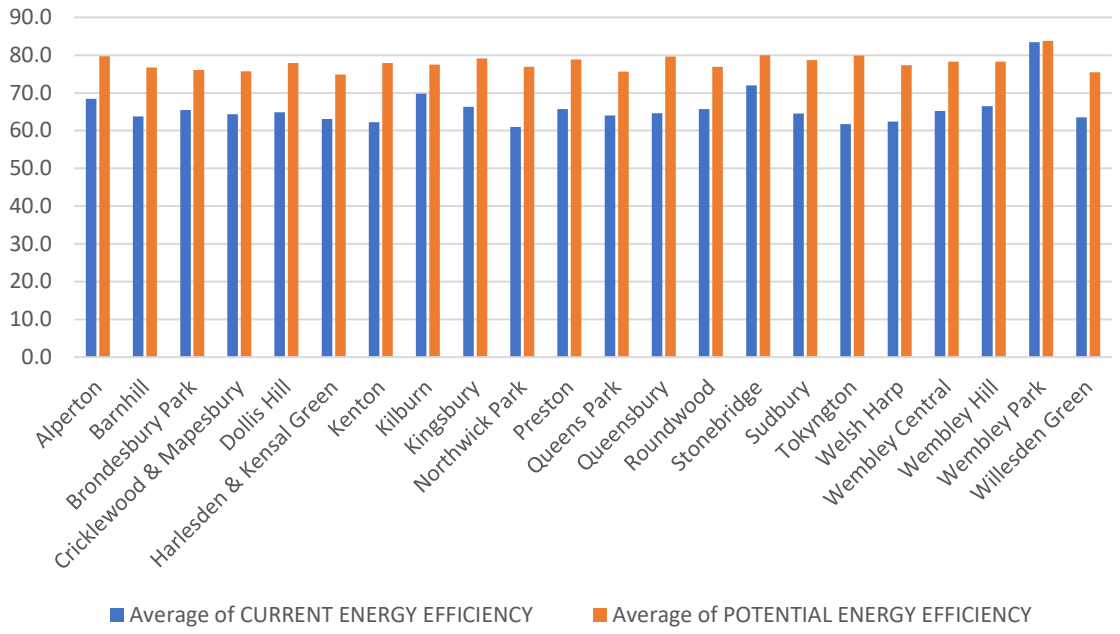


Figure 21. Current and Potential Energy Performance Certificate score (mean average) in PRS by ward (Source: Ti 2022).

Tokyngton's (18.1) PRS stock has the largest difference between current and potential energy efficiency score (Figure 22).

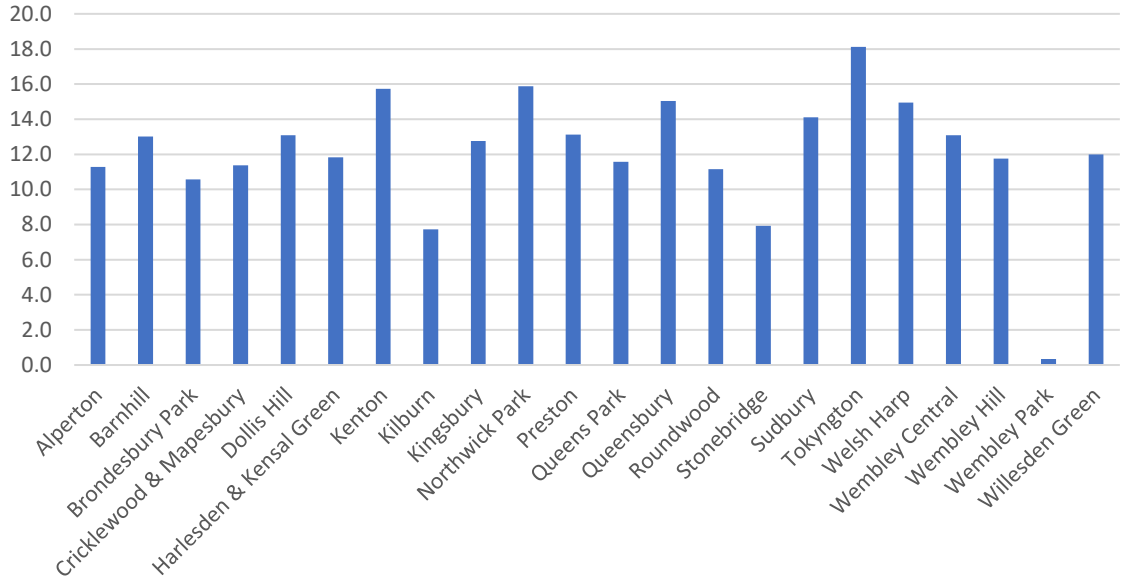


Figure 22. Difference between Current and Potential Energy Performance Certificate score (mean average) in PRS by ward (Source: Ti 2022).

2.2.3 PRS enforcement and regulation interventions (excluding known HMOs)

Brent uses a range of statutory housing and public health notices to address poor housing standards in the PRS. Interventions can be a result of a complaint being made by a tenant about their accommodation or as a result of a proactive inspection. Over a 5-year period (2017-22) Brent served 6,920 housing and public health notices (Figure 23).

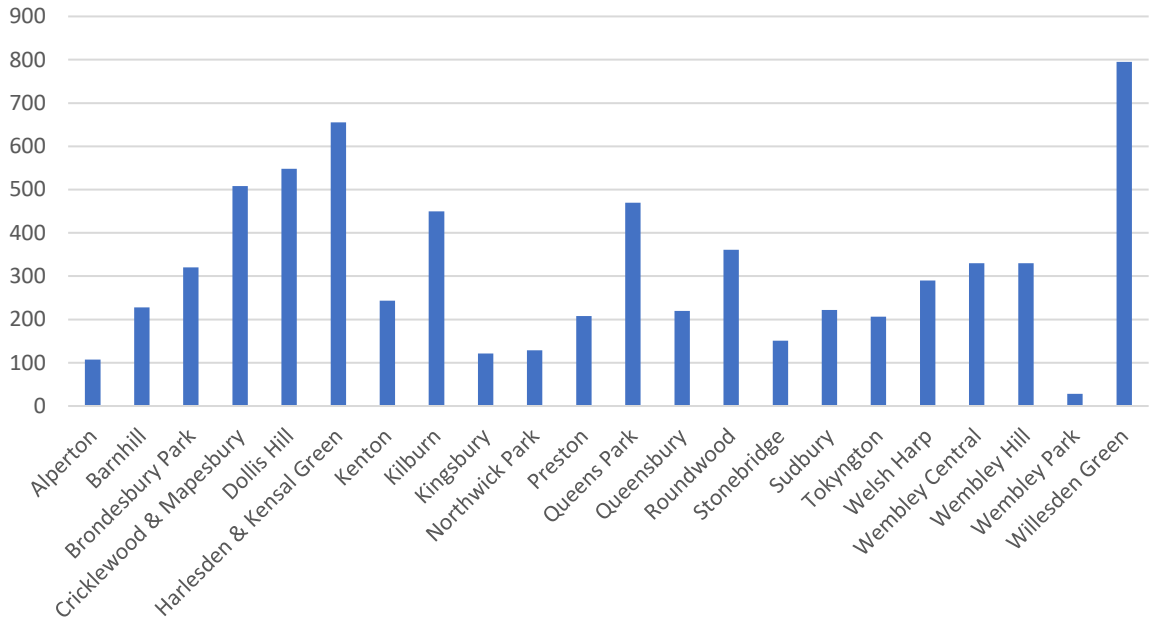
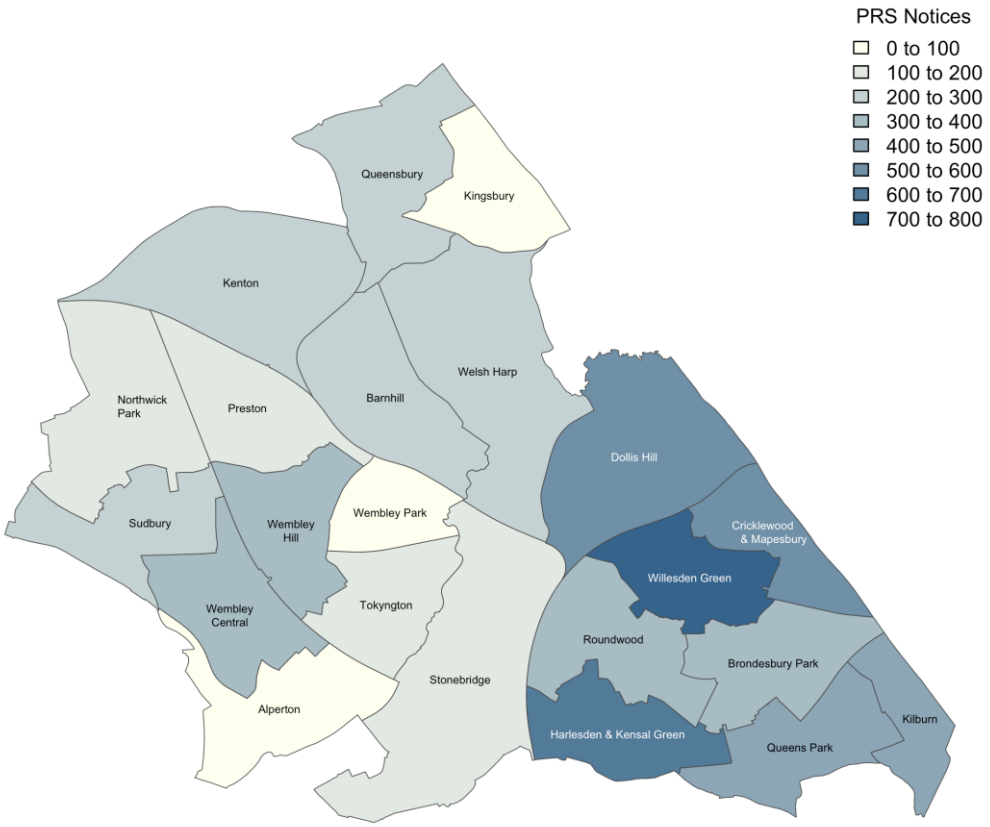


Figure 23. Statutory housing notices served on PRS properties (Source: Ti 2022).

Willesden Green (795) received the highest number of statutory notices for housing and public health related issues (Figure 23 & Map 6).



Map 6: Distribution of statutory notices served on PRS by ward (Source Ti 2022, Map by Metastreet).

Breaches of development control often result in planning enforcement notices. Over a 5-year period **1,282** planning enforcement notices have been served on PRS properties in Brent. All wards except Wembley Park have received notices. Dollis Hill (131) has the highest number of planning notices (Figure 24 & Map 7).

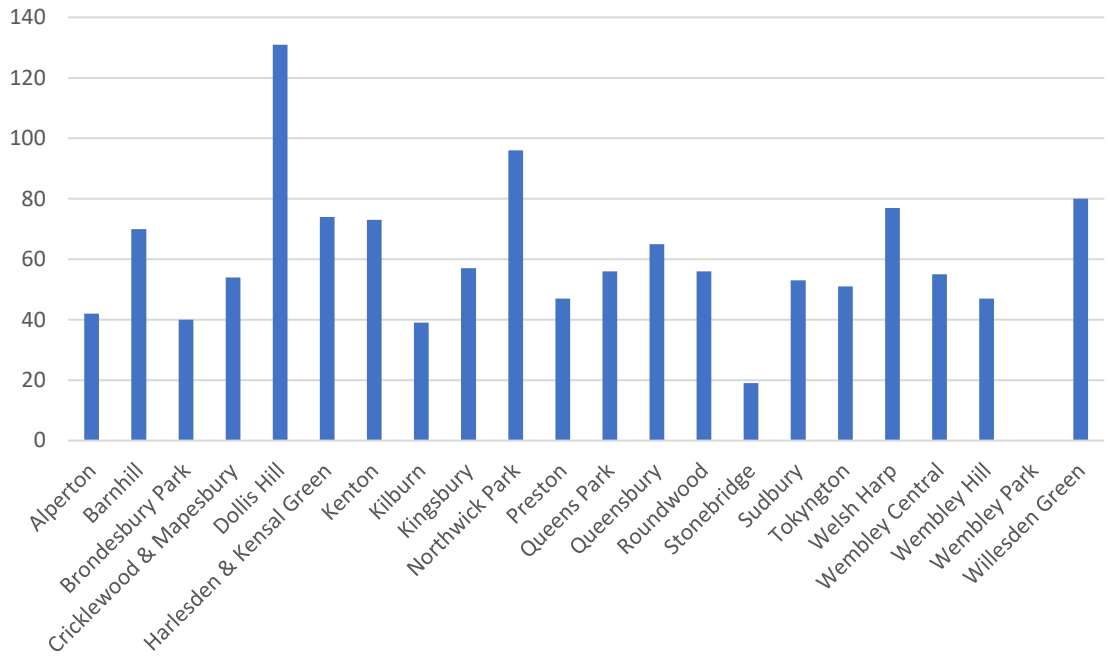
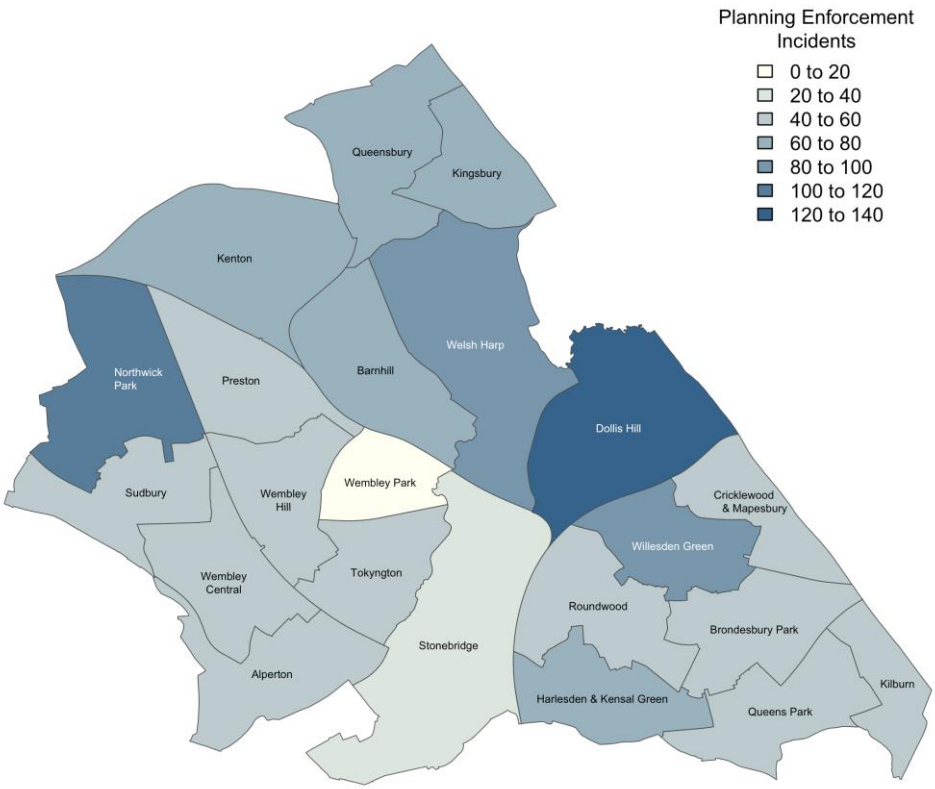


Figure 24. Planning enforcement notices served on PRS properties (Source: Ti 2022).



Map 7: Distribution of planning enforcement notices served on PRS by ward (Source Ti 2022, Map by Metastreet).

2.2.4 Anti-social behaviour (ASB) (excluding known HMOs)

The number of ASB incidents recorded by the council over the last 5 years, (expressed as a rate) are shown below. They relate to ASB associated with residential premises only. For example, ASB incidents investigated on a street corner that cannot be linked to a residential property are excluded from the study (Figure 25).

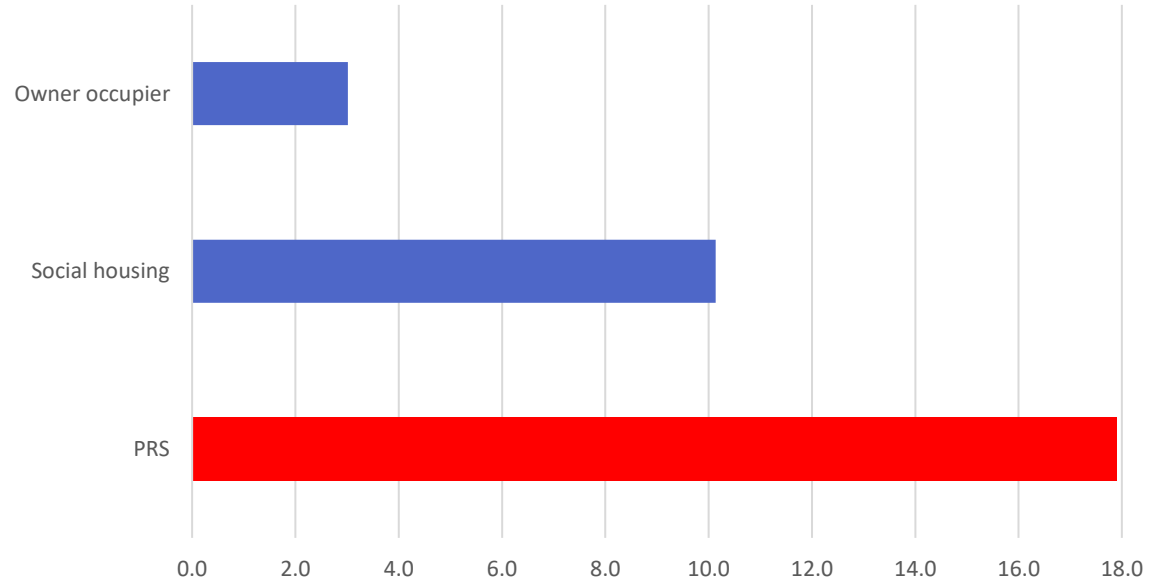


Figure 25. ASB rates per 100 properties by tenure (Source: Ti 2022).

ASB directly linked to PRS properties occurs across the borough. Over a 5-year period, **10, 398** ASB incidents have been recorded by the authority (Figure 27 & Map 8).

Follow up investigations identify drug & alcohol related ASB (42%), noise (25%), Intimidation & harassment (14%), vehicle ASB (6%), other ASB (4%) graffiti & vandalism (3%) prostitution (2%) and rubbish and fly tipping (4%) (Figure 26).

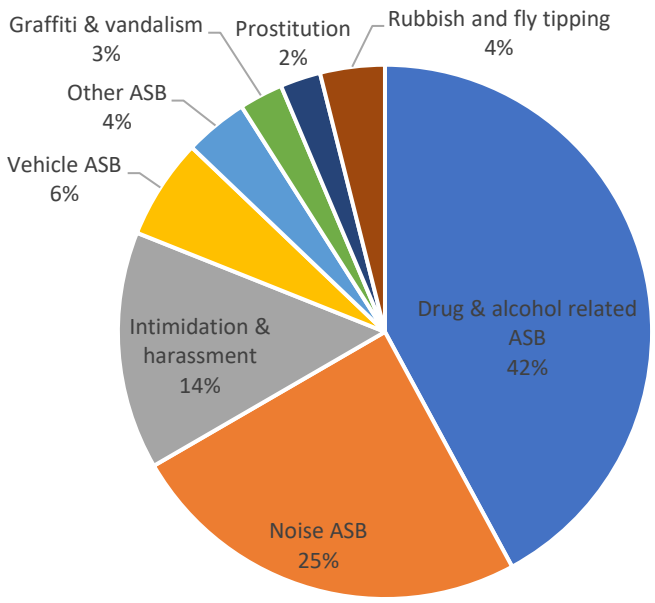


Figure 26. ASB incidents linked to PRS dwellings by type (Source: Ti 2022).

Dollis Hill (878) has the highest levels of PRS ASB incidents and Wembley Park (52) has the lowest (Figure 27 & Map 8).

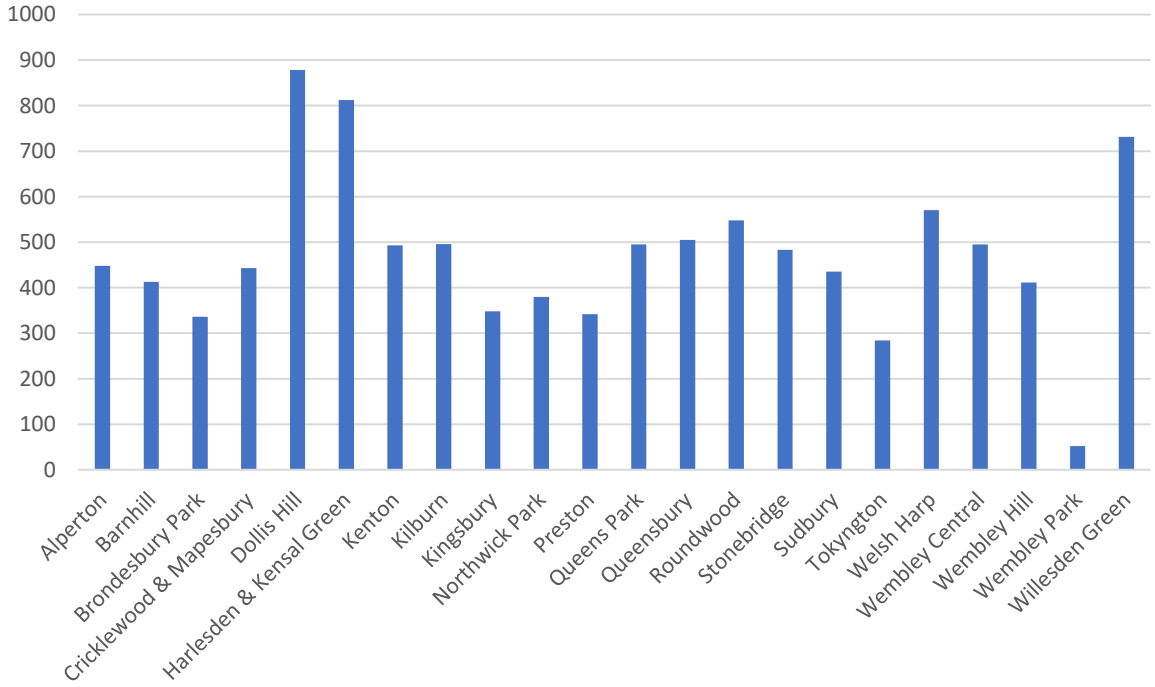
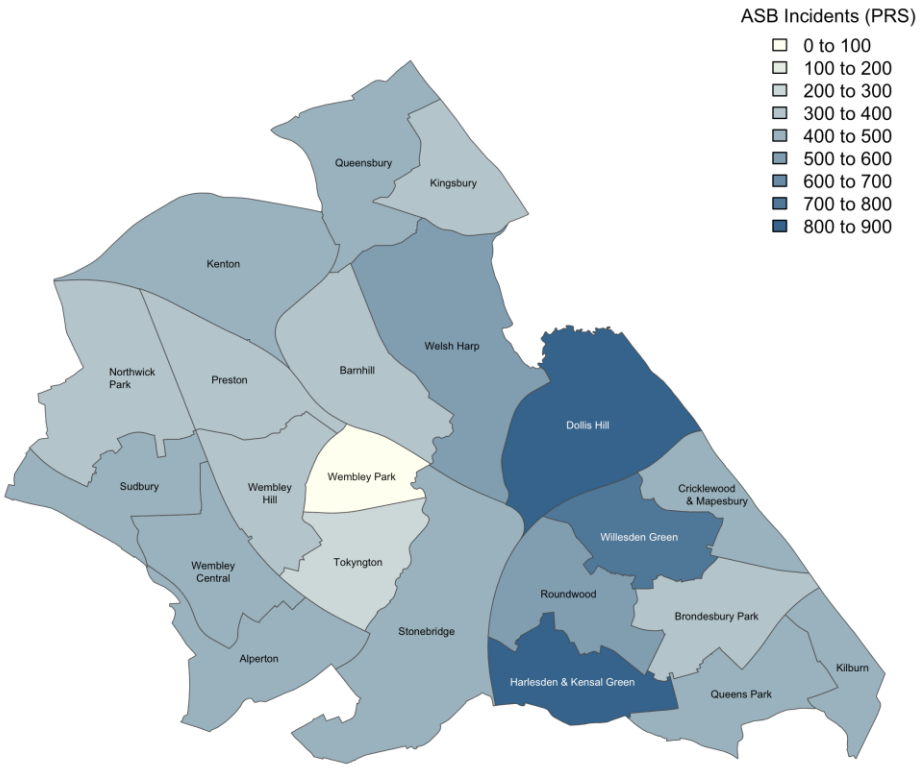


Figure 27. Number of ASB incidents linked to PRS by ward (Source Ti 2022).



Map 8. Distribution of ASB linked to PRS properties (Source: Ti 2022, Map by Metastreet).

3 Policy Context

3.1 PRS strategy - London

Rapid PRS growth has been seen across London over the last 15 years. The policy response has generally been for greater regulation of the market through property licensing to mitigate some of the concerns that accompany large and growing PRS populations, including HMOs (Table 3).

Table 3. Overview of the PRS and property licensing across London.

Borough	No. PRS	% PRS	Selective Licensing (Y/N)	Additional Licensing (Y/N)	Notes
L.B. Barking and Dagenham	21,000	28%	Yes	No	Borough wide selective licensing introduced in 2014, renewed in 2019
L.B. Brent	58,105***	45.6%	Yes	Yes	Borough wide additional, ward based selective
L.B. Camden	NA	32.2%	No	Yes	Borough-wide additional licensing
L.B. Croydon	58,585	35.6%	Yes	No	Borough wide selective licensing until 2020
L.B. Ealing	54,776	38.1%	Yes	Yes	Borough wide additional, area based selective
L.B. Enfield	43,500	34%	No	No	Currently operating a borough wide additional licensing and area based selective
L.B. Hammersmith & Fulham	NA	33%	Yes	Yes	Borough wide additional, area based selective
L.B. Haringey	43,775	40.2%	No	Yes	Additional licensing introduced in 2019 borough wide

L.B. Havering	30,215	29%	No	Yes	Borough wide additional, ward based selective
L.B. Islington	25,217	27%	No	No	Borough wide additional and ward based selective
R.B. Kensington & Chelsea	39,047	44.2%	No	No	Currently no discretionary property licensing
L.B. Newham	52,000	47%	Yes	Yes	Borough wide additional and selective licensing introduced in 2013, renewed in 2017 excluding Olympic Park area.
L.B. Merton	29,181	34%	No	No	Currently no discretionary property licensing
L.B. Redbridge	39,848	36.2%	Yes	Yes	Borough wide additional and area based Selective
L.B. Southwark	42,964	29.4%	Yes	Yes	Borough wide additional, area based selective
L.B. Waltham Forest	38,000	39%	Yes	No	Borough wide additional. Borough wide selective licensing introduced in 2015, renewed in 2019 (excluding 2 wards).
Westminster C.C.	55,784	44%	No	No	Borough wide additional

*Additional licensing - relates to small HMOs only (3 & 4 person) **Selective licensing - related to all private single-family dwellings *** Figures updated by this report.

4 Conclusions

Like many other London borough's, Brent's private rented sector has grown considerably in recent years, from 32% (2011) to 46% (2022). This represents a 43.8% increase over the last 11 years (Figure 11)

There are a total of 12,7378 residential dwellings in Brent, 58,105 of which are privately rented. The private rented sector in Brent is distributed across all 22 wards (Figure 10-13 & Map 2). The number of PRS dwellings per ward ranges from 8,410 (Wembley Park) to 1,163 (Northwick Park). 22 out of 22 Brent wards have a higher percentage PRS than the national average in 2021 (19%).

The Office of National Statistics (ONS) Census 2021 population estimates for Brent was 339,771. This makes Brent the 5th most populous London borough (Figure 1). Brent has a mixture of high and low deprivation wards. 16 of 22 wards have aggregated IMD rankings below the national average (Figure 4 & Map 1).

Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%) (Figure 5) and the 4th highest number of private landlord possession claims in London, with 2,399 in 2019 (Figure 6).

Brent has above average rents for London, with 53% of median earnings used to pay rent (Figure 8) and the 12th highest numbers accepted as being homeless (Figure 7).

There are 10,108 private rented properties in Brent that are likely to have at least 1 serious housing hazard (Category 1, HHSRS). PRS properties with serious hazards are distributed across the borough. Harlesden & Kensal Green (812) and Dollis Hill (796) have the highest number of properties with at least one Category 1 hazard (Figure 16 & Map 4).

Brent recorded 3,229 complaints and service requests from private tenants linked to PRS properties over a 5-year period (Figure 18 & Map 5). Harlesden & Kensal Green (337) and Dollis Hill (290) generated most private tenant service requests.

It has been calculated using the matched addresses that 12.2% of PRS properties in Brent have an E, F, and G rating. 1.3% of PRS properties have an F and G rating (Figure 19). Extrapolated to the entire PRS, 755 PRS properties are likely to fail the MEES statutory requirement.

Brent uses a range of statutory housing and public health notices to address poor housing standards in the PRS. Over a 5-year period (2017-22) Brent served 6,920 housing and public health notices

(Figure 23). Additionally, over a 5-year period 1,282 planning enforcement notices have been served on PRS properties in Brent. All wards except Wembley Park have received notices. Dollis Hill (131) has the highest number of planning notices (Figure 24 & Map 7).

ASB directly linked to PRS properties occurs across the borough. Over a 5-year period, 10, 398 ASB incidents have been recorded by the authority. Follow up investigations identify drug & alcohol related ASB (42%), noise (25%), Intimidation & harassment (14%), vehicle ASB (6%), other ASB (4%) graffiti & vandalism (3%) prostitution (2%) and rubbish and fly tipping (4%) (Figure 25 & 26 & Map 8).

Appendix 1 – Ward summaries

Table 4. Ward PRS summary overview (Source Ti 2022) (Excluding known HMOs).

Ward	No. PRS (predicted)	% PRS	Category 1 (predicted)	ASB incidents
Alperton	2,051	45.1	399	448
Barnhill	1,426	37.9	393	413
Brondesbury Park	1,779	31.8	346	336
Cricklewood & Mapesbury	2,572	46.4	512	443
Dollis Hill	3,471	46.9	796	878
Harlesden & Kensal Green	3,626	42.0	812	812
Kenton	1,765	31.3	505	493
Kilburn	2,665	32.0	420	496
Kingsbury	1,474	36.9	318	348
Northwick Park	1,124	31.3	354	380
Preston	1,626	43.8	345	342
Queens Park	2,620	35.8	508	495
Queensbury	2,034	37.7	475	505
Roundwood	2,693	42.0	481	548
Stonebridge	2,419	30.2	379	483
Sudbury	2,020	46.8	442	435
Tokyngton	1,285	41.3	296	284
Welsh Harp	2,448	40.7	602	570
Wembley Central	2,237	45.5	485	495
Wembley Hill	2,257	45.2	433	411
Wembley Park	8,405	98.4	41	52
Willesden Green	3,498	46.0	766	731
Total	**55,495**	**43.6**	**10,108**	**10,398**

Appendix 2 - Tenure Intelligence (Ti) – stock modelling methodology

This Appendix explains at a summary level Metastreet's Tenure Intelligence (Ti) methodology (Figure 28).

Ti uses big data and machine learning in combination with expert housing knowledge to accurately predict a defined outcome at the property level.

Council and external data have been assembled as set out in Metastreet's data specification to create a property data warehouse comprising millions of cells of data.

Machine learning is used to make predictions of defined outcomes for each residential property, using known outcome data provided by the council.

Results are analysed by skilled practitioners to produce a summary of housing stock, predictions of levels of property hazards and other property stressors. The results of the analysis can be found in the report findings chapter.

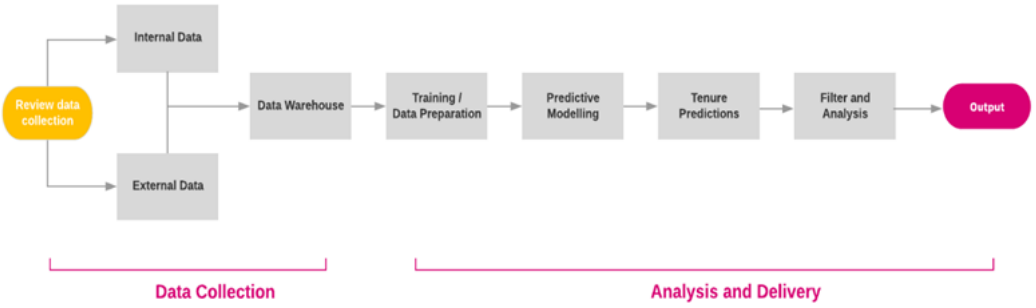


Figure 28. Summary of Metastreet Tenure Intelligence methodology.

Methodology

Metastreet has worked with Brent Council to create a residential property data warehouse based on a detailed specification. This has included linking millions of cells of data to 127,378 unique property references, including council and externally sourced data. All longitudinal data requested from council departments is 5 consecutive years, from April 2017 – March 2022

Once the property data warehouse was created, the Ti model was used to predict tenure and stock condition using the methodology outlined below.

Machine learning was utilised to develop predictive models using training data provided by the council. Predictive models were tested against all residential properties to calculate risk scores for each outcome. Scores were integrated back into the property data warehouse for analysis.

Many combinations of risk factors were systematically analysed for their predictive power using logistic regression. Risk factors that duplicated other risk factors but were weaker in their predictive effect were eliminated. Risk factors with low data volume or higher error are also eliminated. Risk factors that were not statistically significant are excluded through the same processes of elimination. The top 5 risk factors for each model have the strongest predictive combination.

Three predictive models have been developed as part of this project. Each model is unique to Brent, they include:

- Owner occupiers
- Private rented sector (PRS)
- PRS housing hazards

Using a D^2 constant calculation it is possible to measure the theoretical quality of the model fit to the training data sample. This calculation has been completed for each model. The D^2 is a measure of "predictive capacity", with higher values indicating a better model.

Based on the modelling each residential property is allocated a probability score between 0-1. A probability score of 0 indicates a strong likelihood that the property tenure type is *not* present, whilst a score of 1 indicates a strong likelihood the tenure type *is* present.

Predictive scores are used in combination to sort, organise and allocate each property to one of 4 categories described above. Practitioner skill and experience with the data and subject matter is used to achieve the most accurate tenure split.

It is important to note that this approach cannot be 100% accurate as all mathematical models include error for a range of reasons. The D^2 value is one measure of model "effectiveness". The true test of predictions is field trials by the private housing service. However, error is kept to a minimum through detailed post analysis filtering and checking to keep errors to a minimum.

A continuous process of field testing and model development is the most effective way to develop accurate tenure predictions.

The following tables include detail of each selected risk factors for each model. Results of the null hypothesis test are also presented as shown by the Pr(>Chi) results. Values of <0.05 are generally considered to be statistically significant. All the models show values much smaller, indicating much stronger significance.

Owner occupier model

The owner occupier model shows each of the 5 model terms to be statistically significant, with the overall model showing a "predictive capacity" of around 97% (Table 5).

Table 5. Owner occupier predictive factors.

Risk factors selected	**Pr (>Chi)***
Service requests	2.2e-16
EPC TENURE	2.2e-16
Previous_HB_5yrs	2.2e-16
Ctax.acc length days	2.2e-16
Ctax accounts	1.490e-05
Training data, n= 1062	
D^2 test = 0.97**	

* Pr(>Chi) = Probability value/null hypothesis test, ** D^2 test = Measure of model fit

PRS predictive model

The PRS model shows that each of the 5 model terms is statistically significant, with the overall model having a "predictive capacity" of around 97% (Table 6).

Table 6. PRS predictive factors.

Risk factors selected	**Pr(>Chi)**
Ctax.accounts	2.2e-16

Tenure (EPC)	2.2e-16
ACORN data	2.2e-16
HB claims	2.2e-16
ASB	0.0004034
Training data, n= 1062	
D^2 test = 0.97	

Category 1 (HHSRS) hazards model

Numerous properties where the local housing authority has recently taken action to address serious hazards were sampled for training data. Specifically, this included Housing Act 2004 Notices served on properties to address Category 1 hazards. The model results show that each of the model terms is statistically significant, with the overall model having a "predictive capacity" of around 94% (Table 7).

Table 7. Category 1 (HHSRS) hazard predictive factors.

Risk factors selected	**Pr (>Chi)**
CURRENT_ENERGY_RATING	2.2e-16
ASB.incidents	2.185e-07
Service.requests	2.2e-16
Complaint count_5yrs	2.2e-16
Bens.number	1.708e-08
Training data, n= 308	
D^2 test = 0.94	

Version,final

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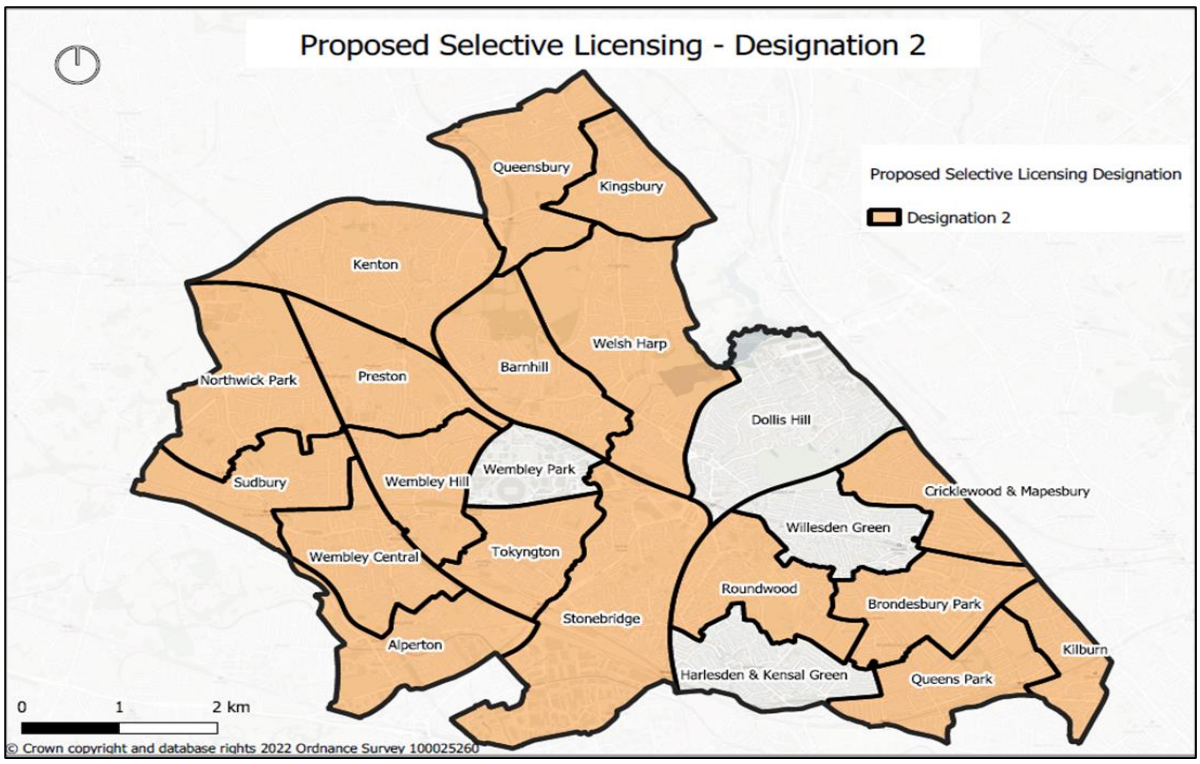
Appendix 5 – Map of proposed Designation 2/2023



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Guidance for Private Housing Services Enforcement Officers

1. Introduction

1.1 This document sets out Brent Private Housing Services (PHS) Enforcement policy and working guidance. It explains how Brent as a Local Housing Authority (LHA) aims to deliver some key aims and objectives ultimately derived from the Brent Borough Plan (2015-2019). It applies to those enforcement functions administered via the Council's PHS Enforcement Team. These will include:-

- Reducing category 1 hazards in the private rented sector
- Reducing high category 2 hazards for licensable properties within the same sector
- Taking enforcement action in relation to the Property Licensing Schemes. This includes both failure to licence and breach of conditions enforcement
- Regulating standards of management, repair, amenity provisions and safety in houses in multiple occupation.
- Investigation and abatement of public health nuisances.
- Taking and/or facilitating robust enforcement action against rogue landlords including civil penalties, prosecutions and rent repayment order proceedings against such landlords, under the provisions of the Housing and Planning Act 2016.
- Using a holistic approach towards PHS enforcement activities, to deliver good support for compliant landlords needed to partner with the Council in meeting the demand for accommodation that is safe and well presented, whilst ensuring that non-compliant landlords are taken to task as best as the legislative framework allows.

1.2 This policy together with a set of procedures contain information on how the enforcement tools, provided by the Housing Act 2004, the Housing and Planning Act 2016 and general public health legislation, can be used fairly and consistently to achieve improvement to housing, health and the environment in the Borough. A working guidance for the commonly occurring hazards, the work process flowcharts and case reporting procedure are also included.

1.3 An opportunity will be given to small landlord businesses to be self-regulating, where ever possible and to put things right when things go wrong. We will therefore focus our enforcement activity where this self-regulation fails.

1.4 The Council expects landlords to support their tenancies throughout any enforcement action and our enforcement has been framed on the basis that all available tenancy protection tools available under current legislation, will be used as effectively and efficiently as possible for this purpose.

2. How we decide what to inspect or investigate

2.1 We will target our programmed, routine and reactive inspections on those premises, nuisances and other public health matters that are statutory requirements and/or present the greatest risk to occupiers, neighbours and the public. Unlicensed Houses in Multiple (HMOs) are of particular interest at this time, in view of the over 10,000 such properties essentially identified via risk analysis research and the impact of these on overcrowding, anti-social behaviour and other blights within the Borough.

2.2 We have a Corporate Complaints Policy which explains how and when we aim to respond to complaints. Some categories of complaints are urgent and all referrals shall be actioned in a time sensitive manner, thereby minimising the need for a formal complaint to be made.

2.3 **Leaseholder complaints:** PHS often receives complaints from leaseholders requesting assistance in taking action against other leaseholders or freeholders. PHS action will be limited to;

- Failure to licence enforcement, statutory nuisances enforcement and, Category 1 and high Category 2 hazards enforcement, where the leasehold flat is tenanted.

In all other situations e.g. civil disputes between freeholder and leaseholder, the leaseholder will be redirected to;

- The Leasehold Advisory Service - Fleetbank House, 2-6 Salisbury Square, London EC4Y 8JX; www.lease-advice.org
- Advised to contact a solicitor who specialises in leasehold law

2.4 **Registered social landlord complaints:** PHS often receives complaints from registered social landlord (RSL) tenants requesting action against their landlord. PHS action will be limited to;

- Cases where the tenant is able to show that the internal complaints process of the RSL has been exhausted and it would be inappropriate to refer the matter on to the Housing Ombudsman because of outstanding health and safety concerns without a timely plan of action being provided by the RSL.

In all other situations e.g. dissatisfaction with the RSL's timescales, the tenant will be redirected to;

- The Housing Ombudsman Service – Exchange Tower, Harbour Exchange Square, London E14 9GE , Tel 0300 111 3000, email: info@housing-ombudsman.org.uk
- Advised to contact a designated service or solicitor specialising in housing law.

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Part 1 – Housing Conditions Enforcement

1. Summary

1.1 The principal legislation used by PHS is the Housing Act 2004 along with new and extended provisions under the Housing and Planning Act 2016. However, there are circumstances where other legislation may be more appropriate in dealing with the identified problem. Officers will be expected to use professional judgement to determine the most appropriate piece of legislation to use. In some cases it may be appropriate to use a range of enforcement tools.

1.2 The key principle is to deal with a complaint in the most efficient and cost effective way possible by using the full range of enforcement powers and to meet the levels of service set out in our *Customer Promise*.

2. Housing Act 2004 & The Housing Health and Safety Rating System

2.1 Where the PHS Enforcement team has reason to enter a property in response to a service request, we will *risk assess* the whole property using the housing health and safety rating system (HHSRS).

2.2 The Councils overall objective is to remove category 1 hazards and achieve the Decent Homes Standard in accommodation where possible. This is particularly important in premises occupied by vulnerable groups. It is therefore the Councils intention to risk assess, provide a reasonable timescale for repairs/improvements to be completed and then take robust enforcement action in the event of non-compliance.

2.3 It is the Councils policy to make full use of its powers under a range of statutory instruments as many hazards in Brent can be remedied in this way; the legislation is detailed later in this section.

2.4 The 2004 Act places a duty on the Council to take action where a category 1 hazard has been identified. There is a discretionary power to deal with category 2 hazards. An improvement notice must be served where there are Cat 1 Hazards present. High Cat 2 Hazards (D and E) can also be included on the notice.

2.5 An improvement notice may be served where Cat 2 hazards exist. Where licensable properties are affected by high Cat 2 Hazards (D and E) an improvement notice shall be served and/or licensing enforcement action shall be taken to address the deficiencies. Officers should use their professional judgement as to whether a Housing Act notice route and/or a civil penalties-rent repayment order solution is to be pursued. Further guidance on this shall subsequently be provided within this document.

2.6 The Act provides a range of enforcement tools:-

Improvement Notices – section 11 is used for category 1 hazards, section 12 is used for category 2 hazards, or both category 1 and 2 hazards can be included on the same notice. An improvement notice should be used where reasonable remedial works can be carried out to reduce the hazard sufficiently.

Prohibition Orders – section 20 for category 1 hazards and section 21 for category 2 hazards, or both category 1 and 2 hazards can be included on the same notice. This order may prohibit the use of part or all of a property for some or all purposes or for occupation by a particular number or description of people. An order may be appropriate where conditions present a risk but remedial action is unreasonable or impractical. It may also be used to limit the number of persons occupying the dwelling, or prohibit the use of the dwelling by specific groups. In an HMO it can be used to prohibit the use of specified dwelling units.

Hazard Awareness Notices (HAN) – section 28 for Cat 1 and section 29 for Cat 2, or both Cat 1 and 2 hazards can be included on the same notice. This is used where a hazard has been identified but it is not reasonable or appropriate to take formal action. It is a way of drawing attention to the need for remedial action. This notice should not be used if it considered that a follow up inspection is required without being notified by the affected person(s). This notice is not registered as a land charge and has no appeal procedure.

Emergency Remedial Action - section 40 – this is only available for use where there is an imminent risk of serious harm resulting from a category 1 hazard. The authority must enter the premises and undertake any necessary remedial works that are required to reduce the immediate risk. A warrant to enter the premises in order to carry out the work may be granted by a justice of the peace where he/she is satisfied that the authority would not be granted admission.

Emergency Prohibition Order – section 43 – this is only acceptable for use where there is an imminent risk of serious harm, the hazard rates as a category one and where it is not practical to carry out the remedial works as in section 40. It can prohibit the use of all or any part of the premises with immediate effect.

Demolition Order – this can only be used in response to category 1 hazards, but not if the building is listed. It must take into account availability of accommodation for re-housing, demand for accommodation, and the possible future use for the cleared site.

Clearance Area – All residential buildings in the proposed area must have at least one category 1 hazard. It must take into account availability of accommodation for re-housing, demand for accommodation, and the possible future use for the cleared site.

Suspended Improvement Notices or Prohibition Orders – these notices may be suspended where enforcement action can safely be postponed until a specified event or time. This could, for example, be a period of time or a change in occupancy. Current occupation and wishes must be taken into account. These may also be considered where there is evidence of programmed maintenance by portfolio landlords. The suspensions must be reviewed at the very least every 12 months. The advantage of suspending a notice is that there is a record of the LHA's involvement and the situation must then be reviewed. It is also recorded as a land charge.

Subject to the templates being available, all statutory notices shall be produced and logged via Acolaid Enterprise and irrespective of how it is produced, a lock file copy of each notice shall be stored on the IDOX document management system.

3. Public Health Legislation

3.1 The following legislation is available where the Housing Act 2004 measures are not appropriate, do not sufficiently deal with the problem, or a quicker resolution can be achieved.

3.2 There is a duty on officers to deal with some types of problems e.g. a hazardous environment/statutory nuisances in some circumstances where the most appropriate powers lie beyond the Housing Act 2004 provisions.

3.3 Officers should keep abreast of particular changes of legislation and directives as required to undertake duties professionally.

- **Environmental Protection Act 1990 section 80**

Notices may be served if the officer is of the opinion that there is a statutory nuisance at the premises and it is reasonably practicable to do so, bearing in mind the departmental priority of improving living standards within the *private rented sector*. The premises must be deemed prejudicial to health (disease) or a nuisance (crosses a boundary). This notice can be used to remedy the following common defects;

- Damp and mould growth
- Broken or inefficient hot water and heating systems
- Leaks between flats/dwellings
- Clearing putrescible waste from gardens

Case law such as Bristol CC vs. Everett must be referenced as this provided a narrow definition of prejudicial to health to cover disease rather than any wider health and safety element.

- **Housing Act 1985 (as amended)**

Some provisions within the 1985 Act have not been revoked and may be appropriate to use in some circumstances. In particular the overcrowding provisions (Part X) are still available and can be used where the 2004 Act is not sufficient (e.g. single household dwellings, not required to be licensed, or otherwise outside the scope of section 139 of the 2004 Act.

- **The Management of Houses in Multiple Occupation (England) Regulations 2006**

These regulations have been introduced to deal with management issues (mainly common parts) in all HMO other than s.257 HMOs (converted self-contained flats).

Most practicably, action under these regulations will involve the issuing of a civil penalty, or summary prosecution for breaches of these regulations in tandem with failure to licence proceedings, as properties already licensed are more readily regulated via breach of licence conditions proceedings.

These are an extremely quick and efficient form of enforcement action and should be used wherever appropriate.

- **The Licensing and Management of Houses in Multiple Occupation (Additional Provisions) (England) Regulations 2007**

These regulations can be used to deal with management issues (mainly common parts) in s.257 HMOs (self-contained flats which were converted pre 1991 and the building work undertaken in connection with the conversion did not comply with the 1991 building regulations.

3.4 Supporting Legislation: **The following legislation is also used as part of the day-to-day collection of information, preparing cases for prosecution and gathering evidence.**

- **Housing Act 2004 s.235** – power to require information
- **Local Government (Miscellaneous Provisions) Act 1976 section 16** - Used to formally request information about a premises or a person.
- **Police and Criminal Evidence Act 1984 –** used to log formal interviews under caution
- **Criminal Procedures and Investigation Act 1996 as amended** – for gathering and processing evidence to Crown Prosecution Standards.

Subject to the templates being available, all enforcement documentation shall be produced and logged via Acolaid Enterprise and a lock file copy of each document required for possible litigation shall be stored on the relevant IDOX document management system.

4. Enforcement Procedure

4.1 This Enforcement Guidance will cover the general principles of good enforcement practice and provide a framework to enable enforcement action to be prioritised and linked to local housing and environmental conditions. Priorities for enforcement will also reflect local and regional housing strategies and policies.

4.2 PHS is responsible for enforcing a wide range of statutory provisions relating to the state of repair and environmental conditions affecting the health and safety of the occupant and bringing empty properties back into use.

4.3 Where other agencies are required to take enforcement action e.g. LFEPA, Planning and Building Control, PHS will co-ordinate this action to ensure that there is no duplication or inconsistencies in the action required.

4.4 In general any enforcement action will be taken in line with the principles of the Regulators Code. This frameworks requires that regulators should ensure there is clear information, guidance and advice available to help those they regulate to meet their responsibilities to meet legally required standards.

5. General Conduct

5.1 Officers will show their identification badges and offer these for scrutiny when visiting people or requesting access to premises. They should also carry their proper authorisation cards with them when inspecting premises.

5.2 All authorisations of enforcement officers must be in writing, specifying the limits of authorisation and will form part of the identification cards shown on visits.

6. Complaints

6.1 In the event that an individual or company is not satisfied with the service they should be directed in the first instance to the Team Manager.

6.2 If this does not resolve the complaint the Council also has a formal complaints system via www.brent.gov.uk/complaints

7. Housing Act 2004 Part 1 Enforcement

7.1 The Housing Act 2004 and subsequent HHSRS Regulations 2005 have identified a number of hazard categories that have been found within the home. There are 29 hazards that arise from disrepair, lack of maintenance or poor design. The health effect from these hazards range from death to minor injuries and the HHSRS provides the opportunity to compare unrelated hazards such as fire with other hazards such as damp and mould growth. This is done through the calculation of a hazard score. The higher the score the higher the risk posed by the hazard.

7.2 This enforcement policy sets the following prioritisation scheme for dealing with hazards, this will be subject to regular review. The principal behind this is detailed below.

- All category 1 hazards will be dealt with as a priority over category 2 hazards.
- Where there are multiple category 1 hazards or a mixture of category 1 and high category 2 hazards (i.e. D and E) all will be included on one improvement notice where applicable.
- In some circumstances the use of other enforcement tools should be considered to deal quickly with a defect or deal with a defect which may not achieve a High Category 2 e.g. where damp and mould can be addressed via the landlords obligation to address disrepair within a licensable property.

7.4 Notice of Entry

7.4.1 There has been a number of decisions by the RPT that indicate that it is necessary to serve a S.239 Notice of Entry notice on the landlord before visiting a property for Part 1 HA 2004 enforcement investigations.

7.4.2 Where you are invited in to do an inspection by the tenant, the policy is that ordinarily there is no need to serve a separate section 239 notice above and beyond the initial appointment letter.

When sending an initial appointment letter this should be indicated as being enacted under s.239 Notice of provisions, clearly stating the date, time, time and reason for inspection. The initial inspection letter and section 239 notice shall be produced and logged via Acolaid Enterprise as per all other statutory notices wherever possible. Part 2/3 HA 2004 licensing inspections can be carried out via unannounced attendance, but relevant authorisation must be available to show occupants on request.

7.5 Section 8 Statement of reasons

7.5.1 Under section 8 of the Housing Act 2004, a statement must be prepared detailing which notice provisions are being considered. The statement must also include why the other options have been discounted at this stage. In making these decisions regard may be given to:

- The seriousness of the situation and any imminent risk to health and safety
- The current occupation and the impact the decision may have on the social exclusion of certain groups of people,
- The turnover of tenants or occupants to the property,
- The management of the property,
- The occupants' views,
- The owners' views,
- The number of hazards within the property and whether they are category 1 or category 2
- The enforcement policy and procedures, the private sector housing strategy and housing strategy.
- The decent homes standard
- Consultation and views of other services

7.5.2 Once a decision has been made the appropriate notice procedure must be followed. When taking any form of action a covering letter and the statement of reasons under section 8 must also accompany the notice and the schedule of works.

7.5.3 The Residential Property Tribunal has been giving great weight to these statements and have criticised non-specific standardised statements, it is therefore important to make these quite individual in each case.

7.6 Consultation

7.6.1 Officers will usually consult interested parties (including tenants) on their proposals for Category 1 and Category 2 hazards to be addressed. The exception may be where the issue is urgent or dangerous and cannot wait while a consultation process is undertaken. These comments may include alternative works or other matters such that officers may revise the schedule or time period for compliance before serving the Notice.

7.6.2 If an Improvement Notice under the Housing Act 2004 is considered the most appropriate course of action the case officer should usually send a Pre notice letter to the landlord (prepared via Acolaid Enterprise) explaining the findings of the inspection and invite them to make a representation so their views can be taken into consideration. The letter should give the landlord a reasonable time to make their representations to the case officer.

7.6.3 During this consultation period the case officer should be drafting up the notice and schedules ready for service at the end of the consultation period. If a representation is made then they should be documented and incorporated into the statement of reason as part of the consultation with the landlord/person responsible.

7.6.4 The Pre notice letter will indicate that a Notice is to be served, but we are consulting with them to consider their views and agree works and timescales for the Notice schedules. Any agreed works and timescales shall be drafted into the notice which must be prepared and ready to be served immediately after the expiry of the consultation period. The Pre notice letter will also indicate a charge of £330 for serving of the notice that will apply.

7.6.5 If the landlord/person responsible does not make a representation within the consultation period then a notice must be served and the charge will apply with immediate effect.

7.7 Charging

7.7.1 There will be a charge for Notices served under the Housing Act 2004, excluding management regulations.

7.7.2 The Housing Act 2004, s49: *Power to charge for certain enforcement action* and section 50*: recovery of charge under s49* permits the Council to charge and recover expenses incurred in respect of certain enforcement action exercised under Chapter 5, Part 1 of the Act.

7.7.3 These include improvement notices (sections 11 & 12), prohibition and emergency prohibition orders (sections 20, 21 and 43), emergency remedial action (section 40) and demolition orders (sec 265, Housing Act 1985).

8. Level of remedial works required

8.1 As a minimum, category 1 hazards must be reduced to a low category 2.

8.2 Where this is not possible all reasonable steps must be taken to reduce the hazards as far as reasonably practicable. In some cases, such as listed buildings, category 1 hazards may remain. This scenario should have been considered when deciding which course of action is most appropriate and may influence the officer's decision as to which type of enforcement action to take.

8.3 When deciding on the remedial works, regard must be had to the seriousness of the hazard, the ideal that the property should achieve, the decent homes standard, current Building Regulations and the level of work required that is reasonable to reduce the hazard significantly without incurring excessive cost.

8.4 For the hazard of fire, where the property is an HMO, section 10 of the Housing Act 2004 states that the LHA must ordinarily consult with the Fire Authority before taking any action and deciding on the remedial works. For further guidance regarding the lead enforcement role of PHS or the LFEPA in various building categories etc, please check the Lacors Housing guidance manual.

8.5 Wherever possible enforcement action should result in the property becoming a Decent Home. In some rare circumstances this may not be achievable in such cases this should be discussed with the team manager.

8.6 Further details and standards can be found by referring to specific HHSRS technical guidance

9. Prosecution or Civil Penalty Charge

9.1 Where there is a summary offence, breach of a notice or an order the officer must investigate the offence and prepare the case for prosecution or for issuing a civil penalty charge. This may involve interviewing relevant people under caution, following the relevant parts of the Police and Criminal Evidence Act 1984.

9.2 In making a decision whether to pursue action under this heading, officers will have regard to the Code for Crown Prosecutors (Prosecutors employed by the Crown Prosecution Service). The code of practice details two tests, which govern the decision-making process. A case must pass both tests to show that prosecution is appropriate, the evidential test and public interest test.

9.3 Where a prosecution is taken Legal should request the Court to consider a compensation claim on behalf of the tenant. The defendant should be informed that you are intending to request the Court to consider this if the prosecution is successful.

9.4 Other legal remedies such as injunctions/unlawful eviction proceedings should be explored against a landlord, where there is a likelihood of an illegal eviction. In such instances, tenants must be encouraged to provide as much information as possible at the earliest including proof of tenancy or rent payment etc. Tenants must also be advised (via the letters provided in several languages and verbally if possible) that early cooperation with investigating officers, provides the best possible protection against unlawful eviction.

9.5 PHS is committed to partnering with landlords to ensure that properties are made/maintained as safe and suitable for habitation, bearing in mind that the private rental sector of the market is crucial in meeting the housing needs of the sector. Prosecuting for committed offences essentially disqualifies the convicted person(s) from managing tenanted properties and should therefore be used as a secondary enforcement option (i.e. with a civil penalty as the primary option) unless the following factors justify otherwise:

- Failure to comply with the requirements of an improvement notice or prohibition order and failing to reasonably engage with the Council on meeting these requirements.
- Failure to supply information without reasonable excuse or knowingly or recklessly supplying false or misleading information.
- History of offending
- attitude of offender
- Deterrent effect of a prosecution on the offender and others such as unregulated managing agents
- Carrying out operations without a relevant licence
- Obstruction of an authorised officer

These factors are not exhaustive and those that apply will depend on the particular circumstances of each case. Responsible officers in partnership with line management, shall decide how important each factor is in the circumstances of each case and go on to make an overall assessment.

10. Works in Default

10.1 The Housing Act 2004 and other legal powers outlined above make provision for the Council to carry out the works to a property where the person responsible has failed to comply with a notice. The WID process flowcharts follow at the end of the document as appendices.

10.2 WID and Prosecutions should be carried out simultaneously where statutory notices have not been complied with AND there is a possibility of homelessness or an occupier having to leave their home as a result of a continuing problem.

10.3 In deciding whether works in default is an option, the officer must consider the imminent risk to health and safety and whether undue delay would put the occupier, visitors or the public at increased risk. They must also consider what the minimum works required would be to remove the risk.

10.4 The cost of the works must be assessed and the Councils financial standing orders and procurement procedure followed. At present, There is a 30% surcharge over and above the cost of the works to cover for the administrative obligations involved in the event of Works in Default being commenced. The responsible person(s) must be advised of this in writing before commencement.

Part 2 – Property Licensing Enforcement

1. Introduction

1.1 The Housing Act 2004 provides for three types of licensing within the private rented sector: mandatory licensing of certain Houses in Multiple Occupation (HMOs), additional licensing of HMO's and the selective licensing of other residential accommodation. Brent is operating a variety of these licensing schemes and as of 1 January 2015, has introduced a borough wide additional scheme and a selective licensing scheme covering the designated wards of Harlesden, Willesden Green and Wembley Central.

1.2 Many landlords are responsible and provide adequate housing with good management, but there are some that lack the skills, knowledge and/or willingness to manage their properties professionally. It is these types of property that often cause the problems.

1.3 Mandatory licensing is aimed at certain types of HMO with 3 or more storeys and they must be occupied by 5 or more people who constitute more than one household. There must be an element of sharing facilities or amenities. Section 257 HMOs are also included within this remit.

1.4 Additional licensing is aimed at all other HMOs occupied by 3 or more people who constitute more than one household throughout the borough. Section 257 HMOs are also included within this remit.

1.5 Selective licensing is not descriptive specific in that there is a requirement to licence all other residential accommodation other than HMO's that fall under the mandatory/additional scheme in a designated area. This includes flats, houses, HMO's and single family properties.

1.6 The licensing function has been introduced in order to:

- Ensure landlords are 'fit and proper persons' or employ agents who are
- Establish that adequate management is in place
- Ensure the accommodation is adequate for the number of occupiers
- Allow for tenants' health, safety and welfare to be safeguarded and for high risk properties and their landlords to be identified via enforcement action under Parts 2 and 3 of the 2004 Act as well as under Part 1 of the said Act.

2. Aims of Property licensing

2.1 Brent Council aims to ensure fairness and transparency when administering the property licensing schemes, and in particular seeks to ensure that co-operative and compliant landlords are not disadvantaged compared with landlords who do not co-operate, and/or operate unsafe or poorly managed properties. This is reflected in the fees system which allows for longer license periods for well managed properties and requiring licenses to be renewed more regularly for those that are poorly managed, providing a financial saving to good landlords.

2.2 The council aims to publicise any Licensing Schemes, to assist landlords in running their businesses in compliance with the legislation.

2.3 The council aims to provide guidance and assistance to enable landlords to understand the requirement to licence properties and to comply with the licensing legislation.

2.4 The council aims to grant property licences in the maximum number of cases, within the requirements stipulated by the Housing Act 2004.

2.5 The council aims to take robust action when it gains evidence that there has been a failure to licence a property that is required to be licensed, to ensure that compliant landlords are not disadvantaged.

2.6 The council aims to respond to licensing customers at all times in accordance with the Council's Customer Care Policy.

2.7 The fee must only take into account all the costs incurred by the council in carrying out their functions under Part 2 and 3 of the Act. Brent Council has therefore developed a fee structure that reflects the work involved in processing an application and granting or refusing a licence.

2.8 The fees will be reviewed at regular intervals to reflect how the scheme evolves and any additional costs incurred by the council, e.g. annual increases in council costs.

3. Offences for failing to licence a licensable property

3.1 The Housing and Planning Act 2016 has now introduced civil penalties of up to a maximum of £30,000 in respect of the following offences:

- Failure to comply with an Improvement Notice
- Failure to licence or be licensed in respect of Houses in Multiple Occupation (HMOs)
- Failure to licence or be licensed in respect of the Landlords Selective Licensing Scheme
- Failure to comply with licensing conditions
- Failure to comply with an Overcrowding Notice
- Failure to comply with a regulation in respect of an HMO
- Breaching a Banning Order

Funds arising from these penalties are retained for housing enforcement activities.

3.2 The same Act also introduces the option of applying for a Rent Repayment Order (RRO) in respect of the following offences:

- Failure to comply with an Improvement Notice
- Failure to comply with a Prohibition Order
- Breaching of a Banning Order
- Using violence to secure entry to a property
- Illegal eviction or harassment of the occupiers of a property

Where rent is paid by the Council, an RRO award is retained by the Council, whilst an award to tenants paying their own rent is due to the tenant.

4. Inspections

4.1 The council aims to administer Property Licensing Schemes efficiently and effectively, and as such, the majority of applications will be considered without the need for any further inspections.

4.2 However, all licensed HMO properties must be inspected within the licence period to check that the information supplied is correct and that the property is free from serious hazards. In most instances, such post – licensing inspections will be carried out via the Licensing Team, who will then pass on cases requiring attention to Cat 1 hazards and/or other major non-conformities to the Enforcement Team.

4.3 Licensing does not preclude the council from taking any of the enforcement actions described in Part 1 of the Housing Act 2004 in relation to any hazards found and in many cases an improvement notice will be the most appropriate course action.

5. Enforcement – Civil Penalties and Prosecutions

5.1 The Housing and Planning Act 2016 contains several provisions relating to licensing of privately rented homes and housing enforcement related to this type of tenure. They include such measures as the ability for housing authorities to impose a civil penalty in lieu of prosecution, as a means of dealing with rogue landlords.

5.2 A civil penalty can only be imposed as an alternative to prosecution, as the legislation does not permit a Local Authority to impose a civil penalty and prosecute for the same offence. Similarly if a civil penalty has been imposed, a person cannot then be convicted of an offence for the same conduct.

5.3 The decision on when to prosecute and when to issue a civil penalty shall be decided on a case by case basis, in accordance with the **guidance notes in (section 1(9) and the work process flow charts** which have been updated to include reference to the issuing of civil penalties as an alternative to prosecution for relevant offences under the Housing Act 2004.

5.4 Where a civil penalty is imposed, an appeal can be lodged at the First Tier Property Tribunal (FTPT). A Local Authority will then need to demonstrate 'beyond reasonable doubt' that an offence has been committed. Enforcement officers shall serve the required statutory notices (at least 2 to be served), deal with defendant representations and work jointly with Brent Legal Services to defend any appeals at the FTPT, all in accordance with the **work process flow charts.**

6. Enforcement – Rent Repayment Orders

6.1 Under Housing Act 2004 provisions, Rent Repayment Orders (RROs) allowing Local Authorities to recover up to 12 months Housing Benefit/Universal credit paid to any person in connection with occupying a rented home. Similarly, tenants paying their own rent could apply to the FTPT for an RRO, once a conviction was secured by the Local Authority.

6.2 RROs have now been extended through the Housing and Planning Act 2016 to cover a much wider range of offences. Under the new legislation an RRO can be applied for when the landlord has committed one of the offences listed in paragraph 3.2 above even without a conviction. However, where an application for an RRO is made and the landlord has not been convicted for the relevant offence, the FTPT will need to be satisfied beyond reasonable doubt that the landlord has committed the offence.

6.3 As a conviction via the courts can only be secured on proving an offence beyond reasonable doubt, the safest way to secure an RRO is to apply after an offence has been successfully prosecuted. Essentially, where an offence has been prosecuted and hence a civil penalty cannot be imposed, a Rent Repayment Order shall still then be applied for in appropriate cases.

6.4 If rent was paid through Housing Benefit or through the housing element of Universal Credit, then the rent must be re-paid to the Local Authority. If the tenant paid the rent themselves, then the rent must be repaid to the tenant. If the rent was paid partially through Housing Benefit/Universal credit then an RRO award is repaid proportionally on an equivalent basis. Where an RRO award is at least partially claimable by the Council, an application shall be made via the Council to the FTPT. If the rent was paid in full by a tenant, then an RRO application has to be made by the tenant.

6.5 Whilst there is no statutory obligation on local housing authorities to support a tenant's RRO application, there is potential scope for providing such support either directly or via partner organisations on a 'no win no fee' basis. At present, only a small proportion of tenants qualified to make an RRO application after a landlord has been convicted do follow through on this. Providing adequate support for such tenants will not only be beneficial to this [at times] exploited clientele, but also ease the potential burden on the Council's limited housing supply/financial support for private tenancy deposits etc.

6.6 Where a landlord has been sanctioned for an illegal eviction/harassment etc offence via an RRO as well as a prosecution, this sends a message to any prolific offenders within the borough, that there will be no benefit in taking advantage of vulnerable tenants.

7. Enforcement – Banning Orders

7.1 Chapter 3 of the Housing and Planning Act 2016 introduces provisions for the Secretary of state to create a central database of landlords and agents who are fined or convicted of an offence. Local Authorities will be responsible for entering names on the database and maintaining the contents which includes adding details if a banning order has been imposed. All local authorities will have access to the database for the purposes of identifying landlords, agents and owners with properties in more than one borough. If implemented by the DCLG, this national database should be available by October 2018.

7.2 Section 15(1) of the Act provides the power to a Local Authority in England to apply for a banning order against a person who has been convicted of a banning order offence. It is not yet known what will constitute a banning order offence and it is envisaged that this will be defined in further Secretary of State Guidance imminently. A banning order under section 14(1) of the Act will prevent a person from:

- letting any dwelling
- engaging in letting agency work
- engaging in property management work
- doing two or more of these activities.

An Order is limited to England and must specify the duration of the order and it must last for at least 12 months.

7.3 Under the auspices of the Mayor of London, The Greater London Authority has introduced a criminal landlord database steering group. The group with members from Brent, Camden, Kingston, Newham, Southwark and Sutton, are tasked with developing a London wide rogue landlord register, to be adopted by all London boroughs in October 2017. It is anticipated that the London wide database to be administered via the GLA, should then feed into the DCLG's national database, as and when Local Authorities are required to make their inputs.

7.4 The purpose of the rogue landlord database is to enable local housing authorities to record information about and target enforcement action against any landlord who has:

- received a banning order under the Housing and Planning Act 2016
- been convicted of a banning order offence; or
- received 2 or more civil penalties over a 12 month period

It is not uncommon for rogue landlords/agents operating in Brent to be active within other London boroughs, as well as in some cases further afield within England.

7.5 The impact of these recommendations will re-enforce the Council's strong enforcement stance on landlords who do not comply with their statutory obligations and enables the Council to penalise the worst landlords by direct economic sanctions. The intention is that this will rebalance the private rental sector away from rogue landlord exploitation, towards a fairer and more equitable deal for their tenants, without a net increase in cost for the Council.

8. Enforcement – Tenancy Protection Considerations

8.1 The 2014 Licensing Scheme reports to Cabinet noted that there was potential for a negative impact of landlords being regulated via licensing enforcement provisions on tenants. This might arise from landlords deciding to leave the rental market rather than engage with licensing enforcement, or from evictions (potentially including illegal evictions) following or in anticipation of enforcement action. There is little evidence that landlords have withdrawn from renting in response to such interventions.

8.2 Although Housing and Planning Act 2016 provisions allow for an extension of PHS enforcement activities, it is crucial to note that good landlords will not be adversely affected. On the contrary rogue landlords will be relieved of the proceeds of their crimes, be driven out of the market and better compensation will now be available for their victims, i.e. tenants at the exploited end of the market.

8.3 Whilst there is little evidence that enforcement has led to homelessness applications, there is evidence that tenants have at times moved on to other homes within Brent or elsewhere. To establish a clearer picture of on this, Future of London (FoL) undertook a study, the findings of which will be taken into account in shaping the council's tenancy engagement approach.

8.4 The FoL study, looked specifically at the effect of unannounced inspections by PHS Enforcement Officers on tenants. The research, which comprised field work, data analysis and interviews with a number of stakeholders (including tenants themselves), painted a mixed picture. Some tenants' situations have improved as a result of an inspection, while others have deteriorated. Information on eviction and displacement has produced a complex range of tenant pathways, with dependent factors including awareness of rights and support structures, and level of tenant vulnerability.

8.5 Despite data and information limitations, the research had some clear actions for Private Housing Services to take forward:

- Do more to raise private tenant awareness of their rights before, during and after the inspections.
- Improve and better promote tenant liaison services to tenants.
- While the council's concern must be housing decently its vulnerable communities in priority need, people living in poor-quality HMOs are vulnerable in a different way – from poor conditions and exploitative landlords. A closer and more cooperative relationship between PHS, Housing Needs and the plethora of voluntary sector groups embedded in communities will help to protect all of Brent's communities.

8.6 At the time of writing, a number of unlawful eviction cases are being addressed via PHS Enforcement, Housing Needs and SSP Law working together in order to attend to the various homelessness emergencies, address the living standards concerns and collate evidence for civil and criminal litigation proceedings. The extended reach of civil penalties, rent repayment orders and banning orders in such circumstances will allow for much greater efficiency and effectiveness in meeting the overall objective of seeking to ensure that private tenants live in a premises that are "…*safe, sustainable and well maintained…".* Of particular note, is that private sector tenants will become increasingly aware of their rights through publicity on evictions thwarted and rent repayment orders awarded to rogue landlord victims.

For Working Flow Charts – See Appendices

9. Enforcement – Proceeds of Crime Act

9.1 The Proceeds of Crime At 2002 allows the courts to deprive perpetrators of criminal offences of any proceeds they have accrued as a result of their criminal activity. The PHS Enforcement Team will use this legislation where appropriate and in consultation with legal services

10. Interim Management Orders and Final Management Orders

10.1 An interim management order is made for the purpose of securing any action that the authority considers necessary, to protect the health, safety and welfare of the occupants.

10.2 An order can also be served in circumstances that the authority thinks are appropriate with a view to ensuring the proper management of the house pending the licence being granted.

10.3 The authority has a duty to make an interim management order in respect of a property where there is no reasonable prospect of it being licensed in the near future or it is necessary to protect the health, safety and welfare of the occupants.

10.4 Where a licence has been revoked for any reason and the property remains a licensable property an interim management order must be made if there is no reasonable prospect of the property regaining its licence.

10.5 Once an interim management order has been served the local authority must take over the management of the property for up to 12 months. This includes carrying out any remedial works necessary to deal with the immediate risks to health and safety.

10.6 If there is still no prospect of a licence being granted after 12 months then a final management order must be made which may be in force for up to 5 years. If after 5 years there is no prospect of the property being licensed a further management order must be made.

10.7 The council is under a duty to make Interim and Final Management Orders where necessary. The council team will instigate this action where necessary **but as a last resort**. All practical steps will be taken to assist the owner of the property to satisfy the licensing requirements.

10.8 Management orders can be varied or revoked at any time as a result of a request from the owner or on the local authority's initiative.

11. Publicity

Media coverage will normally be sought in the following cases:-

- The offence is widespread in the area and coverage will assist in securing compliance by others;
- To draw attention to particular serious hazards;
- Coverage is otherwise in the public interest;
- A press release will generally be issued about convictions where it is considered that publicity will bring in benefits by promoting compliance with those statutory requirements designed to protect the health, safety and welfare of customers, residents, workers and visitors, as well as the boroughs environment,

12. Supporting Documentation

Supporting Documentation

A copy of the Regulators Compliance code is available on request or may be downloaded from https://www.gov.uk/government/publications/regulators-code .

A copy of the Enforcement Concordat: Good Practice Guide is available on request or may be downloaded from:
http://webarchive.nationalarchives.gov.uk/+/http://www.berr.gov.uk/bre/inspection-enforcement/implementing-principles/regulatory-compliance-code/enforcement/page46822.html

A copy of the DCLG guidance on civil penalties can be accessed via:
https://www.gov.uk/government/publications/civil-penalties-under-the-housing-and-planning-act-2016

For viewing of the DCLG Guidance on rent repayment orders please click onto:
https://www.gov.uk/government/publications/rent-repayment-orders-under-the-housing-and-planning-act-2016

Appendix 7 - Selective Licensing Fees

Section 87of the Housing Act 2004 allows the Council to require that the licence application to be accompanied by a fee fixed by the authority. The selective licensing fees are set to cover the cost of administering the licensing schemes functions (administration and enforcement) under the Housing Act 2004. As with our existing licensing schemes the grant of a licence will be subject to the payment of the full fee.

The licence fee has been set using assumptions about the level of income the fees will generate, based on the number of properties that we expect to be licensed during the life of the schemes, the activities involved. Staffing and other resources necessary to administer, run and enforce the scheme been included to calculate the overall cost of licensing. Our fees will be kept under review.

A £40.00 discount per property application is offered if the property licence holder or managing agent is accredited to the London Landlord Accreditation Scheme (LLAS).

Licences will normally be granted for the duration of the scheme (up to 5 years). Where we have concerns about the management and use or occupation of the property, we may grant a licence for a shorter period, usually for 1 year. A typical example will be where the application processing stage indicates a breach of a mandatory condition. The reason for a shorter period will always be given with the Housing Act 2004, schedule 5 notices proposing to grant, and granting the licence.

The schedule of our selective licence fees and associated charges is set out below:

Licence Applications Fees

Scheme	Full Fee	Part 1- Fee on Application (non-refundable)	Part 2- Fee on Grant of Licence
Selective	£640.00	£340.00	£300.00

Licence Applications Renewal Fees

Scheme	Full fee	Part 1 -Fee on Application (non-refundable)	Part 2 - Fee on Grant of Licence
Selective	£600.00	£300.00	£300.00

Additional charges associated with the application process

Council assistance provided to complete an application.	Fee
For those applicants that are not able to complete an online application form the Council will offer an assisted service. This will enable you to make an application by telephone or by coming into Brent's Civic Centre, by appointment, and we will help you complete the form online.	£100.00

Application type	Fee or charge
Taking a licence back (revocation)	None
Application to licence after one has been taken away	Initial application fee
Applicant withdraws application	Initial application fee with no refund
Mistaken application (see refund policy)	Refund
Temporary Exemption Notice (TEN) made by the council or granted	No fee
Application received following the expiry of a Temporary Exemption Notice (TEN) made by the council	Initial application fee
Change of licence type – e.g., if a single dwelling (selective) is re-let or become occupied as a House in Multiple Occupation or a change from an HMO licence to a selective licence	New application fee

Licence variation fees - *For a licence variation where the property is already licensed.*

Proposed variation to the licence	Fee
Change of details of any existing licence holder, manager, owner, mortgagor, freeholder or leaseholder	None
Change of mortgagor, owner, freeholder and leaseholder (unless they are also the licence holder or manager)	None
Reduction in the number of occupiers and/or households for licensing purposes	None
Variation of licence started by the council	None
Change of manager (unless they are also the licence holder)	None
A larger number of occupiers and/or households for licensing purposes through increasing the number or size of rooms, and/or amenity provision (unless there is a change of licence type - from Selective to Additional or mandatory HMO)	None
Change of the existing licence holder	A new application plus fee must be made

Discounts

	Fee Reduction
Landlord Accreditation Scheme Membership off new (First time) applications. The discount is applied to the 2nd part fee payment.	£40 per Property application

March 2023 - ADJ

Appendix 8

STANDARD CONDITIONS FOR THE SELECTIVE PROPERTY LICENSING SCHEME

DRAFT

London Borough of Brent
Private Housing Services
Brent Civic Centre
Engineers Way
Wembley
HA9 0FJ

March 2023 - ADJ

Housing Act 2004

Part 3 – Selective licensing of other residential accommodation

(Section 90: Licence conditions and Schedule 4 - Part 3: mandatory licence conditions)

SELECTIVE LICENCE CONDITIONS

The conditions in this booklet are standard conditions attached to every Selective Licence issued by the London Borough of Brent under Part 3 of the Housing Act 2004. The conditions below are imposed by schedule 4 must be included and are requiring of the licence holder,

It is the licence holder's responsibility to ensure that the licensed property complies with all the conditions set out in this booklet. Failure to do so may lead to prosecution for a breach of the licence conditions, a loss of the licence, and an unlimited fine per offence, or the imposition of a civil penalty charge with a maximum of £30,000 per offence.

The conditions are those which the council consider appropriate for regulating the management, use or occupation of the house concerned. The licence holder is responsible for ensuring that all licence conditions are complied with at all times, whether or not a manager or another person has consented to the imposition of the restrictions or obligations.

The Council may apply additional licence conditions to a house concerned on a case-by-case basis, providing these supplementary conditions are in accordance with s90(2&3), including that the works are carried out within such period or periods as may be specified in, or determined under, the licence.

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CONDITIONS OF THE LICENCE

Tenancy Management

1. Terms of occupation

The licence holder must supply to the occupiers of the house a written statement of the terms on which they occupy the property (this is usually a tenancy or licence agreement).

The licence holder must provide a copy to the Council within 14 days on demand.

2. Tenant references

The licence holder must demand references from persons who wish to occupy the house.

No new occupiers should be allowed to occupy the property if they are unable to provide a suitable reference. As a minimum any reference checks should give consideration to the tenant's history and credit and must consider whether the tenant has the right to rent the property.

The licence holder must provide evidence of such references and checks carried out when requested by the Council within 14 days on demand.

3. Rent payments

The licence holder must ensure that they there is a record of all rent payments received in respect of the property.

The tenant should be given a receipt for all rent payments made, such as a written receipt, invoice or rent statement. This should be provided to the tenant at weekly or monthly intervals as a minimum.

Evidence of rent records must be provided to the Council within 14 days on demand.

4. Deposits

The licence holder must protect any deposits taken from the occupiers under an assured short-hold tenancy agreement, by placing them in a statutory tenancy deposit scheme.

The licence holder must give information about the scheme being used to the occupier within the statutory time limit (currently 30 days) of the time the deposit is taken. When requested this information must be provided to the Council within 14 days on demand.

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5. Complaints

The Licence Holder must ensure that all tenants are given a suitable written complaints procedure at the start of their tenancy.

The procedure must include how complaints of the property conditions will be dealt with.

6. Anti-social behaviour (ASB)

The licence holder must take reasonable and practical action to prevent or reduce anti-social behaviour by the occupiers of the property or their visitors.

The licence holder must ensure that the occupiers of the property receive written confirmation detailing the procedure in place to deal with anti-social behaviour at the start of their tenancy. Please refer to 6a and 6b below.

[For further information on what the Council considers to be anti-social behaviour see appendix 1].

6a. Prevention

To help prevent anti-social behaviour occurring the licence holder must:

I. Obtain tenant references prior to granting a tenancy as to their previous conduct and be satisfied that they are not likely to cause any anti-social behaviour.

II. Ask anyone wishing to occupy the property to disclose unspent criminal convictions. If unspent criminal convictions are disclosed the licence holder must consider if those convictions indicate a risk that the person is likely to commit acts of anti-social behaviour, before granting a tenancy.

III. Respond to any reference requests received for a current or former tenant from another licence holder in writing within 21 days.

IV. Ensure regular inspections of the property are carried out, at least every six (6) months to check on the tenancy and state of repair of the house and to ensure that the occupiers are not in breach of tenancy terms and conditions.

6b. Action

This is a procedure to be followed if or when a landlord has been made aware of the occurrence of anti-social behaviour. For the purpose of transparency, this process should be made available to tenants at the start of their tenancy agreement.

The licence holder must cooperate with the Council, the Police Service and any other agencies in resolving complaints of anti-social behaviour.

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The licence holder should address problems of anti-social behaviour resulting from the occupiers or their visitors by following the procedure set out below:

I. If a complaint is received, or anti-social behaviour is discovered, the licence holder must contact the tenant within 14 days. The tenant must be informed in writing of the allegations made against them and of the consequences of its continuation.

II. The licence holder shall monitor any allegations of anti-social behaviour for a period of 28 days, from the date the complaint was received.

III. If after 28 days, it is found that the anti-social behaviour is continuing the licence holder must visit the premises within 7 days and provide the tenant with a warning letter advising them of the possibility of eviction if their behaviour continues.

IV. If after 14 days of giving a warning letter, the tenant has not taken steps to address the anti-social behaviour and it is continuing, the licence holder shall take action, which may include legal eviction proceedings.

V. The licence holder must ensure that written notes are kept of any meetings, telephone conversations or investigations regarding anti-social behaviour for 3 years, and if requested by the Council, provide this information within 28 days on demand.

VI. Any letters, relating to antisocial behaviour, sent or received by the licence holder must be kept for 3 years by the licence holder and if requested by the Council, provide copies of them within 28 days on demand.

VII. Where the licence holder or his agent has reason to believe that the antisocial behaviour involves criminal activity the licence holder shall inform the appropriate authorities.

Property Management

7. Gas

If gas is supplied to the property, the Licence Holder must produce to the local housing authority, within 14 days if requested, an annual gas safety certificate obtained in respect of the house within the last 12 months for the Authority's inspection.

If gas is supplied to the property, the licence holder must ensure that the gas installation and appliances are tested annually by an approved Gas Safe engineer.

The licence holder shall ensure that all gas installations and appliances are in safe condition at all times.

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The licence holder must keep a copy of a current valid gas safety certificate, and if a boiler was installed less than 12 months ago, the gas safe installation certificate.

Copies of the gas safe certificate must be provided to the tenant at the start of their occupation.

8. Electrical Appliances and Electrical Installation

(a) The Licence holder must keep electrical appliances made available by him in the house in a safe condition.

The Licence Holder must supply the authority, on demand, with a declaration by him as to the safety of such appliances. Where requested, test reports on the condition of the electrical appliances in the property must be provided to the Council within 14 days on demand.

(b) The licence holder must ensure that every electrical installation in the house is in proper working order and safe for continued use; and

must supply the authority, on demand, with a declaration by him as to the safety of such installations.

[For the purposes of paragraph (c) “electrical installation” has the meaning given in regulation 2(1) of the Building Regulations 2010.]

9. Furniture and Furnishings

The Licence holder must keep furniture made available by him in the house in a safe condition and comply with the Furniture and Furnishings (Fire) (Safety) Regulations 1988.

The Licence Holder must supply the authority, within 14 days on demand, with a declaration by him as to the safety of such furniture.

10. Security

The licence holder is responsible for ensuring adequate precautions are provided for the security of the property and must ensure:

a. The access to the property, such as locks, latches and entry systems are appropriate, maintained, and in good working order at all times.

b. Where window locks are fitted, the keys are provided to the relevant occupants.

c. Where a burglar alarm is fitted to the property, the occupiers are informed in writing about the circumstances under which the code for the alarm can be changed, and are given details on how this can be arranged.

d. Where previous occupants have not returned keys, the relevant locks will be changed prior to new occupants moving in.

11. External areas

The external areas must be inspected regularly, at intervals of at least once every six months. Although one six monthly inspection may satisfy all the requirements below, the licence holder must ensure that they:

a. Carry out regular inspections of the exterior of the property, including the roof, walls, drainage, window and door elements to identify any problems in relating to the maintenance and state of repair.

b. Carry out interim inspections to ensure that gardens, fencing, paths, etc., and other external elements are kept in a clean, clear and/or sound condition.

c. Carry out interim inspections to identify any maintenance problems associated with outbuildings such as garages, sheds and to ensure that such buildings are not used for sleeping purposes.

d. Provide any such inspection report to the Council with 14 days, on demand.

12. Refuse and waste

The Licence Holder must ensure that there are adequate arrangements for the storage and disposal of waste. In particular;

a. ensure that the occupiers of the house are given the information in writing about waste and recycling within 7 days of the start of their occupation:

b. Ensure that a sufficient number of suitable external rubbish bins for the occupiers to dispose and recycle waste.

c. Ensure that any kind of refuse which the Council will not ordinarily collect (e.g., large items, bedding, furniture, hazardous waste etc.) are disposed of responsibly and appropriately.

d. Actively respond to complaints of poor waste practices associated with the property. The licence holder must keep a record of the action taken and provide this to the Council within 14 days on demand.

e. The Licence Holder must ensure that no refuse or rubbish is kept in the front or rear gardens of the house, or in any yards, forecourts, alleyways,

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or other spaces within the house curtilage, other than in refuse and rubbish storage facilities provided specifically for that purpose.

13. Repairs

The Licence Holder must ensure that all occupants of the property receive written confirmation detailing arrangements in place to deal with repairs. If requested, this must be provided to the Council within 14 days on demand.

14. Pest Control

The licence holder is responsible for carrying out checks to ensure that the property, including external areas such as gardens, are free from pest infestation e.g., rodents.

Any pest infestations must be managed effectively and must be responded to within a period of 7 days of being reported. Records of treatment and management must be kept and copies of these must be provided to the Council within 14 days on demand.

Fire Safety

15. Smoke Alarms and Carbon Monoxide Alarms

15.1 Smoke alarms

The licence holder must ensure that;

a. A smoke alarm is installed on each storey of the house on which there is a room used wholly or partly as living accommodation; and that,
b. Smoke alarms are repaired or replaced once informed and found that they are faulty.
c. Each such alarm is kept in proper working order; and that,
d. On demand, the Authority is supplied with a declaration by him or her as to the condition and positioning of any such alarms.

For the purpose of condition 15, a bathroom or lavatory is to be treated as a room used as living accommodation.

15.2 Carbon Monoxide Alarms

The Licence Holder must ensure that:

a. A carbon monoxide alarm is installed in any room in the house which is used wholly or partly as living accommodation where a fixed combustion appliance is present (excluding gas cookers); and,
b. Carbon monoxide alarms are repaired or replaced once informed and found that they are faulty.
c. Any such alarm is kept in proper working order; and that

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d. The Authority is, on demand, supplied with a declaration by him or her as to the condition and positioning of any such alarm or alarms.

For the purpose of Condition 15.2, “room” includes a hall or landing and a bathroom or lavatory is to be treated as a room used as living accommodation.

Please see link below for further information on ***The smoke and Carbon Monoxide Alarm (England) Regulations 2015*** and ***The Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022*** guidance for landlords.

Smoke and Carbon Monoxide Alarm (Amendment) Regulations 2022: guidance for landlords and tenants - GOV.UK (www.gov.uk)

NB: Satisfying fire safety elements such as electrical safety, gas safety, furnishings, smoke and carbon alarms may not mean that compliance with the HHSRS fire safety hazard as action under relevant applicable legislation may be taken to reduce the hazard.

General

17. Consultation of Changes

The licence holder must consult with the Council before making material changes to the layout of the property, amenity provisions (such as adding or removing bathroom or kitchen facilities), fire precautions or occupation of the accommodation, which may affect the licence granted.

18. Notification of changes of circumstances

The licence holder must inform the Council of material changes of circumstances regarding:

a. Details of any unspent convictions not previously disclosed to the Local Authority involving fraud or dishonesty, violence or drugs, any offence listed in Schedule 3 to the Sexual Offences Act 2003 or any other conviction relevant to the licence holder and/or the property managers fit and proper person status.

b. Details of any finding by a court or tribunal against the licence holder and/or the manager that they have practiced unlawful discrimination on the grounds of sex, colour, race, ethnic or national origin or disability.

c. Details of any civil or criminal proceedings against the licence holder or manager, relating to housing, public health, environmental health or landlord and tenant law, resulting in a judgment or finding or Civil Penalty (under the Housing and Planning Act 2016), being made against them.

d. Information about any property the licence holder or manager owns or manages or has owned or managed, that has been refused a licence by

a local housing authority or has had a licence revoked due to the breaching of the licence conditions.

e. Information about any property the licence holder or manager owns, manages, has owned, or managed that has been the subject of an interim or final management order under the Housing Act 2004, or of a Banning Order under the Housing and Planning Act 2016.

f. The property becoming empty for more than 3 months.

g. Notification of repossession/foreclosure.

h. Successful claims against the licence holder for default of tenancy deposits.

i. A change in managing agent or the instruction of a managing agent.

j. The undertaking of substantial works to the property, including conversions and modernisations or emergency problems relating to fire, flood or disaster.

19. Absence of the Licence Holder

The licence holder is required to have in place suitable emergency management arrangements in the event of their absence.

Should the Licence Holder be unable to fulfil the licence conditions he should appoint a person to manage the house during the period of the licence, he must:

a. Obtain from the manager a signed declaration identifying the licence conditions by which he agrees to be bound, and that the manager understands the consequences of failing to comply with the licence conditions;
b. Provide the Council a copy of the signed declaration within 14 days of the said change of circumstance.

20. Compliance inspections

The licence holder must arrange for access to be granted when requested by the Council at any reasonable time.

The Licence Holder must ensure that council officers are not obstructed from carrying out their statutory duties including inspecting and the surveying of the property to ensure compliance with licence conditions and relevant legislation.

[END OF CONDITIONS]

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Appendix 1 - USEFUL INFORMATION

1. Definition of terms

a) *"house"* refers to the building or such part of it as is licensed under Part 3 of the Housing Act 2004;

b) "*Licence Holder*" refers to: (a) the person to whom the Authority has granted this licence; and (b) from the date of his or her consent, any other person who agrees to comply with the licence restrictions and obligations that follow.

c) *"Mandatory Licence Conditions"* refers to conditions that the Authority is obliged to impose under any licence granted under Part 2 or Part 3 Housing Act 2004 by virtue of Schedule 4 of Housing Act 2004.

2. Anti-social behaviour

For the purposes of the Housing Act 2004, antisocial behaviour means conduct on the part of occupiers of, or visitors to, residential premises –

(a) Which or is likely to cause a nuisance or annoyance to persons residing, visiting or otherwise engaged in lawful activities in the vicinity of such premises, or

(b) Which involves or is likely to involve the use of such premises for illegal purposes.

Examples of ASB include:

Crime: tenants engaging in vandalism, criminal damage, burglary, robbery/ theft and car crime

Nuisance neighbours: Intimidation and harassment; noise, rowdy and nuisance behaviour; animal related problems; vehicle related nuisance. Tenants engaged in begging; antisocial drinking; street prostitution and kerb crawling; street drugs market within the curtilage of the property.

Enviro-crime: tenants engaged in graffiti and fly posting; fly tipping; litter and waste; drugs paraphernalia; fireworks misuse in and around the curtilage of the property.

London Borough of Brent – Anti-social Behaviour Team. Tel: 020 8937 2000

3. Advisory note on Fire Safety – Condition 15.1

a) The smoke alarms provided should be suitable for the type of property. When considering what smoke alarm installation may be appropriate, mains linked smoke alarms are preferred, but battery-operated smoke detectors to BS EN 14604:2005 may be provided to houses and purpose-built flats that are

not above commercial premises. For flats within converted buildings, hard-wired mains operated smoke alarms with battery back up to BS 5446 should be provided.

b) In determining adequate fire precautions reference should be made to the LACORS guidance: HOUSING – FIRE SAFETY, Guidance on fire safety provisions for certain types of existing housing.

4. The London Landlord Accreditation Scheme (LLAS) -

A partnership of landlord organisations, London Councils and university accommodation units who have worked together to set up a development programme which will provide you with the information necessary to improve your business. https://www.londonlandlords.org.uk/ Tel: 020 7974 1970

5. Electrical Safety Standards in the Private Rented Sector (England) Regulations 2020

These Regulations require landlords to have the electrical installations in their properties inspected and tested by a person who is qualified and competent, at an interval of at least every 5 years. Landlords have to provide a copy of the electrical safety report to their tenants, and to their local authority if requested.

- Read the Regulations
- Read the Explanatory Memorandum to the Regulations.
- Guidance to Landlords: https://www.gov.uk/government/publications/electrical-safety-standards-in-the-private-rented-sector-guidance-for-landlords-tenants-and-local-authorities/guide-for-landlords-electrical-safety-standards-in-the-private-rented-sector

The Electrical Safety Council –

The Electrical Safety Council (ESC) is an independent charity committed to reducing deaths and injuries through electrical accidents at home and at work. They are supported by all sectors of the electrical industry as well as local and central government and work to promote safety and good practice.

Web: https://www.electricalsafetycouncil.org.uk

ESC guidance to landlords on EIC Regulations 2020 Guidance for landlords

6. Gas safety – The Health and Safety Executive website

(www.hse.gov.uk/gas/landlords/index.htm) provides guidance in relation to gas safety. By law, you must repair and maintain gas pipework, flues and appliances in safe condition, ensure an annual gas safety check on each appliance and flue, and keep a record of each safety check.

7. Tenants Deposit Protection

The Tenancy deposit must be placed in a government-backed tenancy deposit scheme (TDP) if you rent on an assured short-hold tenancy that started after 6 April 2007. In England and Wales, your deposits can be registered with:

- Deposit Protection Service
- MyDeposits - including deposits that were held by Capita
- Tenancy Deposit Scheme

Web: https://www.gov.uk/tenancy-deposit-protection

8. Minimum Energy Efficiency Standard (MEES)

For licensable properties with a Property Energy Performance Certificate (EPC) Rating of less than 'E'.

Guidance - Private Rented Sector minimum energy efficiency standard exemptions - GOV.UK (www.gov.uk)

Register - https://prsregister.beis.gov.uk/NdsBeisUi/used-service-before

Where there is a lack of compliance, enforcement may be taken under The Energy Efficiency (Private Rented Property) (England and Wales) Regulations 2015 and The Energy Efficiency (Private Rented Property) (England and Wales) (Amendment) Regulations 2019.

9. Landlord's guide to right to rent checks

This guidance advises a landlord, letting agent or homeowner how to conduct a right to rent check when letting privately rented accommodation. Landlords and letting agents must carry out right to rent checks on people before entering into a tenancy agreement with them to make sure they are allowed to rent.

https://www.gov.uk/government/publications/landlords-guide-to-right-to-rent-checks

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Appendix 8(a)

TERMS OF THE LICENCE

A. The licence and conditions relate only to the property described on the licence certificate.

B. A licence will not normally be granted or issued until the appropriate licence fee has been rendered (i.e., the granted date and subsequent issued date, will be different).

C. The licence may not be transferred into another person's name.

D. The licence is granted for the full term of the scheme from the date the licence comes in to force up until [insert end date], unless the following apply:

- The licence will cease if the licence holder dies whilst the licence is in force
- The licence may be revoked under section 93 of the Housing Act 2004

E. The licence will continue to be in force, even if the premises ceases to be used as a tenanted dwelling, unless a valid application is made for the licence to be revoked under section 93 of the Housing Act 2004 or on the Local Authority's own initiative.

F. In the event of the licence holder dying during the licence period, the licence will cease to be in force. In such cases, the property will then be treated for the period of three months (beginning from date of the licence holder's death) as if a temporary exemption notice had been served, exempting the premises from the requirement to be licensed.

Sections 86 and 91 of the Housing Act 2004 will apply.

G. With reference to paragraph 'F' above, at any time during the initial 3-month period, representatives of the deceased licence holder may request the local authority issue another temporary exemption from licensing, for a further 3 months after the date the initial period ends. Sections 86 and 91 of the Housing Act 2004 will apply.

H. You can obtain more information about this licence from the Licensing Team, Private Housing Services, 6th Floor, Brent Civic Centre, Engineers Way, Wembley HA9 0FJ. Tel 020 8937 2384/5, Email prslicensing@brent.gov.uk .

Appendix 8(b)

Any other specific or general guidance and comment:

You will need to respond positively and appropriately to all the items listed below.

SCHEDULE OF SUPPLEMENTARY CONDITIONS

Housing Act 2004 section 90(2&3)

(Additional requirements specific to the property in relation to information/knowledge at the time of the application)

1.

2.

3.

- You will need to respond positively and in a timely fashion to any housing related enforcement notices, issued by the Council (especially with regards to any category 1 hazards identified at the premises).
- The property must not be considered to be in breach of the licensing conditions as prescribed by Schedule 4 of the Housing Act 2004 namely;
- Submission of a valid gas safety certificate if applicable
- Appropriate confirmation that the electrical appliances and furniture are maintained in a safe condition
- Appropriate confirmation that every electrical installation in the house is in proper working order and safe for continued use
- Appropriate confirmation of the condition and location of any smoke and carbon monoxide alarms installed within the accommodation
- Evidence of appropriate confirmation of occupiers being provided with a written statement of the occupancy terms [usually a tenancy agreement]

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Equality Analysis for Selective Licensing

Name of service change or function	Selective Licensing Scheme 2022
Directorate/Service	Resident Services: Housing Private Housing Services - Licensing
EA undertaken by/contact:	Tony Jemmott – PHS Licensing Manager Ext 2377
Version/Date:	V1.TJ – March 2023
Date of next review (if applicable)	

Introduction

The Public Sector Equality Duty (PSED), section149 of the Equality Act 2010 requires the Council to have "due regard" to its equality aims when exercising its public functions. Brent believes that an Equality Analysis (EA) is the best method to demonstrate compliance with the PSED.

Brent is one of the most diverse boroughs in the UK and to work effectively in such a diverse setting, we need to have a good understanding of all our communities and to apply an evidence-based approach to our decision-making processes.

This EA is informed by Brent Equalities profile 2020-21, the 2021 Census and other data sources about the demographic, diversity and socio-economic characteristics of the local population across the borough, including: age, sex, disability and long-term health conditions, ethnicity, religion or belief, sexual orientation, gender reassignment, marriage and civil partnership, pregnancy and maternity and income status. We have benchmarked census data for Brent against England and Wales, London, Inner London and Outer London and data from other sources against London and Great Britain.

The current selective licensing scheme covering five wards was approved at the June 2017 Cabinet and came into force 1June 2018. The scheme will expire on 30 April 2023. A wider scheme approved by the October 2019 cabinet was not confirmed by the Government and therefore could not be introduced. EA were undertaken for both proposals, but it is felt that the impact of covid and the cost-of-living crisis are likely to have influenced the responses and it would be useful to assess an impact in relation to Brent equalities population.

Brent Equalities Objectives 2019-2023

Under the Equality Act 2010, we have a duty to develop and publish equality objectives and make sure that we can show how we can measure improvement over the next three to five years. We have set four equality objectives in order to achieve key equalities outcomes for those who live and work in Brent:

1. Understand the barriers to equality experienced in Brent and act to remove them
2. Provide accessible information and services that are tailored to peoples' needs
3. Tackle hate, harassment and victimisation
4. Lead the way in encouraging diversity to flourish in Brent

More information about our equalities objectives and about how we implement these is found in Brent Council Equality Strategy 2019-2023. We have gathered enviro-crime data from our council's recording databases, police recorded crime for Brent, household and property data from our own records, data from the latest English Housing Condition Survey reports and data from a Brent commissioned Housing Stock Survey reports 2019 and 2022.

The data in respect to equalities is considered in relation to licensing criteria of levels of anti-social behaviour (ASB) and poor property conditions, but we are also concerned about the other licensing criteria of high levels of migration, deprivation and crime. ASB and crime will include *hate crimes*. 2021 census data released so far will be used and where not released, there will be differences between these censuses information and data more recently collected by service areas. The EA has also been informed by the responses of our licensing public consultation carried out between 31 October 2022 to 23 January 2023.

Our most recent EA on licensing in the private rented sector was presented Brent Cabinet meeting dated 14 October 2019. We think that Census 2021 data would make minimum impact on the responses to the that EA. We will however be informed by the responses from our 2022-23 selective licensing public consultation to identify the potential/likely impact that our licensing scheme may have on people with protected characteristics, and to inform our action plan.

Stage 1 Screening Data
1. What are the objectives and expected outcomes of your proposal? Why is it needed? Make sure you highlight any proposed changes.

The Council report is proposing that selective licensing is applied in two phases across all electoral wards in Brent, with the exception of the Wembley Park ward. The council recognises that much of the private rented sector in Brent offers good accommodation to people who want to live in the borough, but also that parts of the borough are badly managed, in poor condition, and in some cases, unsafe. The proposal to implement selective licensing is intended to improve the conditions in the private rented sector (PRS) and to enhance housing management standards. Extending selective licensing will give the Council additional powers to tackle anti-social behaviour and poor property conditions. Overall, if licensing is introduced, it will help the council to work with landlords, tenants and businesses, and with internal and external partners to drive up standards. In summary, we believe that property licensing will:

- Provide an improved strategic approach to managing the sector
- Help to identify all properties that are rented out privately
- Establish a register of landlords operating in Brent and ensure that they are "fit and proper" persons to manage rented properties
- Give us the opportunity to inspect the properties to assess living conditions and to advise landlords, managing agents and tenants about their obligations
- Impose the local licensing conditions as a minimum letting standard in Brent
- Redefine how the service operates by shifting the emphasis from a customer complaint-led, reactive service
- Reduce the levels of anti-social behaviour in the borough and take action against those whose properties or tenants cause persistent ASB
- Apply enforcement action to tackle those rogue landlords in the sector

If introduced the effect will be that landlords who rent or let any residential accommodation in any area designated for selective licensing in Brent must have a licence. Applications must be made to the Council and shall be accompanied by a licence fee. Licensing conditions will be applied to licences and compliance requirements will be enforced by the council. The draft licensing conditions are provided as an Appendix to the cabinet report. These conditions include,

- If gas is supplied to the house, to produce to the LHA annually for their inspection a gas safety certificate obtained in respect of the house within the last 12 months.
- To keep electrical appliances and furniture made available by him in the house in a safe condition; and to supply a declaration as to the safety of such appliances and furniture.
- Ensure that a smoke alarm is installed on each story of the house and to keep them in proper working order.
- Ensure that a carbon monoxide is installed in any room which is used as living accommodation and contains a solid fuel burning combustion appliance
- Supply the occupier with a written statement of the terms of occupation.
- Demand references from persons wishing to occupy the house.

Using a sample of properties that are known to have at least one serious housing hazard (Category 1, HHSRS) there are 10,108 private rented properties in Brent that are likely to have at least 1 serious housing hazard. PRS properties with serious hazards are distributed across the borough. Harlesden & Kensal Green (812) and Dollis Hill (796) have the highest number of properties with at least one Category 1 hazard.

ASB directly linked to PRS properties occurs across the borough. Over a 5-year period, **10, 398** ASB incidents have been recorded by the authority. Follow up investigations identify drug & alcohol related ASB (42%), noise (25%), Intimidation & harassment (14%), vehicle ASB (6%), other ASB (4%) graffiti & vandalism (3%) prostitution (2%) and rubbish and fly tipping (4%).

2. Who is affected by the proposal? Consider residents, staff and external stakeholders.

Private sector landlords and their tenants within the wards in scope will be directly affected by the proposals. We anticipate that the majority of residents will be positively affected by the proposal. Council employees will see an increase in their workloads and service growth benefits. The implications for staff will be considered as part of Council's internal policies and processes.

Landlords and Managing agents

In deciding whether to grant a licence, the council must consider whether the landlord (or the managing agent) is a 'fit and proper' person. The rules that must be followed in order to determine this are set out in section 89 of the Housing Act 2004. The local authority must have regard to any previous convictions relating to violence, sexual offences, drugs or fraud; whether the proposed license holder has contravened any laws relating to housing or landlord and tenant issues; and whether the person has been found guilty of unlawful discrimination practices.

The Council can decide, following the appropriate checks, that the landlord is not 'fit and proper' and may therefore refuse to grant a licence. The local authority can also withdraw a licence after issue if the licensee is no longer considered a 'fit and proper' person. The landlord has the right to appeal against this decision.

The Council must also satisfy itself that the person to whom the licence is granted is the most 'appropriate' person – which could involve taking into account whether they have ownership or management responsibility for the property in question.

The Council must also confirm that there are satisfactory management arrangements in place regarding the property; in doing so, it must have regard to a range of factors including the competence of the manager; management structures; and soundness of the financial arrangements.

Licences are issued for a period of 5 years, although local authorities may issue licences for shorter periods where certain requirements have not been met. Landlords will be required to pay a licence fee.

Landlords operating a property in the designated area without a licence, or those landlords who fail to comply with any licence condition can be prosecuted and face unlimited fines or issued with Civil Penalties of up to £30,000.00.

Tenants and residents

Overall, tenants will benefit from an improvement in their property conditions and better standards of managing. Built into the licensing system is a rationale for elimination discriminatory practices by landlords. We recognise, however, that some landlords will seek to pass on licensing costs they incur to tenants and that this action which may result in some tenant displacement and landlords' claims for possession, through both legal and illegal means. Tenants might also potentially be affected due to enforcement actions against landlords of overcrowded properties. Every effort will be made to ensure that affected tenants are supported and signposted to relevant agencies.

Council employees

The local authority is also obliged to take reasonable steps to ensure that licence applications are made and dealt with without undue delay. Staff will also be required to carry to compliance and enforcement work. This will have staffing and financial resources implications.

3. Potential impact on equalities characteristics and groups

3.1 Could the proposal impact on people in different ways because of their equality characteristics?

All groups who own, manage, or live in privately rented accommodation are likely to be affected. People of ethnic minority origin, single parents and young children and certain vulnerable people e.g., those with mental health, drug or alcohol addiction, low income or on state benefits, are key tenant groups and are therefore likely to be affected as they are over-represented in private rented sector, and notably in properties which are in poorer condition.

3.2 Could the proposal have a disproportionate impact on some equality groups? If you answered 'Yes' please indicate which equality characteristic(s) are impacted

Given the population demographics in Brent, the proposal will have an impact on some equality groups such as age, gender, race and disability. Nationally over 20% of renters are families with children. Further detail is available below in the second part of the EA.

3.3 Would the proposal change or remove services used by vulnerable groups of people?

No services will be removed, but we will be significantly upscaling the service offer to single-family vulnerable renters and proactively inspecting their homes. Renters will need access to further housing needs advice agencies.

3.4 Does the proposal relate to an area with known inequalities?

Yes – There are known health and socio-economic inequalities in the UK private rented sector with further evidence of highest rents and poorest housing in the PRS. Nationally, tenants are more likely to be on low incomes, and earnings are typically more than 40% of the tenant's gross income, (English Housing Survey). More than 30% of homes are in poor condition (classified as non-decent) which is higher than the national PRS averages (21%) in the owner-occupied (16%) or social rented sector (13%). There is a strong correlation between poor quality housing and fuel poverty. Category 1 housing hazards are distributed across the borough, representing 18% of Brents PRS. 21 of 22 wards have Category 1 levels above the national average (12%).

According to the Equality Profile for Brent 2020-21, around one in seven Brent residents have a long-term health problem or disability that limits their day-to-day-activities in some way. The prevalence of disability rises sharply with age: more than half of all residents aged 65 and over had a long-term health problem or disability.

Data clearly shows that concentrations of low-income households are found towards a central strip of Brent running from parts of Welsh Harp ward towards the north to Harlesden in the south. The highest levels overall are found in Harlesden, Stonebridge and Kensal Green.

Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%) and the 4th highest number of private landlord possession claims in London, with 2,399 in 2019 (MoJ).

Brent has above average rents for London, with 53% of median earnings used to pay rent and the 12th highest numbers accepted as being homeless by London boroughs in 2017/18.

In terms of deprivation, Brent ranks as the 49th most deprived borough in England out of 317 (IMD 2019). Brent has a mixture of high and low deprivation wards with 16 of 22 wards having an aggregated IMD ranking below the national average.

3.5 Is the proposal likely to be sensitive or important for some people because of their equality characteristics?

Yes - Many tenants are reluctant to ask for repairs or complain for fear of eviction. Built into the licensing system is a rationale for improving poor housing conditions, for proactive inspections and for the elimination of discriminatory practices by landlords.

3.6 Does the proposal relate to one of Brent's equality objectives?

Yes, it relates to all four of Brent's Equality objectives already listed in introduction above.

Recommend this EA for Full Analysis?

No – A full EA was undertaken in 2019, this is still very much valid and as such, an update of the population profiles following the 2021 Census, understand how Covid-19 and the cost-of-living crisis might have adversely affected protected characteristics, and an update of the action plan is felt to be necessary.

4. Use the comments box below to give brief details of what further information you will need to complete a Full Equality Analysis. What information will give you a full picture of how well the proposal will work for different groups of people? How will you gather this information? Consider engagement initiatives, research and equality monitoring data.

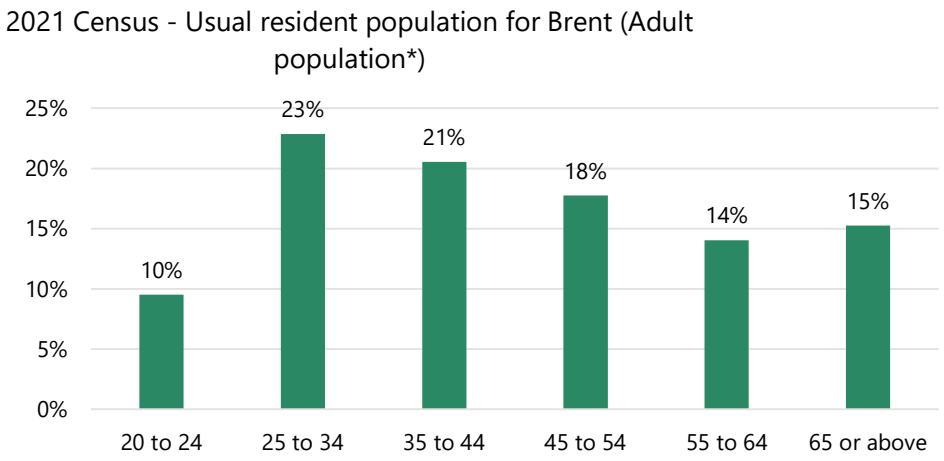
Stage 2: Analysis

5. What effects could your policy have on different equality groups and on cohesion and good relations?

5.1 Age *(select all that apply)*

- [x] Positive
- [ ] Neutral
- [ ] Negative

Figure 1 – Brent Age profile (Census 2021)



*Please note that the Census figures are the percentage of the adult population (percentage based on figures with ages 0-19 removed)

Brent's private rented sector has grown considerably in recent years, from 32% (2011) to 46% (2022) and this is expected to continue. There are 127,378 residential dwellings in Brent, 58,105 of which are rented privately.

In the next twenty years, the Brent population is expected to grow from currently 339,*771 (Source: Census 2021,)* the 5th most populous London borough to 395,800 in 2038 – a rise of 15% and an additional 56,000 residents. International migration has risen from a net inflow of 2,797 in 2011 to an inflow of 3,337 in 2021.

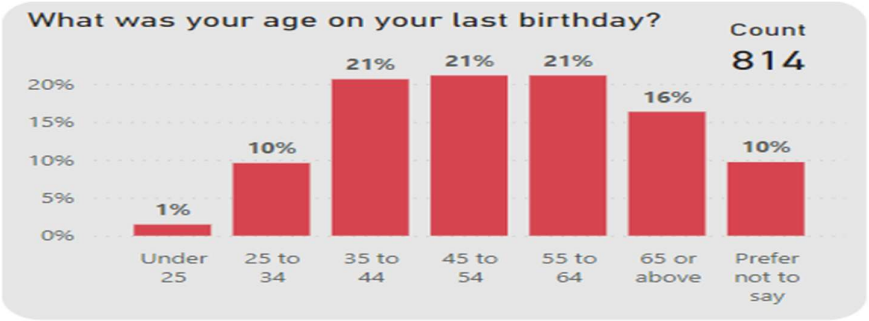
From Census 2021 in Brent, there has been an increase of 20.9% in people aged 65 years and over, an increase of 9.2% in people aged 15 to 64 years, and an increase of 2.8% in children aged under 15 years.

In common with other London Boroughs, Brent has a relatively young population. Between the last two censuses, the average (median) age of Brent increased by three years, from 32 to 35 years of age. This area had a similar average (median) age to London as a whole in 2021 (35 years) but a lower average (median) age than England (40 years).

The proposal to continue selective licensing is intended to enhance housing management standards in the private sector in compliance with the Housing health and safety rating system (HHSRS) standards, which will have a positive impact on all age groups. Vulnerable age groups will particularly benefit from health intervention e.g., damp and mould, infections, reduction of falls as well as the requirements around excess cold, which can cause or exacerbate poor health.

2022 C**onsultation Questionnaire: Age Group what was your age on your last birthday?**

Figure2 - Brent Licensing Consultation 31 Oct 2022 – 23 Jan 2023



The expectation is that residents, landlords and stakeholders 18 and over were likely to respond to the consultation. The age groups of 35 to 44, 45 to 55 and 55 to 64 were evenly represented by the respondents, with each group making up 21% of respondents.

The age groups of 55 to 64 were overrepresented in the consultation. The 25 to 34 age group is underrepresented at 10% compared to the Census figure of 23% for that age group in the London Borough of Brent.

We have noticed that under 34-year-olds were also underrepresented in the 2017 and 2019 EAs at 16%. Additional publicity was applied to the Wembley Park ward, where there is a high proportion of this age group, including students. The proposal to exclude the Wembley Park area from licensing is likely to have impacted on the response rate of these residents.

Gender of respondents

Figure 3 - All Respondents

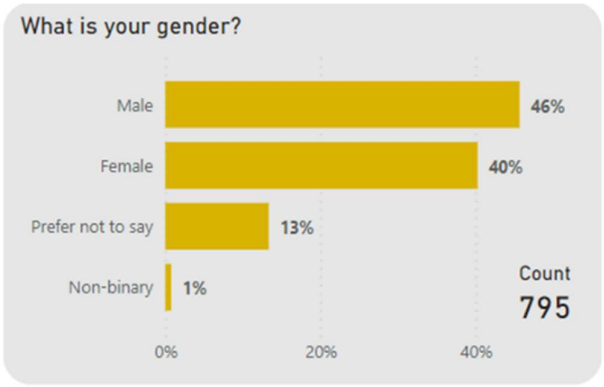
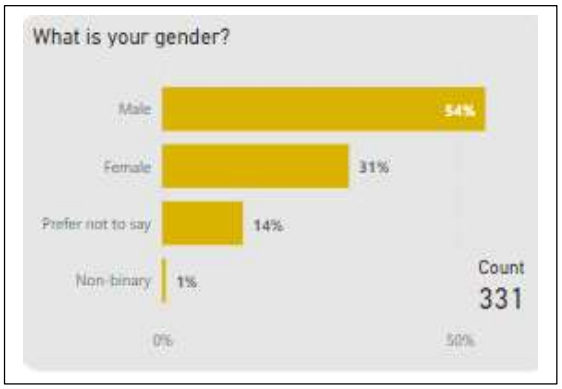


Figure 4 – Landlords and Agents



93% of respondents chose to respond to this question. The highest proportion of responses were from male respondents. A proportion (13%) of those who answered the question gave the response of “Prefer not to say”.

According to the 2021 Census, the population of Brent is 51% female and 49% male, therefore male respondents are slightly overrepresented, and female respondents are underrepresented in the consultation.

However, the 2022 survey results above show that adequate percentages of male (46%) and female (40%) of all respondents, and similarly for the resident group/local business group responded to the survey. As the group, the landlord response men (54%) and women (31%) show the greatest variation from the overall borough demographic for the gender characteristic. There is no data on the gender breakdown of those living in the PRS in Brent.

There is insufficient data available to measure accurately the potential impact of the proposal on gender. However, one of the aims of discretionary licensing is to tackle antisocial behaviour, which is likely to have a positive impact on both genders, particularly for women and girls. Both sexes are likely to benefit from improvement in the PRS. There were no comments made during the consultation with particular reference to gender.

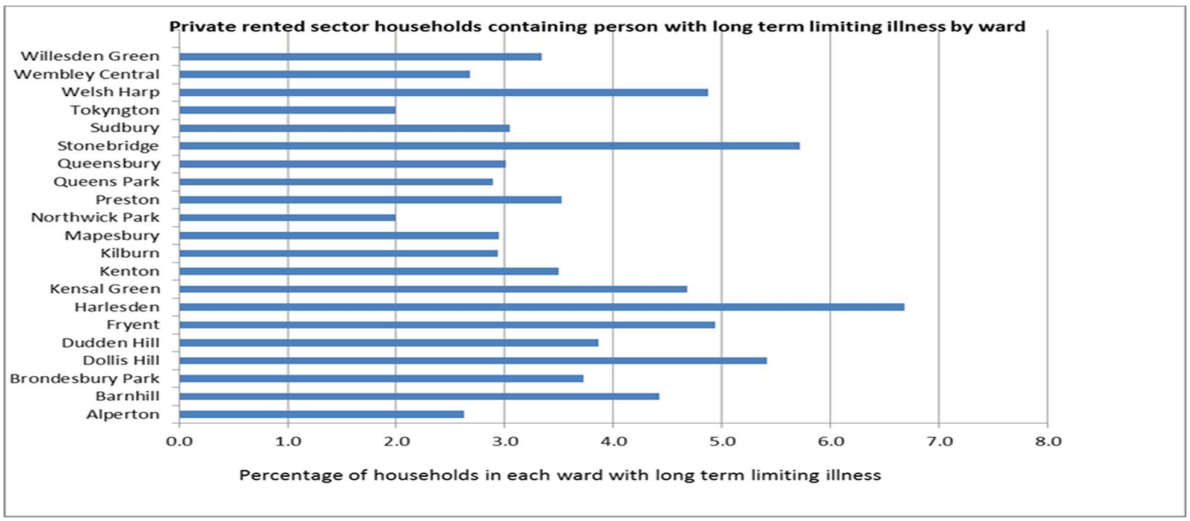
There was active female presence in the Brent Landlord forums 14 December 2022 and 11 January 2023, at the drop-in sessions, and at the tenants representative group meetings where the licensing proposals were consulted upon.

5.2 Disability *(select all that apply)*

- [x] Positive
- [ ] Neutral
- [ ] Negative

The Equality Act defines disability as a physical or mental impairment that has a "substantial and long-term adverse effect" on the ability to carry out normal day-to-day activities. Figures from the latest census of England and Wales show 41,163 people in Brent said they had such an impairment as of March 2021 – 14.7% of the Brent's population. Of these people, 22,103 (7.6%) said their disability stopped them from carrying out regular activities 'a little', while 19,060 (7.1%) said it did so 'a lot'. The figures on disability in Brent's PRS is from 2011 census and based on the old ward boundaries.

Please give details: Figure 5: Disability

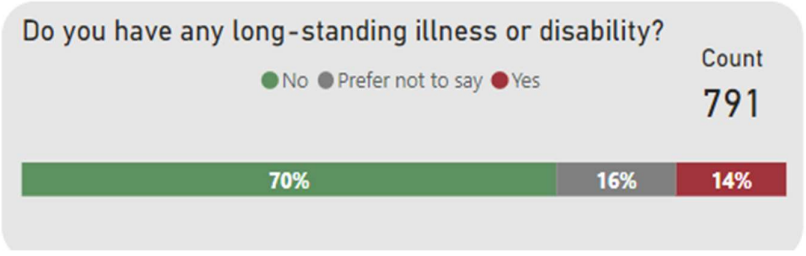


The above chart in Figure 5 details the disability profile in the PRS by ward, showing that there are higher proportions of PRS households comprising disabled tenants in Harlesden, Stonebridge and Dollis Hill wards.

Long standing illness or disability of respondents

Respondents were also asked if they had a long-standing illness or disability. 93% of respondents chose to respond to this question. Figure 6 above shows that the disability profile of residents is broadly reflective of the borough disability profile of 14.5%.

Figure 6. Brent Licensing Consultation 31 Oct 22- 23 Jan 2023)



14% of the respondents to the question said they have a long-standing illness or disability, which is comparable with the combined figures of 7.1% of people in Brent who are disabled under the equalities act and their day-to-day activities are limited a lot, and the 7.6% of Brent who are disabled under the equalities act and their day-to-day activities are limited a little (figures from 2021 Census).

When 14% of all respondents is broken down by groups, landlords and agents (9%), other stakeholders (14%), and residents/local business at (19%). The residents/local business is higher than the London average (16%), but similar to the national average (20%).

One of the potential outcomes of licensing is that landlords will be more aware of their duties under the Equality Act 2010 and of the needs of disabled people including information on the availability of Disabled Facilities Grant. Disabled people will also benefit from the need for PRS homes to comply with the Housing Health and Safety Rating System in terms of reasonable adaptations, reducing trip hazards and falls, personal hygiene and sanitary facilities, as well as the requirements around excess cold which can cause or exacerbate poor health. Disabled adaptations of not measures that private landlords are able or willing to undertake.

5.3 Sexual orientation and gender identity (*select all that apply*)

- [x] Positive
- [ ] Neutral
- [ ] Negative

The 2021 census was the first to ask questions about sexual orientation and gender identity in Brent. While the census figures provide important new intelligence about Brent's adult LGBTQ+ population, it is likely the figures didn't capture the entire LGBTQ+ population as the questions were voluntary, directed towards over 16s, and had a high "not answered" rate.

Figure 7: Brent Population by sexual orientation, Census 2021

Population by sexual orientation, 2021				
% totals	Brent	London	England & Wales	Brent rank*
Population aged 16+	100.0%	100.0%	100.0%	
Straight or heterosexual	85.1%	86.2%	89.4%	312
All LGB+	3.2%	4.3%	3.2%	71
- Gay or Lesbian	1.3%	2.2%	1.5%	140
- Bisexual	1.3%	1.5%	1.3%	75
- Pansexual	0.5%	0.4%	0.2%	12
- Asexual	<0.1%	<0.1%	0.1%	284
- Queer	<0.1%	0.1%	<0.1%	57
- Other orientations	0.1%	<0.1%	<0.1%	2
Not answered	11.7%	9.5%	7.5%	4
% totals (base: those who answered the question only)				
Straight or Heterosexual	96.4%	95.3%	96.6%	270
All LGB+	3.6%	4.7%	3.4%	62
Source: 2021 census (Table TS079)				

The percentage of adult residents who identified as LGB+ in Brent was the same as the average across England & Wales (3.2%), though lower than the London average (4.3%). Brent had the 4th highest non-response rate (11.7%) in England & Wales. Of those who answered the question, 3.6% of Brent residents identified as LGB+ compared with 4.7% across London, and 3.4% across England & Wales.

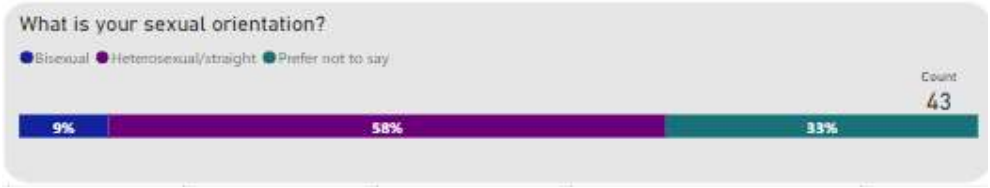
The 2020 GP Patient Survey found that 4% of Brent adults surveyed identified as Lesbian, Gay, Bisexual (or 'Other'). The GP Survey is one of the few sources that provides Borough level data and tends to provide slightly higher estimates compared with other sources.

Stonewall research has found that many LGBT people of all ages experience homophobic harassment and violence in their neighbourhood. Someone may know or suspect their sexuality. Harassment can include name-calling, graffiti, and criminal damage and over time even seemingly small incidents can cause extreme distress and fear, with people often too frightened to leave their own home.

Results of the consultation relating to Sexual Orientation

Respondents were also asked their sexual orientation. 89% of respondents chose to answer this question. The largest proportion of responses were from people who identified as heterosexual / straight. A large portion of respondents, 32%, gave the responses "prefer not to say".

Figure 8: What is your sexual orientation



For clarity, the consultation survey respondents responses were:

Sexual orientation	Percentage (Consultation response)
Straight or Heterosexual	61.4%
Prefer not to say	32.4%
Gay man	2.5%
Bisexual	2.2%
Lesbian	0.8%
Pansexual	0.1%
Asexual	0.1%
Queer	0.1%
Irrelevant / none of your business	0.2%

When compared with Figure 7, straight / heterosexual respondents are underrepresented by the consultation responses (61% compared to 85% according to 2021 Census). Gay and lesbian respondents were slightly over presented, as were bisexual respondents.

Gender Identity

Relative to other areas, Brent has a large transgender population: 1.3% of residents in Brent identified as transgender, compared with 0.9% across London and 0.5% across England & Wales. Brent had the second highest rate in England & Wales, after Newham (1.5%). Brent had the highest non-response rate in England & Wales. In Brent, 10.1% of respondents chose not to answer compared with 7.9% across London, and 6.0% nationally. Of those who answered the

question, 1.5% of Brent respondents identified as transgender compared with 1.0% across London, and 0.6% across England & Wales.

Gender reassignment in Brent

Those identifying as transgender are represented in all age groups though in general, the transgender population has a slightly younger age profile when compared to the population generally. The percentage who were transgender was highest among the 35-44 age group (1.7%) and lowest among those aged 75 and over (0.6%). Nationally, the relationship between age and trans identity was more pronounced than in Brent, with the highest rates among the 16-24 year olds. By sex, those who identified as male were more likely to identify as transgender than those who answered female to the census sex question (1.5% of males vs. 1.1% of females). The Brent transgender population comprised 55.4% males and 44.6% females. Nationally, the ratio was around 50:50 (50.1% male and 49.9% female).

Figure 9: Brent Adult population by gender identity, census 2021

Adult population by gender identity, 2021				
% total	Brent	London	England & Wales	Brent rank*
Population aged 16+	**100.0%**	**100.0%**	**100.0%**	
Gender identity the same as sex at birth	88.6%	91.2%	93.5%	330
Gender identity different from sex at birth	1.3%	0.9%	0.5%	2
- No specific identity given	0.7%	0.5%	0.2%	2
- Trans woman	0.2%	0.2%	0.1%	3
- Trans man	0.3%	0.2%	0.1%	1
- Non-binary	0.1%	0.1%	0.1%	114
- Other identities	<0.1%	<0.1%	<0.1%	49
Not answered	10.1%	7.9%	6.0%	1
% totals (base: those who answered the question only)				
Gender identity the same as sex at birth	98.5%	99.0%	99.4%	330
Gender identity different from sex at birth	1.5%	1.0%	0.6%	2
Source: 2021 census (Table TS070)				

5.4 Ethnic Origin

According to the latest 2021 census, the population in Brent is predominantly white (34.6%), with non-white minorities representing the remaining 65.4% of the population. Asian people were the largest minority group in Brent. In England more broadly the portion of the population that is white is 81%. 10% are Asian and 4% are Black.

Population by race in Brent, 2021 census

- White - 117,701 people or 34.6%
- Asian - 111,515 people or 32.8%
- Black - 59,495 people or 17.5%
- Other - 33,861 people or 10.0%
- Mixed - 17,249 people or 5.1%

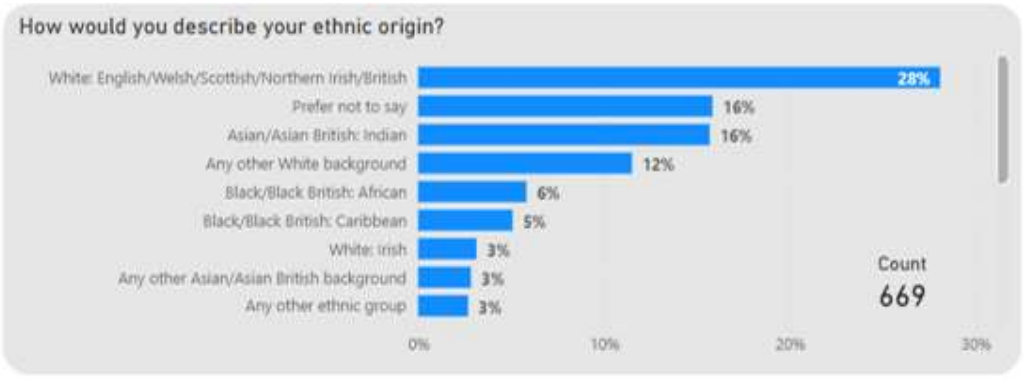
Results of the 2022 consultation relating to ethnic origin

Respondents were asked “How would you describe your ethnic origin?”. Figure 10, overall, 669 (78%) of respondents chose to respond to this question. The largest group were people of White

British ethnic origin (28%), which is above the borough's demographic figure of 15.2%. However, any other white background (12%) is slightly under the borough figure of 15.9%. The proportion of respondents of Asian/Asian British: Indian ethnic origin (16%) is slightly below the borough figure of 19.5%.

The proportion of black / black British: African (6% of respondents vs 9.1% of the borough), black / black British: Caribbean (5% of respondents vs 6.3 of the borough), Asian / Asian British: Pakistani (2% of respondents vs 4.5% of the borough) and other Asian / Asian British background (3% of respondents vs 7.2% of the borough) are below the borough figures.

Figure 10: Ethnic origin - all respondents



Figures 10.1 and 10.2 gives the residents and landlord groups responses which when compared with census 2021 are generally over the borough figures for Asian and black group types.

Figure 10.1 Ethnic origin - residents/local businesses

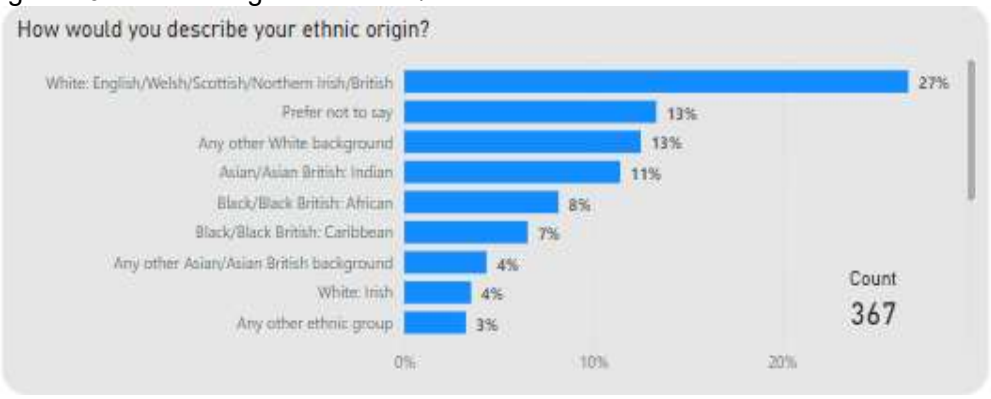
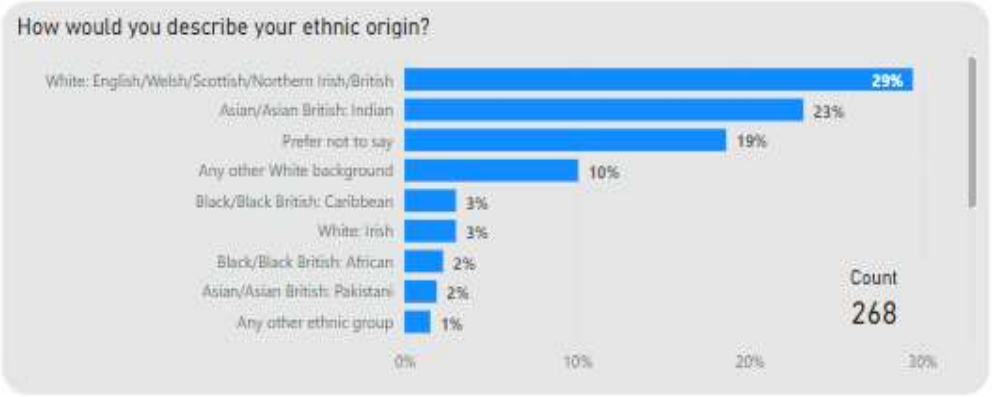


Figure 10.2 Ethnic origin – landlords and managing agents



5.5 Religion or belief (select all that apply)

- [x] Positive
- [ ] Neutral
- [ ] Negative

According to the latest 2021 census, the most populous religious group within Brent is Christians, accounting for 38.8% of the population. Brent has a Muslim population of 72,574 which is 21.4% of the population. Compared to England as a whole, in England circa 46% of the population is Christian, 7% is Muslim, 2% is Hindu, and Buddhists, Sikhs and Jews each is around 1%. The remainder is split between people with no religion and those who decided not to identify a religion.

Religious groups in Brent, 2021 census

- Christian - 131,916 people or 38.8%
- Buddhist - 3,117 people or 0.9%
- Hindu - 52,877 people or 15.6%
- Jewish - 3,723 people or 1.1%
- Muslim - 72,575 people or 21.4%
- Sikh - 1,530 people or 0.5%
- Other - 74,084 people or 21.8%

Figure 11: What is your religion or belief? (Grouped Responses)

From Figure 11, overall, Christian, Hindu and Muslim (Fig 11.1) seem to be well represented in the survey compared to the Borough profile. Christian and Muslim landlords (Fig 11.2) also seem to be under-represented, while Hindu landlords match the borough profile figure. It should be noted, however, that the percentages of those who preferred not to disclose their religious beliefs are very high.

There is insufficient data available to measure accurately the potential impact of the proposal on religion or belief. However, one of the aims of selective licensing is to tackle antisocial behaviour, including hate crime and incidents and this is likely to have a positive impact on this characteristic. There were no direct comments made in relation to religion or belief.

Results of the 2022 consultation survey regarding religion

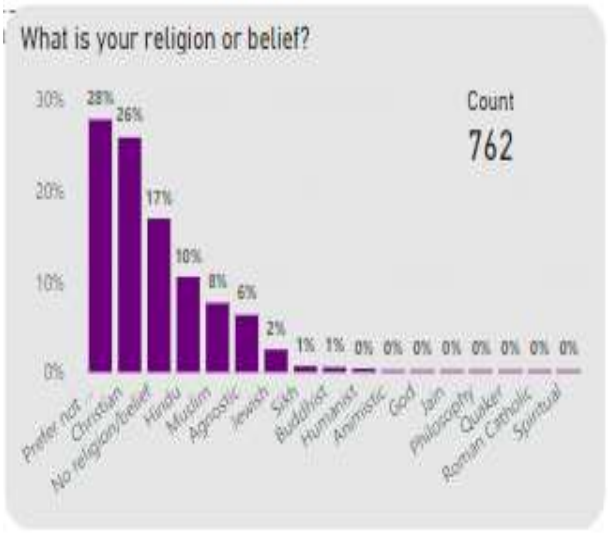


Figure 11.1 - All respondents

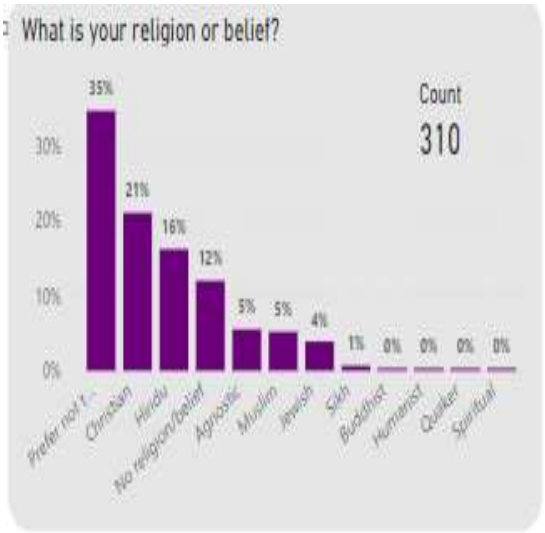


Figure 11.2 - Landlord and Managing Agents

5.6 Other (please specify)

Socio-economic disadvantage

☑ Positive

☐ Neutral

☑ Negative

Please give details:

Socio-economic status of the local area

Deprivation: The Indices of Deprivation 2019 (ID2019) are the primary measure of deprivation for small areas or Lower layer Super Output Areas (LSOAs) in England. The indices were published by the Ministry of Housing, Communities & Local Government (MHCLG) in September 2019 and replace the 2015 indices.

- Brent ranks (Rank of average rank) as the 49th most deprived borough in England out of 317. Brent has a mixture of high and low deprivation wards. 16 of 22 wards have aggregated IMD rankings below the national average.
- 5% of the LSOAs in Brent are in the most deprived 10% nationally, compared to 8% of LSOAs in 2015.
- The most highly deprived areas in the borough are concentrated in Stonebridge and Harlesden. Brent has one LSOA that is within the 5% most deprived in England, and this is located in north Stonebridge.
- 19% of the borough's 173 LSOAs are in the most deprived 20% of LSOAs in England.
- The least deprived areas in the borough are located in the northwest, in the wards of Kenton and Northwick Park.

The Barriers to Housing and Services Domain measures the physical and financial accessibility of housing and local services. The borough is highly deprived on this domain.

- Stonebridge ward is ranked as second most deprived ward in England.
- 12 of the 21 wards in Brent are in the 5% most deprived wards in the country
- Other London boroughs are also ranked in the most deprived nationally on this domain. On the average score measure, Brent is ranked third most deprived nationally, below Newham and Barking & Dagenham.

Fuel poverty: A household is considered to be fuel poor if they have required fuel costs that are above average (the national median level), and, were they to spend that amount, they would be left with a residual income below the official poverty line. The fuel poverty score was produced by the Department for Business, Energy & Industrial Strategy using 2019 data and published in 2021. Over the next 12 months these figures are likely to change significantly as a result of acute fuel price increases. Notwithstanding, Brent has a higher proportion in fuel poverty (17.3%) than the national average (13.8%).

The Minimum Energy Efficiency Standard (MEES): The MEES regulations came into force in England and Wales on 1 April 2018. The regulation applies to PRS properties and mandates that all dwellings must have an EPC rating of E and above to be compliant. It has been calculated using the matched addresses that 12.2% of PRS properties in Brent have an E, F, and G rating. Extrapolated to the entire PRS, 755 PRS properties are likely to fail the MEES statutory requirement.

The Government has pledged to reduce energy consumption from building by 15% by 2030, with aspirations for properties to have a minimum EPC rating of C by 2025. Under current regulations

landlords are not expected to spend more than £3,500 on upgrades to meet the requirements of a rating of E. However, proposed changes could see all rental properties requiring an EPC of C by 2028, and a potential increase to this cap of £10,000, meaning landlords would be required to spend more to meet minimum requirements.

Rents and affordability: Considering the average (median) earnings for one-bedroom dwellings as a proportion of median rents. Brent has above average rents for London, with 53% of median earnings used to pay rent. The London average is 47.9%. (VAO Statistics PRS Market 2018)

Residential property crime (burglary): Between April 2021 and March 2022, 1,534 burglaries were reported to the Metropolitan Police across London, averaging (mean) 47.9 per London borough. 65 burglaries (4th highest) were reported in Brent for the same period. (MPS Crime data 2022)

Homelessness

Although Brent has continued to increase its dwelling stock over the last 10 years (period 2006 - 2016) by 10.5%, its current housing stock does not meet demand. Brent Council's own housing stock consists of 11,378 homes as of February 2018, comprised of 7,878 rented and 3,500 leasehold properties. According to the Social Housing Regulator, in 2018, there were 55 RPs operating in Brent, managing 20,221 affordable homes for rent.

As of 22 July 2022, 3,073 households are in Bands A-C minus on the Housing Register (those who meet the criteria of the Council's Allocation Scheme to be awarded reasonable preference on the Housing Register). Brent has had one of the largest temporary accommodation portfolios in the country for many years. As of 31st August 2022, Brent Council reports to have 1,703 households in Temporary Accommodation, a total reduction of 27% since 2018. In 2021/22, 283 individuals were recorded rough sleeping in Brent, a 24% decrease on figures from 2020/21. Brent is taking a range of actions to address demand arising from homelessness and reduce reliance on temporary accommodation.

The Draft London Plan (2017) sets a new target of 29,150 additional homes to be delivered in Brent over the period 2019/20 to 2028/29, an average of 2,915 per annum. This is almost double the 2015 target of 1525 homes per annum. Of these new homes, The Council's Housing Strategy aims to facilitate the delivery of 1,000 new affordable homes each year from all possible sources with 70% for affordable rent and 30% for affordable homeownership. This includes the Councils own development programme which will deliver 817 new council homes. The Greater London Authority report that Registered Providers who are receiving grant will have 3,330 units started on site in the Brent by 2020. It is important to note, 841 will be Social Rent, London Affordable Rent or Affordable Rent.

The number of housing benefit claimants in Brent reached its peak in 2012-13 at 38,099, as of March 2019 this number is 32,644, a reduction of 1,924 since November 2018, when Universal Credit (UC) went live in Brent. The UC caseload in Brent, at 31st March, was 5,849, an increase of 3,674 on November. (This will include our former HB cases plus UC claims from non-dependants etc., with no rent liability.). Brent has the highest number of housing benefit claimants in all of the outer London Boroughs and has the 2nd highest number of housing benefit claimants in social rented accommodation.

Brent has the 4th highest number of private landlord possession claims in London, with 2,399 in 20197 (Figure 6). The average number of claims for London boroughs during this period was 1,224. (Source MOJ 2019)

The private sector therefore plays an important role being a key source of temporary and permanent accommodation to meet it. Licensing can play a significant role in ensuring that the sector is well managed and provides settled and decent accommodation for Brent residents. It is also recognised though a Brent commissioned study report by Future of London 2017, that licensing enforcement action could lead to homelessness and the council acts to secure the rights of tenants and provide advice and assistance as required. There has been no evidence of any significant level of homelessness applications directly arising from licensing activity.

Findings from the Brent Consultation in respect of homelessness

Several submissions and groups raised concern about the impact of licensing on homelessness, on one hand that homelessness might increase, especially among people with protected characteristics, but as a counter-position, that the schemes will provide better protection for tenants.

There were calls for the Council to indicate how tenants and landlords will be supported, and to provide reports on the achievements of the scheme against set targets.

One of the proposed changes set out in the Renters Reform Bill, and reaffirmed in The *A Fairer Private Rented Sector* White Paper is to abolish section 21 eviction notices. The abolition of section 21 would put an end to so-called "no-fault evictions", and instead transition assured and assured shorthold tenancies to periodic tenancies, as part of the on-going project to create longer tenancies. Once section 21 is abolished the government has also proposed strengthening the grounds for possession under section 8 of the Housing Act 1988.

Landlord and tenant organisations have voiced their views on the impact of the particular sectors. Landlords warning of "serious dangers" to the supply of rental housing for vulnerable tenants on the one hand and others feeling that the reforms will give better protection for tenants against eviction. Our consultation views sought that s21 was properly considered by the Council.

6. Could any of the impacts you have identified be unlawful under the Equality Act 2010? Prohibited acts include direct and indirect discrimination, harassment, victimisation and failure to make a reasonable adjustment.

- ○ Yes
- ◉ No

7. Please provide a brief summary of any research or engagement initiatives that have been carried out to formulate your proposal.

1. The 2021 Census provides valuable information regarding Brent's population
2. A Licensing consultation was undertaken with resident, tenants and businesses, landlords and managing agents, and other stakeholders including with neighbouring boroughs for between 31 October 2022 and 23 January 2023.
3. Brent Council Open datasets 2021
4. Private Rented Sector: Housing Stock Condition and Stressors Report, Metastreet, October 2022
5. English Housing Condition Survey: Headline Report 2021
6. Housing Act 2004, HHSRS Operating Guidance 2006
7. Cost of poor housing, BRE Group 2021

What did you find out from consultation or data analysis?

See above. The relevant findings from the research, consultation and data analysis have been presented in the individual sections for each protected characteristic, including socio-economic status.

Were the participants in any engagement initiatives representative of the people who will be affected by your proposal?

Yes. The respondents to the questionnaire and those attending the forums and drop-in sessions were diverse by area, tenure, age and ethnicity – and so the meetings (taken together) were broadly representative of Brent residents

How did your findings and the wider evidence base inform the proposal?

The findings assist in informing the scheme objectives.

Conclusion

This analysis has concluded that, overall, it is anticipated that licensing is likely to bring about positive benefits to groups with protected characteristics, particularly those who are disadvantaged and who have little or no choice but having to rent in the private sector.

The key purpose of the scheme is to reduce antisocial behaviour and improve property conditions. Addressing these criteria will have an impact on reducing the level of deprivation, which will benefit residents across all protected characteristics and particularly more vulnerable groups. Vulnerable groups will also benefit from overall improvements in management standards due to the ability of the council to better identify those properties that are being rented privately and the improved ability to enforce standards across the sector.

In particular, BAME groups, families with young children, disabled residents and vulnerable adults will benefit from better enforcement of licence conditions and of the Housing Health and Safety Rating System standards. All groups will benefit from improvements in engagement, communication and signposting information between the council, landlords and tenants and other service providers. Information would relate to such matters as changes in the law affecting the PRS, energy efficiency measures and grants availability, information on local organisations and agencies which may be able to provide support.

The Equality Analysis has identified some potential for adverse impacts, particularly for lower income groups, if landlords decide to increase rents, young people, lone parent households' tenants may be particularly affected by this. However, based on our experience of licensing over the past 5 years and that of other Councils who have introduced licensing, we do not believe that licensing in itself should result in the need for landlords to increase rents.

There is an increased threat of homelessness for some residents should landlords decide to withdraw from the private renting sector altogether. To mitigate this, the proposal tries to minimise the cost of licences, including offering a discount for certain accredited landlords and to minimise bureaucracy.

It is proposed that a major publicity campaign is launched when licensing is introduced to make tenants and landlords aware of their rights and obligations and what tenants can do if they are threatened with eviction. Specific actions are set out in more detail in the action plan below.

If selective licensing is continued, it is intended to enforce the scheme robustly; to closely monitor the situation on an on-going basis and carry out periodic reviews. Overall, it is felt that the benefits

to groups with protected characteristics of this initiative will outweigh any potential negative impact.

Outcome of Analysis

The Equalities Analysis has allowed for an update of our action plan based on the fresh consultation 2022/23 and census 2021 Brent profiles. However, we do not envisage any significant change to the impact of the proposals on the "*Equalities"* characteristics of people in Brent. The responses and concerns raised in the 2022/23 consultation as well as the action and initiatives to address them are provided in the Stage 3: Action Planning tables below.

STAGE 3: ACTION PLANNING

This section details the responses and concerns raised as part of the consultation that relate to specific protected characteristics. It also outlines the proposed actions and initiatives that will be put forward to address these.

Equality Characteristic: Age
How Age was considered as part of the consultation process We know that people in the 24-34 and 35-44 age groups are over-represented in the PRS in Brent. Older people, typically over 65s will be less able to use online technology. To ensure maximum engagement leaflets were sent to all households. All licensed landlords were contacted via mail outs. All email and social media channels were used to target all groups; this method would especially reach younger people who are very familiar with social media. ***Consultation Participants by Age*** Figure 2 compares the respondents' age groups with their respective borough averages. Overall, the consultation was successful in reaching the landlords and residents groups, these being people most impacted by selective licensing.

What is the proposal's impact on the equalities aims?	**What actions can be taken to remove or reduce the potential negative impacts that have been identified?**
The proposal will potentially benefit all age groups. All properties that are granted a licence are expected to comply with the Housing Health and Safety Rating System standards (HHSRS) and the licensing conditions. This system includes reducing trips, slips and fall hazards which will be particularly relevant for older people who are more likely to suffer a serious injury from a fall. The HHSRS "most vulnerable group" considers the age demographic.	• Licensing will work with landlords and liaise with Temporary Accommodation teams **What actions can be taken to enhance the potential positive impacts that have been identified?** • PHS will develop a PRS tenant's newsletter on our website • Report on category 1 hazards where the property is occupied by most vulnerable person (MVP) **Explanation how any remaining negative impacts can be justified?** N/A
Comments received from consultation relating to Age	***Council's response***
Landlord may have difficulties accepting single homeless and young vulnerable people tenants because of some licence conditions e.g., references, ASB history	Licensing will work with landlords and liaise with Temporary Accommodation teams

Characteristic: Disability	
How Disability was considered as part of the consultation process The consultation ensured that information was available online and that people to call up the licensing team to get help with request. Information was available in accessible format. Drop-in sessions, Zoom and MS Teams were used to engage with customers. ***Consultation Participants by Disability*** The open questionnaire consultation results give the results regarding long-standing illness or disability.	
What is the proposal's impact on the equalities aims? People suffering from a disability or mental health are more likely to be perpetrators or victims of ASB and live in poor housing conditions. People with disabilities may feel vulnerable to retaliatory practices which will mean that they may be less likely to complain to the Council. Figure 5 shows the wards where a long-term health problem or disability is highest. From the consultation 19% of residents and 9% of landlords had a long-term health problem or disability. The Council will be able to more accurately identify properties where landlords would qualify for grants to benefit older residents with disabilities. As part of the licensing proposal, it is intended to promote energy efficiency, for example, by requiring up to date EPCs and raising awareness of energy efficiency and how to reduce fuel poverty. We expect our older residents to benefit from this since national statistics show they are more likely to suffer from fuel poverty.	**What actions can be taken to remove or reduce the potential negative impacts that have been identified?** If Licensing is extended Brent Council will: • Assist tenants with legal advice and signpost them to relevant support services available to them • Provide information and advice on adaptations and grants available to fund these • Provide communication with and support provided to tenants with Learning Disabilities, Mental Health needs, • Analyse the disability response by tenant age **What actions can be taken to enhance the potential positive impacts that have been identified?** If Licensing is extended Brent Council will: • Give advice to landlords and tenants on the services that are available across the borough for vulnerable residents. This will particularly benefit people with learning disabilities or dealing with substance/alcohol misuse or needing physical adaptations **Explanation how any remaining negative impacts can be justified?** *N/A*
Comments from consultation relating to disability "Landlords are not the best equipped to deal with anti-social behaviour and certainly do not have the skills or capacity to deal with some tenants' problems such as mental health or drug and alcohol misuse". (PropertyMark)	***Council's response*** • The licensing conditions proposal sets out some actions which landlords must take to address ASB. We accept that where tenants have mental health issues that we must take this into consideration and additional support may be needed. • If Licensing is introduced, the scheme and this EA will be reviewed at least annually • We will continue to promote our information to landlords and tenants about disabled adaptations

	These support mechanisms will need to be funded by other means and we will be looking at our relationship with internal teams e.g., Housing Needs, Adult Social Care and with our Legal Partners as well as voluntary agencies such as Brent CAB and Shelter UK

Characteristic: Race	
How was race considered as part of the consultation process Ethnicity groups are represented in the private rented sector in Brent. The multi-channelled communications strategy was designed to reach all groups, including ethnic minority groups Licensing staff at the drop-in sessions and on telephone speak a variety of languages spoken in Brent. ***Results of the consultation relating to race*** The results of the consultation compare favourably with the borough averages for the race characteristic. The table shows that white and BAME groups responded to the consultation. A significant proportion of landlords and managing agents are of ethnic origin	
What is the proposal's impact on the equalities aims? Licensing has the potential to drive up standards which will benefit new / emerging communities and minority ethnic groups as they are over-presented in the PRS, and notably young people under 18s, large families and families with children under 5s. These groups are also likely to be vulnerable, on low income and may be attracted to properties which are in a poorer condition. 52% of Brent population were born outside the UK, the highest in England and Wales JSNA 2019-20	**What actions can be taken to remove or reduce the potential negative impacts that have been identified?** • The Landlord Focus Group to look at issues and support for vulnerable and other tenants. Particular efforts will be made to include BAME landlords. • We will review and improve our landlord training provision **What actions can be taken to enhance the potential positive impacts that have been identified?** Undertake compliance checks within the licence period. This would be helpful for people where English is not their main language to ensure that their tenancy management is adequate.

149 languages are spoken in Brent. In 1 in 5 households nobody speaks English as their main language. Licensing will help landlords in understanding their responsibilities and assist tenants in understanding their rights.	**Please explain how any remaining negative impacts can be justified?** Licensing is likely to see an increase in enforcement action against BAME landlords. Landlord training and accreditation will continue to be made available to landlords. Enforcement will be in line with our private housing enforcement policy, where possible using civil penalties as an alternative prosecution.
Comments from consultation relating to race There were no specific comments made in relation to race or ethnicity.	***Council's response***

Characteristic: Socio-economic status	
How was Socio-economic status considered as part of the consultation process (Source: Brent Responsible Growth Strategy (RGS): Economy (2018-2038) Brent is one of the most diverse local authorities in the UK, Brent has the second largest working age non-UK population in London. The consultation was designed to reach the widest target groups and to enable people on low incomes and those socially marginalised to be able to take part in the consultation. The consultation targeted businesses and business groups. Data from income, employment, education, health, crime, barriers to housing and living environment are all used to measure levels of deprivation. ***Results of the 2016 consultation relating to Socio-economic status*** The consultation asked certain questions relating to the Socio-economic status of the local area. The responses drawn were: Numbers of respondents said that deprivation and inequalities would get worse if licensing was stopped	
What is the proposal's impact on the equalities aims? The setting of fees, licensing conditions and enforcement will have an economic impact on landlords In addition to having to pay for their property licences, landlords my need to carry out repairs to their rented properties as well as to take steps to improve their management skills.	**What actions can be taken to remove or reduce the potential negative impacts that have been identified?** The licence fee structure to be set to reduce the need for costs to be passed on to tenants Provide information within the PHS landlords newsletter on dealing with tenant rent arrears Signpost affected tenants to local organisations that can support them
	What actions can be taken to enhance the potential positive impacts that have been identified?

Tenants on low incomes and socio-economic status will especially benefit from improved property conditions thus affording a similar good standard of renting as people of better socio-economic status. Selective licensing should bring about more stable tenancies by being able to support tenants and landlords experiencing rent and debt problems and to reduce claims for possession, homelessness, and mental distress. Energy efficiency regulation could see landlords, many of whom are of ethnic origin, where the consultation shows 60% own and manage their own properties, and on average have less than two properties, will find it hard to meet the requirements	Set up links with tenants and landlord advice representatives to identify and address their needs, particularly in relation to debt, rent arrears and homelessness **Please explain how any remaining negative impacts can be justified.** Proposed energy efficiency changes could see all rental properties requiring an EPC of C by 2028, and a potential increase to the expenditure cap from the current £3,500 to £10,000, meaning landlords would be required to spend more to meet minimum requirements.
Comments from consultation relating to Socio-economic status • Extra costs incurred by landlords will lead to higher rents • The PRS scheme treats both responsible and rogue landlords in the same way. Both these notions received around a fifth of negative comments from landlords. “, any cost to landlords is passed to the end users, who are tenants.” • “Unnecessary burden on the landlord which WILL be passed onto tenants.” • “Deal with problem landlords and not have one size fits all policy and be more flexible with responsible landlords.” The licensing scheme does nothing for decent landlords.” • Landlords also expressed some concern that PRS fees would incentivise them to sell their properties, resulting in reduced housing stock in Brent as a whole. • “The higher the fees are the more landlords will just quit the market.” • “If the fee gets too high the landlords will leave the borough.” • “I would only be in favour of selective licensing in Brent if I really thought it targeted rogue landlords and had the resources to be properly enforced.” • • For residents, the top reason for negative responses is the perception that PRS licensing will increase rents. Almost a third of negative comments from residents mentioned this. • “Licensing only has the effect of pushing up rents and property prices.” • “You will push landlords out of renting resulting in fewer properties which will result in higher rents.” • “I don't believe it’s time to do more licensing which in the end will be reflected in the tenant's rent.”	***Council’s response*** We note the comments about the impact of the fees and expenses on the landlords and suggested “knock on” effect on tenants especially those on low income or who are otherwise vulnerable. Judging from our experience with the existing licensing schemes in Brent and in other boroughs we believe it is very unlikely that licensing costs will be passed on the tenants. The licensing fee will be set at a level designed to cover the functions related to licensing in order to minimise the burden on landlords. Though some lenders may be reluctant to lend in licensable areas, there are several products available on the market for investor landlords. The Council will respond positively to mortgage lenders to support landlords If licensing is extended in Brent, the council will be committed to reviewing the licensing scheme and fees at least once annually. The reviews will consider the equalities impact. The Council will comply with rental reforms and guidance in relation to s21 and section 8 when this becomes law We will respond to tenant complaints and signpost tenants for financial advice Our landlord forum will include topics aimed to address the socio-economy e.g., taxation, fair renting, dealing with vulnerable tenants

• Next comes the idea that PRS licensing is a money-making scheme for Brent. Over 20% of resident comments mentioned this. • "Kensal does not have an anti-social problem and I view this as a method of raising more funds in an illegitimate manner." • "Licences are purely being introduced to raise revenue for the Council." • "Licensing appears to be a money-making scheme for Brent." • "Be careful not to price good landlords out of Brent. Good landlords have a much lower profit margin. Bad landlords charge us tenants the same rent but with much worse upkeep and responsiveness to repairs." • "Licensing is not necessary, it is just a money making exercise." • "A blanket rule of selective licensing for every PRS property will increase the cost for landlords therefore the rent will go up which is already high, this can lead to homelessness." Many of the respondents had suggestions about how to improve the scheme and the private rented sector in Brent in general. These focused on three main areas: • Lowering the licensing fee • Better enforcement of current legislation • The council should increase its own housebuilding	

Draft EA Sign off

Role/Position	Name/signature	Date
EA author – PHS Licensing Manager	Tony Jemmott	March 2022
Head of Private Housing Service	Spencer Randolph	March 2022
Operational Director Housing	Hakeem Osinaike	March 2022
Strategic Lead Equalities	Angela Chaudhry	March 2022

Randolph, Spencer

From: HNF Planning Team <planning@harlesdenneighbourhoodforum.com>
Sent: 01 February 2023 20:49
To: PRS Licensing
Cc: Harlesden Neighbourhood Forum
Subject: Consultation on Selective Licensing of Private Rented Housing- HNF submission

Dear Sirs

We wish to make a late submission to the consultation and would be very grateful if our comments could be taken into consideration. Apologies for missing the original deadline.

The Harlesden Neighbourhood Forum's (HNF) membership is drawn primarily from the Harlesden and Kensal Green (ward) community, and HNF works closely with other local stakeholders in the aim of making our area a better place to live and work.

The HNF is in favour of the new selective licensing scheme proposed, which includes designation of our local ward in Phase 1. The Forum is very supportive of Brent's drive to improve the condition of housing in the private rented sector, but also keen to see solutions that aim to tackle anti-social behaviour. Having reviewed the evidence base it is encouraging to see that the pilot scheme, over the last five years, has raised substantial funds for the Council to invest in enforcement and compliance, for the benefit of members of our community dealing with the consequences of London's insecure and expensive housing market.

The HNF also supports the proposal of the Phase 2 extension, which would bring these benefits to more of the Borough.

With thanks,

Planning Team

Website: www.HarlesdenNeighbourhoodForum.com
Twitter: @HarlesdenForum

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Willesden Green, London, NW2 4JX

SENT VIA EMAIL

TO: Tony.Jemmott@brent.gov.uk
Anthony Jemmott, Private Housing Manager, Brent Council

CC: spencer.randolph@brent.gov.uk
Spencer Randolph, Head of Service, Private Housing Services, Brent Council
owen.shayan@gmail.com
Owen Shayan, Director, Willesden Green Town Team
Deborah.mahs@gmail.com
Deborah Mahs, Director, Willesden Green Town Team
pat.josephoconnor@outlook.com
Pat O'connor, Chair & Director, Willesden Green Town Team

19th February, 2023

BRENT COUNCIL – PRIVATE PROPERTY LICENSING CONSULTATION

Dear Anthony

Willesden Green Town Team is a not-for-profit volunteer lead organisation and limited by guarantee. We work with all stakeholders in the Willesden Green area, from businesses to local residents, Brent Council and other organisations, to help bring about improvements that will benefit the entire community. Our projects focus on environmental improvements and other leisure and cultural activities for the wellbeing of our community.

We wish to submit a letter in support of Brent Council's application for Selective Licensing for the Private Rented sector, in Willesden Green and across the borough of Brent. This letter is in addition to the video* in support of the scheme produced by Willesden Green Town Team, and to feedback provided when I attended the consultation meeting hosted by yourself on the 17th of January, 2023. (*Video can be viewed on our Facebook page or www.youtube.com/watch?v=wcgIzL6ef9Y)

Willesden Green, has long suffered from problems of Antisocial Behaviour including noise nuisance, flytipping, waste mismanagement, and poor quality and unsafe property conditions that are associated with the private rented (46% of residents in Willesden Green live in private rented accommodation). As such, we are in favour of the additional powers and funds that the Selective Licensing Scheme and fees will bring, in order for Brent Council to tackle these long standing issues more effectively by targeting rogue landlords and bad tenants.

The aim of further licensing is to provide an additional tool to assist Brent Council, the Police, Social Services and other parties to help to bring about a transformation of the private rental market in Willesden Green; by improving the condition of private rental properties the scheme will also encourage better and longer term tenancies which in turn will help to create a stronger sense of belonging and community spirit.

As a lot of antisocial behaviour and linked activity isn't limited by ward boundaries, we support Brent Council application for Selective Licensing across all other wards. This will ensure a consistent approach and clear messaging across the entire borough which we believe will ensure greater success of the scheme.

Please confirm receipt of this email and letter.

Yours sincerely

Shadi Jian-Zibaee

Director, Willesden Green Town Team

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Cabinet Report 17 July 2023
Private Housing Licensing in Brent

Appendix 11:

Title: Designation Areas for Selective Licensing

Selective Licensing No 2/2023

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Designation of an area for Selective Licensing

The London Borough of Brent Council Designation of Areas for Selective Licensing 2023, No 2

The London Borough of Brent in exercise of their powers under section 80 of the Housing Act 2004 ("the Act") hereby designates for selective licensing the area described in paragraph 4.

CITATION, COMMENCEMENT AND DURATION

1. This designation may be cited as the London Borough of Brent Council Designation for Areas for Selective Licensing 2023, No 2

2. This designation is made on 17th July 2023 and requires confirmation by the Secretary of State for the Department for Levelling Up, Housing & Communities ("DLUHC").

3. This designation shall come into force on the 1st April 2024 or on such a date specified for this purpose by the Secretary of State for DLUHC and shall cease to have effect five years after such date or earlier if the Council revokes the scheme under section 84(4) of the Act.

DESIGNATION AND AREA

4. The Council hereby designates under section 80 of the Act as subject to selective licensing the area within the district of the London Borough of Brent shown as the areas shaded in yellow, on the map at Annex A

APPLICATION OF THE DESIGNATION

5. This designation applies to any house[1] which is let or occupied under a tenancy or licence within the area described in paragraph 4 unless –

   (a) the house is a house in multiple occupation and is required to be licensed under Part 2 of the Act[2];
   (b) the tenancy or licence of the house has been granted by a registered social landlord[3];
   (c) the house is subject to an Interim or Final Management Order under Part 4 of the Act;
   (d) the house is subject to a temporary exemption under section 86 of the Act; or
   (e) the house is occupied under a tenancy or licence which is exempt under the Act[4] or the occupation is of a building or part of a building so exempt as defined in annex b;

EFFECT OF THE DESIGNATION

6. Subject to sub paragraphs 5(a) to (e) every house in the area specified in paragraph 4 that is occupied under a tenancy or licence shall be required to be licensed under section 85 of the Act.[5]

7. The London Borough of Brent Council will comply with the notification requirements contained in section 83 of the Act and shall maintain a register of all houses registered under this designation as required under section 232 of the Act.[6]

8. This designation falls within the description of designations in relation to which confirmation is required by the Under Secretary of State for Homelessness and Housing under section 82 of the Housing Act 2004 and The Housing Act 2004: Licensing of Houses in Multiple Occupation and Selective Licensing of Other Residential Accommodation (England) General Approval 2015. On XXXXXX the Under Secretary of State for Homelessness and Housing confirmed that the designation shall come into force on XXXXXX.

9. A person having control of or managing a licensable property must apply to the London Borough of Ealing for a licence. Failure to apply for a licence in the designated area is an offence under Section 95(1) of the Housing Act 2004, punishable on conviction by payment of an unlimited fine. As an alternative to commencing prosecution proceedings, the Council may impose a financial penalty of up to £30,000 under section 249A and Schedule 13A of the Act.

10. The Council may also take over the management of an unlicensed property by the making of a Management Order under Part 4 of the Act.

11. Additionally liable persons may be required to repay up to 12 months' rent if the tenant or the Council, in the case of housing benefit payments, apply to the First Tier Tribunal (Property Chamber) under the provisions of section 96 and section 97 of the Housing Act 2004 for a rent repayment order.

12. Under section 98 of the Act, no notice under section 21 of the Housing Act 1988 may be given in relation to an assured shorthold tenancy of the whole or part of an unlicensed property so long as it remains an unlicensed property.

EXECUTED as a Deed by affixing)
The Common Seal of **THE LONDON**)
BOROUGH OF BRENT in the)
presence of:

_____

Authorised Signatory

Name of Authorised Signatory

_____

Date:

DRAFT

[1] For the definition of "house" see sections 79 and 99 of the Act
[2] Section 55 of the Act defines which Houses in Multiple Occupation are required to be licensed under the Act. See also The Licensing of Houses in Multiple Occupation (Prescribed Descriptions) (England) Order 2006 (SI 2006/371)
[3] Section 79 (3) of the Act. For the definition of a Registered Social Landlord see Part 1 of the Housing Act 1996
[4] Section 79 (4) of the Act and the Selective Licensing of Houses (Specified Exemptions) (England) Order SI 2006/370
[5] Section 86 of the Act provides for certain temporary exemption. As to suitability see section 89. Note, if the house is not suitable to be licensed the Council must make an Interim Management Order-see section 102
[6] Section 232 of the Act, regulation 11 of Licensing and Management of Houses in Multiple Occupation and Other Houses (Miscellaneous Provisions) (England) Regulations SI 2006/373

The Secretary of State for Department of Communities and Local Government under the power conferred on him by section 82 (2) of the Act hereby confirms the scheme described above

Signed

An officer authorised by the Secretary of State

Date:

Annex A – Paragraph 4: Map of Designated Area No 2 Shaded Area (yellow) – Selective Licensing, Designation no.2/2023. Map of London Borough of Brent Council with the electoral the wards of:

Wards
Alperton
Barnhill
Brondesbury Park
Cricklewood & Mapesbury
Kenton
Kilburn
Kingsbury
Northwick Park
Preston
Queens Park
Queensbury
Roundwood
Stonebridge
Sudbury

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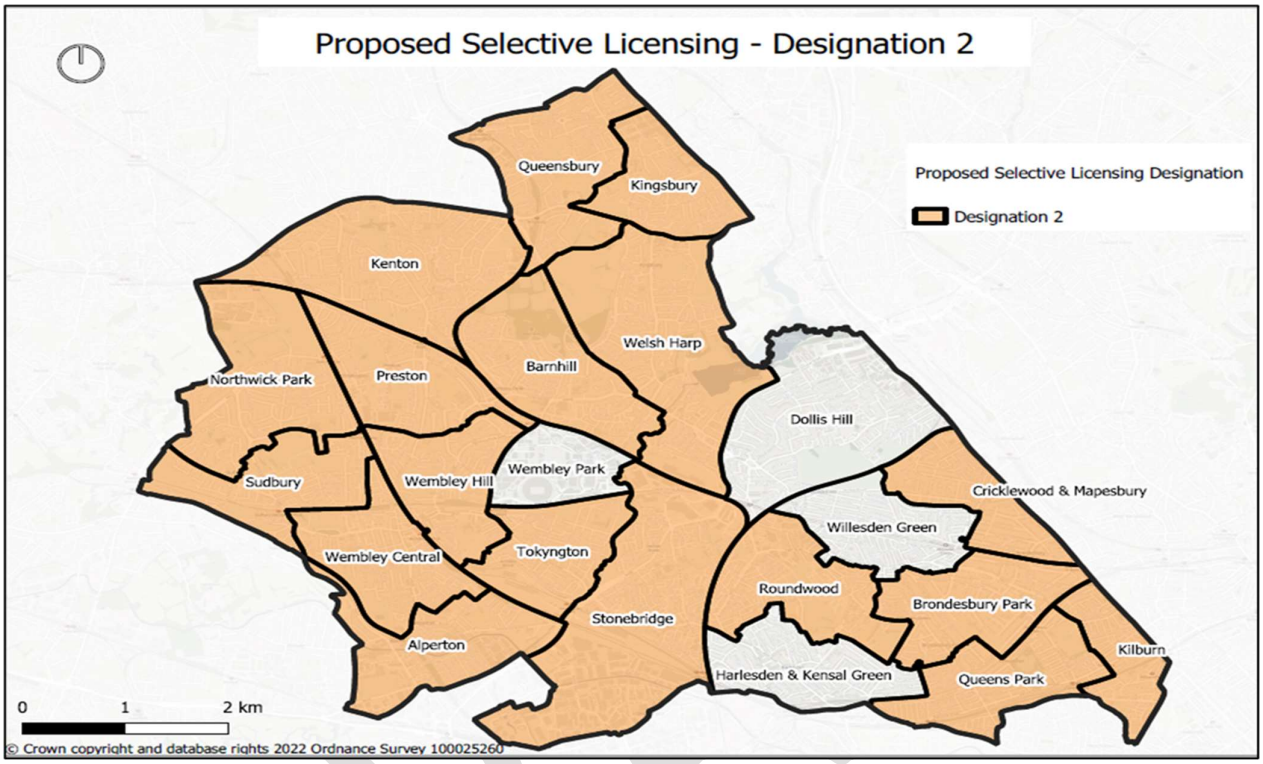
Tokyngton
Welsh Harp
Wembley Central
Wembley Hill



Annex B – Paragraph 5(d): Exempted Tenancies or licences[7]

Prohibition of occupation by law

1. A tenancy or licence of a house[8] or a dwelling[9] within a house where the house or the dwelling is subject to a prohibition order made under section 20 of the Act the operation of which has not been suspended under section 23.

Certain tenancies which cannot be assured tenancies

2. A tenancy which cannot be an assured tenancy by virtue of section 1 (2) of the Housing Act 1988 and falling within any paragraph in Part I of Schedule 1 of that Act and which is:

   (a) a business tenancy under Part II of the Landlord and Tenant Act 1954;
   (b) a tenancy under which the dwelling-house consists of or comprises premises, which, by virtue of a premises licence under the Licensing Act 2003, may be used for the supply of alcohol (within the meaning of Section 14 of that Act) for consumption on the premises[10];
   (c) a tenancy under which agricultural land, exceeding two acres, is let together with the house[11];
   (d) a tenancy under which the house is comprised in an agricultural holding or the holding is comprised under a farm business tenancy if it is occupied (whether as tenant or as a servant or agent of the tenant), in the case of an agricultural holding, by the person responsible for the control of the farming of the holding, and in the case of a farm business tenancy, by the person responsible for the control of the management of the holding[12].

Tenancies and licences granted etc by public bodies

3. A tenancy or licence of a house or dwelling within a house that is managed or controlled[13] by:
   (a) a local housing authority;
   (b) a police authority established under section 3 of the Police Act 1996 or the Metropolitan Police Authority established under section 5B of that Act;
   (c) a fire and rescue authority under the Fire and Rescue Services Act 2004;
   (d) a health service body within the meaning of section 4 of the National Health
   (e) Service and Community Care Act 1990.

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7 See The Selective Licensing of Houses (Specified Exemptions) (England) Order 2006 SI 2006/370
8 Sections 79 (2) and 99 of the Act
9 For the definition of a dwelling – see section 99 of the Act
10 See paragraph 5 of Schedule 1 of the 1988 Act as amended by section 198 (1) and paragraph 108 of schedule 6 of the Licensing Act 2003
11 For the meaning of "agricultural land" section 26 (3) (a) of the General Rate Act 1967
12 See paragraph 7 of Schedule 1 of 1988 Act as amended by section 40 and paragraph 34 of the Schedule to the Agricultural Tenancies Act 1995
13 For the definition of "person managing" and "person having control" see section 263 of the Act

Tenancies, licences etc regulated by other enactments

4. A tenancy, licence or occupation of a house which is regulated under the following enactments:
   (a) sections 87 to 87D of the Children Act 1989;
   (b) section 43 (4) of the Prison Act 1952;
   (c) section 34 of the Nationality, Immigration and Asylum Act 2002;
   (d) The Secure Training Centre Rules 1998[14];
   (e) The Prison Rules 1999[15];
   (f) The Young Offender Institution Rules 2000[16];
   (g) The Detention Centre Rules 2001[17];
   (h) The Criminal Justice and Court Service Act 2000 (Approved Premises) Regulations 2001[18];
   (i) The Care Homes Regulations 2001[19];
   (j) The Children's Homes (England) Regulations 2015[20];
   (k) The Residential Family Centres Regulations 2002[21].

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14 SI 1998/472 as amended
15 SI 1999/728 as amended
16 SI 2000/3371 as amended
17 SI 2001/238. Section 66 (4) of the Nationality, Immigration and Asylum Act 2002 provides that the reference to a detention centre is to be construed as a reference to a removal centre as defined in Part VIII of the Immigration and Asylum Act 1999
18 SI 2001/850
19 SI 2001/3965 as amended
20 SI 2015/541
21 SI 2002/3213 as amended

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Certain student lettings etc

5. A tenancy or licence of a house or a dwelling within a house –
   (i) which is managed or controlled by a specified educational establishment or is of a specified description of such establishments and
   (ii) the occupiers of the house or dwelling are undertaking a full time course of further or higher education at the specified establishment[22] and
   (iii) the house or dwelling is being managed in conformity with an Approved Code of Practice for the management of excepted accommodation under section 233 of the Act[23]

Long leaseholders

6. A tenancy of a house or a dwelling within a house provided that –
   (i) the full term of the tenancy is for more than 21 years and
   (ii) the tenancy does not contain a provision enabling the landlord (or his successor his in title) to determine it other than by forfeiture, earlier than at the end of the term and
   (iii) the house or dwelling is occupied by a person to whom the tenancy was granted or his successor in title or by any members of either of those person's family.

Certain family arrangements

7. A tenancy or licence of a house or a dwelling within a house where –
   (i) the person who has granted the tenancy or licence to occupy is a member of the family of the person who has been granted the tenancy or licence and
   (ii) the person who has granted the tenancy or licence to occupy is the freeholder or long leaseholder of the house or dwelling and
   (iii) the person occupies the house or dwelling as his only or main residence
   (and if there are two or more persons at least one of them so occupies).

Holiday lets

8. A tenancy or licence of a house or a dwelling within a house that has been granted to the person for the purpose of a holiday.

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[22] See the schedule to The Houses in Multiple Occupation (Specified Educational Establishments) (England) Regulations 2016 for the list of specified bodies

[23] The relevant codes of practice are approved under The Housing (Codes of Management Practice) (Student Accommodation) (England) Order 2010/2615 and specified in paragraphs 2 - 4 of that Order

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Certain lettings etc by Resident Landlord etc

9. A tenancy or licence of a house or a dwelling within a house under the terms of which the person granted the tenancy or licence shares the use of any amenity with the person granting that tenancy or licence or members of that person's family. An "amenity" includes a toilet, personal washing facilities, a kitchen or a living room but excludes any area used for storage, a staircase, corridor or other means of access.

Interpretation

10. In this Annex B -

(a) a "person" includes" persons", where the context is appropriate;

(b) a "tenancy" or "licence" includes "a joint tenancy" or "joint licence", where the context is appropriate;

(c) "long leaseholder" in paragraph 7 (ii) has the meaning conferred in paragraphs 6 (i) and (ii) and in those paragraphs the reference to "tenancy" means a "long lease";

(d) a person is a member of the family of another person if –

(i) he lives with that person as a couple;

(ii) one of them is the relative of the other; or

(iii) one of them is, or is a relative of, one member of a couple and the other is a relative the other member of the couple
and

(iv) For the purpose of this paragraph –

(1) "couple" means two persons who are married to each other or live together as husband and wife or in an equivalent arrangement in the case of persons of the same sex;

(2) "relative" means a parent, grandparent, child, grandchild, brother, sister, uncle, aunt, nephew, niece or cousin;

(3) a relationship of the half-blood is to be treated as a relationship of the whole blood and

(4) a stepchild of a person is to be treated as his child

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	Cabinet 17 July 2023
	Report from the Corporate Director, Resident Services

Release of 23 Shared Ownership Homes

Wards Affected:	Alperton
Key or Non-Key Decision:	Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	One Appendix 1: (Exempt) Offers received
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Emily-Rae Baines, Head of Affordable Housing and Partnerships 020 8937 1131 Emily-Rae.Baines@brent.gov.uk Zak Rezig, Senior Development Manager, Zak.Rezig@brent.gov.uk

1. Purpose of the Report

1.1. The purpose of this report is to provide an overview of the 23 shared ownership homes that form part of the acquired Grand Union (Block D) site and seek authority to dispose of these homes on the open market.

2. Recommendation(s)

That Cabinet note the content of this report and:

2.1. Authorises the proposed disposal of the 23 shared ownership homes at Block D, Grand Union (the Property) in accordance with the Council's Constitution;

2.2. Recognise that in order to proceed with the proposed disposal of the Property reliance may be placed on the Secretary of State's general housing consent;

2.3. Recognise that Heads of Terms will need to be agreed with relevant third parties in respect of the proposed disposal of the Property and authorises officers to negotiate and agree such Heads of Terms as may be necessary with the relevant thirds parties in relation to the same (which may include agreeing terms in respect of any variation which may need to be negotiated and agreed with regard to existing deeds).

2.4. Support the recommendation to proceed with the preferred option, offer 3 (as detailed in appendix 1).

3. Background

3.1. In April and July 2020, authority was obtained approving the purchase of 115 homes of which 92 were Social Housing for London Affordable Rent (in Blocks A and B) and 23 for Shared Ownership (in Block D). These homes were Phase One of the Grand Union development by St George (Berkeley Group). The Council took handover of the 92 homes for London Affordable Rent in December 2021 (for Block A) and in January 2022 (for Block B). The Block D Shared Ownership leases completed in 2 phases. Twenty-two were completed in October 2022 and the final remaining shared ownership lease in June 2023.

3.2. The purpose of this acquisition was to unlock the 92 homes for London Affordable Rent, rather than the Council having ambitions to move into the Shared Ownership market. It is recognised by the Council that whilst there is an established leasehold team, the knowledge, experience and the capacity of the Council to effectively sell and manage processes such as staircasing is minimal. This is particularly important when comparing to well-established peers in the sector whom have dedicated sales teams and a clear brand for marketing shared ownership homes as well as incentives to buy.

3.3. The Council did however consider selling homes and retaining them within the Housing Revenue Account (HRA). However, the market and demand for Shared Ownership, particularly in the latter quarter of 2022 was and has remained turbulent. This is both in terms of too many shared ownership homes available in the market and appetite and demand for these homes reducing.

3.4. Registered Providers who work closely with Brent have shared concerns about a saturation of shared ownership in the market. Many Registered Provider include shared ownership as a form of cross subsidy for social housing for rent, this has been under further pressure following last year's economic and supply challenges to make schemes viable. The Council also put forward a paper to Cabinet in November 2022 proposing cross-subsidy as a means for reducing the financial viability gap within the New Council Homes programme, though politically shared ownership was not considered a favourable tenure and was only considered as a potential means of protecting the much needed social housing.

3.5. The impact of the mini-budget back in September 2022, rising inflation and growing cost of living crisis has led to uncertainty in the market. From a practical perspective, shared ownership offers residents who still want to buy and benefit of stability that homeownership provides and a route to do so whilst mortgage rates are high as residents can purchase a smaller percentage to keep costs down.

3.6. The affordability of shared ownership has however also come into question within the housing sector. Research into the ongoing cost of living crisis and housing shows shared owners are more likely to be vulnerable to financial hardship that other home owners. This is a result of both mortgage offers and the rent payments on properties being linked to inflation. Shared owners pay a mortgage on the proportion owned, which now can be as little as 10% of a property depending on when the property was build, and then pay rent which is starts at 3% of the value of the property still owned by the Landlord. Generally 25-35% is the standard amount of equity first purchased. Contractually shared ownership rents rise by the Retail Price Index (RPI) plus 0.5% each year which would have seen rises of 15.7% as of December 2022 (it should however be noted Not for Profit Registered Providers capped the rent increase at 7%). Generally mortgage offers for Shared Ownership homes have higher interest rates that regular mortgages too, meaning inflation has an even greater impact when mortgage payments and rent is combined.

3.7. A study into Affordable Housing Products in Brent was commissioned in 2017 and whilst the market has changed since this point, the data around shared ownership demand and accessibility still provides valuable insights. The report found in Brent the following households could affordable a shared ownership home:

- 14% of single person households could afford to purchase 25% of a £400K shared ownership home;
- 40% households of two working adults with no children could afford to purchase 25% of a £400K shared ownership home;
- 30% of households including a couple and 1 child could afford to purchase 25% of a £400K shared ownership home;
- 25% of households including a couple and 2 children could afford to purchase 25% of a £400K shared ownership home;
- 15% of households including a couple and 3 children could afford to purchase 25% of a £400K shared ownership home;
- 0 single parent households with children could afford to purchase 25% of a £400K shared ownership home.

3.8. A worked example of a £400K home from Nottinghill Genesis shows a breakdown of costs where a 25% share has been purchased:

- 25% share = £100,000
- Estimated mortgage = £532 (this is not based on current mortgage rates)
- Rent = £688
- Service charge = £200

- Total = £1,420
- Guidance household income required = £51,160

3.9. It should be noted, the average salary for a working household in Brent for 2021 was £36K.

3.10. The purpose of this context is to guide the rational for disposing of these homes to the open market. Shared ownership is not a product the Council currently has experience in selling, marketing and managing i.e. staircasing. Whilst the Council has the ability to upskill and recruit appropriate skills the size of this portfolio does not warrant this level of resourcing. There are also no current plans nor is there political appetite for the Council to move into shared ownership. Demand for these homes is wavering and so Registered Providers are increasing marketing, incentives and rationalising development programmes in order to sell homes.

4. Release of the 23 Shared Ownership homes

4.1. In December 2022, the Council commissioned marketing company Site Sales to sell the homes as a package on the market to Registered Providers. Registered Providers invited to bid include: Clarion, Guinness, Heylo, HSPG, Keep Homes, Legal and General, MTVH, Network, Newlon, Notting Hill Genesis, OHGO, Octavia, Origin, Peabody, PA Housing, Sage, St Arthur Homes.

4.2. Most of the providers who responded stated the package of homes was too small to meet their organisations acquisition criteria. Expressions of interest were received from a range of Registered Providers. Offers in full received by the Council are set out in Appendix 1 (classified as exempt).

4.3. Each offer was assessed against the two key criteria for the Council when considering affordable housing opportunities, the financial requirements of the Council and meeting housing demand. This includes comparing the offer against the cost incurred to the Council for the initial purchase. Using this criteria it was deemed out of the three offers received only one was considered viable, details are contained in Appendix 1.

4.4. From a housing demand perspective, Offer 3 is most reflective of the current demand, specifically affordability within Brent and offers a unique opportunity to pilot the model in Brent. It also presents the opportunity to influence the shared ownership market at a local level and use this model and an exemplar of best practice. The recommendation of this report is to approve Offer 3, this is due to concerns about the existing shared ownership model and its ability to meet Brent Residents Housing Need.

5. Financial Implications

5.1. Details of the offers received for the homes and associated costs are included in Appendix 1.

5.2. The proceeds of the disposal will be a capital receipt. As the properties were held in the HRA, the capital receipt will be earmarked for the HRA to fund new capital expenditure or the provision of repayment of debt.

6. Legal Implications

6.1. The report recommends the disposal of 23 shared ownership leases in Block D Grand Union (the Property) to a Registered Provider. The leases earmarked for disposal are within the housing portfolio and held in the Housing Revenue Account.

6.2. Under paragraph 13 of Part 3 of the Council's constitution the cabinet member with responsibility for the portfolio (in consultation with the Leader) has delegated authority to enter into and grant leases for a term of 125 years or less in circumstances where the premium is more than £2m and/or the annual rent more than £500k and either best consideration is obtained and a general or specific consent can be relied on.

6.3. The 23 shared ownership leases were granted to the Council for a term of 999 years.

6.4. If the Council intends to dispose of these leases and intends to grant leases of 125 years or more to a Registered Provider the proposed disposal may be authorised by Cabinet (as the term of the lease exceeds that which can be authorised by way of delegated authority).

6.5. Cabinet may authorise the disposal of leases which are to be granted for a term of 125 years or more. The requirement to comply with the relevant general consent (or obtain specific consent from the Secretary of State) also applies where the term of the lease which the Council intends to grant is 125 years or more.

6.6. Under paragraph A3.1.1. of the Secretary of State's General Housing Consent 2013 local authorities may dispose for a consideration equal to market value.

6.7. The general consent defines market value as follows:

"market value" means the amount for which a property would realise on the date of the valuation on a disposal between a willing buyer and a willing seller in an arm's-length transaction after proper marketing where the parties had each acted knowledgeably, prudently, and without compulsion and where the market value is assessed not earlier than 3 months before the buyer applies or agrees to an offer in writing;"

6.8. Where the proposed disposal satisfies the market value criteria (as defined above) reliance may be placed on the General Housing Consent 2013.

7. Equality Implications

7.1. No equality implications have been identified for the purpose of this report.

8. Human Resources / Property Implications

8.1 N/A

Report sign off:

Peter Gadsdon
Corporate Director, Resident Services

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

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Brent	**Cabinet** 17 July 2023
	Report from the Corporate Director, Resident Services

Uncollectable Debt: Write-Off

Wards Affected:	All
Key or Non-Key Decision:	Non-Key
Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)	Part Exempt – Appendix 1 has been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
No. of Appendices:	One Appendix 1: (Exempt) Write-off of debts undertaken between 1 October 2022 to 31 March 2023 over £20,000.00 including list of debtors – Exempt
Background Papers:	Ethical Debt Recovery Policy 15d. Appendix 4 Brent Council Amended Ethical Debt Recovery Policy.pdf Debt Write-off procedure Decision - Debt Write-Off Procedure (brent.gov.uk)
Contact Officer(s):	Ryan Stephenson Service Manager Revenue and Debt 020 8937 1513 ryan.stephenson@brent.gov.uk Peter Cosgrove Head of Revenue and Debt 020 8937 3543 Peter.Cosgrove@brent.gov.uk

1. Purpose of the report

1.1 The purpose of the report is to inform Cabinet of the debts written off between 1 October 2022 and 31 March 2023 as required by financial regulation 8.3.2, whereby write-offs over £20,000 agreed by the Corporate Director, Finance and Resources are reported to Cabinet biannually. The write-offs are detailed in the appendix to this report and the aggregate total value of these debts is £55,862.92.

1.2 All cases requested for write-off follow Brent's Ethical Debt Recovery Policy to recover the outstanding amounts. Only after all avenues have been exhausted will the council consider writing off debt.

2. Recommendations

2.1 That Cabinet notes debt written off as described.

3. Detail

3.1 The Council is committed to taking all appropriate recovery action necessary before considering a debt for write off. This includes issue of dunning notices during the recovery process, telephone and email engagement, senior management dialogue with counterparts and where necessary legal service, court and enforcement agent action.

3.2 Despite the best endeavours of the Council it is inevitable that a percentage of debt will not be collected and will ultimately have to be written off. Writing off debt is standard practice and recommended as part of good budget management. The write-off procedure as formulated under financial regulation 8.3.1 is adhered to. The write-offs are reported to Cabinet in accordance with financial regulation 8.3.2 whereby write-offs over £20,000 agreed by the Corporate Director, Finance and Resources are reported to Cabinet biannually.

4.0 Financial Implications

4.1 The bad debt provision is reviewed annually, and amounts identified for write off are contained within the bad debt provision assigned to Revenue & Debt.

4.2 Not writing-off debt would result in uncollectable debts continuing to be shown as outstanding with an inaccurate bad debt provision apportioned to these balances. Once a debt is no longer collectable it should be written off in the Council's accounts and the debt provision adjusted accordingly.

5.0 Legal Implications

5.1 At present, in respect of the amounts listed there are no further implications, assets associated with the debt and associated/additional debt recovery operations will cease. Where the Council are provided with circumstantial changes or information which provides options for successful recovery, the amount will be written back onto the Council's systems and accounts for collection.

6. Equality Implications

6.1 There are no equality implications arising from this report.

7.0 Consultation with Ward Members and Stakeholders

7.1 None

8.0 Human Resources/Property Implications (if appropriate)

8.1 None

Report sign off:

Peter Gadsdon
Corporate Director, Resident Services

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

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