



# Brent

## Cabinet

**Monday 11 March 2024 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:

Please note the membership set out below will become effective from 11 March 2024.

In advance of this change coming into effect Councillor Tatler remains as Vice-Chair and Deputy Leader & Cabinet Member for Finance, Resources and Reform.

#### Lead Member Councillors:

#### Portfolio

M Butt (Chair)	Leader of the Council
Mili Patel (Vice-Chair)	Deputy Leader, Cabinet Member for Finance, Resources & Reform (with effect from 11 March 2024)
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 (continuing as Vice-Chair and Deputy Leader & Cabinet Member for Finance, Resources & Reform up to 11 March 2024)

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

For electronic copies of minutes and agendas please visit:  
[Council meetings and decision making | Brent Council](#)

### **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 - 16

To approve the minutes of the previous Cabinet meeting held on Monday 5 February 2024 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 consider any petitions for which notice has been provided, 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 & Wellbeing or Resources & Public Realm Scrutiny Committees.

## Chief Executive's reports

**7 i4B Holdings Ltd Business Plan 2024 - 25** 17 - 74

This report provides Cabinet with a final draft of the i4B Holdings Ltd (i4B) 2024 - 25 Business Plan for approval on behalf of the Shareholder.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Shama Tatler)

**Contact Officer:** Sadie East, Director - Transformation

Tel: 020 8937 1507

[sadie.east@brent.gov.uk](mailto:sadie.east@brent.gov.uk)

This report provides Cabinet with a final draft of the First Wave Housing Ltd (FWH) 2024 - 25 Business Plan for approval on behalf of the Guarantor.

**Ward Affected:**  
All Wards

**Lead Member:** Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Shama Tatler)

**Contact Officer:** Sadie East, Director - Transformation

Tel: 020 8937 1507

[sadie.east@brent.gov.uk](mailto:sadie.east@brent.gov.uk)

## Resident Services reports

### 9 Future of Housing Repairs Service Update

131 - 142

This report provides an update on the progress for the procurement and implementation of the new housing repairs service including relevant pre-tender considerations.

**Ward Affected:**  
All Wards

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

**Contact Officer:** Ryan Collymore, Head of Housing Property Services

020 8937 1204

[Ryan.Collymore@brent.gov.uk](mailto:Ryan.Collymore@brent.gov.uk)

### 10 Amendment to the Procurement of the Framework Agreement For Housing Refurbishment Works

143 - 156

This report sets out changes to the original proposed procurement for the housing repairs and maintenance service that are required to reflect the implications arising from separate procurement of the replacement repairs, voids and planned maintenance contract.

A separate report providing an update on the future of the repairs service has been included under Item 9 on this agenda.

**Ward Affected:**  
All Wards

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

**Contact Officer:** Giuseppe Coia, Head of Property Services

Tel: 020 8937 2652

[Giuseppe.Coia@brent.gov.uk](mailto:Giuseppe.Coia@brent.gov.uk)

**11 Proposal to deliver 60 homes for Social Rent on the Chalk Hill Estate** 157 - 172

The purpose of this report is to consider the potential for delivering new social housing through the redevelopment and regeneration of garages, parking areas and associated hard standing forming part of the Scientist Estate, Chalkhill.

**Ward Affected:** Barnhill  
**Lead Member:** Cabinet Member for Housing, Homelessness & Renters Security (Councillor Promise Knight)  
**Contact Officer:** Emily-Rae Baines, Head of Affordable Housing and Partnerships  
Tel: 020 8937 1131  
[Emily-Rae.Baines@brent.gov.uk](mailto:Emily-Rae.Baines@brent.gov.uk)

**12 Corporate Performance Report - Quarter 3 2023/24** 173 - 192

The purpose of this report is to update on progress in developing and embedding new arrangements for corporate performance reporting and monitoring, including the second iteration of the Corporate Balanced Scorecard and ongoing development of a series of Directorate-level Balanced Scorecards, which are all aligned to the Performance Management Framework 2023.

The report also sets out the position on the Council's performance in Q3 2023/24 through established reporting arrangements, including the Borough Plan performance scorecard and updates against key activities for delivering its priorities and outcomes.

**Ward Affected:** All Wards  
**Lead Member:** Leader (Councillor Muhammed Butt)  
**Contact Officer:** Jon Cartwright, Head of Change and Customer Insight  
Tel: 0202 8937 1742  
[jonathan.cartwright@brent.gov.uk](mailto:jonathan.cartwright@brent.gov.uk)

**Finance & Resources reports**

**13 Request for Strategic Community Infrastructure Levy (SCIL) Allocation for Three Projects** 193 - 200

This report seeks approval for use of Strategic Community Infrastructure Levy (SCIL) funding towards three separate projects.

**Ward Affected:** Kingsbury; Northwick Park; Preston  
**Lead Member:** Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Shama Tatler)  
**Contact Officer:** Neil Martin, Head of Capital Delivery  
Tel: 020 8937 4203

**14 Provision of Microsoft Licences - for STS partner borough of Southwark 201 - 210**

This report concerns the procurement of Microsoft Licences for the London Borough of Southwark under the Shared Technology Service Agreement and in accordance with Contract Standing Order 88.

**Ward Affected:** All Wards  
**Lead Member:** Deputy Leader and Cabinet Member for Finance, Resources and Reform (Councillor Shama Tatler)  
**Contact Officer:** Amin Jan, Assistant Category Manager  
Tel: 020 8937 3189  
[Amin.Jan@brent.gov.uk](mailto:Amin.Jan@brent.gov.uk)

**15 Exclusion of Press and Public**

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

Agenda Item 7: i4B Business Plan 2024–25 Appendix 1a (Business Plan – Financial Appendix) & Appendix 1e(ii) (Business Plan – 2024-25 SLA Schedule 2: Costs)

These appendices 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 8: FWH Business Plan 2024-25 – Appendix 1a (Business Plan – Financial Appendix) & Appendix 1e(ii) (Business Plan – 2024-25 SLA Schedule 2: Costs)

These appendices 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: Authority to Award Contract for the Provision of Microsoft Licenses for Shared Technology Service (STS) Partner Borough Southwark – Appendix 1: List of Tenderers

This appendix has been classified as exempt under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: "Information relating to

the financial or business affairs of 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 Chief Executive and Member Services or their representative before the meeting in accordance with Standing Order 60.

**Date of the next meeting: Monday 8 April 2024**



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





## LONDON BOROUGH OF BRENT

### MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 5 February 2024 at 10.00 am

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

Also present: Councillors Conneely, Georgiou and Molloy.

#### 1. **Apologies for Absence**

Apologies for absence were received from Alice Lester (Interim Corporate Director Regeneration & Communities) with Gerry Ansell (Interim Director Regeneration, Growth and Employment) attending as a substitute.

#### 2. **Declarations of Interest**

No declarations of interest were made during the meeting.

#### 3. **Minutes of the Previous Meeting**

Cabinet **RESOLVED** that the minutes of the previous meeting held on Monday 15 January 2024 be approved as a correct record.

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

None.

#### 5. **Petitions (if any)**

No petitions had been submitted for consideration at the meeting.

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

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

#### 7. **Budget & Council Tax 2024-25**

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

As an initial contribution, Councillor Conneely was invited, as Chair of the Resources and Public Realm Scrutiny Committee and Budget Scrutiny Task Group, to introduce the main findings and recommendations within the Budget Scrutiny

Task Group report, which had been included as an appendix to the Budget and Council Tax report 2024-25. In introducing the report, Councillor Conneely began by thanking all members of the Task Group and everyone else who had participated in the scrutiny process. In emphasising that the upcoming financial year would be one of the most challenging for local authorities across the country, Councillor Conneely highlighted what she felt to be the need for extensive reform of the current way in which local authorities were funded, given the inadequacy of the existing funding regime.

Due to the cumulative impact of funding cuts on local government and other public services as a result of austerity over the previous decade Councillor Conneely, in presenting the Task Group report, highlighted the importance placed on collaboration between neighbouring local authorities, partners and the voluntary and community sector to not only deliver vital services for residents, but also to counter the competitive environment imposed by discretionary grant funding which positioned councils against each other. This emphasis on collaboration had been reflected in the Task Group recommendations, which included the establishment of a shared outcomes framework with the voluntary and community sector to co-design and co-deliver budget proposals. Furthermore, the Task Group had recommended implementing additional shared service agreements with other local authorities with Councillor Conneely also advising that they had welcomed the decision to retain use of the New Millenium Day Centre, operating under a new shared service arrangement.

Highlighting other key recommendations made as part of the review, Councillor Conneely also referred to the Task Groups support in seeking a better alignment of NHS resources to better reflect the local population and need and for increased delegation of budgets and decision making to the Brent Integrated Care Partnership (ICP), in order to enable more clinically led collaboration at local level. As part of the wider approach towards addressing the budget challenges identified, the Task Group had also been keen to support and recommend the development of a longer-term strategic and more holistic approach towards income generation including yearly action plans and a robust monitoring process with dedicated cross departmental resource.

In concluding, Councillor Conneely once again thanked all those involved for their participation in the review process and commended the recommendations made by the Budget Scrutiny Task Group to Cabinet for consideration as part of the budget setting process.

In welcoming the contribution from Scrutiny Budget Task Group, Councillor Tatler as Deputy Leader & Cabinet Member for Finance, Resources and Reform supported the view that the 2024-25 budget setting process was likely to be one of the most challenging faced by the Council reflecting the ongoing impact of austerity and importance, highlighted as an outcome of the review of the need for enhanced collaboration between all stakeholders in seeking to address the pressures faced. In commending the thorough nature of the approach and work undertaken by the Task Group, Councillor Tatler thanked all those involved for their contribution as a key part of the budget consultation.

In support of the comments made, Councillor Fleur Donnelly-Jackson (Cabinet Member for Customers, Communities and Culture) welcomed the recommendation

to establish a shared outcomes framework with the voluntary and community sector, highlighting the benefits of closer collaboration with key partners integral to the delivery of services including Brent Hubs.

As a further contribution the Leader then welcomed and invited Councillor Georgiou to speak, who began by echoing the concerns expressed at the challenging nature of the financial pressures faced by local authorities, created by a combination of factors such as the significant underfunding of local authorities, Brexit, and the economic mismanagement of the current Conservative Government. Compounding these factors, Councillor Georgiou felt that the current position had also been adversely impacted by spending decision taken by the current Council Administration, such as those related to Civic Centre improvements and the pursuit of what he regarded as unviable development schemes.

Whilst recognising the need for difficult decisions in order to provide a balanced and sustainable budget, Councillor Georgiou advised he was keen to ensure that residents priorities were at the forefront of the proposals being considered, with the Liberal Democrats Group therefore intending to propose a number of amendments at the upcoming Council meeting seeking to address areas of ongoing concern identified by residents including street cleanliness, youth provision and the climate emergency.

Given the proposed increase in Council Tax, Councillor Georgiou felt there was a need for the Council to ensure that funding collected locally was refocussed and prioritised on local areas of concern, including:

- Street Cleansing – with concerns highlighted in relation to the new intelligence-led approach to street cleaning;
- Waste collection and recycling – with ongoing concerns highlighted regarding the operation of the blue bag recycling scheme and the option of wheelie bins therefore being sought as an alternative; and
- Focus in addressing the supply and cost pressures relating to temporary accommodation through the provision of more genuinely affordable housing developments and introduction of more stringent planning policies in relation to the Council's affordable housing targets.

To conclude, Councillor Georgiou felt there was a need for a clear commitment from any potential incoming government to ensure that the necessary reforms required to local government funding were introduced in order to address the serious financial challenges being faced by local authorities, including Brent, and in order to provide necessary reassurance concerning the future of local government services.

In response to the comments made, Councillor Butt expressed disappointment at the lack of engagement by the Liberal Democrats Group in the Scrutiny Budget Task Group process and felt it important to recognise the detrimental impact of the governments approach towards local government and wider public sector funding which had required the Council to make difficult decisions in seeking to set a balanced budget whilst also maintaining investment in key local services in order to continuing providing the necessary support to residents. He also expressed his thanks for the hard work and challenge provided by all members and officers in

producing the Task Group report, welcoming the approach adopted and highlighting its importance to the overall budget setting process.

Councillor Tatler, as Deputy Leader and Cabinet Member for Finance, Resources & Reform, then introduced the report which set out the Council's budget proposals for 2024-25. The report also set out the results of the budget consultation, scrutiny and equality processes and the overall financial position facing the Council for the medium-term.

In presenting the report, Councillor Tatler began by outlining the extensive nature of the consultation undertaken with all key stakeholders to develop the budget proposals, before highlighting the seriousness of the Council's financial position, which had required an additional £8m of savings to be identified for 2024-25 and 2025-26 on top of the £210m of funding cuts delivered since 2010. In expressing concern at the impact of Government's ongoing short-term funding settlements and delay in wider local government funding reforms, members noted the 78% decrease in core funding received from government since the start of austerity and associated shift this had created in the placing the funding burden onto Council Tax & Business Rates Payers as well as on fees and charges all directly impacting on local residents. On a national scale, members were advised that the position was equally challenging with it noted that 1 in 5 councils were anticipating they may have to issue s114 notices. In outlining the key drivers of the additional pressures being experienced in relation to the increase in demand for key services and wider social and demographic changes along with the specific pressures on the homelessness budget given increased pressure on housing supply and demand, Councillor Tatler felt that budget proposals continued to demonstrate the Council's commitment, despite the severe funding constraints imposed by the government, in seeking to build more social housing, address the climate emergency and tackle the wider inequalities highlighted as a result of the pandemic. Comparing this to the stance taken by both Opposition Groups on the Council in seeking to oppose key developments and wider impact of the governments approach in relation to the current state of the public sector, Councillor Tatler felt that the approach taken by the current Administration demonstrated the Council's commitment to the renewal of public services based on sustainable long-term financial planning that would ensure no resident was left behind.

As further context in terms of the financial pressures faced, members were advised that the Government's provisional financial settlement for local government had failed to provide sufficient funding to meet the severe cost and demand pressures faced by many councils, including a £400m shortfall identified for local authorities across London. The recent announcement of a further £600m was also not expected to materially change the overall position in relation to the Council's budget, with this funding having been ringfenced by the government for Adult and Children social care and not sufficient to address the growing housing crisis. Given the additional financial pressures on the Council, currently forecast at £13m, the efforts made to produce a balanced budget whilst seeking to preserve essential services had been the most challenging to date with Brent's provisional settlement the lowest across all London boroughs (excluding the City of London) and less than the September CPI rate of inflation.

In noting the pressure the provisional settlement and reduction in long term core funding had placed on decisions relating to Council Tax, Councillor Tatler advised

the Council remained aware of the additional burden this placed on households particularly during the ongoing period of economic uncertainty with neither this or the use of reserves and sale of assets regarded as a solution to the long term funding pressures faced. Concerns were also expressed in relation to the ongoing impact of the cost-of-living crisis and uncertainty around future government funding to support the Household & Resident Support Fund and Holiday Activities and Food Programme, which it was pointed out had also required the Council to consider new models of support to continue providing the assistance required. Reminding members that this had been the sixth one-year settlement in a row for the Council, Councillor Tatler felt it important to highlight the impact this was continuing to have on the financial planning process with the Council therefore continuing to lobby for a longer-term approach.

In concluding her introduction, Councillor Tatler once again highlighted how challenging and difficult development of the budget proposals had been and thanked all those who had engaged in the consultation process along with all Cabinet Members and officers (including the Finance team) for their support and efforts in the process.

In supporting the budget proposals, contained within the report, Cabinet Members recognised the ongoing nature of the challenges and financial pressures identified and also took the opportunity to thank the finance team for their work in developing the budget proposals whilst also seeking to safeguard, as far as possible, key services and support for local residents and businesses focussed around the Council's core strategic priorities. In terms of specific pressures and priorities identified these had included:

- The significant increase in homelessness, with housing demand increasing rapidly and less supply available along with ongoing pressures on the Housing Revenue Account taking account of the Government's rent policy. Whilst a national issue, members commended the work being undertaken in seeking to mitigate against the pressures identified and in maintaining the Council's commitment to increase the supply of genuinely affordable and accessible housing in as viable a way as possible.
- The ongoing programme of work and investment in key highway and environmental infrastructure across the borough including waste and refuse collection, tackling fly-tipping, parks and open spaces and towards addressing the climate emergency working in partnership with the Brent Environmental Network (including initiatives such as the new Green Area Neighbourhood pilots) in order to ensure the borough remained as clean and green as possible.
- The continued support for children and young people despite the ongoing reductions in core government funding and increase in child poverty, with specific reference to the innovative approach adopted in relation to the establishment of various initiatives such as the scheme to support local provision of childcare residential placements, enhancement of SEND provision through capital investment in a new school and establishment of the Family Hubs.
- Members also welcomed the aim to continue prioritising the most vulnerable in society whilst also seeking to protect essential services particularly in relation to health and adult social care with the key priority to continue working in collaboration with local providers (given the significant ongoing pressure on

health services and social care funding and impact of the annual rather than longer term funding settlements) in order to address wider health inequalities. In recognising concerns which had been highlighted relating to the future of the New Millennium Day Centre, members noted that these proposals would involve transfer of the Centre into a new Community & Wellbeing Hub supported by the wider aim in seeking to maximise the independence of young adults transitioning from care. Whilst also recognising ongoing pressures in relation to adult residential care, Cabinet were pleased to note to approach adopted by the Council in seeking to ensure care staff were paid at the London Living Wage (LLW).

- Ongoing support for Brent Hubs, warm spaces and the Resident & Household Support models alongside the investment in the boroughs libraries and work being undertaken to maximise income generation opportunities and support the Voluntary & Community Sector in order to maintain support for residents across the borough.
- Maintaining the ongoing commitment to enhance regeneration, renewal and economic growth across the borough and create employment opportunities whilst also seeking to maintain key infrastructure and continue working with partners to ensure the borough remained safe and secure.

In summing up, Councillor Muhammed Butt felt it important to once again highlight the challenging nature of the budget setting process given the ongoing impact of austerity, the cost-of-living crisis, wider economic challenges and continued uncertainty in relation to central government's funding of local authorities. As a result, he welcomed the approach taken by all Cabinet Members and officers in seeking to review all aspect of their services to ensure budgets could be managed whilst delivering core strategic priorities and protecting the most vulnerable residents in the borough. Despite recognising the significance of the financial challenges identified and the level of funding cuts already delivered by the Council, he commended the approach adopted and measures outlined within the report which had been designed to ensure the Council was able to operate in a financially sustainable and resilient way. Whilst development of the proposals had required difficult choices to be made, Councillor Butt ended by highlighting the aim to ensure the process remained as open and transparent as possible and was focussed on enabling the Council to deliver a balanced budget whilst also seeking to maintain the provision of key services and essential support for residents across the borough.

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

- (1) To recommend to Full Council an overall 4.99% increase in the Council's element of Council Tax for 2024/25, with 2% as a precept for Adult Social Care and a 2.99% general increase.
- (2) To recommend to Full Council the General Fund revenue budget for 2024/25, as summarised in Appendices A and B of the report.
- (3) To recommend to Full Council the savings proposals for 2024/25 and 2025/26, as set out in Appendices C (i) and C (ii) of the report.

- (4) To note the Equalities Impact Assessments on the budget proposals, as set out in Appendices C (iii) and C (iv) of the report.
- (5) To note the report from the Budget Scrutiny Task Group in Appendix D of the report.
- (6) To recommend to Full Council the HRA budget and business plan for 2024/25, as set out in section eight and appendix Q of the report.
- (7) To agree the HRA rents for council dwellings, tenant service charges and garages as set out in section eight of the report.
- (8) To agree the rents set under the Housing General Fund for Brent Housing PFI and traveller's site pitches and to note the rents for Hillside dwellings as set out in section eight of the report.
- (9) To note the Dedicated Schools Grant, as set out in section nine of the report.
- (10) To recommend to Full Council the changes to the existing Capital Programme in relation to additions of new schemes and reprofiling, as set out in section 11 and Appendix E of the report and note the Capital Pipeline Schemes in Appendix F of the report.
- (11) To recommend to Full Council the Capital Strategy, the Investment Strategy, the Treasury Management Strategy and the Minimum Revenue Provision Statement as set out in Appendices G, H, I and J of the report.
- (12) To agree for a new loan and equity facility of up to £40m to be made available to i4B Holdings Ltd for the provision of PRS accommodation in line with the Temporary Reform Accommodation plan as set out in section 11.38 of the report.
- (13) To recommend to Full Council the Reserves Strategy and schedule of reserves, as set out in Appendices K (i) and K (ii) in the report.
- (14) To agree the action plan to implement CIPFA's Financial Management Code and conduct a Financial Resilience Assessment, as set out in Appendix L of the report.
- (15) To agree, and where relevant recommend to Full Council, the schedule of fees and charges, as set out in Appendix M of the report.
- (16) To note the results of the budget consultation, as set out in section seven and detailed in Appendices N (i) and N (ii) of the report.
- (17) To note the legal advice from the Corporate Director of Governance, as set out in Appendix O of the report.
- (18) To note the decision of the Corporate Director of Finance and Resources to continue as part of the Eight Authority Business Rates pool in 2024/25 as set out in section six of the report.

(19) To note and approve the specific recommendations identified for consideration by Full Council as detailed in section 2.19 – 2.38 of the report.

## 8. **Future of the RSF and new model of support**

Councillor Donnelly-Jackson (Cabinet Member for Customers, Communities & Culture) presented a report detailing proposals for the introduction of a new model of support for Brent residents from April 2024, which had been developed through the piloting of Cost-of-Living Outcome Based Review (OBR) projects guided by a series of approved design principles.

In considering the report, Cabinet noted the outline of the design principles used to guide development of the proposed new model which had included the need to support residents in becoming more resilient and independent; the support available being targeted and easily accessible to those most in need; the model seeking to incentivise skills and employment and address physical and mental health challenges as well as being aligned with and supporting connectivity between related support offers on an intelligence-led and sustainable basis. Members also noted the engagement of a range of local organisations and stakeholders in the pilot projects used to support development of the model which had included (as detailed in section 4.8 and Appendix 2 of the report) a Community and Wellbeing Project working with Sufra NW London, the establishment of a Crisis Response Fund, Provision of Debt and Immigration Advice as well as a project aimed at upskilling frontline staff to provide specialist advice.

As a result of the designed work undertaken, the recommended option was to establish a single, joined-up model including development of a Community Wellbeing Programme aligned with a refreshed Resident Support Fund (RSF), designed to support residents to be more resilient in the longer term and align more closely with strategic priorities including the Health & Wellbeing and Brent Food Strategies.

Given ongoing uncertainty in relation to the level of government funding for the Household Support Fund that would be available to local authorities from 2024-25 onwards members welcomed, despite the significant financial challenges faced by the Council, the £1m investment included within the current budget proposals towards support of the new and more sustainable version of the Resident Support model proposed within the report. Cabinet also commended the vision supporting the model in seeking to focus on more sustainable outcomes through a behaviour-centred approach which included the ability to support residents in a more holistic way by enhancing their opportunities in the longer-term, promoting independence and reducing dependency on other services in order to maximise use of the funding support available.

Whilst recognising importance and legacy of the support provided through the current arrangements, members also supported the need identified, given the challenging nature of the funding position, for the proposed change in approach and in thanked all those involved in development of the new support model Cabinet **RESOLVED:**



- (1) To agree the proposed model for resident support, including a Community Wellbeing Programme and refreshed Resident Support Fund and Crisis Response Fund (CRF) as detailed from section 4.21 in the report.
- (2) To agree that:
  - (a) the access criteria for the Community Wellbeing Service (detailed from section 4.24 of the report) be delegated to the Corporate Director of Resident Services in consultation with the Director of Public Health; and
  - (b) authority to amend the award criteria for RSF and CRF funds be delegated to the Corporate Director of Resident Services in consultation with the Cabinet Member for Customers, Communities and Culture.

## 9. **Highways Footway Maintenance 2023-2026 Report**

Councillor Krupa Sheth (Cabinet Member for Environment, Infrastructure & Climate Action) introduced the report setting out recommendations for Brent's 2023-26 prioritised footway maintenance and reconstruction programme.

In introducing the report Cabinet were reminded that the Highways Infrastructure remained one of the most visible, well used and valuable physical assets within ownership of the Council. As with any physical asset, however, this type of infrastructure was subject to deterioration over time requiring continual investment to support its maintenance with the Council, as a result, having provided an additional £15m worth of investment to support the programme of works to improve the quality and safety of roads and pavements across the borough. In recognising the priority expressed by residents, from both a safety and accessibility perspective, in relation to ongoing investment in the borough's highways and footways, members also recognised the balance needing to be maintained in relation to the Council's overall financial position given the core reduction in funding provided by central government and cumulative impact of the £210m cut from the Council's budget over the last decade.

In support of the asset management approach identified towards prioritising this investment, based on the use of condition surveys and other data to produce annual road and footway maintenance programmes, members also noted and welcomed the increased utilisation of asphalt to support delivery of the footway maintenance programme. This had not only enabled the Council to maximise use of available funding but also to deliver a wider programme whilst also improving health and safety and reducing emissions associated with reconstruction works with the condition of a majority of the footways reconstructed using asphalt since the programme had commenced still rated as good or excellent.

In considering the report Cabinet also welcomed the opportunity provided for input from ward councillors in developing the programme who had been able to nominate footway(s) in their areas for inclusion as part of the prioritisation process, with members commending the associated benefits from both a locality and ward based perspective.

Having thanked ward councillors for their support and officers for their efforts in developing the programme and keeping the borough safe and on the move,

members once again felt it important to recognise the challenges in seeking to maintain the condition of infrastructure across the borough as a result of the government's reduction in core government funding for not only the Council but also Transport for London (TfL). In welcoming TfL's ongoing commitment to the programme of Local Implementation Plan (LIP) funding along with the additional programme of investment provided by the Council to maintain and improve the highway infrastructure across the borough, Cabinet **RESOLVED** to approve the 2023 - 26 Planned Footway Maintenance Programme as set out in Appendix A of the report.

#### 10. **Council Tax - Empty and Second Homes Premium**

Councillor Donnelly-Jackson (Cabinet Member for Customers, Communities and Culture) introduced a report seeking approval to proposed changes affecting both Council Tax and Business Rates from 1 April 2024.

As further context to the proposed changes on which approval was being sought, Cabinet noted that in terms of business rates guidance relating to the provision of discretionary local retail, hospitality and leisure relief discount schemes had now been extended for 2024-25. Having already been approved by Cabinet (March 2023) it was therefore noted that the Council's existing business relief scheme for small and medium properties would be continued for 2024-25 and 2025-26 enabling relief to carry on being provided for eligible and occupied retail, hospitality, and leisure properties in order to maintain levels of support available for local business. In terms of Council Tax, members were also advised of the powers now being made available through the Levelling-up and Regeneration Act 2023 to tackle ongoing issues around vacant properties and second home in the borough through the provision of additional discretion for local authorities to increase Council Tax on properties left as vacant. Members were advised that since April 2019, the Council had charged a Council Tax premium of 100% on a property which had been empty for two years which had risen to 200% for five years and 300% if empty for more than ten years with the aim, given the current number (1,859) of empty domestic properties within the borough, of encouraging owners to bring their properties back into use.

Given the current demand for housing, rising number of tenants in temporary accommodation and shortage in supply, members were keen to consider all available options which included encouraging those who owned empty properties and second homes to maximise their availability and use, with the powers available being utilised to allow the existing long-term premium on empty homes to commence once a property had been empty for a year, rather than the current two year period. Alongside this change it was also proposed to charge a premium on second homes given they also tended to be underutilised and unoccupied, which had again been designed with the aim of encouraging the property to be brought back into use and would apply (allowing for the required period of notice) from the 1 April 2025.

In noting that details of the proposed changes would be widely publicised as part of a wider communications strategy focussed on available options to bring empty properties back into use as a means of supporting the work to address the current housing shortage Cabinet, in support of the approach outlined, **RESOLVED**:

- (1) To approve the Council's National Non-Domestic Rates (NNDR) Discretionary Scheme in relation to 2024 - 25 Retail, Hospitality and Leisure Relief as set out in Appendix 1 of the report and pursuant to the Council's powers under section 47 of the Local Government Finance Act 1988 as amended.
- (2) To delegate authority to the Corporate Director, Resident Services in consultation with the Corporate Director, Finance and Resources to implement the discretionary schemes as set out in Appendix 1 of the report.
- (3) That from 1 April 2024 in accordance with the provisions of The Levelling-up and Regeneration Act 2023 the Council:
  - i. introduces the council tax premium of an additional 100% for those domestic properties empty for longer than 1 year.
  - ii. maintains the council tax premium of 200% in respect of domestic properties that have been empty for longer than 5 years.
  - iii. maintains the council tax premium of 300% in respect of domestic properties that have been empty for longer than 10 years.
  - iv. from 1 April 2025, introduces a premium of 100% to domestic properties determined to be applicable Second Homes.
- (4) To note the communication campaign (as detailed within section 3.3.16 of the report) to highlight to owners of empty property how the council may be able to help them make better use of their property.

## 11. Admission Arrangements for Community Schools 2025/26

Councillor Grahl (Cabinet Member for Children, Young People & Schools) introduced a report detailing the outcome of consultation on proposed amendments to the Admission Arrangements for Brent Community Schools in 2025-26 and seeking approval to determine the proposed arrangements, as set out within Appendix 1 of the report.

In considering the report, Cabinet noted that approval had been granted in November 2023 to undertaken public consultation on a number of proposed amendments to admission arrangements for the academic year 2025-26. Members were reminded the proposed amendments had been designed to reflect the fall in demand for pupil places within the primary sector across areas of the borough and London as a whole whilst also seeking to protect school budgets and ensure the longer-term sustainability of educational provision across the borough.

In noting the outcome of the consultation, which had been focussed around amendments to the existing admission arrangements in relation to the proposed reduction in the Published Admission Number (PAN) for Fryent Primary School and Mitchell Brook Primary School, Cabinet advised they were minded to endorse the proposed amendments recognising the excess surplus in capacity identified and broader aim to protect the long term sustainability of schools in the planning areas identified.

In support of the approach outlined and seeking to ensure the admission arrangements remained as fair and transparent as possible Cabinet therefore **RESOLVED:**

- (1) To note the outcome of the consultation.
- (2) To agree the proposed reductions of the Published Admission Numbers at Fryent Primary School and Mitchell Brook Primary School.
- (3) To determine the admission arrangements, as set out in Appendix 2 of the report.

12. **Outcome of informal consultation on school organisation proposals for Leopold Primary School in Primary Planning Area 4**

Councillor Grahl (Cabinet Member for Children, Young People and Schools) introduced a report providing Cabinet with a summary of the informal consultation undertaken between November 2023 and December 2023 on the proposal to implement a phased closure of the Gwenneth Rickus site of Leopold Primary School and seeking approval to move to formal consultation, through publication of a statutory notice, on a phased closure of the site and a variation to the Published Admission Number of Leopold Primary School from 120 to 60 to take effect from the 2025-26 academic year.

In considering the report Cabinet once again noted the forecast fall in demand for pupil places within the primary sector with the highest capacity and percentage of spare places falling within Primary Planning Area 4 and schools in that area having to manage this impact for a number of years with the support of the Local Authority. Members recognised it was within this context that the proposals outlined within the report had been developed and, whilst recognising and sympathising with the disappointment and concerns identified by governors, parents and the leadership team at the school along with the impact on pupils and their families, felt that the approach outlined in terms of reducing capacity at Leopold Primary School was the last available option for consideration in terms of being able to safeguard the longer-term sustainability of other schools in the area.

In commenting on the nature of the challenges identified, members felt it important to note the impact of the current cost-of-living crisis, increase in the cost of housing and changes introduced as a result of austerity to the welfare system as factors which had all contributed to families struggling to afford to settle in the borough and across London, with the associated impact on varying demand for pupil places made more challenging (especially in relation to the primary sector) by the ongoing pressures on school funding. Recognising the efforts being made to safeguard future school provision and doing everything possible to reduce the likelihood of school closures, Cabinet welcomed the assurance regarding the future retention of any school buildings released as a result of the proposal for education purposes as well as the ongoing support being provided to the school in managing any transition process.

Having noted the outcome of the consultation process Cabinet therefore **RESOLVED** in recognising the limited and difficult nature of options available to approve a period of formal consultation, through publication of a statutory notice, on proposals to:

- (a) seek a variation to reduce Leopold Primary School's Published Admission Number (PAN) from 120 to 60 from September 2025; and
- (b) implement a phased closure of provision on the Gwenneth Rickus site of Leopold Primary School between September 2025 and the end of July 2027.

### 13. **Adult Social Care Charging Policy Consultation Findings**

Councillor Neil Nerva (Cabinet Member for Public Health and Adult Social Care) introduced the report, detailing the outcome of the Adult Social Care Charging Policy consultation, which ran from November to December 2023, and the changes recommended for consideration following the completion of that consultation process.

In considering the report Cabinet noted that proposals had been developed as a result of the requirement on the Council to regularly review and update the charging policy to ensure that the service remained sustainable and fit for purpose and was therefore being considered separately to the Council's main budget setting process. Whilst aware that the proposed changes would require some clients to pay more for their care services, members were assured that the arrangements for those who were not currently required to pay would continue with the Council also seeking to mitigate, as far as possible the impact of the charges on those clients paying to receive care services. Members were advised this would include a new financial assessment to determine any new level of charge, recognising that not everyone would be directly impacted, and the Council also seeking to assist clients in maximising their income and taking account of disability related expenditure whilst also disregarding legitimate expenditure where a person had little or no choice other than to incur the expenditure in order to maintain independence or quality of life. Members were also advised of the need to recognise that the changes were being considered at a time when the council was seeking to invest in reablement and other important preventative services to ensure people could remain as independent as possible for as long as possible without requiring adult social care services.

Whilst recognising the challenges and cost pressures identified, given what was felt to be the government's failure to adequately address and fund adult social care, Cabinet were supportive of the approach outlined in terms of the adoption and implementation of the revised adult social care charging policy. On the basis these changes were felt to provide greater consistency and fairness and would be linked to the wider aims for adult social care in Brent, whilst also seeking to ensure delivery of the service remained sustainable and focussed on supporting people to remain as independent as possible, Cabinet **RESOLVED** to approve the changes to the Adult Social Care charging policy following completion of the public consultation, as follows:

- (1) To apply a 10% discretionary enhancement to the minimum income guarantee for those receiving non-residential or nursing care.
- (2) To increase the hourly rate charged for homecare for self-funders from £12.97 per hour to the cost of commissioning care. This is currently £20.50 per hour for contracted services, or £17.50 an hour for spot packages.

- (3) To agree that an annual uplift is applied to the hourly rate charged for homecare in line with the increase given to providers, so that the charge continues to reflect the amount paid to providers on an hourly basis.
- (4) To increase the amount charged to service users if they cannot have a light touch financial assessment, to a new average contribution (£32.52 per week).
- (5) To charge people the full cost of their care if their financial assessment cannot be completed within four weeks. Safeguards will remain in place where this is due to a physical or cognitive impairment.
- (6) To charge homecare service users their client contribution for up to seven days during a hospital admission.
- (7) To charge service users their client contribution for 28 days after being admitted to hospital from a residential or nursing home.
- (8) To agree the changes to the charging policy will be implemented from April 2024 onwards with a two-month minimum transition period to implement the new arrangements.
- (9) To agree that final arrangements for implementation of the policy be delegated to the Corporate Director Care Health & Wellbeing.

#### 14. **Safer Brent Community Safety Strategy 2024 - 26**

Councillor Farah (Cabinet Member Safer Communities & Public Protection) introduced a report seeking approval to the Safer Brent Community Safety Strategy and accompanying Action Plan for 2024 – 2026.

In considering the report, Cabinet noted that the Strategy had been developed in collaboration with the Safer Brent Partnership and wider community following an extensive programme of engagement with a range of key stakeholders to reflect key priority areas with an Action Plan also developed in response to address the issues identified. The Strategy, it was pointed out, had also been designed to reflect and incorporate the Council's key priority in seeking to ensure everyone had the best start in life within a safe and secure borough. In recognising the need to act earlier, smarter and more proactively in order to tackle crime and disorder and protect the most vulnerable, members also noted the move within the new Strategy towards a public health based preventative approach based on a process of earlier and more proactive intervention and identification of wider support needs designed to prevent future escalation which would include programmes of mentoring, counselling, promotion of substance misuse services and employment opportunities delivered collaboratively with partners across the borough.

Cabinet were advised that development of the Strategy had also been subject to review by the Resources & Public Realm Scrutiny Committee who, as a result, had recommended that the priority around tackling violent crime should include specific emphasis on knife crime. Due to publication deadlines, members were advised that it had not been possible to incorporate this change in time for the Cabinet meeting with Councillor Farah confirming that it would, however, be included within the final version of the strategy.

In thanking all, officers stakeholders and partners on the Safer Brent Partnership for their engagement in developing the Strategy and in contributing towards ensuring that Brent remained a safe place for all residents, members welcomed the holistic approach outlined within the Strategy which it was noted would continue to be kept under review and had been designed to reflect the key issues and priorities identified across local communities within the borough alongside the wider financial pressures faced by the Council.

As a result, Cabinet therefore **RESOLVED** to approve the Safer Brent - Community Safety Strategy and accompanying Action Plan 2024 – 2026.

15. **Exclusion of Press and Public**

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

16. **Any other urgent business**


There were no items of urgent business.

The meeting ended at 11.10 am

COUNCILLOR MUHAMMED BUTT  
Chair

This page is intentionally left blank



	<b>Cabinet</b> 11 March 2024
	<b>Report from the Chair of i4B Holdings Ltd</b>
	<b>Lead Member - Deputy Leader &amp; Cabinet Member for Finance, Resources &amp; Reform (Councillor Shama Tatler)</b>
<b>i4B Holdings Ltd Business Plan 2024/25</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part exempt – Appendices 1a (Business Plan - Financial Appendix) & 1e (Business Plan 2024-25 SLA Schedule 2: Costs) 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)”
<b>List of Appendices:</b>	Eight Appendix 1                      i4B      2024/25      Company Business Plan Appendix 1(a)(exempt)      Financial Appendix Appendix 1(b)                  Company Risk Register Appendix 1(c)                  Progress on 2023-24 Key Tasks Appendix 1(d)                  2024/25 Key Tasks Appendix 1(e)                  2024/25 Service Level Agreement (Schedules 1 – 3 NB: Schedule 2: Costs exempt) Appendix 1(f)                  Value for Money Statement Appendix 1(f)(i)              Value for Money Statement - Annexe
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Sadie East Director of Transformation Tel: 020 8937 1507 <a href="mailto:Sadie.East@brent.gov.uk">Sadie.East@brent.gov.uk</a>

## **1.0 Executive Summary**

1.1 This report provides Cabinet with a final draft of the i4B Holdings Ltd (i4B) 2024/25 Business Plan and revised Service Level Agreement with Brent Council. Cabinet is asked to approve the Business Plan and Service Level Agreement on behalf of the Council as Shareholder of i4B Holdings.

## **2.0 Recommendation(s)**

2.1 Cabinet approves the 2024-25 i4B Holdings Ltd Business Plan and financial model as Shareholder of the Company.

2.2 Cabinet approves the 2024-25 Service Level Agreement between i4B Holdings Ltd and the Council.

## **3.0 Detail**

### **3.1 Cabinet Member Foreword**

3.1.1 This business plan sets out i4B's strategy for the coming financial year, furthering the company's work to increase the supply of good quality affordable housing, reducing homelessness in the borough and alleviating the use of costly Temporary Accommodation. This supports the Brent Borough Plan 2023-2027 strategic priority of 'Prosperity and Stability in Brent: Safe, Secure and Decent Housing'.

### **3.2 Background**

3.2.1 In November 2016, Cabinet agreed to establish a wholly owned investment company – i4B Holdings Limited. The Company was set up to own and manage private rented sector (PRS) properties, in order to support the Council's homelessness agenda.

3.2.2 i4B's Shareholder Agreement states that the Company should produce an annual Business Plan for Shareholder approval.

3.2.3 This report provides a final draft version of i4B's Business Plan for 2024/25. The draft plan was presented to the i4B Board on the 25<sup>th</sup> January 2024, the Company Shareholder on the 8<sup>th</sup> February 2024 along with the Corporate Management Team and lead members on 14<sup>th</sup> February and 21<sup>st</sup> February 2024. Feedback from these meetings has been incorporated into this final draft.

## **4.0 Update on Operational Performance**

4.1 Table Two below gives a summary of operational performance at January 2024. The two main operational issues continue to be void times and rent collection. Despite major and minor void times remaining out of target, there have been recent signs of improvement following Brent Housing Service's temporary introduction of a Voids Hit Squad. Performance is expected to remain outside

of target until legacy cases, which are currently impacting the overall average, have been cleared; i4B currently has three remaining long-term legacy voids. Work is being done to report separately on recent voids and these legacy voids, in order to better demonstrate progress that is being made.

- 4.2 Rent collection for i4B also remains below target. Of the managing agents, Brent Housing Service is the highest performing, with a year-to-date collection rate of 94.26%. Mears, i4B’s managing agent for circa 75 properties in the Home Counties, has a collection rate of 89.66%. The i4B portfolio typically experiences lower collection rates compared to First Wave Housing (FWH). This is influenced by factors such as higher rent levels in i4B and a larger proportion of temporary accommodation tenancies in FWH, leading to more tenants receiving Housing Benefit, directly credited to the rent account, in contrast to Universal Credit, where payments are primarily made to the applicants.

Table Two – Key Performance Indicators

Indicator	Target	Performance at January 2023 (YTD)	Performance at January 2024 (YTD)
Number of units	429 by April 2024	PRS: 415 Key Worker: 153	PRS: 427 Key Worker: 153
Instruction to Legal to Purchase	120 days	147 days	149 days
Minor void re-let times	35 days	New purchases: 111 days  Re-lets: 162 days	New purchases: 95 days  Re-lets: 138 days
Major void re-let times	72 days	New purchases: 111 days  Re-lets: 162 days	New purchases: 212 days  Re-lets: 282 days
Rent collection	98.50%	HM: 92.1%  Mears: 90.5%	HM – 94.26% Mears – 89.66%

- 4.3 Table Three provides an update on health & safety compliance. Aside from one gas safety certificate and a number of outstanding electrical safety certificates, i4B has achieved full compliance in the relevant areas. The one missing LGSR is for a property managed by Mears, and the legal escalation route to gain access is being followed. On EICRs, the legal process to gain access continues to be followed for each outstanding certificate; however, it is not possible to force entry to properties that refuse access, as is the case with gas certificates.

Table Three – Compliance Scorecard

Compliance Area	Certification	No. of Applicable Properties/ Blocks	No. of Compliant Properties/ Blocks	Compliance Rate
Electrical Safety (Property)	EICR	HMS: 507 Mears: 77	HMS: *374 Mears: *71	HMS: 82.93% Mears: 93.4%
Gas Safety (Property)	LGSR	HMS: 303 Mears: 67	HMS: *303 Mears: *66	HMS: 100% Mears: 98.5%
Asbestos (Block)	Asbestos survey	7	7	100%
Legionella (Block)	Legionella risk assessment	7	7	100%
Electrical Safety (Block)	Communal EICR	3	3	100%
Lifts (Block)	Inspection report	1	1	100%
Fire Safety (Block)	FRA	2	2	100%

*\*Data does not include void properties*

## **5.0 Progress in Implementing 2023/24 Business Plan**

5.1 In February 2023, the 2023/24 i4B Business Plan was approved.

5.2 The 2023/24 Business Plan outlined the following as the Company's medium-to long-term objectives:

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

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

### **5.4 Increasing the supply of affordable housing in the borough**

5.4.1 The 2023/24 Business Plan outlined that i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs.

5.4.2 i4B's street property purchase programme resumed in May 2023, following agreement to draw down loan funding at the 3.45% interest rate. By way of comparison, current Public Works Loan Board (PWLB) rates are over 5%. This resulted in more opportunities becoming viable for the company. i4B is forecast to purchase 12 properties in the current financial year, with a further 25 predicted for 2024-25.

5.4.3 Additionally, the company agreed to explore the option of acquiring a new build. i4B commissioned consultants Red Loft to analyse the housing development market and explore potential acquisition routes. It was agreed that off-the-shelf purchases through s106 schemes or bulk purchases would represent a viable route for the companies.

## 5.5 Running a Viable Business

5.5.1. The i4B Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issues for i4B continue to be high void times and levels of arrears; however, some improvement has been seen during 2023-24. A void improvement project was implemented to significantly reduce void costs, covering both the housing companies and the Council's Housing Revenue Account; chaired by senior management. In addition to the initial void inspection, a surveyor checks the quality and progress of void works part way through the process, ensuring they are on target for completion. The Voids Hit Squad was formed in July 2023, which monitors all void stages focusing on efficiency and reporting to senior management.

5.5.2 Following a procurement exercise in October 2023, i4B will begin a voids pilot scheme with C & C Builders Ltd. It is anticipated that contracting i4B voids work to a smaller provider would allow greater focus on i4B voids and a better understanding of the company's portfolio and void specification. If the pilot is successful in reducing void costs and turnaround times, a longer-term contract will be considered.

5.5.3 Rent collection is also an operational issue for i4B. The year-to-date rent collection figure is 94.26%, which falls below the target of 98.5%. To address this, Brent Housing Service have appointed a dedicated Housing Companies Operational Team. The Team are in the process of piloting changes and improvements to the income collection and tenancy sustainment process, which will also be monitored and reported on in the coming year.

5.5.4 Another key concern for i4B is value for money. A value for money strategy was approved by the Board in October 2023 and will continue to be implemented during the 2024-25 financial year. In addition, i4B has now commissioned a consultant to carry out a value for money review of voids, with a further review of repairs to be considered following the initial results, expected in early 2024. Outstanding actions from the strategy have been incorporated into the 2024-25 business plan.

## 5.6 Delivering safe and sustainable homes

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

- 5.6.2. Brent's Housing Management Service (HMS) have adopted the True Compliance system for long-term monitoring and reporting of compliance across all areas. i4B will continue to oversee the implementation of True Compliance throughout 2024-25, with increased clienting and monitoring of health and safety compliance with monthly reporting to the Board.
- 5.6.3. The results of recent stock condition and energy surveys will be developed into a costed asset management and energy efficiency strategy during 2023-24 and will be input into the financial plan to inform long-term asset management planning; impacts will be assessed on a property and stock level. This will be further refined during 2024-25, including agreeing an approach for future stock rationalisation.
- 5.6.4. Additionally, i4B's key worker block, Lexington, has been duly registered on the London Fire Brigade and Government Portals, aligning with the requirements of the Building Safety Act.

#### 5.7 Providing a consistently good housing service

- 5.7.1. i4B aims to ensure tenant satisfaction and monitor this regularly. During 2022/23 new tenant satisfaction measures were implemented and some transactional feedback from tenants has been received. The findings of the survey reveal that overall satisfaction with i4B has decreased, with areas such as repairs, tenant engagement and neighbourhood management presenting particular concern.
- 5.7.2. Additionally, to improve i4B's oversight of complaints and transactional satisfaction surveys, a separate hierarchy on the Council's complaints processing system has now been set up for i4B. This will enable company complaints to be monitored and reported on separately. Regular reporting to Board will be agreed with the Housing Companies Operational Manager.

### **6.0 2024/25 Business Plan**

- 6.1 Appendix 1 contains a final draft of the Company's 2024/25 Business Plan. Cabinet is asked to approve the business plan.
- 6.2 The 2024/25 Business Plan outlines the Company's strategic priorities for the year. Priorities for 2024/25 are set out within the framework of the medium to long-term objectives of Brent's Housing Companies. These objectives are:
- Providing a consistently good housing service;
  - Delivering safe and sustainable homes;
  - Running a viable business; and
  - Increasing the supply of affordable housing in the borough

#### 6.3 Providing a Consistently Good Housing Service

6.3.1. This objective relates to improving tenant satisfaction, ensuring tenants are able to afford their rent and sustain their tenancies, and overall providing an effective and consistent housing service. While not regulated by the Regulator, i4B will continue to review initial responses to the Regulator's new tenant satisfaction measures, seek to improve its oversight of complaints handling, and continue to actively engage with its tenants on financial inclusion and affordability. This will also include the re-tender of i4B's management contract for its properties in the Home Counties. The 2024-25 strategic priorities for this objective are:

- Priority 1: Monitor results of new tenant satisfaction measures
- Priority 2: Monitor complaints using improved portal
- Priority 3: Monitor and improve income collection performance
- Priority 4: Re-tender Home Counties housing management contract

#### 6.4 Delivering Safe and Sustainable Homes

6.4.1. This objective involves ensuring that i4B's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2024-25, the Company's focus will be on further embedding improved practices in the areas of compliance, disrepair and asset management & energy efficiency. This will include overseeing the successful implementation of True Compliance, meeting all requirements of the Building Safety Act, and carrying out additional work on modelling & planning for future property management and decarbonisation works. The 2024-25 strategic priorities that relate to this objective are:

- Priority 5: Fully implement True Compliance
- Priority 6: Fulfil the requirements of the Building Safety Act
- Priority 7: Continue to effectively monitor and manage disrepair
- Priority 8: Refine and implement asset management & decarbonisation strategy

#### 6.5 Running a Viable Business

6.5.1. This objective relates to improving the operational and financial performance of i4B in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2024-25 will be on implementing its value for money strategy to reduce costs and improve financial performance, with a particular focus on voids performance and financial controls. The 2024-25 strategic priorities that relate to this objective are:

- Priority 9: Monitor and carry out actions to improve voids performance.
- Priority 10: Carry out mid-year review of the financial business plan.
- Priority 11: Implement actions arising from financial controls audit.
- Priority 12: Introduce regular tax planning exercises.

#### 6.6 Increasing the Supply of Affordable Housing in the Borough

6.6.1. i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs.

i4B has available finance and aims to ensure this is spent in a way that adds maximum value to the Council, whilst also being feasible and supporting the Company's financial viability. This includes exploring the acquisition of both street properties and blocks. i4B is forecast to use the majority of its remaining finance during 2024-25, and as a result the company is continuing to engage the Council on the company's future strategy. The strategic priorities are as follows:

- Priority 13: Continue street property acquisition programme.
- Priority 14: Identify and appraise potential block acquisitions.
- Priority 15: Identify and appraise the potential acquisition or leasing of new builds.
- Priority 16: Engage Council on future strategic direction of company.

## **7.0 2024/25 Service Level Agreement**

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

7.2 The schedule is contained in Appendix 1e to this report. This outlines the services provided to i4B, service standards, and management costs. The SLA will run throughout 2024/25 and will be reviewed again for 2025/26. All costs and service standards have been agreed between the relevant Council heads of service and i4B.

7.3 Cabinet is asked to approve the updated SLA.

## **8.0 Stakeholder and ward member consultation and engagement**

8.1 N/A

## **9.0 Financial Considerations**

9.1 The detailed financial implications are set out in the business plan. These include the key assumptions used and the stress testing carried out to test the business' financial viability should assumptions vary from those forecasted.

9.2 Over the year, inflation has fallen from a peak of 11% in 2022 to 6.7% in September 2023 which impacts costs and income. Rental increase caps have reverted to the standard policy of CPI + 1% at September 2023 and LHA rate increases have now been agreed by the government since the freeze in 2020.

9.3 In summary, rental income has increased over the life of the business plan and this has had a positive impact on the company despite costs also increasing. The company maintains a healthy cashflow position until debt repayments are required towards the end of the 30 year period. In the short term, refurbishment works to the Granville blocks also reduce the company's cash balance.



## **10.0 Legal Considerations**

- 10.1 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole shareholder in i4B Holdings Limited and the intention is to seek Cabinet approval on 11<sup>th</sup> March 2024.
- 10.2 i4B is a wholly owned local authority company, controlled by the Council, which was established to own and manage private rented sector (PRS) properties, in order to support the Council's homelessness agenda. The Council exercises a degree of control over disposal of these properties given the requirements of the Shareholder Agreement as to Council consent for disposal. In exercise of that control, the Council ought to ensure that, the spirit and purpose of section 123 Local Government Act 1972, is complied with, so that any sale of i4B's out-of-Borough land is for best consideration reasonably achievable by i4B.
- 10.3 In the context of the various delivery routes referred to in the report and Business Plan, it should be noted that companies such as i4B, established and solely owned by a council parent, are regarded as "contracting authorities" in their own right for the purposes of the Public Contracts Regulations 2015 ("PCR"). As a result, services or works over the relevant PCR financial threshold that i4B commissions from another organisation, even those commissioned from its own parent or other providers, potentially have to be competitively tendered, unless relevant exemptions available under the PCR apply.
- 10.4 The Building Safety Act 2022 has implications for i4B as a landlord which include the following:
- the introduction of a 'Building Safety Regulator';
  - a new regulatory regime that applies to the planning, construction and occupation of 'higher risk' buildings;
  - increased governmental powers to regulate construction products, and the introduction of new regulations for the safety of construction products in the UK;
  - protections for leaseholders in respect of the costs of remediating building safety defects in their properties;
  - establishment of a new homes ombudsman scheme and a developers' code of practice, and government powers relating to new homes warranties;
  - provisions relating to the professional competence of architects and provisions to regulate the building control profession.
- 10.5 It is noted in para 5.4.2 that there have been further drawdowns of funding at an interest rate of 3.45% which is below PWLB rates. These rates were set when the borrowing facilities were made to i4B and as such represented market rates at that time.

## **11.0 Equality, Diversity & Inclusion (EDI) Considerations**

- 11.1 N/A

**12.0 Climate Change and Environmental Considerations**

12.1 N/A

**13.0 Human Resources/Property Considerations (if appropriate)**

13.1 N/A

**14.0 Communication Considerations**

14.1 N/A

**Report sign off:**

***Peter Gadsdon***

Corporate Director of Resident Services



# **i4B Holdings Limited**

## **2024/25 Business Plan**

# **i4B Holdings Ltd 2024-25 Business Plan**

## **1. Introduction**

- 1.1. i4B Holdings Ltd (i4B; the Company) was established to reduce homelessness, provide affordable, good quality homes, and invest to deliver regeneration and financial benefits for its sole shareholder, Brent Council (the Council).
- 1.2. The following document is i4B's 2024-25 Business Plan. The Business Plan outlines how the Company will grow and diversify its products and increase its contribution to the Council's ambition of creating a borough with "a future built for everyone, an economy fit for all".
- 1.3. The Business Plan takes the following format:
  - 2.0 Purpose of the Company
  - 3.0 Performance against Overall Purpose
  - 4.0 Progress against the Company's 2023-24 Business Plan
  - 5.0 Context for 2024-25 Business Plan
  - 6.0 Strategic Priorities for 2024-25
  - 7.0 Appendices
    - A1 Closed Financial Appendix – Financial Implications of Proposals
    - A2 Risk Register
    - A3 Progress on 2023-2024 Key Tasks
    - A4 2024-25 Key Tasks
    - A5 2024-25 Service Level Agreement
    - A6 Value for Money Statement

## 2. Purpose of the Company

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

### 3. Performance against Overall Purpose

- 3.1. Since 2016, i4B has performed well against its purpose. i4B has purchased PRS accommodation and let it to families in TA. i4B has also brought financial savings to the Council.
- 3.2. As of December 2023, i4B has purchased 427 private sector homes and switched the tenure to an affordable PRS product. All properties have been refurbished to a high standard. Table One provides a breakdown of i4B's portfolio and pipeline as of December 2023.

Table One – i4B portfolio as of December 2023

	1b	2b	3b	4b+	All
Purchased properties	60	182	135	50	427

- 3.3. i4B has housed 449 families and 1010 children. The majority of these families were previously housed in stage one TA. The number of families housed is higher than i4B's PRS portfolio due to certain properties being re-let.

Table Two – Breakdown of families accommodated by i4B as of December 2023

Previous Accommodation	no. of families	no. of children
Direct to i4B	116	216
Women's Refuge	2	15
TA Stage one – B&B	294	665
TA Stage two – Leased	37	114
<b>Total</b>	<b>449</b>	<b>1010</b>

- 3.4. i4B also owns a 153-unit block, which is let to public sector key workers; Lexington has now been operational for three years.
- 3.5. The Council has received the following one-off financial benefits:
- PRS phase one loan: loan arrangement fee of £872k and non-utilisation charge of £330k
  - PRS phase two loan: loan arrangement fee of £884k and non-utilisation charge of £408k

## 4. Progress against the Company’s 2023-24 Business Plan

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

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

4.2. This section outlines performance in 2023-24 against each of the Company’s strategic objectives.

### 4.3. Summary of performance

4.3.1. During 2023-24, work to implement the Development Strategy for both of the Council’s housing companies – i4B and First Wave Housing Ltd – has continued.

4.3.2. In May, i4B’s street property purchase programme resumed, following agreement to draw down loan funding at the 3.45% interest rate. By way of comparison, current Public Works Loan Board (PWLB) rates are over 5%. This resulted in more opportunities becoming viable for the company. i4B is forecast to purchase 12 properties in the current financial year, with a further 25 predicted for 2024-25.

4.3.3. Additionally, the company agreed to explore the option of acquiring a new build. i4B commissioned consultants Red Loft to analyse the housing development market and explore potential acquisition routes. It was agreed that off-the-shelf purchases through s106 schemes or bulk purchases would represent a viable route for the companies to acquire a new build. i4B have not yet found an appropriate scheme to take forward but continue to explore opportunities in this area.

4.3.4. During 2023-24, a dedicated operational team for the housing companies has been set up by Brent Housing Service. This was put in place to provide housing management services outlined in the Service Level Agreement, including overseeing housing & neighbourhood services, tenancy management, income collection, tenancy sustainment, and lettings. Table Three below provides a summary of operational performance at January 2024:

Table Three – Summary of Performance

Indicator	Target	Performance at January 2023 (YTD)	Performance at January 2024 (YTD)
Number of units	429 by April 2024	PRS: 415 Key Worker: 153	PRS: 427 Key Worker: 153
Instruction to Legal to Purchase	120 days	147 days	149 days

Minor void re-let times	35 days	New purchases: 111 days Re-lets: 162 days	New purchases: 95 days Re-lets: 138 days
Major void re-let times	72 days	New purchases: 126 Re-lets: 206 days	New purchases: 212 days Re-lets: 282 days
Rent collection	98.50%	HM – 92.1% Mears – 90.5%	HM – 94.26% Mears – 89.66%
Void Rent Loss	1%	5%	4%
Emergency repairs completed within 24 hours	100%	97%	99%
Urgent repairs completed within 7 days	95%	80%	98%
Routine repairs completed within 28 days	95%	75%	78%
% of properties with a valid gas safety certificate	100%	HM – 100% Mears – 95.2%	HM – 100% Mears – 100%

- 4.3.5. High void times and rent collection continue to represent the principal operational issues for i4B, with both minor and major void times and rent collection rates remaining out of target. Recognising that this is an issue facing the whole of Housing Management, Brent addressed this matter by introducing a Voids Hit Squad. The team comprises of three officers and one manager who are the owners of the end-to-end voids and lettings process. Each void now has an officer attached to it who tracks and monitors it to ensure that delays are prevented, and void turnaround times are brought back within target. Their work to-date has shown promising results in identifying and clearing historical voids with contractors turning minor voids around in 12 days and major voids in 19 days. The i4B Board will continue to closely track this progress during 2024-25.
- 4.3.6 Rent collection is also an operational issue for i4B. The year-to-date rent collection figure is 94.26%, which falls below the target of 98.5%. To address this, Brent Housing Service have appointed a dedicated Housing Companies Operational Team. The Team are in the process of piloting changes and improvements to the income collection and tenancy sustainment process, which will also be monitored and reported on in the coming year.
- 4.3.7 Mears currently provide housing management, repairs, compliance and voids management services for 73 properties in the Home Counties. The overall performance has been generally in line with Brent. However, void turnaround times are consistently out of target. Part of the reason for this is the difficulty in letting



properties to families wishing to remain in Brent. Subsequently, i4B will consider the disposal of these properties when they become void; this will be reviewed on a case-by-case basis. In addition, the year-to-date rent collection figure for Mears is 89.66%, which falls below the target of 98.5%.

4.3.8 Table Four provides an update on health & safety compliance. Aside from one gas safety certificate and a number of outstanding electrical safety certificates, i4B has achieved full compliance in the relevant areas. The one missing LGSR is for a property managed by Mears, and the legal escalation route to gain access is being followed. On EICRs, the legal process to gain access continues to be followed for each outstanding certificate; however, it is not possible to force entry to properties that refuse access, as is the case with gas certificates.

Table Four – Compliance Scorecard

Compliance Area	Certification	No. of Applicable Properties/ Blocks	No. of Compliant Properties/ Blocks	Compliance Rate
Electrical Safety (Property)	EICR	HMS: 507 Mears: 77	HMS: *374 Mears: *71	HMS: 82.93% Mears: 93.4%
Gas Safety (Property)	LGSR	HMS: 303 Mears: 67	HMS: *303 Mears: *66	HMS: 100% Mears: 98.5%
Asbestos (Block)	Asbestos survey	7	7	100%
Legionella (Block)	Legionella risk assessment	7	7	100%
Electrical Safety (Block)	Communal EICR	3	3	100%
Lifts (Block)	Inspection report	1	1	100%
Fire Safety (Block)	FRA	2	2	100%

*\*Data does not include void properties*

4.3.9 The following paragraphs provide a more detailed update on progress against the sub-objectives for each Housing Company objective in the 2023-24 Business Plan.

4.4. Performance against strategic objectives

4.5. ***Providing a Consistently Good Housing Service***

4.5.1. i4B's rent collection rates are below target. Some reasons for this include delays in processing Universal Credit claims leading to build-up of arrears in the initial stages of a tenancy and the potential unaffordability of rents for some tenants; this has been further compounded by the ongoing cost of living crisis. In order to address this,

during 2023-24 the new Housing Management team have reviewed the sign-up, tenancy sustainment, rent collection and arrears management processes, and evaluated historic highest arrears cases to assess ongoing suitability. Subsequently, the sign-up process has been revised and is in a pilot phase, with lettings officers now assisting with Universal Credit and Council Tax applications, as well as advance payments. Moreover, a newly introduced welcome pack and Nominations Panel are ready to be implemented in 2024-25 to enhance tenancy sustainment. Ongoing improvements are also being made to rent collection and arrears management, with a focus on providing a more comprehensive service for 2024-25.

- 4.5.2. i4B is working to improve tenant satisfaction and monitors this regularly. During 2023-24, new tenant satisfaction measures were implemented and some transactional feedback from tenants were received. The initial results of the tenant satisfaction measures, and transactional feedback were reviewed and presented to the Board in July 2023. The findings of the survey reveal that overall satisfaction with i4B has decreased, with areas such as repairs, tenant engagement and neighbourhood management presenting particular concern. These results have been used to identify and carry out specific actions to improve tenant satisfaction, with the Board being set to receive six-monthly reports and regular updates on tenant satisfaction from Housing Management.
- 4.5.3. Additionally, to improve i4B's oversight of complaints and transactional satisfaction surveys, a separate hierarchy on the Council's complaints processing system has now been set up for i4B. This will enable company complaints to be monitored and reported on separately. Regular reporting to Board will be agreed with the Housing Companies Operational Manager.
- 4.5.4. In June 2023 it was agreed that the Mears contract for management of properties in the Home Counties would be extended for an additional year. Ahead of the next potential extension in September 2024, i4B is planning to re-tender the Home Counties management contract to ensure that the company is receiving a high quality service that brings value for money.

#### 4.6. ***Delivering Safe and Sustainable Homes***

- 4.6.1. During 2022-23, i4B commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Service. In response to the audit, a monitoring tracker was created to track all compliance areas for i4B properties and blocks. All compliance certification is centralised and audit follow-up actions have been addressed. Officers will continue to monitor performance in this area. i4B has also initiated increased clienting of the compliance certification process to provide further assurance.
- 4.6.2. Brent's Housing Management Service (HMS) have adopted the True Compliance system for long-term monitoring and reporting of compliance across all areas. i4B will continue to oversee the implementation of True Compliance throughout 2024-25, with increased clienting and monitoring of health and safety compliance with monthly reporting to the Board.
- 4.6.3. The results of recent stock condition and energy surveys will be developed into a costed asset management and energy efficiency strategy during 2023-24 and will be

inputted into the financial plan to inform long-term asset management planning; impacts will be assessed on a property and stock level. This will be further refined during 2024-25, including agreeing an approach for future stock rationalisation.

- 4.6.4. Additionally, i4B's key worker block, Lexington, has been duly registered on the London Fire Brigade and Government Portals, aligning with the requirements of the Building Safety Act.
- 4.6.5. Regarding disrepair, HMS have implemented measures to identify and address disrepair early on, aiming to support tenant well-being, reduce legal claims and minimise compensation payments. Four contractors, including new additions, now respond to disrepair reports for i4B properties. HMS have tackled damp and mould by contacting tenants, receiving 800 responses and remedied ongoing issues, with a newly hired specialist company for improved mould treatment. A new forced entry protocol has also been implemented, which handles leaks promptly. Daily contractor reports are also reviewed, and post-inspections ensure complex jobs meet the relevant standards. During 2023-24 disrepair cases have been added to monthly performance reports, and this closer monitoring will continue into future years.

#### 4.7. ***Running a Viable Business***

- 4.7.1. The i4B Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issues for i4B continue to be high void times and levels of arrears; however, some improvement has been seen during 2023-24. A void improvement project was implemented to significantly reduce void costs, covering both the housing companies and the Council's Housing Revenue Account; chaired by senior management. In addition to the initial void inspection, a surveyor checks the quality and progress of void works part way through the process, ensuring they are on target for completion. The Voids Hit Squad was formed in July 2023, which monitors all void stages focusing on efficiency and reporting to senior management.
- 4.7.2. Further, all voids are now handled by Wates Living Space – the Council's principal repairs and void works contractor – and undergo pre- inspection, in progress inspection and a joint-inspection by a Wates Supervisor and a Brent Surveyor. The cost of void works has also now reduced as a result of carefully scrutinising specifications and implementing an approval hierarchy.
- 4.7.3. Following a procurement exercise in October 2023, i4B will begin a voids pilot scheme with C & C Builders Ltd. It is anticipated that contracting i4B voids work to a smaller provider would allow greater focus on i4B voids and a better understanding of the company's portfolio and void specification. If the pilot is successful in reducing void costs and turnaround times, a longer-term contract will be considered.
- 4.7.4. i4B also commissioned a tax planning review from EY. While the review confirmed that company tax calculations were accurate and appropriate, it highlighted the need to carry out regular tax planning exercises, which will be taken forward into 2024-25.
- 4.7.5. Another key concern for i4B is value for money. A value for money strategy for i4B was approved by the Board in October 2023 and will be implemented during the 2024-25 financial year. In addition, i4B has now commissioned a consultant to carry out a value for money review of voids, with a further review of repairs to be

considered following the initial results, expected in early 2024. Outstanding actions from the strategy have been incorporated into the 2024-25 business plan.

#### **4.8. *Increasing the Supply of Affordable Housing in the Borough***

- 4.8.1. i4B acquires and lets properties in Brent and neighbouring boroughs to improve the Council's affordable housing offer, and the company has price caps which represent the maximum amount the Company can pay in order for acquisitions to meet its financial viability criteria.
- 4.8.2. In response to challenges posed by higher global inflation rates and increased interest rates, i4B temporarily paused street property purchases at the beginning of the year. Subsequently, there were no initial purchasing targets for 2023-24. In May 2023, it was agreed that acquisitions would resume at the drawn down interest rate of 3.45% with a target of 12 for the year. Alongside this, the decision to increase equity within financial modelling from 5% to 20% aimed to enhance the company's competitive position in the market.
- 4.8.3. As of January 2024, the company has successfully purchased 11 street properties, and a small number of additional completions is anticipated by the year's end.
- 4.8.4. i4B now has £13.5m of remaining loan funding yet to be committed. Once this funding has been used, i4B would need to agree new loan funding at a new interest rate. Advice from the Council's Treasury team is that rates are likely to trend upwards in the future, negatively impacting the number of properties that meet i4B's viability criteria. However, this is likely to be somewhat offset by rises to LHA rates as of April 2024. The company is engaging with the Council on its future acquisition strategy, including looking at both the possible continuation of the street property purchase programme and a greater focus on the purchase or leasing of blocks or new builds.

## 5. Context for 2024-25 Business Plan

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

- Current economic context;
- The housing market & current acquisition strategy;
- Current demand and housing need within Brent;
- The regulatory environment;
- Energy efficiency; and
- The key risks the Company currently faces

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

### 5.3. ***Current Economic Context***

5.3.1 Following 20-year highs during 2022-23 – a result of a variety of factors including the impacts of Covid-19, Brexit and the war in Ukraine – consumer price inflation has reduced across 2023-24.

5.3.2 CPI is currently at 4.0%<sup>1</sup> and is expected to continue falling to 3.1% by Q4 2024. This is due to several factors, including lower energy prices and reduced inflation in consumer goods and food.<sup>2</sup> However, the ongoing cost of living crisis is expected to have continued impacts on affordability for tenants and rent collection.

### 5.4. ***The Housing Market & Current Acquisition Strategy***

5.4.1 During this financial year, from May 2023 onwards i4B has been able to identify properties on the market that meet its acquisition criteria at the drawn down interest rate of 3.45%. Purchasing is expected to be more challenging following the use of funding at 3.45%, given current interest rates of over 5%. However, this is partially offset by the Government's announcement that LHA rates will be raised to the 30<sup>th</sup> percentile for the beginning of 2024-25, which will increase i4B price caps.

5.4.2 Alongside this, according to the Office for Budget Responsibility house prices are expected to fall by 4.7% throughout 2024.<sup>3</sup> It is also anticipated that it could take until 2027 for house prices to recover to 2022 peak levels; predictions which remain in line with Savills' latest forecast, estimating that UK house prices will fall in 2024, 3% across the UK and 4% in London before bottoming out.<sup>4</sup>

---

<sup>1</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/latest#latest-movements-in-cpi-inflation>

<sup>2</sup> <https://researchbriefings.files.parliament.uk/documents/CBP-9428/CBP-9428.pdf>

<sup>3</sup> <https://www.standard.co.uk/homesandproperty/property-news/obr-forecast-house-price-mortgages-transactions-2024-b1122430.html>

<sup>4</sup> <https://www.standard.co.uk/homesandproperty/property-news/obr-forecast-house-price-mortgages-transactions-2024-b1122430.html>

## 5.5 ***Current Demand and Housing Need within Brent***

- 5.5.1 i4B has been housing Council homelessness nominees since 2016. There are growing pressures being placed on the Housing Needs Service, with a significant overspend on Temporary Accommodation (TA) being driven by the reduction of private-rented sector (PRS) properties available at Local Housing Allowance (LHA) levels. This has led to an increased reliance on TA as a medium-term solution for households in need. The difficulty of finding TA has meant that local authorities are housing a growing number of their most vulnerable residents outside the capital, away from vital services and support networks<sup>5</sup>.
- 5.5.2 Temporary Accommodation has a significant financial impact on the Council, with a projected overspend of £4.5m against the 2023-24 budget. This is partly due to the fact that benefits paid to those living in TA have been limited to 90% of the 2011 LHA rates. This is significantly less than the rents currently being charged by most private sector landlords. In the 2023 Autumn Statement, the Chancellor announced that from April 2024, LHA rates will rise to the 30<sup>th</sup> percentile of local market rates. This will relieve some of the pressures faced by families but will need to be balanced against the restraints of the benefit cap, which will not be updated next year.
- 5.5.3 The Council are now faced with increasing pressures to source cost-effective TA. Options for this include the purchase of homes on the private market or from developers; i4B's acquisition programme forms part of this route, and the company is able to work with the Council to explore new loan funding in order to acquire more properties or blocks and further contribute to relieving current pressures. Any blocks considered would also help to relieve ongoing high demand from families who require adapted properties due to mobility issues or disabilities.

## 5.6 ***The Regulatory Environment***

- 5.6.1 While i4B is not regulated by the Regulator of Social Housing, it aims to comply with its standards in line with requirements for the Council's HRA and First Wave Housing. The regulatory environment for housing continues to be stringent, with the introduction of new legislation such as the Building Safety Act and more proactive regulation in areas such as tenant satisfaction.
- 5.6.2 The Regulator's new tenant satisfaction measures have been effectively implemented from April 2023, and the Housing Companies Operational Manager will begin regular reporting to the Board on these.
- 5.6.3 Stock condition is another key theme. Alongside decarbonisation requirements discussed below, the sector continues to see increased numbers of disrepair cases and complaints to the Housing Ombudsman, principally in relation to property condition and damp and mould. The Board are receiving more regular and comprehensive reporting on disrepair cases, and disrepair is one of the focuses of a financial controls audit currently being undertaken for the company. HMS must also continue to adhere by the legal process set out in the Pre-Action Protocol for Housing Conditions Claims when addressing disrepair cases.

---

<sup>5</sup> [Inside Housing - News - London's biggest landlords to provide temporary accommodation for councils](#)

5.6.4 Finally, the new Building Safety Act brought the introduction of a new Building Safety Regulator and a New Homes Ombudsman. The Act covers residential high-rise buildings at all stages from design and planning to construction and occupancy, and requires the provision of a 'golden thread' of detailed building information both to the Regulator and residents. It also introduces greater protections for leaseholders against historical defects as well as the requirement for a resident engagement strategy. As a result of this, i4B is required to provide detailed information to the Regulator for Lexington.

## 5.7 **Energy Efficiency**

5.7.1 Brent Council declared a climate and ecological emergency in 2019 and committed to do all reasonable in its gift to aim for carbon neutrality for 2030, and to work with government to achieve the national 2050 target. The target for Brent's housing in its Climate & Ecological Emergency Strategy (2021-2030) is to achieve an average EPC rating of B by 2030, in line with the London Councils target. Brent Council's housing companies' environmental sustainability targets are aligned with the Council's own environmental sustainability targets. Although the Government has made the decision to change its policy regarding climate targets and commitments<sup>6</sup>, i4B and the wider Council group are still aiming at previously agreed targets.

5.7.2 Stock decarbonisation will be a significant capital expense for the Company. Modelling shows an indicative average cost per property of £18,000 for reaching EPC C and £20,500 for reaching EPC B; this has the potential to increase with inflation. Therefore, the company's ongoing work to forecast its capital programme and decarbonisation requirements will be important for securing financial viability while meeting targets.

## 5.8 **Risk Context**

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

- Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in i4B being non-compliant with its statutory obligations.
- i4B lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.
- Tenant non-payment of rent increases due to unaffordability of rent.
- High Capital Programme costs, including future climate change expenditure, undermine the viability of the business plan.
- Greater uncertainty in the external operating environment brings greater risk to i4B's financial modelling.

5.8.2 Mitigating measures are in place to help to minimise the impact of all risks, with some risk scores being likely to reduce. A copy of the full Company risk register has been included in Appendix 2.

---

<sup>6</sup> <https://www.gov.uk/government/news/pm-recommits-uk-to-net-zero-by-2050-and-pledges-a-fairer-path-to-achieving-target-to-ease-the-financial-burden-on-british-families>

## 6. Strategic Priorities for 2024-25

6.1. This section outlines the Company's strategic priorities for 2024-25. In 2024-25 i4B will seek to consolidate its position while reviewing development opportunities in the borough. Priorities for the year are set out within the framework of the medium- to long-term objectives of Brent's Housing Companies. These objectives are:

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

### 6.2 *Providing a Consistently Good Housing Service*

6.2.1 This objective relates to improving tenant satisfaction, ensuring tenants are able to afford their rent and sustain their tenancies, and overall providing an effective and consistent housing service. While not regulated by the Regulator, i4B will continue to review initial responses to the Regulator's new tenant satisfaction measures, seek to improve its oversight of complaints handling, and continue to actively engage with its tenants on financial inclusion and affordability. This will also include the re-tender of i4B's management contract for its properties in the Home Counties. The 2024-25 strategic priorities for this objective are:

#### 6.2.2 Priority 1: Monitor results of new tenant satisfaction measures

6.2.3 Following the implementation of new tenant satisfaction measures in April 2023, the initial results were presented to the Board in July 2023. i4B will continue to review results from these surveys as well as transactional feedback from its tenants to identify the direction of travel for tenant satisfaction and carry out any necessary actions to improve tenant satisfaction. The Board will receive reporting on tenant satisfaction every six months.

#### 6.2.4 Priority 2: Monitor complaints using improved portal

6.2.5 A separate hierarchy on the Council's complaints processing system has been set up specifically for i4B. This will enable company complaints to be monitored and reported on separately. Plans for regular reporting to the Board on complaints oversight and monitoring will be agreed with the Housing Companies Operational Manager and implemented during 2024-25.

#### 6.2.6 Priority 3: Monitor and improve income collection performance

6.2.7 As part of the company value for money strategy, i4B will monitor and scrutinise the impact of improvement actions implemented by Housing Management, including new staffing arrangements, on rent collection and arrears recovery performance. This will include assessing the impact of the two new Housing Companies Tenant Managers who are responsible for the end-to-end tenancy management processes for the companies – including managing rent collection, arrears and tenancy sustainment as well as lettings, estates, and any tenancy issues such as ASB and tenancy verification visits.

6.2.8 There will be a renewed focus on income when letting new properties by way of the completion of Universal Credit applications at the tenancy sign ups. Verification visits



will also see a focus on income collection via targeted budgeting advice. The focus for year for the Housing Companies Tenant Services Managers will be on giving improved budgeting advice to i4B tenants who have experienced income issues following the cost of living crisis and also assisting those who have lost employment and are affected by the Overall Benefit Cap into employment. The Housing Companies Tenant Services Managers will also be working with the employment assistance organisation BEAM, to help tenants find and sustain employment. There will also be closer work between the Housing Management Team and the Housing Needs Service to ensure those that are placed into properties are able to suitably sustain tenancies in the long term.

#### 6.2.9 Priority 4: Re-tender Home Counties housing management contract

6.2.10 The i4B Board has taken the decision to re-tender the contract for the management of its properties in the Home Counties, currently managed by Mears. This will allow the company the opportunity to make improvements to the contract specification – specifically in areas of legal proceedings and disrepair – and review contract performance, KPIs and costs to ensure the company is receiving the best possible value for money. The new contract will begin in September 2024.

### **6.3 *Delivering Safe and Sustainable Homes***

6.3.1 This objective involves ensuring that i4B's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2024-25, the Company's focus will be on further embedding improved practices in the areas of compliance, disrepair and asset management & energy efficiency. This will include overseeing the successful implementation of True Compliance, meeting all requirements of the Building Safety Act, and carrying out additional work on modelling & planning for future property management and decarbonisation works. The 2024-25 strategic priorities that relate to this objective are:

#### 6.3.2 Priority 5: Fully implement True Compliance

6.3.3 The True Compliance system has been procured by the Council and is close to being fully implemented. i4B officers are working with True Compliance to set up reporting widgets which can be incorporated into the Housing Management Performance Reports. During 2024-25, i4B will continue short-term monitoring and reporting of compliance areas, providing reassurance to the Board that the Company remains compliant with all relevant law. It will also gradually phase out the manual compliance report as widgets for individual compliance areas are set up and officers have confidence in these. The possibility of incorporating the data into the Housing Management BI system is also being explored.

#### 6.3.4 Priority 6: Fulfil the requirements of the Building Safety Act

6.3.5 i4B's Lexington key worker housing block has been registered on the Government and London Fire Brigade Portals as per the requirements of the newly introduced Building Safety Act (BSA).

6.3.6 For the start of 2024-25, i4B is working with Brent's Compliance Team and Quintain to develop the Building Safety Case for Lexington in time for the 31 March 2024 deadline. In 2024-25, i4B will review the Regulator's response to the submission,

provide any further information required, and meet any additional requirements in relation to the BSA.

6.3.7 Priority 7: Continue to effectively monitor and manage disrepair

6.3.8 Disrepair cases continue to be a prevalent issue for i4B and the sector more widely. Housing Management will continue to adhere to the legislative framework set out in the Pre-Action Protocol for Housing Conditions Claims, when addressing disrepair cases. Moving forward, the Board will receive updates on live and settled disrepair cases through the regular Housing Management performance report on a monthly basis. Between meetings, i4B will also continue to work closely with the Housing Companies Operational Manager to ensure that cases are being progressed in a timely manner. It is expected that increased reporting will not only improve Board oversight of cases but improve the timeliness of resolving cases, minimising disruption to tenants and reducing associated costs.

6.3.9 Priority 8: Refine and implement asset management & decarbonisation strategy

6.3.10 For the start of 2024-25, i4B will model the outputs of its stock condition & energy survey work into its financial business plan in order to develop an asset management and decarbonisation strategy. The strategy will ensure that i4B has affordable, costed plans to ensure its stock remains in good condition and reaches target Energy Performance Certificate levels.

6.3.11 To support this, i4B will also develop and agree with the Board a stock rationalisation approach in 2024-25 and will explore any relevant grant funding opportunities for energy efficiency in collaboration with Climate and Asset Management colleagues in the Council.

6.3.12 While the company has encountered challenges in engaging with freeholders on their future asset management and decarbonisation plans despite repeated attempts at escalation, i4B will continue to send periodic requests to freeholders and input any information received on timings, costs and responsibilities for these works into its financial plan.

## 6.4 ***Running a Viable Business***

6.4.1 This objective relates to improving the operational and financial performance of i4B in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2024-25 will be on implementing its value for money strategy to reduce costs and improve financial performance, with a particular focus on voids performance and financial controls. The 2024-25 strategic priorities that relate to this objective are:

6.4.2 Priority 9: Monitor and carry out actions to improve voids performance

6.4.3 Voids represent a key strand of the company's value for money strategy. The impact of various restructures and improvement actions in the Housing Management service on voids performance will continue to be closely tracked in 2024-25 by officers and the Board. This includes the activity of the Voids Hit Squad, the movement of the lettings service into the dedicated Housing Management team, and work to clear long-term legacy voids from the pipeline to focus on new voids.

- 6.4.4 The lettings function will now be carried out by the Housing Companies Tenant Services Managers, who at tenancy sign ups will focus on providing information to tenants on what to do when they decide to leave the property; this will allow for the Housing Management Team to start action on voids earlier. The Housing Companies Tenant Services Managers will also be responsible for an increased number of verification visits (targeted at 6 per week) to ensure that properties are in better condition so if and when tenants leave the property, the void works are reduced.
- 6.4.5 Alongside this, i4B will assess the outcome of a value for money review of voids from external contractor Ridge. This project will improve the oversight of void costs and specifications and identify any issues with how works are being specified and charged currently. The work is underway and will be completed by the beginning of 2024-25, after which i4B will work with Property Services to implement any necessary improvements and consider a similar exercise for day-to-day repairs charging.
- 6.4.6 i4B is currently undergoing a re-let voids pilot with C&C Builders. Following the completion of this pilot of circa 10 voids, i4B will examine C&C's performance in areas such as void costs, turnaround times and engagement with i4B and Council colleagues. A longer-term arrangement with a smaller provider may then be considered dependent on the outcomes of the pilot.
- 6.4.7 i4B will also continue to consider the disposal of properties in the Home Counties once they become void, if there are persistent issues with reletting.
- 6.4.8 Priority 10: Carry out mid-year review of the financial business plan
- 6.4.9 Alongside regular financial monitoring and reporting throughout the year, at the mid-year point the financial plan will be updated with the actual position and latest forecast and will reflect any significant changes arising in the first part of the year. The plans will then be stress tested and presented back to the Board.
- 6.4.10 Priority 11: Implement actions arising from financial controls audit
- 6.4.11 An external audit is in progress in early 2024 looking into the financial controls and billing arrangements of i4B. The audit specifically has been set up to examine the billing processes, raising of charges and oversight and approval of payments in relation to disrepair claims, Council Tax and void refurbishment costs. Following the conclusion of the audit, in 2024-25 i4B officers will look to implement any actions arising and make any recommended improvements to processes.
- 6.4.12 Priority 12: Introduce regular tax planning exercises
- 6.4.13 In 2023-24, a tax planning review from EY provided assurance that i4B's current tax calculations are accurate and appropriate. The review also highlighted the need for regular tax planning exercises in order to improve forecasting and implement tax efficiencies where possible; these will be regularly carried out during 2024-25 and beyond.

## **6.5 *Increasing the Supply of Affordable Housing in the Borough***

- 6.5.1 i4B's primary aim is to improve the Council's affordable housing offer through the acquisition and letting of properties in Brent and neighbouring boroughs. i4B has available finance and aims to ensure this is spent in a way that adds maximum value

to the Council, whilst also being feasible and supporting the Company's financial viability. This includes exploring the acquisition of both street properties and blocks. i4B is forecast to use the majority of its remaining finance during 2024-25, and as a result the company is continuing to engage the Council on the company's future strategy. The strategic priorities are as follows:

6.5.2 Priority 13: Continue street property acquisition programme

6.5.3 The Company has an ongoing commitment to acquiring street properties to house homeless families; this will contribute to alleviating the Council's current issues in relation to the use of Temporary Accommodation. For 2024-25, a target of 25 properties has been agreed, supported by the recruitment of a dedicated Property Acquisition & Disposal Officer. This is expected to use the majority of i4B's remaining loan funding, and discussions with the Council regarding i4B's future acquisition strategy are proceeding as per priority 15 below.

6.5.4 Priority 14: Identify and appraise potential block acquisitions

6.5.5 i4B continues to explore a number of block purchases in collaboration with Council colleagues each year as part of its development strategy. It will continue to do so in 2024-25, with block purchases seen by the Board and Shareholder as a preferential acquisition route to bring in a large amount of housing supply that is easier to manage and has the potential for adapted units, subject to acquisitions being viable. Any suitable opportunities will be taken forward as appropriate.

6.5.6 Priority 15: Identify and appraise the potential acquisition or leasing of new builds

6.5.7 As well as block acquisitions, i4B will continue to review the market for new build opportunities as these materialise, aiming to identify viable options for acquisition or leasing. As above, this will also include adapted properties, and viable opportunities will be taken forward as appropriate.

6.5.8 Priority 16: Engage Council on future strategic direction of company

6.5.9 i4B's available finance is likely to be mostly or fully used up within 2024-25, and the Company is thus beginning discussions with the Council as its Shareholder on i4B's future strategy beyond this. These will be progressed during 2024-25 in order to agree the best approach to meet the housing objectives of the wider Council group, taking a holistic approach in order to reduce the usage and associated costs of Temporary Accommodation, increase housing supply at scale, and secure the future viability of the companies.

6.5.10 This will include looking at: the availability of further finance; modelling the impact of new LHA rates and Greater London Authority schemes on acquisitions at current interest rates; the shared risk appetite of the Council and company; and any areas of potential flexibility within the company's overall acquisition strategy and modelling. The i4B Board is open to inventive solutions to meet the aims of the Council's housing strategy and concrete plans will be agreed during the year.

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

Document is Restricted

This page is intentionally left blank

I4B Strategic Risks																	
Ref	Business Plan Objective	Strategic Risk	Risk	Trigger	Previous			Updated			Risk Trend	Mitigation	Actions	Owner	SLA Lead	Due Date	Action Update
					Likelihood	Impact	Score	Likelihood	Impact	Score							
1	Safe and Sustainable Homes	HB does not meet H&S requirements	HB lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.	Lack of reliable monitoring reports to Board	4	5	20	3	5	10	↓	Review policies, controls and reporting arrangements. Monitor implementation of True Compliance system and revised compliance policies	Head of Property Services	Strategic Support Officer	Dec-23	Compliance policies now agreed by Board. Updated reports have been received from True Compliance and reviewed, widgets in the process of being set up to ease reporting. Risk score reduced as regular reporting from TC now in place.	
1	Safe and Sustainable Homes	HB does not meet H&S requirements	Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in HB being non-compliant with its statutory obligations.	Inadequate controls on record creation, lack of KPIs and monitoring processes	3	5	15	3	5	10	↓	Review asset records and the controls around creation and update. Produce a regular compliance report to Board covering all compliance requirements.	Strategic Support Officer	Ongoing	Monitoring and reporting to Board continues on a monthly basis.		
2	Safe and Sustainable Homes	HB does not meet H&S requirements	Compliance actions are not effectively identified, followed or monitored when issues arise, leading to non-compliance with statutory obligations.	Inadequate controls on the recording, follow-up and reporting of mitigation actions identified.	3	5	15	3	5	10	↓	Ensure effective monitoring and reporting processes on compliance.	Head of Property Services	Strategic Support Officer	Dec-23	Compliance policies now agreed by Board. Updated reports have been received from True Compliance and reviewed, widgets in the process of being set up to ease reporting. Regular reporting from TC now in place.	
3	Running a Viable Business	HB cannot trade as a going concern	Tenant non-payment of rent increases due to unaffordability of rent.	Change in market demand	5	4	20	5	4	20	↓	Regular modelling and business plan reviews, effective recovery processes, and identifying the main reasons for high arrears levels.	Head of Housing & Neighbourhoods	Strategy and Delivery Manager	Completed	Benchmark on rent collection rates.	
4	Running a Viable Business	HB cannot trade as a going concern	High void rent loss due to long void turnaround times.	Poor void management processes and reporting	5	3	15	5	3	15	↓	Improved void management processes and reporting.	Head of Property Services / Responsive Repairs and Voids Manager	Strategic Support Officer	Jan-24	Void sign-up process has been revised and is in a pilot phase, with lettings officers now assisting with Universal Credit and Council Tax applications, as well as advance payments. A newly introduced welcome pack and Nominations Panel are ready for implementation to enhance tenancy sustainment. Additionally, ongoing improvements are being made to rent collection and arrears management, with a focus on providing a more comprehensive service.	
5	Running a Viable Business	HB cannot trade as a going concern	High Capital Programme costs, including future climate change expenditure, undermine the viability of the business plan.	Uncertainty on investment requirements in stock, including decarbonisation and compliance	5	5	25	3	5	15	↓	Development of a costed asset management plan with viable options.	Head of Property Services	Strategy and Delivery Manager	Sep-23	Report from Asset Management Team on energy performance, asset management requirements and decarbonisation potential of portfolio has been received and is being factored into the financial business plan. This will be finalised for the start of the 2024-25 Business Plan; risk likelihood has been reduced based on initial outcomes showing a reduced risk to company finances.	
6	Running a Viable Business	Financial and reputational damage	HB is deemed to have failed a statutory requirement in its corporate role following developments in the regulatory environment such as the Hackitt Review.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6	↓	Annual review of regulatory requirements and building standards and compliance with these.	Strategic Support Officer	Completed	Completed for 2023 - next review in June 2024		
7	Running a Viable Business	Financial and reputational damage	Substantial variations in inflation and interest rates compared to the business plan adversely affect financial performance and viability.	Cost inflation exceeds income; rent collection levels decrease; new unaffordable expenditure requirements such as decarbonisation costs are identified	4	5	20	3	5	15	↓	Regular review of costs and assumptions, and stress testing of the business plan.	Senior Finance Analyst	Jul-23	Completed for 2022/23 outcome and review of financial model; next stress test to be carried out as part of 2024/25 business planning. Risk reduced to reflect Bank of England forecast that inflation will		
8	Running a Viable Business	Financial and reputational damage	Tax inefficiency in the HB company structure makes property acquisition and decarbonisation works unaffordable	Increasing interest payments on loans cannot be offset against tax liabilities	4	5	20	3	5	10	↓	Carry out a tax planning review of the HB business plan	Senior Finance Analyst	Completed	EV advice and conclusions presented to October Board; regular tax planning reviews to be introduced from June 2024, and risk score reduced to reflect improved monitoring		
9	Increasing Supply of Affordable Housing	HB cannot increase affordable housing supply	There is an insufficient volume of properties on the market that meet HB's financial criteria.	Change in market conditions	3	3	9	3	3	9	↓	Regular review of market and financial viability model.	Strategy and Delivery Manager	Completed	Acquisition programme is proceeding to plan following decision to resume purchasing, with changes to modelling and new L&L rates increasing HB's purchasing power		
10	Increasing Supply of Affordable Housing	HB cannot increase affordable housing supply	There is an insufficient amount of development opportunities that meet HB's development criteria.	Change in market conditions	4	3	12	3	3	9	↓	Regular review of market and financial viability model.	Strategy and Delivery Manager	Completed	Review feasibility of a block acquisition or new build purchases during 2023/24.		
11	Increasing Supply of Affordable Housing	HB cannot increase affordable housing supply	HB has insufficient capital to fund new acquisitions.	Change in market interest rates or a failure to negotiate new funding	5	3	15	3	3	9	↓	Monitoring of market rates and agreeing financing options with the Council.	Senior Finance Analyst	Completed	The Council has indicated that future loan finance would be available to the housing companies following the use of remaining loan funding; the affordability of acquisitions at this point will be dependent on the interest rate environment. Risk score reduced to reflect ongoing exploration of viable opportunities and Council willingness to provide further funding for lease.		

This page is intentionally left blank



i4B 2023/24 Key Tasks						
Housing Company objective	Priority for 2023/24	Key tasks for 2023/24	Task owner	Due date	RAG	Update January 2024
Increasing the supply of affordable housing in the borough	1. Explore future financing arrangements with Council	Explore new financing arrangement with Council that allows companies to forward borrow	Strategy and Delivery Manager	Sep-23	Complete	The Council has indicated that future loan finance would be available to the housing companies following the use of remaining loan funding.
Increasing the supply of affordable housing in the borough	2. Review feasibility of a block acquisition	Work with consultants to review market for potential block acquisitions, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23	Complete	Strategy session with Red Loft held in May 2023, and Board agreed to explore and progress s106 and bulk purchase opportunities where appropriate. Schemes continue to be explored
Increasing the supply of affordable housing in the borough	3. Review feasibility of new build purchases	Work with consultants to review market for new build opportunities, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23	Complete	Strategy session with Red Loft held in May 2023, and Board agreed to explore and progress s106 and bulk purchase opportunities where appropriate. Schemes continue to be explored
Increasing the supply of affordable housing in the borough	4. Review feasibility of re-entering street property market	Review street property market in June 2023	Operational Director Property and Assets / Strategy and Delivery Manager	Jun-23	Complete	Board decision taken in May 2023 to resume street property acquisitions. Forecast of 12 acquisitions across 2023-24 in line with targets, and 25 acquisitions in 2024-25
		Dependent on review, consider re-entering street property market	Operational Director Property and Assets / Strategy and Delivery Manager	Jul-23	Complete	Board decision taken in May 2023 to resume street property acquisitions.
Running a viable business	5. Carry out project to reduce arrears	Review sign-up process and tenancy sustainment approach	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	The sign-up process has been revised and is in a pilot phase, with officers now assisting with Universal Credit and Council Tax applications, as well as advance payments. A newly introduced welcome pack and Nominations Panel are ready for implementation to enhance tenancy sustainment. Work has also begun with the employment assistance organisation BEAM, to help tenants find and sustain employment.
		Review rent collection and arrears management processes	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	Additionally, ongoing improvements are being made to rent collection and arrears management, with a focus on providing a more comprehensive service. A dedicated Housing Companies Operational Team has been appointed to support these improvements.
		Evaluate historic highest arrears cases to assess ongoing suitability	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	Where properties are identified as unsuitable there is a process in place to refer back to Housing Needs for review.
Running a viable business	6. Implement VfM strategy	Implement actions outlined in value for money strategy	Strategic Support Officer	Dec-23	Complete	Value for Money Strategy & Action Board approved at October Board and actions are progressing. Update provided to January Board in VfM statement alongside business plan. Where actions are not yet complete, these have been included in the business plan key tasks for 2024-25
Running a viable business	7. Reduce void costs	Implement project plan to reduce void costs	Head of Housing Property Services	Dec-23		Voids hit squad now in place, with an update on outcomes to be provided at the January Board. All voids are now handled by Wates Living Space and undergo pre-inspection, in-progress inspection, and a joint post-inspection by a Wates Supervisor and a Brent Surveyor. The cost of void works has been reduced by carefully scrutinising specifications and implementing an approval hierarchy.
Running a viable business	8. Significantly improve void turnaround times	Implement project plan to significantly improve void turnaround times	Head of Housing Property Services	Dec-23		As above

Running a viable business	9. Explore potential stock rationalisation	Review financial and energy performance of properties following energy modelling work	Strategic Support Officer	Jun-23		Action remains overdue but on course within financial year. Survey data on future energy performance of portfolio and decarbonisation potential across the stock is in the process of being modelled into the financial business plan, and the impacts will be assessed on a property- and stock-level to inform a future asset management & stock rationalisation approach
		Consider potential disposals for under-performing properties	Strategic Support Officer	Jul-23		Dependent on the above.
		Carry out other disposals as appropriate, e.g. Home Counties properties	Strategic Support Officer	Ongoing		Ongoing.
Running a viable business	10. Review tax efficiency	Carry out a tax planning review for the business	Senior Financial Analyst	Sep-23	Complete	EY advice and conclusions presented to October Board, with regular tax planning exercises being set up.
Delivering safe and sustainable homes	11. Monitor health and safety compliance	Continue short-term monitoring and reporting of each compliance area	Head of Housing Property Services / Strategic Support Officer	Jun-23		Monitoring and reporting to Board will continue on a monthly basis until True Compliance fully implemented.
		Monitor implementation of True Compliance system for i4B	Head of Housing Property Services / Strategic Support Officer	Dec-23		Updated reports have been received from True Compliance and reviewed. Ongoing work with True Compliance Support to finalise the data contained in the widgets, with the aim that full reporting will be in place by June 2024; rolled over into 2024-25 Business Plan
Delivering safe and sustainable homes	12. Implement plan in response to Building Safety Act	Develop and implement project plan to ensure compliance with Building Safety Act	Head of Housing Property Services / Strategic Support Officer	Mar-24		There are three key actions for Lexington in response to the Building Safety Act. 1. Registration with Government/Building Safety Regulator - this has been completed in collaboration with Quintain. 2. Registration with London Fire Brigade - registration has been completed, and the Compliance team are engaging the LFB on any further information required. 3. Preparation of Building Safety Case to the Building Safety Regulator. The deadline for this is 31 March 2024, and i4B officers, the Compliance Team and Quintain are collaborating on the completion of the Safety Case.
Delivering safe and sustainable homes	13. Develop decarbonisation strategy	Use results of energy modelling work to develop an i4B decarbonisation strategy, which may include stock rationalisation where appropriate	Strategic Asset Manager / Strategic Support Officer	Sep-23		Action remains overdue but on course within financial year. Survey data on future energy performance of portfolio and decarbonisation potential across the stock is in the process of being modelled into the financial business plan, and the impacts will be assessed on a property- and stock-level to inform a future asset management & stock rationalisation approach
Delivering safe and sustainable homes	14. Develop disrepair policy	Review disrepair cases	Head of Housing Property Services / Strategic Support Officer	Jun-23	Complete	Report presented at the July Board meeting providing an update on all live disrepair cases.
		Develop disrepair policy	Head of Housing Property Services / Strategic Support Officer	Jun-23	Complete	Report presented at the July Board meeting outlining the legislation around managing disrepair cases, and Brent Housing's approach to proactively managing disrepair. Going forward, the Board will receive updates on live & settled disrepair cases through the regular performance report.
Providing a consistently good housing service	15. Review tenant satisfaction	Review initial results following implementation of new tenant satisfaction measures	Head of Housing and Neighbourhoods	Jun-23	Complete	Initial results presented at July Board meeting.
		Review results of transactional feedback from tenants	Head of Housing and Neighbourhoods	Jun-23	Complete	Initial results presented at July Board meeting.
		Identify and carry out actions to improve tenant satisfaction	Head of Housing and Neighbourhoods	Dec-23		Board to receive six-monthly reports going forward; next report in February 2024

Providing a consistently good housing service	16. Improve complaints oversight and monitoring	Review complaints policies and procedures for i4B	Complaints and Casework Manager / Strategic Support Officer	Sep-23	Complete	A separate hierarchy on the Council's complaints processing system has now been set up for i4B, enabling company complaints to be monitored and reported on separately. The complaints triaging team has been briefed on this. Plans for reporting to Board will be agreed with the Housing Companies Operational Manager, likely to commence in July 2024 alongside the tenant satisfaction report
---	---	---	---	--------	----------	---

This page is intentionally left blank

## i4B 2024/25 Key Tasks

Housing Company Objective	Priority for 2024/25	Key Tasks for 2024/25	Task Owner	Due Date
Providing a Consistently Good Housing Service	1. Monitor and improve income collection performance	Monitor and improve income collection performance	Housing Companies Operational Manager	Mar-25
Providing a Consistently Good Housing Service	2. Monitor results of new tenant satisfaction measures	Monitor the result of new tenant satisfaction measures and provide regular reporting on tenant satisfaction every 6 months	Housing Companies Operational Manager	Jul-24
Providing a Consistently Good Housing Service	3. Monitor complaints using improved portal	Monitor complaints using new improved portal and implement regular reporting to the Board on complaints oversight	Housing Companies Operational Manager	Dec-24
Providing a Consistently Good Housing Service	4. Re-tender Home Counties housing management contract	Re-tender Home Counties housing management contract	Strategy & Delivery Manager	Aug-24
Delivering Safe and Sustainable Homes	5. Fully implement True Compliance	Fully implement True Compliance, including setting up reporting widgets to be incorporated into the housing management performance reports	Head of Housing Property Services & Strategic Support Officer	Jun-24
Delivering Safe and Sustainable Homes	6. Fulfil the requirements of the Building Safety Act	Develop the Building Safety Case for Lexington	Strategy & Delivery Manager	Apr-24
		Review and respond to the Regulator's response to the submission	Strategy & Delivery Manager	Sep-24
Delivering Safe and Sustainable Homes	7. Continue to effectively monitor and manage disrepair	Continue to effectively monitor, manage and report on disrepair cases	Head of Housing Property Services & Strategic Support Officer	Ongoing
Delivering Safe and Sustainable Homes	8. Refine and implement asset management and decarbonisation strategy	Develop and implement asset management and decarbonisation strategy	Senior Finance Analyst & Head of Housing Property Services	Sep-24
		Develop and agree a stock rationalisation approach	Strategy & Delivery Manager & Senior Financial Analyst	Oct-24
		Explore grant funding opportunities for energy efficiency	Strategy & Delivery Manager	Dec-24
Running a Viable Business	9. Monitor and carry out actions to improve voids performance	Review improvement actions on voids performance, monitor and carry out actions accordingly	Head of Housing Property Services	Mar-25
		Implement actions arising from value for money review of void costs	Strategy & Delivery Manager	Jun-24
		Carry out re-let voids pilot and review outcomes	Strategy & Delivery Manager	Jul-24
		Consider disposal of Home Counties properties	Strategy & Delivery Manager	Ongoing
Running a Viable Business	10. Carry out mid-year review of the financial business plan	Present mid-year review of business plan, including stress testing, back to Board	Senior Financial Analyst	Oct-24
Running a Viable Business	11. Implement actions arising from financial controls audit	Implement actions arising from financial controls audit	Senior Financial Analyst	May-24
Running a Viable Business	12. Introduce regular tax planning exercises	Introduce regular tax planning exercises to improve forecasting and implement tax efficiencies where required	Senior Financial Analyst	Jun-24
Increasing the Supply of Affordable Housing in the Borough	13. Continue street property acquisition programme	Acquire 25 properties in 2024-25	Strategy & Delivery Manager	Mar-25
Increasing the Supply of Affordable Housing in the Borough	14. Identify and appraise potential block acquisitions	Identify and appraise potential block acquisitions	Strategy & Delivery Manager & Senior Financial Analyst	Ongoing
Increasing the Supply of Affordable Housing in the Borough	15. Identify and appraise the potential acquisition or leasing of new builds	Review the market for new build opportunities and identify and appraise the potential acquisition or leasing of new builds	Strategy & Delivery Manager & Senior Financial Analyst	Ongoing
Increasing the Supply of Affordable Housing in the Borough	16. Engage Council on future of company	Engage Council on future of company beyond use of current loan funding	Strategy & Delivery Manager	Ongoing

This page is intentionally left blank

**LB Brent & i4B Holdings Ltd Service Level Agreement - 2023/24 to 2024/25**  
**Schedule One - Services and Service Requirements**

Corporate Services									
Ref	Services	Description	Period	i4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
1a	Company Strategic & Corporate Support	The Service Provider shall provide delivery support. The Service Provider will be responsible for coordinating service areas and providing a client service on behalf of i4B. The Service Provider will act in a client role between the Companies and the Council, including negotiating and managing Service Level Agreements, raising any issues with service delivery and ensuring action plans are developed and implemented in response to these.  The Service Provider shall provide company secretary services. This will include: Providing support and guidance to the Board, Chair and Shareholder; Ensuring that all operations of the Company comply with the necessary statutory and regulatory requirements; Facilitating the acquisition of information by board members; Assisting with the compilation of board papers and filtering to ensure compliance with required standards of good governance; Communicating with the shareholder; Supporting regular board meetings; Carrying out research and policy development work to support the work of the Company. Any other duties to coordinate and support the work of the Company. The Service Provider will provide services to enable the Company to comply with requirements for management of data and freedom of information and complaints handling. The Service Provider will support the company to maintain and improve its performance. The Service Provider shall be responsible for collating and coordinating the performance information of sub-contractors and directly delivered services. This will include the reporting and creation of reports from the Northgate and Lifespan asset management system and for collating reports from sub-contractor weekly and monthly reports.	2023 to 2025	Corporate Services	Company Support	Transformation	Director of Transformation	N/A	Supporting monthly board meetings Providing any returns required to external organisations Monthly reports on the performance of sub-contractors are compiled and reported to the Board Ensuring 100% of complaints, FOIs, SARs etc are responded to within statutory timescales Attend monthly SLA meetings on behalf of i4B. Provide an annual performance review
1b	Financial Services and Administration	The Service Provider shall provide the board with financial and business plan support and financial management services including: Financial reports to the Board; Providing an analysis of financial performance against business plan assumptions; Managing the Company's accounts; Providing advice to the Company as requested; Inputting and management of the Company's financial management systems including Oracle; Invoicing and payments to sub-contractors; FSC; Management and reconciliation of payments to the Company including the 4 weekly electronic payment of rent and other items to the Company's account from housing management contractors; Treasury Management; Developing and amending the Service Providers/companies business model; administering the loan agreement.	2023 to 2025	Financial Management & Support	Financial Management & Support	Finance	Head of Finance Companies	N/A	Adhering to all accounting deadlines Ensuring all sub-contractors are invoiced and paid within specified deadlines Monthly financial reports to be provided to the board Providing financial support for annual business planning Annual review of the Company's financial model Monthly rent reconciliations
1c	Commercial Legal Support	The Service Provider shall provide the board with legal advice and support in relation to a range of company and commercial matters; to include legal advice in relation to the procurement and preparation of service contracts for the company; the preparation of legal documentation and procedures for the company; advice and assistance in relation to any joint arrangements or merger proposals including all necessary due diligence	2023 to 2025	Legal Services	Commercial Legal Support	Legal Services	Corporate Director - Governance	N/A	Provide advice by agreed deadlines
1d	Insurance	The service provider will administer the company's insurance requirements including property, directors, public liability and any others such as professional indemnity, vehicle and employee liability as required.	2023 to 2025	Financial Management & Support	Insurance	Finance	Head of Finance Insurance	N/A	The service provider will insure all properties purchased by the company on the same day of purchase and renew insurances on an annual basis unless informed not to do so. The service provider will inform the Board of insurance costs and manage claims on behalf of the company. The service provider shall renew other insurances required by the company and directors as required to protect the company, employees, directors, customers and public. The service provider will undertake any additional project work as agreed between the Company and the service provider
1e	Senior Corporate Management	The service provider's corporate management team will oversee tasks within their departments to ensure performance and standards are maintained.	2023 to 2025	Corporate Services	Service Provider Corporate Governance (All service areas)	Finance	Head of Finance Companies	N/A	Monthly board meetings
1f	Internal Audit & Investigation	To deliver a suite of risk-based Internal Audit work that provides assurance to the Board and key stakeholders regarding the effectiveness of the company's governance, internal control and risk management arrangements. Anti-fraud and corruption support will also be provided, where required.	2023 to 2025	Corporate Services	Internal Audit	Audit and Investigation	Head of Audit and Investigation	N/A	Agreement of annual internal audit plan. Investigation support as required. Additional project work as agreed between the Company and service provider
1g	Information Governance	Information Governance support to promote good company governance and data processing.	2023 to 2025	Corporate Services	Information Governance	Digital Transformation	Information Governance Lead	N/A	Information Governance support as required
Landlord Function									
Ref	Services	Description	Period	i4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
2a	Company Housing Management Support	Management of Neighbourhood Services, Income Collection and Lettings on behalf of i4B.  The Service Provider will be responsible for liaising with residents, customer care, ASB cases, complaints, tenancy verification visits and management of tenancies.  The Service Provider shall be responsible for all aspects of rent and service charge collection and arrears management including the conduct and management of legal proceedings. The target collection rate is 100% of all rent and service charges due. A minimum collection rate of 98.5% is expected across the portfolio.  The Service Provider will also be responsible for collecting former tenant arrears. The Service Provider will provide i4B with an annual report outlining historic debts that are deemed unrecoverable. Where the Service Provider deems a debt unrecoverable they will follow i4B procedures to seek permission from i4B to write off the debt.  The Service Provider will carry out the letting of new acquisition voids and relet voids, including the carrying out of viewings and sign-ups and the preparation of necessary documents, such as tenancy agreements and sign-up packs including required compliance certification.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. Issue appropriate notices or terminations within a reasonable time (monitored by the void turn around time) All complaints dealt with within statutory timescales. The Service Provider shall keep and maintain accurate records of all action taken on neighbour disputes, allegations of harassment, anti-social behaviour (ASB) etc. and shall provide information relating to the nature and status of these matters in its monthly performance reports. Visits carried out at all properties every six months Rent and any other charges collected will be paid to i4B on a monthly basis. Monthly reports on all i4B accounts, and when accounts are in arrears what action is being taken. Rents are paid to i4B on a monthly basis Lettings are carried out in line with overall target void times
2b	Housing Management - Payments	The Service Provider will procure or use their own resources to make payments on behalf of i4B. The Service Provider will request approval from i4B to set up purchase orders. The Service provider will work with suppliers to ensure invoices are paid on time. The Service Provider will request approval from i4B to pay invoices. All invoices will be scrutinised to ensure they are accurate.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. All invoices paid within 30 days Purchase Orders and Invoices approved by i4B. Invoices are reviewed to ensure they are accurate
2c	Housing Management - Leasehold Support	The service provider will manage the i4B Leasehold database to include annual check of insurance, freeholder contact details, service charge and ground rent monitoring, Servicing and administering s20 notices on behalf of i4B, monitoring and tracking s20 notices and service charges received by i4B. The Service Provider will also carry out annual reviews of leasehold compliance information e.g. Fire Risk Assessments. The Service Provider will liaise with legal services to ensure lease obligations are not breached. Provision of leasehold data to i4B.  The Service Provider will work with the Asset Management Team to ensure future capital investment costs on third party leasehold properties are accurate. This will involve ensuring all external s20 notices are recorded on Asset Management systems.  The Service Provider will procure or use their own resources to make payments for service charges and grounds rents to freeholders where i4B own a leasehold property. All payments will be logged on the Housing Management CRM.  The service provider will provide i4B and the councils insurance team proof of freeholder insurance. An annual confirmation check of all freeholders will take place including - update of freeholders details, insurance certificate, check of service charge and check of the ground rent charges.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly performance SLA meetings. All third party service charges and s20 notices logged on the CRM. Service charges and s20s are reviewed and challenged before payment to ensure VIM Annual report submitted to i4B in September on all i4B leasehold properties which includes: freeholder details, i4B repair responsibilities, insurance details, lease start end date, current s20 notices, annual service charge costs and charge dates, block reference number, and compliance info. Property Inspections in line with an agreed schedule Work with the payments team to ensure service charge and s20 invoices are paid within 30 days Liaise with freeholders on future budget costs
2d	Housing Management - Rent Accounting	The Service Provider will ensure rents accounts are correctly set up and charged. The Service Provider will be responsible for managing and maintaining rent accounts on Northgate.  Rents are set annually by the i4B Board. i4B will work with the Service Provider annually to implement new rents. The Service Provider will be responsible for notices and communication with all tenants and leaseholders on changes to rent and service charges.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Monthly performance SLA meetings. Rent accounts are set up on the day the tenancy start date. Monthly reconciliations are carried out between Lettings data and rent accounts to ensure all rent accounts have been set up. Notice of annual rent increases are sent out in accordance with relevant regulations prior to rent increases being implemented.
2e	Housing Management - Estate Caretaking	The Service Provider will provide cleaning and maintenance services at i4B blocks	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	Regular programme of cleaning and maintenance
2f	Housing & Neighbourhoods - Senior Corporate Management	The service provider's corporate management team will oversee tasks within their departments to ensure performance and standards are maintained.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	As above in 2a-2f
2g	Property Management - Responsive Repairs	The Service Provider will be responsible for managing a responsive repair service for i4B properties. The Service provider will inspect repairs to ensure quality and VIM. There will be an emphasis on resolving repairs at the first visit.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Monthly Performance Meetings Monthly report on repairs carried out within the fixed price Monthly report on repairs carried out outside the fixed price Repair jobs will be provided on a monthly basis broken down by PPP contract or exclusion. Monthly report on outcome of inspection samples Monthly repairs monitoring reports submitted
2h	Property Management - Asset Management and Capital Programme	The service provider will produce an annual, 5 year, and 30 year Capital Investment Plan for works and services required for all i4B properties. These plans will include service charge and compliance responsibilities for i4B.  The service provider will be responsible for overseeing the plan and the management of all capital works.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Annual stock condition surveys Component data updated by every component replacement Review of capital investment requirements on an annual basis leading to a 5 year detailed programme and a 30 year financial plan Outturn review of last year's spend in July Next year's 5 year plan agreed in September Monthly capital programme monitoring Asset management standard agreed and compliance monitored Monthly capital monitoring reports submitted

2i	Property Management - M&E and Compliance	The Service Provider will be responsible for the management out mechanical and electrical works as well as compliance works for I4B properties. The Service Provider will ensure that all I4B properties meet statutory and regulatory requirements.  The Service Provider will assist I4B in producing a comprehensive set of compliance policies that outline I4B's compliance responsibilities. The Service Provider will have suite of reporting metrics that they will use to report on compliance on a monthly basis.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Full compliance list for I4B properties Legal and policy requirements set out in governance documents Compliance standards agreed KPI list and targets produced Monthly monitoring in place Collating data from third parties (Mears and third party freeholders) Quarterly reconciliations between compliance systems and other systems to ensure data is accurate
2j	Property Management - Voids, Repairs & Disrepair Surveying	The Service Provider will be responsible for the effective surveying, pre- and post-inspection and completion of void repairs, urgent and routine repairs, and instances of disrepair in adherence with agreed timescales and KPIs. This includes both re-lets and new acquisition voids	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	Fortnightly performance meetings Photos taken before and after works & repairs with inspection of repairs to monitor VIM Pre and post void inspection of works to ensure VIM and quality. Monthly invoicing of costs Biannual review of void costs and void standard. All void cases are correctly logged on void management CRM. Monthly report on outcome of voids handover inspections Monthly voids monitoring report submitted All properties must achieve the statutory compliance requirements for the private rented sector
2k	Housing Property Services - Senior Corporate Management	The service provider's corporate management team will oversee tasks within their departments to ensure performance and standards are maintained.	2023 to 2025	Asset Management	Housing Property Services	Resident Services	Head of Property Services	See Schedule 3	As above in 2h-2k
2l	Performance reports	The service provider will input sufficient data onto the CRM Northgate and Lifespan housing management and asset management systems and provide monthly monitoring reports for the service provider to analyse and to inform the Board.	2023 to 2025	Corporate Services	Housing Management	Resident Services	Head of Housing and Neighbourhoods	N/A	Monthly report detailing: rent collection, complaints, void turnaround times, tenancy verification visits, repairs, legal cases, void properties, FTA, compliance submitted 10 days before the monthly Board meeting. Quarterly reconciliations are carried out to ensure information on systems is accurate.
2m	Legal support - Housing Management and Civil Litigation	The service provider will provide legal service to I4B regarding housing management matters such as rent increases, disrepair, and ASB. This will include providing litigation services relating to possession proceedings and ASB action.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	N/A	Information on all legal cases included in monthly performance report. Quarterly updates on case numbers and hours worked.
2n	Housing Management - Call Centre	The service provider will provide Call Centre services to ensure tenants can approach them with management and repair matters during the hours of 8.00am to 6.00 pm Monday to Friday and a 24/7 and 365 days per year emergency service.	2023 to 2025	Housing Management	Housing Management	Resident Services	Head of Housing and Neighbourhoods	See Schedule 3	The call Centre will be open during the hours of 9.00am to 6.00 pm Monday to Friday and a 24/7 and 365 days per year emergency service
<b>Acquisitions</b>									
Ref	Services	Description	Period	I4B Trading Account Heading	Service	Service Area	Lead Officer	KPIs	Performance Required
3a	Property & Assets - Acquisitions & Disposals	The Service Provider will act as a buyer's agent for the Company for the acquisition of PRS street properties. The role of the buyer's agent will commence with the identification of potential portfolio properties and end with the provision of keys and a complete property handover pack within 2 working days of purchase. The buyer's agent will identify properties which meet the Company's specification, business plan, targets and spend profile as provided by the company from time to time. The Service Provider will procure or deliver directly valuation and surveying services for the Company. Portfolio properties will be purchased directly for the Company and the company will fund the Council at the time of purchase the purchase price, disbursements, disbursements and SDLT. Other costs such as valuation and legal fees will be recharged to the company at intervals agreed by the Council. Properties will be registered in the name of the Company and the Service Provider will be provided with sufficient authority to manage the purchase on behalf of the Company. The Service Provider will comply with the Company's acquisition process which includes agreed points at which Board authority is required to proceed with the purchase. The Service Provider will act as a representative of I4B when working with solicitors.  In addition, the Service Provider will act as an agent on behalf of I4B when disposing of properties and sourcing external agents to let at market rates. The Service Provider will be responsible for sourcing agents, procuring valuations negotiating leasing agreements and organising viewings.  The service provider manage the relationships with agents on behalf of the I4B board. Bringing forward both land and block purchase opportunities for review with I4B officers. These opportunities will be presented to the board monthly through the Future Developments Update report at each board meeting	2023 to 2025	Property Services	Property and Assets	Finance and Resources	Operational Director, Property and Assets	See Schedule 3	Purchase of PRS street properties Monthly Performance Meetings and weekly Panel meetings All relevant documentation and information uploaded to the CRM Handover of PRS street properties to the refurbishment team within two working days of purchase. Quarterly market update reports to the Board. All costs incurred in the acquisition of properties are entered into financial systems. Properties purchased meet I4B's financial acquisition criteria.
3b	Conveyancing Legal Support (Purchases)	The Service Provider will procure or deliver directly legal conveyancing services for the Company. The Service Provider will act on behalf of I4B when purchasing and disposing of properties. The Service Provider will manage and recharge I4B Holdings Ltd through costs/adjustments and record and net off any retained monies as a result of the acquisition process.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	See Schedule 3	Purchase of PRS street properties Fortnightly operational meetings Monthly SLA performance meetings. All relevant documentation and information uploaded to the CRM
3c	Legal Services - Project Costs	The Service Provider will provide conveyancing services for the Company on large new build acquisitions and disposals. The Service Provider will manage and recharge I4B Holdings Ltd through costs/adjustments and record and net off any retained monies as a result of the acquisition process.	2023 to 2025	Legal Services	Legal Services	Chief Executive's Department	Corporate Director - Governance	See Schedule 3	



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

Document is Restricted

This page is intentionally left blank

# LB Brent & i4B Holdings Ltd Service Level Agreement - 2023/24 to 2024/25

## Schedule Three - KPIs

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

Housing Management	Neighbourhood Services	Head of Housing and Neighbourhoods	Arrears	Contextual	Current tenant arrears as percentage of projected annual rent debit
Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered	80%	Percentage of calls answered
Housing Management	Call Centre	Head of Housing and Neighbourhoods	Percentage of calls answered in 3 min	80%	Percentage of calls answered in 3 min
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	Instructing Legal – Legal reporting to property	85	The average number of calendar days between property instructing legal to legal reporting to property. Activity included in this period includes legal due diligence and title reporting.
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	Legal reporting to property – DA approval agreed	18	The average number of calendar days between legal reporting to property to delegated approval agreed. Activity during this period includes delegated authority approval
Legal Services	Conveyancing legal support (Purchases)	Corporate Director - Governance	DA approval – Keys handed to refurbishment	18	Period in calendar days between delegated authority approval to the purchase of the property including the period taken to provide keys/handover pack to refurbishment.
Property Management	Re-let Voids	Head of Housing Property Services	Average re-let void cost	Contextual	Total cost of re-let voids divided by total number of re-let voids
Property Management	PRS Voids	Head of Housing Property Services	Average PRS void cost	Contextual	Total cost of PRS voids divided by total number of PRS voids

Property Management	Re-let Voids and PRS V	Head of Housing Property Services	Minor void turnaround time	35 days	Void period from tenancy end date to tenancy start date for minor voids
Property Management	Re-let Voids and PRS V	Head of Housing Property Services	Major void turnaround time	75 days	Void period from tenancy end date to tenancy start date for major voids
Property Management	Repairs	Head of Housing Property Services	Average repair cost per property, per annum, including common areas.	£750	The average cost of responsive repairs on the portfolio as charged by the housing management agent (excludes gas servicing).
Property Management	Re-let Voids and PRS V	Head of Housing Property Services	Void rent loss	1%	% of total annual rental income lost to void periods
Property Management	Repairs	Head of Housing Property Services	% of Emergency Repairs completed within 24 hours	100%	The % of all emergency repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Urgent Repairs completed within 7 days	95%	The % of all urgent repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	% of Routine Repairs Completed within 28 days	95%	The % of all routine repairs resolved within 24 hours measured each quarter. Qualifying repairs are contained in the housing management contracts.
Property Management	Repairs	Head of Housing Property Services	Customer satisfaction with Repairs Service	85%	The % of customer who are satisfied with their repairs service

Property Services	PRS Acquisitions	Head of Property	Property Negotiation – PRS panel to instructing legal	60	The average number of calendar days in the reporting period between PRS panel instruction to property instructing legal. Activity in this period includes the negotiation of property price and the vendor's acceptance of offer.
Property Services and Legal Services	Property Acquisitions - PRS Street Properties and Conveyancing legal support (Purchases)	Corporate Director - Governance/Head of Property	Instruction to keys	130	Period in calendar days between property instructing legal to the purchase of the property including the period taken to provide keys/handover pack to refurbishment.
Property Services and Legal Services	Property Acquisitions - PRS Street Properties and Conveyancing legal support (Purchases)	Corporate Director - Governance/Head of Property	Properties purchased a year	25	25 Properties purchased a year



## Housing Companies Value for Money Statement

### 1.0 Value for Money Statement

- 1.1 In September 2023, a Value for Money Strategy and Action Plan were agreed for Brent Council's two wholly owned housing companies, i4B Holdings Ltd (i4B) and First Wave Housing Ltd (FWH).
- 1.2 Within the framework of the companies' medium- to long-term strategic objectives and the principles of the Regulator of Social Housing's Value for Money Standard, the strategy set out value for money (VfM) as a key consideration for the companies when delivering services, setting strategic plans and making decisions at all levels of the business, and outlined the companies' strategic approach to delivering value for money.
- 1.3 The strategy set out the financial context, the ways in which the companies currently monitor VfM, the intended outcomes of the strategy, roles and responsibilities for VfM, and how the strategy would be monitored and measured. Part of this included agreement to present an annual statement of value for money alongside the i4B and FWH business plans which would update on action plan progress and performance against the Regulator of Social Housing's VfM metrics.
- 1.4 The strategy's six areas of focus for VfM are as follows:
  - Voids performance
  - Income recovery and arrears management
  - Asset management and energy efficiency
  - Housing management costs
  - Tax efficiency
  - Value for money for tenants
- 1.5 For each area, the strategy set out current performance and available benchmarking, issues that had been identified, agreed improvement actions, and the desired outcomes of these. These actions were summarised into a Value for Money Action Plan which was agreed by the Board alongside the strategy.
- 1.6 Annex 1 provides a copy of the VfM action plan with updates on progress since the plan was agreed in September 2023. Further work is being carried out to provide a set of updated financial metrics.

1.7 A summary of progress in each area is provided below:

### 1.8 ***Voids Performance***

1.8.1 A report on the impacts of the Voids Hit Squad was presented to the January i4B and FWH Board meetings, showing early signs of improvement in returning around new voids. The Lettings function is being taken over by the new dedicated Housing Companies Operational Team. Improving voids performance remains an action in the 2024-25 Business Plans for the companies.

1.8.2 Procurement exercises for two pieces of work – the value for money review of void charging & costs, and the i4B re-let voids pilot – have been completed. The VfM review, showing an analysis on the appropriacy and accuracy of charging of voids costs within i4B and FWH, has been received and will be presented to the February Board meeting. The voids pilot action has been updated following procurement, and the pilot is expected to run until Q1 of 2024-25, after which an analysis report will be presented back to the Board.

### 1.9 ***Income Recovery and Arrears Management***

1.9.1 The recently formed Housing Companies Operational Team are taking over the functions of tenancy sustainment and income collection, alongside tenancy management, for the companies in early 2024. In addition, BEAM have been appointed to support tenancy sustainment within i4B. The impact of these changes will continue to be monitored during 2024-25 with early signs of performance improvements expected to continue.

### 1.10 ***Asset Management and Energy Efficiency***

1.10.1 Work to finalise stock condition & energy efficiency costs and input these into the i4B and FWH business plans will be in place for the beginning of the 2024-25 Business Plans. From this, a report to the Board outlining the impacts of this work and proposing an approach for potential future stock rationalisation will be prepared.

1.10.2 Regarding gathering information from freeholders on future asset management and decarbonisation works, a further round of letters has been sent out to third party freeholders outlining legal obligations under leases, etc. Response rates remain very low, and further escalation is difficult following discussions with Legal services; however, i4B and FWH will continue to send out requests for information on a periodic basis.

1.10.3 The company Boards have begun receiving more detailed reporting on live and closed disrepair cases, improving management oversight of the issue, which will continue into 2024-25 and beyond.

### 1.11 ***Housing Management Costs***

1.11.1 The companies have two main housing management contracts – the SLA with Brent Housing Service and i4B's contract with Mears for its properties in the Home Counties. The SLA is due to be renewed for 2024-25 alongside the Business Plans, and has been amended to reflect changes to management structures across 2023-24 which aim at future improvements to performance and VfM. The Mears contract will be re-tendered in time for its expiry date of September 2024, and officers are working with Procurement to begin this process, including improvements to the specification in areas such as disrepair and housing management KPIs.



1.11.2 As above, gaining further information from freeholders on service charges, etc. remains a challenge but will continue to be monitored.

1.11.3 Finally, fieldwork for an audit into the companies' financial controls is progressing, with the outcomes and recommendations actions due to be presented back to the Board in Q4 of 2023-24.

#### 1.12 ***Tax Efficiency***

1.12.1 The external tax planning review by EY has been completed and the final report was presented to the Board. Whilst this confirmed that existing tax calculations for the companies are accurate, and did not give rise to any substantive changes to practices, it did highlight the need for regular tax planning. Regular reviews will be scheduled in by the Finance Team for i4B and FWH beginning from June 2024.

#### 1.13 ***Value for Money for Tenants***

1.13.1 Alongside updates on income collection & tenancy sustainment in 1.9, i4B and FWH officers are carrying out the rent setting exercise for 2024-25. The rent setting policies and approach have been agreed by the Board, and following confirmation of new Local Housing Allowance rates for 2024-25, detailed modelling will be carried out. Rents will be updated and letters will be sent out to tenants in advance of 1 April 2024. Rent setting policies continue to follow best practice as set out by the Regulator of Social Housing, and any adverse impacts of rent increases on affordability for tenants will be closely monitored.

1.13.2 The Board is now receiving reports on tenant satisfaction every six months following changes to regulatory standards, and the direction of travel in satisfaction areas will be monitored alongside improved analysis on complaints during 2024-25.

1.14 The full Value for Money Strategy is presented in Annex 4. As the strategy has been in operation a short time, future statements will reflect on how well the strategy & action plan have contributed to achieving the desired outcomes set out in the strategy.

This page is intentionally left blank

Area	Action	Owner	Due date	January 2024 update
Voids performance	Monitor and scrutinise impact of voids improvement actions, including hit squad, on performance & costs	Strategy & Delivery Manager	Dec-23	Report to January Board on voids hit squad showing early signs of improvement. Continues to be an action in 2024-25 Business Plans; action and deadline to be updated for next review
	Progress VfM review with Ridge	Strategy & Delivery Manager	Dec-23	Ridge review to be presented to February Board
	Run and analyse results of re-let voids pilot	Strategy & Delivery Manager	Jun-24	Supplier in place, pilot likely to run until Q1 of 2024-25 - action and deadline date updated
	Consider disposal of void Home Counties properties	Strategy & Delivery Manager	Ongoing	Mears-managed voids are being reviewed on a case-by-case basis
Income recovery & arrears management	Monitor and scrutinise impact of improvement actions, including new staffing arrangements, on rent collection & arrears performance	Strategy & Delivery Manager	Dec-23	Early signs of performance improvement seen - new dedicated officers have now been recruited and BEAM have been appointed to assist with tenancy sustainment. Continuing to monitor across 2024-25 business plan; deadline to be updated for next review
Asset management & energy efficiency	Finalise stock condition costings and develop asset management strategy	Senior Financial Analyst	Nov-23	Action overdue, but due to be completed for start of 2024-25 business plan
	Finalise energy efficiency costings and develop decarbonisation strategy	Senior Financial Analyst	Nov-23	Action overdue, but due to be completed for start of 2024-25 business plan
	Agree stock rationalisation approach	Senior Financial Analyst	Sep-24	Deadline updated - to follow on from work above, and will be presented to the Board for agreement
	Identify and bid for energy efficiency grant funding opportunities	Strategy & Delivery Manager	Ongoing	No current opportunities
	Identify legal escalation routes to gather information on asset management & energy efficiency works from third party freeholders	Strategy & Delivery Manager	Completed	Discussions held with Legal, and challenging to escalate further beyond repeated rounds of legal letters outlining obligations under leases; however, letters will continue to be sent out on a periodic basis
	Closely monitor and scrutinise management of disrepair cases	Strategy & Delivery Manager	Ongoing	Reporting on disrepair has increased via the monthly performance report, and the Boards continue to have a greater focus on disrepair
Housing management costs	Agree costs for 2024-25 SLA, and review the effectiveness of new management arrangements	Strategy & Delivery Manager	Mar-24	SLA review presented alongside 2024-25 Business Plan, which reflects recent changes to management arrangements; SLA to be agreed alongside Business Plan at March Cabinet
	Begin review of Mears contract	Strategy & Delivery Manager	Jan-24	In progress with Procurement - deadline will be updated to reflect final procurement date of September 2024
	Identify legal escalation routes to gather information on service charges, ground rent, insurance, etc. from third party freeholders	Strategy & Delivery Manager	Completed	Discussions held with Legal, and challenging to escalate further beyond repeated rounds of legal letters outlining obligations under leases; however, letters will continue to be sent out on a periodic basis
	Carry out audit into financial controls and agree improvement actions	Strategy & Delivery Manager	Jan-24	Audit fieldwork is progressing
Tax efficiency	Complete EY tax planning review	Senior Financial Analyst	Completed	Final report presented to Board in October 2024
	Implement actions from EY tax planning review	Senior Financial Analyst	Completed	Action to introduce tax planning reviews as below
	Introduce business tax planning exercises	Senior Financial Analyst	Jun-24	To be introduced beginning from June
VfM for tenants	Monitor and scrutinise the impacts of the restructure and other improvement actions on affordability and tenancy sustainment	Strategy & Delivery Manager	Dec-23	Early signs of performance improvement seen - new dedicated officers have now been recruited and BEAM have been appointed to assist with tenancy sustainment. Continuing to monitor across 2024-25 business plan; deadline to be updated for next review
	Carry out 2024/25 rent setting with continued view towards tenant affordability	Strategy & Delivery Manager	Mar-24	Rent setting policies agreed for 2024-25 in line with sector best practice
	Monitor tenant satisfaction performance and direction of travel	Strategy & Delivery Manager	Mar-24	Six-monthly reports presented to Board; included in 24-25 Business Plans alongside complaints actions

This page is intentionally left blank

 <p><b>Brent</b></p>	<p><b>Cabinet</b> 11 March 2024</p>
	<p><b>Report from the Chair of First Wave Housing Ltd</b></p>
	<p><b>Lead Member - Deputy Leader &amp; Cabinet Member for Finance, Resources &amp; Reform (Councillor Shama Tatler)</b></p>
<p><b>First Wave Housing Business Plan 2024/25</b></p>	

<b>Wards Affected:</b>	All																																													
<b>Key or Non-Key Decision:</b>	Key																																													
<p><b>Open or Part/Fully Exempt:</b> (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</p>	<p>Part exempt – Appendices 1a (Business Plan - Financial Appendix) &amp; 1e (Business Plan 2024-25 SLA Schedule 2: Costs) 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)”</p>																																													
<b>List of Appendices:</b>	<p>Eight</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 20%;">Appendix 1</td> <td style="width: 20%;">FWH</td> <td style="width: 20%;">2024-25</td> <td style="width: 20%;">Company</td> <td style="width: 20%;">Business Plan</td> </tr> <tr> <td>Appendix 1(a)(exempt)</td> <td>Financial Appendix</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Appendix 1(b)</td> <td>Company Risk Register</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Appendix 1(c)</td> <td>Progress on 2023-24</td> <td>Key</td> <td></td> <td>Tasks</td> </tr> <tr> <td>Appendix 1(d)</td> <td>2024-25</td> <td>Key Tasks</td> <td></td> <td></td> </tr> <tr> <td>Appendix 1(e)</td> <td>2024-25</td> <td>Service Level Agreement (Schedules 1 – 3</td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td>NB: Schedule 2: Costs exempt)</td> <td></td> <td></td> </tr> <tr> <td>Appendix 1(f)</td> <td>Value for Money Statement</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Appendix 1(f)(i)</td> <td>Value for Money Statement -</td> <td></td> <td></td> <td>Annexe</td> </tr> </table>	Appendix 1	FWH	2024-25	Company	Business Plan	Appendix 1(a)(exempt)	Financial Appendix				Appendix 1(b)	Company Risk Register				Appendix 1(c)	Progress on 2023-24	Key		Tasks	Appendix 1(d)	2024-25	Key Tasks			Appendix 1(e)	2024-25	Service Level Agreement (Schedules 1 – 3					NB: Schedule 2: Costs exempt)			Appendix 1(f)	Value for Money Statement				Appendix 1(f)(i)	Value for Money Statement -			Annexe
Appendix 1	FWH	2024-25	Company	Business Plan																																										
Appendix 1(a)(exempt)	Financial Appendix																																													
Appendix 1(b)	Company Risk Register																																													
Appendix 1(c)	Progress on 2023-24	Key		Tasks																																										
Appendix 1(d)	2024-25	Key Tasks																																												
Appendix 1(e)	2024-25	Service Level Agreement (Schedules 1 – 3																																												
		NB: Schedule 2: Costs exempt)																																												
Appendix 1(f)	Value for Money Statement																																													
Appendix 1(f)(i)	Value for Money Statement -			Annexe																																										
<b>Background Papers:</b>	None																																													
<p><b>Contact Officer(s):</b> (Name, Title, Contact Details)</p>	<p>Sadie East Director of Transformation Tel: 020 8937 1507 <a href="mailto:Sadie.East@brent.gov.uk">Sadie.East@brent.gov.uk</a></p>																																													

--	--

## **1.0 Executive Summary**

1.1 This report provides Cabinet with a final draft of the First Wave Housing Ltd (FWH) 2024/25 Business Plan and revised Service Level Agreement with Brent Council. Cabinet is asked to approve the Business Plan and Service Level Agreement on behalf of the Council as Guarantor of First Wave Housing.

## **2.0 Recommendation(s)**

2.1 Cabinet approves the 2024-25 First Wave Housing Ltd Business Plan and financial model as Guarantor of the Company.

2.2 Cabinet approves the 2024-25 Service Level Agreement between First Wave Housing Ltd and the Council.

## **3.0 Detail**

### **3.1 Cabinet Member Foreword**

3.1.1 This business plan sets out FWH's strategy for the coming financial year, furthering the company's work to provide good quality affordable housing, reducing homelessness in the borough and alleviating the use of costly Temporary Accommodation. This supports the Brent Borough Plan 2023-2027 strategic priority of 'Prosperity and Stability in Brent: Safe, Secure and Decent Housing'.

### **3.2 Background**

3.2.1 FWH is a housing company wholly owned by the London Borough of Brent. FWH is limited by guarantee. FWH manages a total of 216 properties. Of these properties, 166 are settled homes, 45 are market rented and 5 are general needs. The annual rent figure is £3,448,224.

3.2.2 As a registered provider of social housing, FWH is required to produce an annual business plan.

3.2.3 This report provides a final draft version of FWH's Business Plan for 2024/25. The draft plan was presented to the FWH Board on the 25<sup>th</sup> January 2024, the Company Guarantor on the 8<sup>th</sup> February 2024, Corporate Management Team and lead members on 14<sup>th</sup> February 2024 and 21<sup>st</sup> February 2024. Feedback from these meetings has been incorporated into this final draft.

## **4.0 Update on Operational Performance**

4.1 Table Two below provides a summary of operational performance at January 2024. FWH has not purchased any new properties, therefore performance is based on housing management. FWH's overall performance is reasonable,

although repairs performance is below target and void times continue to be an issue. Work is being done to report separately on recent voids and long-term 'legacy' voids, in order to better demonstrate progress that is being made; FWH currently has two remaining long-term legacy voids. The Company continues to provide a good housing service to residents and rent collection performance is strong.

Table Two – Key Performance Indicators

Indicator	Target	Performance at December 2022	Performance at January 2024
Minor void re-let times	35 days	164 days	115 days
Major void re-let times	72 days	193 days	162 days
Rent collection	98.50%	96.36%	99.83%
Emergency repairs completed within 24 hours	100%	99%	100%
Urgent repairs completed within 7 days	95%	81%	99%
Routine repairs completed within 28 days	95%	74%	78%

4.2 Table Three provides an update on health & safety compliance. Aside from a number of outstanding electrical safety certificates, FWH has achieved full compliance in the relevant areas. On EICRs, the legal process to gain access continues to be followed for each outstanding certificate; however, it is not possible to force entry to properties that refuse access, as is the case with gas certificates.

Table Three – Compliance Scorecard

Compliance Area	Certification	No. of Applicable Properties/ Blocks	No. of Compliant Properties/ Blocks	Compliance Rate
Electrical Safety (Property)	EICR	216	*188	92.20%
Gas Safety (Property)	LGSR	195	*195	100%
Asbestos (Block)	Asbestos survey	1	1	100%
Legionella (Block)	Legionella risk assessment	2	2	100%
Electrical Safety (Block)	Communal EICR	3	3	100%
Lifts (Block)	Inspection report	1	1	100%
Fire Safety (Block)	FRA	2	2	100%

*\*Data does not include void properties*

## 5.0 Progress in Implementing 2023/24 Business Plan

5.1 In February 2023, the 2023/24 FWH Business Plan was approved. The plan outlined the following as the Company's medium- to long-term objectives:

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

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

### 5.3 Delivering safe and sustainable homes

5.3.1. During 2022/23, FWH commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Management (BHM). Following the audit, a monitoring tracker has been produced that tracks all compliance elements for all FWH properties. FWH has also initiated increased clienting of the compliance certification process to provide added assurance.

5.3.2. Brent's Housing Management Service (HMS) have adopted the True Compliance system for long-term monitoring and reporting of compliance across all areas. FWH will continue to oversee the implementation of True Compliance throughout 2024-25

5.3.3. The results of recent stock condition and energy surveys will be developed into a costed asset management and energy efficiency strategy during 2023-24 and will be inputted into the financial plan to inform long-term asset management planning; impacts will be assessed on a property and stock level. This will be further refined during 2024-25, including agreeing an approach for future stock rationalisation.

### 5.4 Increasing the supply of affordable housing in the borough

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

5.4.2. The Council has agreed to the acquisition of a 294-unit development at Fulton Road in Wembley Park, currently under construction. As part of this, the possibility of leasing a number of these units to FWH is being explored; this is likely to be 118 units to be let at London Living Rents.

5.4.3. The Council is finalising arrangements with the GLA and developer, and during the year the company will look to agree heads of terms and enter into a lease agreement with the Council for the units if an agreeable proposal for both the Council and Company can be identified and agreed.

### 5.5 Running a Viable Business



- 5.5.1. The FWH Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issue for FWH continues to be high void times; however, some improvement has been seen during 2023-24.
- 5.5.2 A void improvement project was implemented to significantly reduce void costs, covering both the housing companies and the Council's Housing Revenue Account; chaired by senior management. In addition to the initial void inspection, a surveyor checks the quality and progress of void works part way through the process, ensuring they are on target for completion. The Voids Hit Squad was formed in July 2023, which monitors all void stages focusing on efficiency and reporting to senior management.
- 5.5.3 Another key concern for FWH is value for money. A value for money strategy for FWH was approved by the Board in October 2023 and will continue to be implemented during the 2024-25 financial year. In addition, FWH has now commissioned a consultant to carry out a value for money review of voids, with a further review of repairs to be considered following the initial results, expected in early 2024. Outstanding actions from the strategy have been incorporated into the 2024-25 business plan.

#### 5.6 Providing a consistently good housing service

- 5.6.1. FWH aims to ensure tenant satisfaction and monitor this regularly. During 2022/23 new tenant satisfaction measures were implemented and some transactional feedback from tenants has been received. The initial results of the tenant satisfaction measures, and transactional feedback were reviewed and presented to the Board in July 2023. In comparison to a baseline for Brent's stock of 55%, FWH's overall tenant satisfaction was 54%.
- 5.6.2. Additionally, to improve FWH's oversight of complaints and transactional satisfaction surveys, a separate hierarchy on the Council's complaints processing system has now been set up for FWH. This will enable company complaints to be monitored and reported on separately. Regular reporting to Board will be agreed with the Housing Companies Operational Manager.

### **6.0 2024/25 Business Plan**

- 6.1 Appendix 1 contains a final draft of the Company's 2024/25 Business Plan. Cabinet is asked to approve the business plan.
- 6.2 The 2024/25 Business Plan outlines the Company's strategic priorities for the year. Priorities for 2024/25 are set out within the framework of the medium to long-term objectives of Brent's Housing Companies. These objectives are:
- Providing a consistently good housing service;
  - Delivering safe and sustainable homes;
  - Running a viable business; and
  - Increasing the supply of affordable housing in the borough

#### 6.3 Providing a Consistently Good Housing Service

6.3.1. This objective relates to improving tenant satisfaction and ensuring tenants are able to afford their rent and sustain their tenancies. In order to provide an effective and consistent housing service, FWH will continue to review initial responses to the Regulator's new tenant satisfaction measures, seek to improve its oversight of complaints handling, and continue to actively engage with its tenants on financial inclusion and affordability. The 2024-25 strategic priorities for this objective are:

- Priority 1: Monitor results of new tenant satisfaction measures.
- Priority 2: Monitor complaints using improved portal.
- Priority 3: Monitor and improve income collection performance.

#### 6.4 Delivering Safe and Sustainable Homes

6.4.1. This objective involves ensuring that FWH's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2024-25, the Company's focus will be on further embedding improved practices in the areas of compliance, disrepair and asset management & energy efficiency. This will include overseeing the successful implementation of True Compliance, meeting all requirements of the Building Safety Act, and carrying out additional work on modelling & planning for future property management and decarbonisation works. The 2024-25 strategic priorities that relate to this objective are:

- Priority 4: Fully implement True Compliance.
- Priority 5: Fulfil the requirements of the Building Safety Act.
- Priority 6: Continue to effectively monitor and manage disrepair.
- Priority 7: Refine and implement asset management & decarbonisation strategy.

#### 6.5 Running a Viable Business

6.5.1. This objective relates to improving the operational and financial performance of FWH in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2024-25 will be on monitoring and improving void times and performances, as well as implementing its value for money strategy to reduce costs and improve financial performance, with a particular focus on voids performance and financial controls. The 2024-25 strategic priorities that relate to this objective are:

- Priority 8: Monitor and carry out actions to improve voids performance.
- Priority 9: Carry out mid-year review of the financial business plan.
- Priority 10: Implement actions arising from financial controls audit.
- Priority 11: Introduce regular tax planning exercises.

#### 6.6 Increasing the Supply of Affordable Housing in the Borough

6.6.1. As a registered provider (RP), FWH remains available for any opportunities that supports the Council's affordable housing targets. Given its status as an RP, FWH is able to act in ways the Council cannot, for example letting properties at market and affordable rates, and accessing certain grants. The Company's focus will be to continue identifying and appraising block acquisitions, new build purchases and engage the Council on the future of the company through the implementation of housing programmes such as GLA grant schemes. The strategic priorities for this objective in 2024-25 are:

- Priority 12: Work with Council colleagues to explore and appraise acquisition opportunities.
- Priority 13: Identify and appraise potential block acquisitions.
- Priority 14: Develop proposed lease arrangement for Fulton Road.
- Priority 15: Engage Council on future strategic direction of company.

## **7.0 2024/25 Service Level Agreement**

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

7.2 The schedule is contained in Appendix 1e to this report. This outlines the services provided to FWH, service standards, and management costs. The SLA will run throughout 2024/25, and will be reviewed again for 2025/26. All costs and service standards have been agreed between the relevant Council heads of service and FWH.

7.3 Cabinet is asked to approve the updated SLA.

## **8.0 Stakeholder and ward member consultation and engagement**

8.1 N/A

## **9.0 Financial Considerations**

9.1 The detailed financial implications are set out in the business plan. These include the key assumptions used and the stress testing carried out to test the business' financial viability should assumptions vary from those forecasted.

9.2 Over the year, inflation has fallen from a peak of 11% in 2022 to 6.7% in September 2023 which impacts costs and income. Rental increase caps have reverted to the standard policy of CPI + 1% at September 2023 and LHA rate increases have now been agreed by the government since the freeze in 2020.

9.3 In summary, rental income has increased over the life of the business plan however increasing costs have reduced revenue surpluses over the life of the plan. This has impacted the cash position of FWH which remains positive throughout the plan albeit with lower balances than previously forecast.

## **10.0 Legal Considerations**

- 10.1 FWH is a wholly owned local authority company, controlled by the Council, established in order to support the Council's homelessness agenda, by owning and managing housing stock previously held by Brent Housing Partnership. FWH is a company limited by guarantee.
- 10.2 The adoption of the proposed Business Plan is a matter reserved to the Council as the sole Guarantor in FWH and the intention is to seek Cabinet approval on 11<sup>th</sup> March 2024. In addition to being a local authority company, FWH is a registered provider subject to regulation by the Social Housing Regulator.
- 10.3 Local Housing Allowance rates (LHA) apply to private rented sector rather than to the social housing sector. FWH needs to ensure that the levels of "eligible rent" charged by FWH do not fall outside the scope of the statutory Rent Standard set by the Social Housing Regulator, for properties let from April 2020. This is not necessary if the relevant property is exempt from the Rent Standard.
- 10.4 Wholly-owned local authority companies such as FWH, established and solely owned by a Council Parent, will be regarded as "contracting authorities" in their own right, for the purposes of the Procurement Regulations 2015 ("PCR"). This means that unless relevant PCR exemptions apply any services or works that FWH commissions from another organisation will have to be competitively tendered on the open market if the total value is above the relevant PCR threshold.
- 10.5 The Building Safety Act 2022 has implications for FWH as a Registered Social Housing Provider which include the following:
- the introduction of a 'Building Safety Regulator';
  - a new regulatory regime that applies to the planning, construction and occupation of 'higher-risk buildings';
  - increased governmental powers to regulate construction products, and the introduction of new regulations for the safety of construction products in the UK;
  - protections for leaseholders in respect of the costs of remediating building safety defects in their properties;
  - establishment of a new homes ombudsman scheme and a developers' code of practice, and government powers relating to new homes warranties;
  - provisions relating to the professional competence of architects and provisions to regulate the building control profession.
- 10.6 As a landlord, FWH is under a statutory obligation to carry out repair works in respect of properties it lets out to its assured tenants. Under section 11 of the Landlord and Tenant Act 1985, it has a duty to keep in repair and proper working order the structure and the exterior of the residential properties it owns as well as certain installations for the supply of water, gas, and electricity.

- 10.7 The Social Housing Regulation Act 2023 lays foundations for changes to how social housing is managed. It includes increased regulation of social landlords and new rules for protecting tenants from serious hazards in their homes. There are a number of provisions to enhance the powers of both tenants and the Regulator of Social Housing.
- 10.8 The effect of the Fire Safety Act 2021 is to require fire risk assessments of buildings with two or more sets of domestic premises to be updated to take account of structure, external walls and doors, if they have not already done so - the Fire Safety Act 2021 amends The Regulatory Reform (Fire Safety) Order 2005 to bring this into effect. Failure to comply with fire safety regulations can lead to enforcement action against FWH by the London Fire Brigade.
- 10.9 The Fire Safety (England) Regulations 2022, which implement most of the Grenfell Tower Inquiry recommendations, requires 'responsible persons' of mid and high-rise blocks of flats to provide information to fire and rescue services to "assist them with operational planning and provide additional safety measures". All multi-occupied residential buildings, residents should now be provided with fire safety instructions and information on fire doors.
- 10.10 There is an indication of a proposal to lease properties to FWH. It is noted that this is subject to further discussions. Subject to these further discussions appropriate approvals will be sought.

#### **11.0 Equality, Diversity & Inclusion (EDI) Considerations**

11.1 N/A

#### **12.0 Climate Change and Environmental Considerations**

12.1 N/A

#### **13.0 Human Resources/Property Considerations (if appropriate)**

13.1 N/A

#### **14.0 Communication Considerations**

14.1 N/A

**Report sign off:**

***Peter Gadsdon***

Corporate Director of Resident Services

This page is intentionally left blank



# **First Wave Housing Limited**

## **2024/25 Business Plan**

# First Wave Housing Ltd 2024-25 Business Plan

## 1. Introduction

- 1.1. First Wave Housing Limited (FWH; the Company), formerly Brent Housing Partnership (BHP), is a local authority owned company of the London Borough of Brent (the Council), and is limited by guarantee.
- 1.2. FWH is a registered provider of social housing (RP). The Regulatory Framework for Social Housing in England governs registered social housing providers. The Framework includes a code of practice, guidelines for rent levels, accounting practices and disposals. There are a number of benefits associated with being an RP.
- 1.3. The following document is FWH's 2024-25 Business Plan. The Business Plan outlines how the Company plans to improve the quality of its stock, grow, and increase its contribution to the Council's ambition of creating a borough with "a future built for everyone, an economy fit for all".
- 1.4. The Business Plan takes the following format:
  - 2.0 Purpose of the Company
  - 3.0 Progress against the Company's 2023-24 Business Plan
  - 4.0 Context for 2024-25 Business Plan
  - 5.0 Strategic Priorities for 2024-25
  - 6.0 Appendices
    - A1 Closed Financial Appendix – Financial Implications of Proposals
    - A2 Risk Register
    - A3 Progress on 2024-25 Key Tasks
    - A4 2024-25 Key Tasks
    - A5 2024-25 Service Level Agreement
    - A6 Value for Money Statement



## **2. Purpose of the Company**

### *2.1. Purpose of the Company*

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

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

### *2.4. Stock Breakdown*

2.5. FWH owns and manages 216 properties. Of these properties, 166 are settled homes, 45 are market rented and 5 are general needs. The annual rent figure is £3,472,072.

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

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

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

2.9. FWH also owns one commercial unit.

### 3. Progress against the Company’s 2023-24 Business Plan

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

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

3.2. This section outlines performance in 2023-24 against each of the Company’s strategic objectives.

#### 3.3. Summary of performance

3.3.1. FWH has not purchased any new properties during 2023-24; therefore, performance is based on housing management. FWH’s overall performance is reasonable. Whilst void times remain an issue and repairs performances vary, there have been initial improvements seen following the implementation of new measures, including the Voids Hit Squad. The Company continues to provide a good housing service to residents and rent collection performance is strong.

3.3.2. During 2023-24, a dedicated operational team for the housing companies has been set up by Brent Housing Service. This was put in place to provide housing management services outlined in the Service Level Agreement, including overseeing housing & neighbourhood services, tenancy management, income collection, tenancy sustainment, and lettings.

3.3.3. Table One below provides a summary of operational performance at January 2024:

Table One – Summary of Performance

Indicator	Target	Performance at January 2023 (YTD)	Performance at January 2024 (YTD)
Minor void re-let times	35 days	157 days	115 days
Major void re-let times	72 days	193 days	162 days
Rent collection	98.50%	98%	99.83%
Void rent loss	1.50%	9%	4%
Emergency repairs completed within 24 hours	100%	99%	100%
Urgent repairs completed within 7 days	95%	82%	99%
Routine repairs completed within 28 days	95%	74%	78%

- 3.3.4. High void times continue to represent the principal operational issue for FWH, with both minor and major void times remaining out of target. Recognising that this is an issue facing the whole of Housing Management, Brent addressed this matter by introducing a Voids Hit Squad. The team comprises of three officers and one manager who are the owners of the end-to-end voids and lettings process. Each void now has an officer attached to it who tracks and monitors it to ensure that delays are prevented, and void turnaround times are brought back within target. Their work to-date has shown promising results in identifying and clearing historical voids with contractors turning minor voids around in 12 days and major voids in 19 days. The FWH Board will continue to closely track this progress during 2024-25.
- 3.3.5. Table Two provides an update on health & safety compliance. Aside from a number of outstanding electrical safety certificates, FWH has achieved full compliance in the relevant areas. On EICRs, the legal process to gain access continues to be followed for each outstanding certificate; however, it is not possible to force entry to properties that refuse access, as is the case with gas certificates.

Table Two – Compliance Scorecard

Compliance Area	Certification	No. of Applicable Properties/ Blocks	No. of Compliant Properties/ Blocks	Compliance Rate
Electrical Safety (Property)	EICR	216	*188	92.20%
Gas Safety (Property)	LGSR	195	*195	100%
Asbestos (Block)	Asbestos survey	1	1	100%
Legionella (Block)	Legionella risk assessment	2	2	100%
Electrical Safety (Block)	Communal EICR	3	3	100%
Lifts (Block)	Inspection report	1	1	100%
Fire Safety (Block)	FRA	2	2	100%

*\*Data does not include void properties*

- 3.3.6. The following paragraphs provide a more detailed update on progress against the sub-objectives for each Housing Company objective in the 2023-24 Business Plan.

#### 3.4. Performance against strategic objectives

#### 3.5 ***Providing a consistently good housing service***

- 3.5.1 While rent collection performance remains good, reducing arrears continues to be an issue for FWH. In order to address this, during 2023-24 the new Housing

Management team have reviewed the sign-up, tenancy sustainment, rent collection and arrears management processes, and evaluated historic highest arrears cases to assess ongoing suitability. Subsequently, the sign-up process has been revised and is in a pilot phase, with lettings officers now assisting with Universal Credit and Council Tax applications, as well as advance payments. Further, a newly introduced welcome pack and Nominations Panel are ready to be implemented in 2024-25 to enhance tenancy sustainment. Ongoing improvements are also being made to rent collection and arrears management, with a focus on providing a more comprehensive service for 2024-25.

- 3.5.2 FWH is working to improve tenant satisfaction and monitors this regularly. During 2023-24, new tenant satisfaction measures were implemented and some transactional feedback from tenants were received. The initial results of the tenant satisfaction measures and transactional feedback were reviewed and presented to the Board in July 2023. In comparison to a baseline for Brent's stock of 55%, FWH's overall tenant satisfaction was 54%. These results have been used to identify and carry out specific actions to improve tenant satisfaction, with the Board being set to receive six-monthly reports and regular updates on tenant satisfaction from Housing Management.
- 3.5.3 Additionally, to improve FWH's oversight of complaints and transactional satisfaction surveys, a separate hierarchy on the Council's complaints processing system has now been set up for FWH. This will enable company complaints to be monitored and reported on separately. Regular reporting to Board will be agreed with the Housing Companies Operational Manager.

### 3.6 ***Delivering safe and sustainable homes***

- 3.6.1 During 2022-23, FWH commissioned an audit of its health and safety compliance arrangements, managed primarily through its Service Level Agreement with Brent Housing Service. In response to the audit, a monitoring tracker was created to track all compliance elements for all FWH properties and blocks. All compliance certification is centralised, and all audit follow-up actions have been addressed. These continue to be monitored by management to monitor ongoing effectiveness. FWH has also increased clienting of the compliance certification process for added assurance.
- 3.6.2 Brent's Housing Management Service (HMS) have adopted the True Compliance system for long-term monitoring and reporting of compliance across all areas. FWH will continue to oversee the implementation of True Compliance throughout 2024-25, with increased clienting and monitoring of health and safety compliance with monthly reporting to the Board.
- 3.6.3 The results of recent stock condition and energy surveys will be developed into a costed asset management and energy efficiency strategy during 2023-24 and will be inputted into the financial plan to inform long-term asset management planning; impacts will be assessed on a property and stock level. This will be further refined during 2024-25, including agreeing an approach for future stock rationalisation.
- 3.6.4 Regarding disrepair, HMS have implemented measures to identify and address disrepair early on, aiming to support tenant well-being, reduce legal claims and minimise compensation payments. Four contractors, including new additions, now

respond to disrepair reports for FWH properties. HMS have tackled damp and mould by contacting tenants, receiving 800 responses and remedied ongoing issues, with a newly hired specialist company for improved mould treatment. A new forced entry protocol has also been implemented, which handles leaks promptly. Daily contractor reports are also reviewed, and post-inspections ensure complex jobs meet the relevant standards. During 2023-24 disrepair cases have been added to monthly performance reports, and this closer monitoring will continue into future years.

### **3.7 *Running a viable business***

- 3.7.1 The FWH Business Plan monitors and assures the ongoing financial viability of the Company. The key operational issue for FWH continues to be high void times; however, some improvement has been seen during 2023-24. A void improvement project was implemented to significantly reduce void costs, covering both the housing companies and the Council's Housing Revenue Account; chaired by senior management. In addition to the initial void inspection, a surveyor checks the quality and progress of void works part way through the process, ensuring they are on target for completion. The Voids Hit Squad was formed in July 2023, which monitors all void stages focusing on efficiency and reporting to senior management.
- 3.7.2 Further, all voids are now handled by Wates Living Space – the Council's principal repairs and void works contractor – and undergo pre- inspection, in progress inspection and a joint-inspection by a Wates Supervisor and a Brent Surveyor. The cost of void works has also now reduced as a result of carefully scrutinising specifications and implementing an approval hierarchy.
- 3.7.3 FWH also commissioned a tax planning review from EY. While the review confirmed that company tax calculations were accurate and appropriate, it highlighted the need to carry out regular tax planning exercises, which will be taken forward into 2024-25.
- 3.7.4 Another key concern for FWH is value for money. A value for money strategy for FWH was approved by the Board in October 2023 and will continue to be implemented during the 2024-25 financial year. In addition, FWH has now commissioned a consultant to carry out a value for money review of voids, with a further review of repairs to be considered following the initial results, expected in early 2024. Outstanding actions from the strategy have been incorporated into the 2024-25 business plan.

### **3.8 *Increasing the supply of affordable housing in the borough***

- 3.8.1 FWH is one of several funding and delivery routes the Council has to increase the amount of affordable housing in the borough. FWH remains available as an RP to support the Council's affordable housing aspirations. The Board Development Strategy sessions were completed with Red Loft in 2023. Following this, the Board agreed to explore s106 and bulk purchase opportunities where appropriate. FWH is currently exploring an acquisition or lease arrangement with the Council at one of its new build sites, Fulton Road. The Board will be asked to consider this in detail in early 2024.
- 3.8.2 As an RP, FWH is a viable route for delivering properties using grant funding. Subsequently, FWH was asked to prepare a bid to purchase 3–4-bedroom homes as

part of the GLA's Refugee Housing Programme. FWH successfully submitted a bid for the RHP; however, as only Outer London grant rates were available to the company, FWH was unable to identify any additional properties for the programme that were not also viable for i4B's acquisition programme. Therefore, the Council's priority was to purchase homes through i4B in order to address increased homelessness demand and Temporary Accommodation pressures.

## 4. Context for 2024-25 Business Plan

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

- Current economic context;
- The housing market & current acquisition strategy;
- Current demand and housing need within Brent
- The regulatory environment;
- Energy efficiency; and
- The key risks the Company currently faces.

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

### 4.3 *Current Economic Context*

4.3.1 Following 20-year highs during 2022-23 – a result of a variety of factors including the impacts of Covid-19, Brexit and the war in Ukraine – consumer price inflation has reduced across 2023-24.

4.3.2 CPI is currently at 4.0%<sup>1</sup> and is expected to continue falling to 3.1% by Q4 2024. This is due to a number of reasons, including lower energy prices and reduced inflation in consumer goods and food.<sup>2</sup> However, the ongoing cost of living crisis is expected to have continued impacts on affordability for tenants and rent collection.

### 4.4 *The Housing Market & Current Acquisition Strategy*

4.4.1 During this financial year, property prices and demand within Brent have remained high. According to the Office for Budget Responsibility, house prices are expected to fall by 4.7% throughout 2024.<sup>3</sup> It is also anticipated that it could take until 2027 for house prices to recover to 2022 peak levels; predictions which remain in line with Savills' latest forecast, estimating that UK house prices will fall in 2024, 3% across the UK and 4% in London before bottoming out.<sup>4</sup> The amount that the Council's companies can spend on properties will be improved by the Government's announcement that LHA rates will be raised to the 30<sup>th</sup> percentile for the beginning of 2024-25.

4.4.2 The GLA has recently launched the Council Homes Acquisition Programme. This is a grant programme under the 2021-26 Affordable Homes Programme which provides funding for the acquisition of new homes, in contrast to previous programmes focussed on construction of new homes. As an RP FWH is able to bid for this funding, and up to £85k is available for the acquisition of a home let at LHA. While detailed modelling is yet to be carried out, this scheme may represent an opportunity

---

<sup>1</sup> <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/consumerpriceinflation/latest#latest-movements-in-cpi-inflation>

<sup>2</sup> <https://researchbriefings.files.parliament.uk/documents/CBP-9428/CBP-9428.pdf>

<sup>3</sup> <https://www.standard.co.uk/homesandproperty/property-news/obr-forecast-house-price-mortgages-transactions-2024-b1122430.html>

<sup>4</sup> <https://www.standard.co.uk/homesandproperty/property-news/obr-forecast-house-price-mortgages-transactions-2024-b1122430.html>

to make acquisitions more affordable for the housing companies group, once existing loan funding sitting with i4B has been used up.

- 4.4.3 The property market will be regularly reviewed throughout 2024-25, including for any opportunities appropriate to FWH.

#### 4.5 ***Current Demand and Housing Need within Brent***

- 4.5.1 FWH houses Council homelessness nominees, and there are growing pressures being placed on the Housing Needs Service, with a significant overspend on Temporary Accommodation (TA) being driven by the reduction of private-rented sector (PRS) properties available at Local Housing Allowance (LHA) levels. This has led to an increased reliance on TA as a medium-term solution for households in need. The difficulty of finding TA has meant that local authorities are housing a growing number of their most vulnerable residents outside the capital, away from vital services and support networks<sup>5</sup>.

- 4.5.2 Temporary Accommodation has a significant financial impact on the Council, with a projected overspend of £4.5m against the 2023-24 budget. This is partly due to the fact that benefits paid to those living in TA have been limited to 90% of the 2011 LHA rates. This is significantly less than the rents currently being charged by most private sector landlords. In the 2023 Autumn Statement, the Chancellor announced that from April 2024, LHA rates will rise to the 30<sup>th</sup> percentile of local market rates. This will relieve some of the pressures faced by families but will need to be balanced against the restraints of the benefit cap, which will not be updated next year.

- 4.5.3 The Council are now faced with increasing pressures to source cost-effective TA. Options for this include the purchase of homes on the private market or from developers, and FWH is a potential route for the acquisition of properties or blocks to contribute to relieving current pressures. Any blocks considered would also help to relieve ongoing high demand from families who require adapted properties due to mobility issues or disabilities.

#### 4.6 ***The Regulatory Environment***

- 4.6.1 As a Registered Provider of social housing, FWH is required to comply with the standards of the Regulator of Social Housing. The regulatory environment in which FWH operates continues to be stringent, following the introduction of new legislation such as the Building Safety Act and more proactive regulation in areas such as tenant satisfaction.

- 4.6.2 The Regulator's new tenant satisfaction measures have been effectively implemented from April 2023, and the Housing Companies Operational Manager will begin regular reporting to the Board on these.

- 4.6.4 Stock condition is another key theme. Alongside decarbonisation requirements discussed below, the sector continues to see increased numbers of disrepair cases and complaints to the Housing Ombudsman, principally in relation to property condition and damp and mould. The Board are receiving more regular and

---

<sup>5</sup> [Inside Housing - News - London's biggest landlords to provide temporary accommodation for councils](#)



comprehensive reporting on disrepair cases, and disrepair is one of the focuses of a financial controls audit currently being undertaken for the company. HMS must also continue to adhere by the legal process set out in the Pre-Action Protocol for Housing Conditions Claims when addressing disrepair cases.

4.6.5 Finally, the new Building Safety Act brought the introduction of a new Building Safety Regulator and a New Homes Ombudsman. The Act covers residential high-rise buildings at all stages from design and planning to construction and occupancy, and requires the provision of a 'golden thread' of detailed building information both to the Regulator and residents. It also introduced greater protections for leaseholders against historical defects as well as the requirement for a resident engagement strategy. As a result of this, FWH is required to provide detailed information to the Regulator for two of its blocks.

#### 4.7 **Energy Efficiency**

4.7.1 Brent Council declared a climate and ecological emergency in 2019 and committed to do all reasonable in its gift to aim for carbon neutrality for 2030, and to work with government to achieve the national 2050 target. The target for Brent's housing in its Climate & Ecological Emergency Strategy (2021-2030) is to achieve an average EPC rating of B by 2030, in line with the London Councils target. Brent Council's housing companies' environmental sustainability targets are aligned with the Council's own environmental sustainability targets. Although the Government has made the decision to change its policy regarding climate targets and commitments<sup>6</sup>, FWH and the wider Council group are still aiming at previously agreed targets.

4.7.2 FWH has also applied successfully to the Social Housing Decarbonisation Fund in a consortium bid alongside the Council, which awarded grant funding at a small number of FWH properties for energy efficiency works.

4.7.3 Stock decarbonisation will be a significant capital expense for the Company. Modelling shows an indicative average cost per property of £18,000 for reaching EPC C and £20,500 for reaching EPC B; this has the potential to increase with inflation. Therefore, the company's ongoing work to forecast its capital programme and decarbonisation requirements will be important for securing financial viability while meeting targets.

#### 4.8 **Risk Context**

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

- Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in FWH being non-compliant with its statutory obligations.
- FWH lacks the policies, knowledge and governance arrangements to effectively monitor regulatory and legal standards on compliance.
- Compliance actions are not effectively identified, followed up and monitored when issues arise, leading to non-compliance with statutory obligations.

---

<sup>6</sup> <https://www.gov.uk/government/news/pm-recommits-uk-to-net-zero-by-2050-and-pledges-a-fairer-path-to-achieving-target-to-ease-the-financial-burden-on-british-families>

- Changing inflation or Government policy on rents and benefits means FWH cannot increase rents at business plan assumptions.
- High void rent loss due to long void turnaround times.
- High Capital Programme costs, including future climate change expenditure, undermine the viability of the business plan.
- Substantial variations in inflation and interest rates compared to the business plan adversely affect financial performance and viability.

4.8.2 Mitigating measures are in place to help to minimise the impact of all risks, with some risk scores being likely to reduce. A copy of the full Company risk register has been included in Appendix 2.

## 5. Strategic Priorities for 2024-25

5.1 This section outlines the Company's strategic priorities for 2024-25. In 2024-25, FWH will seek to consolidate its position while reviewing development opportunities in the borough. Priorities for the year are set out within the framework of the medium- to long-term objectives of Brent's Housing Companies. These objectives are:

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

### 5.2 *Providing a Consistently Good Housing Service*

5.2.1 This objective relates to improving tenant satisfaction and ensuring tenants are able to afford their rent and sustain their tenancies. In order to provide an effective and consistent housing service, FWH will continue to review initial responses to the Regulator's new tenant satisfaction measures, seek to improve its oversight of complaints handling, and continue to actively engage with its tenants on financial inclusion and affordability. The 2024-25 strategic priorities for this objective are:

#### 5.2.2 Priority 1: Monitor results of new tenant satisfaction measures

5.2.3 Following the implementation of new tenant satisfaction measures in April 2023, the initial results were presented to the Board in July 2023. FWH will continue to review results from these surveys as well as transactional feedback from its tenants to identify the direction of travel for tenant satisfaction, and carry out any necessary actions to improve tenant satisfaction. The Board will receive reporting on tenant satisfaction every six months.

#### 5.2.4 Priority 2: Monitor complaints using improved portal

5.2.5 A separate hierarchy on the Council's complaints processing system has been set up specifically for FWH. This will enable company complaints to be monitored and reported on separately. Plans for regular reporting to the Board on complaints oversight and monitoring will be agreed with the Housing Companies Operational Manager and implemented during 2024-25.

#### 5.2.6 Priority 3: Monitor and improve income collection performance

5.2.7 As part of the company value for money strategy, FWH will monitor and scrutinise the impact of improvement actions implemented by Housing Management, including new staffing arrangements, on rent collection and arrears recovery performance. This will include assessing the impact of the two new Housing Companies Tenant Managers who are responsible for the end-to-end tenancy management processes for the companies – including managing rent collection, arrears and tenancy sustainment as well as lettings, estates, and any tenancy issues such as ASB and tenancy verification visits.

5.2.8 The Housing Companies Tenant Managers will target individual households that have experienced persistent arrears through budgeting advice where appropriate, but also where FWH properties are being utilised as Temporary Accommodation, liaising with the Housing Needs Service to find alternative affordable accommodation. The

focus for the year will be on ensuring that any tenants of FWH Temporary Accommodation that are unable to afford the rent are flagged and moved on by the Housing Needs Service.

### **5.3 *Delivering Safe and Sustainable Homes***

5.3.1 This objective involves ensuring that FWH's homes are of a good quality, safe, legally compliant, and environmentally sustainable. In 2024-25, the Company's focus will be on further embedding improved practices in the areas of compliance, disrepair and asset management & energy efficiency. This will included overseeing the successful implementation of True Compliance, meeting all requirements of the Building Safety Act, and carrying out additional work on modelling & planning for future property management and decarbonisation works. The 2024-25 strategic priorities that relate to this objective are:

#### 5.3.2 Priority 4: Fully implement True Compliance

5.3.3 The True Compliance system has been procured by the Council and is close to being fully implemented. FWH officers are working with True Compliance to set up reporting widgets which can be incorporated into the Housing Management Performance Reports. During 2024-25, FWH will continue short-term monitoring and reporting of compliance areas, providing reassurance to the Board that the Company remains compliant with all relevant law. It will also gradually phase out the manual compliance report as widgets for individual compliance areas are set up and officers have confidence in these. The possibility of incorporating the data into the Housing Management BI system is also being explored.

#### 5.3.4 Priority 5: Fulfil the requirements of the Building Safety Act

5.3.5 With respect to the newly introduced Building Safety Act (BSA), FWH does not have any high-rise buildings that need to be registered with the Government/LFB in the initial stages of the BSA. However, the company is required to report on building safety in relation to its mid-rise blocks at Arnoux and Addis Court; these have been duly registered with the Regulator of Social Housing as part of its fire safety survey. Any further requirements of the Act impacting FWH will continue to be monitored closely.

#### 5.3.6 Priority 6: Continue to effectively monitor and manage disrepair

5.3.7 Disrepair cases continue to be a prevalent issue for FWH and the sector more widely. Housing Management will continue to adhere to the legislative framework set out in the Pre-Action Protocol for Housing Conditions Claims, when addressing disrepair cases. Moving forward, the Board will receive updates on live and settled disrepair cases through the regular Housing Management performance report on a monthly basis. Between meetings, FWH will also continue to work closely with the Housing Companies Operational Manager to ensure that cases are being progressed in a timely manner. It is expected that increased reporting will not only improve Board oversight of cases but improve the timeliness of resolving cases, minimising disruption to tenants and reducing associated costs.

- 5.3.8 Priority 7: Refine and implement asset management & decarbonisation strategy
- 5.3.9 For the start of 2024-25, FWH will model the outputs of its stock condition & energy survey work into its financial business plan in order to develop an asset management and decarbonisation strategy. The strategy will ensure that FWH has affordable, costed plans to ensure its stock remains in good condition and reaches target Energy Performance Certificate levels.
- 5.3.10 To support this, FWH will also develop and agree with the Board a stock rationalisation approach in 2024-25 and will explore any relevant grant funding opportunities for energy efficiency in collaboration with Climate and Asset Management colleagues in the Council.
- 5.3.11 While the company has encountered challenges in engaging with freeholders on their future asset management and decarbonisation plans despite repeated attempts at escalation, FWH will continue to send periodic requests to freeholders and input any information received on timings, costs and responsibilities for these works into its financial plan.

#### **5.4 *Running a Viable Business***

- 5.4.1 This objective relates to improving the operational and financial performance of FWH in order to remain financially viable and thus continue to bring benefits to the Council. The Company's focus for 2024-25 will be on monitoring and improving void times and performances, as well as implementing its value for money strategy to reduce costs and improve financial performance, with a particular focus on voids performance and financial controls. The 2024-25 strategic priorities that relate to this objective are:
- 5.4.2 Priority 8: Monitor and carry out actions to improve voids performance
- 5.4.3 Voids represent a key strand of the company's value for money strategy. The impact of various restructures and improvement actions in the Housing Management service on voids performance will continue to be closely tracked in 2024-25 by officers and the Board. This includes the activity of the Voids Hit Squad, the movement of the lettings service into the dedicated Housing Management team, and work to clear long-term legacy voids from the pipeline to focus on new voids.
- 5.4.4 The lettings function will now be carried out by the Housing Companies Tenant Services Managers, who at tenancy sign ups will focus on providing information to tenants on what to do when they decide to leave the property; this will allow for the Housing Management Team to start action on voids earlier. The Housing Companies Tenant Services Managers will also be responsible for an increased number of verification visits (targeted at 6 per week) to ensure that properties are in better condition so if and when tenants leave the property, the void works are reduced.
- 5.4.5 Alongside this, FWH will assess the outcome of a value for money review of voids from external contractor Ridge. This project will improve the oversight of void costs and specifications and identify any issues with how works are being specified and charged currently. The work is underway and will be completed by the beginning of 2024-25, after which FWH will work with Property Services to implement any necessary improvements, and consider a similar exercise for day-to-day repairs charging.

- 5.4.6 Priority 9: Carry out mid-year review of the financial business plan
- 5.4.7 Alongside regular financial monitoring and reporting throughout the year, at the mid-year point the financial plan will be updated with the actual position and latest forecast and will reflect any significant changes arising in the first part of the year. The plans will then be stress tested and presented back to the Board.
- 5.4.8 Priority 10: Implement actions arising from financial controls audit
- 5.4.9 An external audit is in progress in early 2024 looking into the financial controls and billing arrangements of FWH. The audit specifically has been set up to examine the billing processes, raising of charges and oversight and approval of payments in relation to disrepair claims, Council Tax and void refurbishment costs. Following the conclusion of the audit, in 2024-25 FWH officers will look to implement any actions arising and make any recommended improvements to processes.
- 5.4.10 Priority 11: Introduce regular tax planning exercises
- 5.4.11 In 2023-24, a tax planning review from EY provided assurance that FWH's current tax calculations are accurate and appropriate. The review also highlighted the need for regular tax planning exercises in order to improve forecasting and implement tax efficiencies where possible; these will be regularly carried out during 2024-25 and beyond.

## **5.5 *Increasing the Supply of Affordable Housing in the Borough***

- 5.5.1 As a registered provider (RP), FWH remains available for any opportunities that supports the Council's affordable housing targets. Given its status as an RP, FWH is able to act in ways the Council cannot, for example letting properties at market and affordable rates, and accessing certain grants. The Company's focus will be to continue identifying and appraising block acquisitions, new build purchases and engage the Council on the future of the company through the implementation of housing programmes such as GLA grant schemes. The strategic priorities for this objective in 2024-25 are:
- 5.5.2 Priority 12: Work with Council colleagues to explore and appraise acquisition opportunities
- 5.5.3 FWH is one of several funding and delivery routes the Council has to increase the amount of affordable housing in the borough, and as an RP is able to take advantage of unique opportunities. FWH therefore remains available to support the Council's affordable housing aspirations and future housing opportunities.
- 5.5.4 Specifically for 2024-25 and beyond, the GLA has recently announced the new Council Homes Acquisition Programme (CHAP), a scheme through which grant funding is available for the acquisition of homes for use as Temporary Accommodation, up to a maximum of £200k for a social rented unit and £80k for a unit at Local Housing Allowance rates. Following the use of existing loan funding within the housing companies group, CHAP represents a potential future route for the affordable acquisition of properties. During 2024-25, FWH will work to model this scheme and understand its implications within the Council's Housing Strategy.

5.5.5 Priority 13: Identify and appraise potential block acquisitions

5.5.6 FWH continues to explore a number of block opportunities in collaboration with Council colleagues each year as part of its development strategy. It will continue to do so in 2024-25, with block purchases seen by the Board and Guarantor as a preferential acquisition route to bring in a large amount of housing supply that is easier to manage and has the potential for adapted units, subject to acquisitions being viable. Any suitable opportunities will be taken forward as appropriate.

5.5.7 Priority 14: Develop proposed lease arrangement for Fulton Road

5.5.8 The Council is looking to purchase 294 properties at Fulton Road and has agreed heads of terms with the developer of the scheme. As part of the scheme, leasing 118 London Living Rent units to FWH is being explored. The Council is finalising arrangements with the GLA, and during the year the company will look to agree heads of terms and enter into a lease agreement with the Council for the 118 units if an agreeable proposal for both the Council and Company can be identified and agreed.

5.5.9 Priority 15: Engage Council on future strategic direction of company

5.5.10 Given current challenges with the usage and associated costs of Temporary Accommodation within the Council group, FWH is beginning discussions with the Council as its Guarantor on how the company can contribute to alleviating these pressures. Discussions will be progressed during 2024-25 in order to agree the best approach to meet the housing objectives of the wider Council group, taking a holistic approach with the aim of increasing housing supply at scale while securing the future viability of the companies.

5.5.11 This will include looking at: the availability of finance; modelling the impact of new LHA rates and Greater London Authority schemes – including CHAP – on acquisitions at current interest rates; the shared risk appetite of the Council and company; and any areas of potential flexibility within the company's overall acquisition strategy and modelling. The FWH Board is open to inventive solutions to meet the aims of the Council's housing strategy and concrete plans will be agreed during the year.

This page is intentionally left blank



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

Document is Restricted

This page is intentionally left blank

**FWH Strategic Risks**

Ref	Business Plan Objective	Strategic Risk	Risk	Trigger	Likelihood	Impact	Score	Likelihood	Impact	Score	Risk Trend	Mitigation	Actions	Owner	SLA Lead	Due Date	Action Update
1	Safe and Sustainable Homes	FWH does not meet H&S requirements	FWH's policies, knowledge and governance arrangements are not sufficiently effective to monitor regulatory and legal standards on health & safety compliance.	Lack of reliable monitoring reports to Board	4	5	20	3	5	15	↓	Review policies, controls and reporting arrangements.	Monitor implementation of True Compliance system and revised compliance policies	Head of Property Services	Strategic Support Officer	Dec-23	Compliance policies now agreed by Board. Updated reports have been received from True Compliance and reviewed, widgets in the process of being set up to ease reporting. Risk score reduced as regular reporting from TC now in place.
2	Safe and Sustainable Homes	FWH does not meet H&S requirements	Poor data quality on asset management systems means compliance with H&S standards cannot be effectively monitored, resulting in FWH being non-compliant with its statutory obligations.	Inadequate controls on record creation, lack of KPIs and monitoring processes	3	5	15	3	5	15		Review asset records and the controls around creation and update. Produce a regular compliance report to Board covering all compliance requirements.	Continue short-term monitoring and reporting of each compliance area	Strategic Support Officer		Ongoing	Monitoring and reporting to Board continues on a monthly basis.
3	Safe and Sustainable Homes	FWH does not meet H&S requirements	Compliance actions are not effectively identified, followed up and monitored when issues arise, leading to non-compliance with statutory obligations.	Inadequate controls on the recording, follow-up and reporting of mitigation actions identified.	3	5	15	3	5	15		Ensure effective monitoring and reporting processes on compliance.	Monitor implementation of True Compliance system	Head of Property Services	Strategic Support Officer	Dec-23	Compliance policies now agreed by Board. Updated reports have been received from True Compliance and reviewed, widgets in the process of being set up to ease reporting. Regular reporting from TC now in place.
4	Running a Viable Business	FWH cannot trade as a going concern	Changing inflation or Government policy on rents and benefits means FWH cannot increase rents at business plan assumptions.	Change in Government policy or change in rental inflation	4	4	16	3	4	12	↓	Regular modeling and business plan reviews, and monitoring of changes in Government policy.	Re-test the business plan as part of the 2022/23 final accounts outturn process	Senior Financial Analyst		Completed	
4	Running a Viable Business	FWH cannot trade as a going concern	High void rent loss due to long void turnaround times.	Poor void management processes and reporting	5	3	15	5	3	15		Improved void management processes and reporting.	Implement project plan to reduce void costs and improve void turnaround times	Head of Property Services / Responsive Repairs and Voids Manager	Strategic Support Officer	Jan-24	To be carried out as part of the 2024/25 business plan setting process. Risk reduced due to LHA increase which has taken place before previous forecast date of 2027/28
5	Running a Viable Business	FWH cannot trade as a going concern	High Capital Programme costs, including future climate change expenditure, undermine the viability of the business plan.	Uncertainty on investment requirements in stock, including decarbonisation and compliance	5	5	25	3	5	15	↓	Development of a costed asset management plan with viable options.	Develop asset management and decarbonisation strategy	Head of Property Services	Strategy & Delivery Manager	Sep-23	Report from Asset Management Team on energy performance, asset management requirements and decarbonisation potential of portfolio has been received and is being factored into the financial business plan. This will be finalised for the start of the 2024-25 Business Plan; risk likelihood has been reduced based on initial outcomes showing a reduced risk to company finances.
6	Running a Viable Business	Financial and reputational damage	Substantial variations in inflation and interest rates compared to the business plan adversely affect financial performance and viability.	Cost inflation exceeds income, rent collection levels decrease, new unaffordable expenditure requirements such as decarbonisation costs are identified	3	5	15	3	5	15		Regular review of costs and assumptions, and stress testing of the business plan.	Regular monitoring of economic environment and actual performance, and 6 monthly stress testing of business plan.	Senior Finance Analyst		Completed	Completed for 2022/23 outturn; next stress test to be carried out as part of 2024/25 business planning
7	Running a Viable Business	Financial and reputational damage	FWH is deemed to have failed a regulatory requirement in its corporate role.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of economic regulatory requirements and compliance with these.	Develop cost estimates on decarbonisation and stock condition works and feed into asset management & decarbonisation strategy	Strategic Support Officer		Sep-23	Report from Asset Management Team on energy performance of portfolio and decarbonisation potential of stock has been received and is being factored into the financial business plan. This will be finalised for the start of the 2024-25 Business Plan.
8	Running a Viable Business	Financial and reputational damage	FWH is deemed to have failed a statutory requirement in its corporate role following developments in the regulatory environment such as the Hackitt Review.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of consumer regulatory requirements and compliance with these.	Carry out review of governance arrangements and compliance with regulatory standards	Strategic Support Officer		Completed	Completed for 2023 - next review in June 2024
9	Running a Viable Business	Financial and reputational damage	FWH is deemed to have failed a statutory requirement in its corporate role following developments in the regulatory environment such as the Hackitt Review.	Policies and procedures fail to meet regulatory requirements or are not complied with	2	3	6	2	3	6		Annual review of consumer regulatory requirements and compliance with these.	Carry out review of governance arrangements and compliance with regulatory standards	Strategic Support Officer		Completed	Completed for 2023 - next review in June 2024

This page is intentionally left blank

FWH 2023/24 Key Tasks						
Housing Company objective	Priority for 2023/24	Key tasks for 2023/24	Task owner	Due date	RAG	Update January 2024
Delivering safe and sustainable homes	1. Monitor health and safety compliance	Continue short-term monitoring and reporting of each compliance area	Head of Housing Property Services / Strategic Support Officer	Jun-24		Monitoring and reporting to Board will continue on a monthly basis until True Compliance fully implemented.
		Monitor implementation of True Compliance system for FWH	Head of Housing Property Services / Strategic Support Officer	Jun-24		Updated reports have been received from True Compliance and reviewed. Ongoing work with True Compliance Support to finalise the data contained in the widgets, with the aim that full reporting will be in place by June 2024; rolled over into 2024-25 Business Plan
Delivering safe and sustainable homes	2. Implement plan in response to Building Safety Act	Develop and implement project plan to ensure compliance with Building Safety Act	Head of Housing Property Services / Strategic Support Officer	Apr-23	Complete	FWH does not have any high-rise buildings that need to be registered with the Government/LFB in the initial stages of the Building Safety Act. Any changes impacting FWH will be monitored. FWH's blocks at Arnoux and Addis Court as mid-rise buildings were required to be registered with the Regulator of Social Housing as part of its fire safety survey, which has been completed.
Delivering safe and sustainable homes	3. Develop decarbonisation strategy	Use results of energy modelling work to develop an FWH decarbonisation strategy, which may include stock rationalisation where appropriate	Strategic Asset Manager / Strategic Support Officer	Sep-23		Action remains overdue but on course within financial year. Survey data on future energy performance of portfolio and decarbonisation potential across the stock is in the process of being modelled into the financial business plan, and the impacts will be assessed on a property- and stock-level to inform a future asset management & stock rationalisation approach
Delivering safe and sustainable homes	4. Develop disrepair policy	Review disrepair cases	Head of Housing Property Services / Strategic Support Officer	Jun-23	Complete	Report presented at the July Board meeting providing an update on all live disrepair cases.
		Develop disrepair policy	Head of Housing Property Services / Strategic Support Officer	Jun-23	Complete	Report presented at the July Board meeting outlining the legislation around managing disrepair cases, and Brent Housing's approach to proactively managing disrepair. Going forward, the Board will receive updates on live & settled disrepair cases through the regular performance report.
Increasing the supply of affordable housing in the borough	5. Explore future financing arrangements with Council	Explore new financing arrangement with Council that allows companies to forward borrow	Strategy and Delivery Manager	Sep-23	Complete	The Council has indicated that future loan finance would be available to the housing companies following the use of remaining loan funding.
Increasing the supply of affordable housing in the borough	6. Review feasibility of a block acquisition	Work with consultants to review market for potential block acquisitions, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23	Complete	Strategy session with Red Loft held in May 2023, and Board agreed to explore and progress s106 and bulk purchase opportunities where appropriate. Schemes continue to be explored
Increasing the supply of affordable housing in the borough	7. Review feasibility of new build purchases	Work with consultants to review market for new build opportunities, which would include adapted properties	Operational Director Property and Assets / Strategy and Delivery Manager	Sep-23	Complete	Strategy session with Red Loft held in May 2023, and Board agreed to explore and progress s106 and bulk purchase opportunities where appropriate. Schemes continue to be explored
Increasing the supply of affordable housing in the borough	8. Review feasibility of re-entering street property market	Review street property market in June 2023	Operational Director Property and Assets / Strategy and Delivery Manager	Jun-23	Complete	Board decision taken in May 2023 to resume street property acquisitions for i4B.
		Dependent on review, consider re-entering street property market	Operational Director Property and Assets / Strategy and Delivery Manager	Jul-23	Complete	Board decision taken in May 2023 to resume street property acquisitions for i4B.
		Review sign-up process and tenancy sustainment approach	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	The sign-up process has been revised and is in a pilot phase, with officers now assisting with Universal Credit and Council Tax applications, as well as advance payments. A newly introduced welcome pack and Nominations Panel are ready for implementation to enhance tenancy sustainment. Work has also begun with the employment assistance organisation BEAM, to help tenants find and sustain employment.

Running a viable business	9. Carry out project to reduce arrears	Review rent collection and arrears management processes	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	Additionally, ongoing improvements are being made to rent collection and arrears management, with a focus on providing a more comprehensive service. A dedicated Housing Companies Operational Team has been appointed to support these improvements.
		Evaluate historic highest arrears cases to assess ongoing suitability	Head of Housing and Neighbourhoods / Strategic Support Officer	Sep-23	Complete	Where properties are identified as unsuitable there is a process in place to refer back to Housing Needs for review.
Running a viable business	10. Implement VfM strategy	Implement actions outlined in value for money strategy	Strategic Support Officer	Dec-23	Complete	Value for Money Strategy & Action Board approved at October Board and actions are progressing. Update provided to January Board in VfM statement alongside business plan. Where actions are not yet complete, these have been included in the business plan key tasks for 2024-25
Running a viable business	11. Reduce void costs	Implement project plan to reduce void costs	Head of Housing Property Services	Dec-23		Voids hit squad now in place, with an update on outcomes to be provided to the January Board meeting. All voids are now handled by Wates Living Space and undergo pre-inspection, in-progress inspection, and a joint post-inspection by a Wates Supervisor and a Brent Surveyor. The cost of void works has been reduced by carefully scrutinising specifications and implementing an approval hierarchy.
Running a viable business	12. Significantly improve void turnaround times	Implement project plan to significantly improve void turnaround times	Head of Housing Property Services	Dec-23		As above
Running a viable business	13. Explore potential stock rationalisation	Review financial and energy performance of properties following energy modelling work	Strategic Support Officer	Jun-23		Action remains overdue but on course within financial year. Survey data on future energy performance of portfolio and decarbonisation potential across the stock is in the process of being modelled into the financial business plan, and the impacts will be assessed on a property- and stock-level to inform a future asset management & stock rationalisation approach
		Consider potential disposals for under-performing properties	Strategic Support Officer	Jul-23		Dependent on the above.
		Carry out other disposals as appropriate	Strategic Support Officer	Ongoing		Ongoing.
Providing a consistently good housing service	14. Review tenant satisfaction	Review initial results following implementation of new tenant satisfaction measures	Head of Housing and Neighbourhoods	Jun-23	Complete	Initial results presented at July Board meeting.
		Report on new tenant satisfaction measures to Regulator of Social Housing	Head of Housing and Neighbourhoods	Jun-23	Complete	For smaller providers, reporting is only required once every two years with a census approach to sampling. Requests from Regulator to be monitored and actioned
		Review results of transactional feedback from tenants	Head of Housing and Neighbourhoods	Jun-23	Complete	Initial results presented at July Board meeting.
		Identify and carry out actions to improve tenant satisfaction	Head of Housing and Neighbourhoods	Jan-24		Board to receive six-monthly reports going forward; next report in February 2024
Providing a consistently good housing service	15. Improve complaints oversight and monitoring	Review complaints policies and procedures for FWH	Complaints and Casework Manager / Strategic Support Officer	Sep-23	Complete	A separate hierarchy on the Council's complaints processing system has now been set up for FWH, enabling company complaints to be monitored and reported on separately. The complaints triaging team has been briefed on this. Plans for reporting to Board will be agreed with the Housing Companies Operational Manager, likely to commence in July 2024 alongside the tenant satisfaction report

## FWH 2024/25 Key Tasks

Housing Company Objective	Priority for 2024/25	Key Tasks for 2024/25	Task Owner	Due Date
Providing a Consistently Good Housing Service	1. Monitor and improve income collection performance	Monitor and improve income collection performance	Housing Companies Operational Manager	Mar-25
Providing a Consistently Good Housing Service	2. Monitor results of new tenant satisfaction measures	Monitor the result of new tenant satisfaction measures and provide regular reporting on tenant satisfaction every 6 months	Housing Companies Operational Manager	Jul-24
		Report on new tenant satisfaction measures to Regulator of Social Housing	Housing Companies Operational Manager	Sep-24
Providing a Consistently Good Housing Service	3. Monitor complaints using improved portal	Monitor complaints using new improved portal and implement regular reporting to the Board on complaints oversight	Housing Companies Operational Manager	Dec-24
Delivering Safe and Sustainable Homes	4. Fully implement True Compliance	Fully implement True Compliance, including setting up reporting widgets to be incorporated into the housing management performance reports	Head of Housing Property Services & Strategic Support Officer	Jun-24
Delivering Safe and Sustainable Homes	5. Fulfil the requirements of the Building Safety Act	Monitor and action any further requirements of the Act impacting FWH	Strategy & Delivery Manager	Apr-24
Delivering Safe and Sustainable Homes	7. Refine and implement asset management & decarbonisation strategy	Develop and implement asset management and decarbonisation strategy	Senior Finance Analyst & Head of Housing Property Services	Sep-24
		Develop and agree a stock rationalisation approach	Strategy & Delivery Manager & Senior Financial Analyst	Oct-24
		Explore grant funding opportunities for energy efficiency	Strategy & Delivery Manager	Dec-24
Running a Viable Business	8. Monitor and carry out actions to improve voids performance	Review improvement actions on voids performance, monitor and carry out actions accordingly	Head of Housing Property Services & Strategic Support Officer	Mar-25
Running a Viable Business	9. Carry out mid-year review of the financial business plan	Implement actions arising from value for money review of void costs	Strategy & Delivery Manager	Jun-24
Running a Viable Business		Present mid-year review of business plan, including stress testing, back to Board	Senior Financial Analyst	Oct-24
Running a Viable Business	10. Implement actions arising from financial controls audit	Implement actions arising from financial controls audit	Senior Financial Analyst	May-24
Running a Viable Business	11. Introduce regular tax planning exercises	Introduce regular tax planning exercises to improve forecasting and implement tax efficiencies where required	Senior Financial Analyst	Jun-24
Increasing the Supply of Affordable Housing in the Borough	12. Remain available for acquisition opportunities	Explore and model the CHAP scheme as a potential future route for affordable acquisition of properties and understand its implications within the Council's Housing Strategy	Strategy & Delivery Manager & Senior Financial Analyst	May-24
Increasing the Supply of Affordable Housing in the Borough	13. Identify and appraise potential block acquisitions	Identify and appraise potential block acquisitions	Strategy & Delivery Manager & Senior Financial Analyst	Ongoing
Increasing the Supply of Affordable Housing in the Borough	14. Develop proposed lease arrangement for Fulton Road	Develop proposed lease agreement with the Council for Fulton Road	Strategy & Delivery Manager & Senior Financial Analyst	Jun-24
Increasing the Supply of Affordable Housing in the Borough	15. Engage Council on future of company	Engage Council on future of company beyond use of current loan funding	Strategy & Delivery Manager	Ongoing

This page is intentionally left blank



**LB Brent & First Wave Housing Ltd Service Level Agreement - 2023/24 to 2024/25**  
**Schedule One - Services and Service Requirements**

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

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

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

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

# LB Brent & First Wave Housing Ltd Service Level Agreement - 2023/2

## Schedule Three - KPIs

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

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





## Housing Companies Value for Money Statement

### 1.0 Value for Money Statement

- 1.1 In September 2023, a Value for Money Strategy and Action Plan were agreed for Brent Council's two wholly owned housing companies, i4B Holdings Ltd (i4B) and First Wave Housing Ltd (FWH).
- 1.2 Within the framework of the companies' medium- to long-term strategic objectives and the principles of the Regulator of Social Housing's Value for Money Standard, the strategy set out value for money (VfM) as a key consideration for the companies when delivering services, setting strategic plans and making decisions at all levels of the business, and outlined the companies' strategic approach to delivering value for money.
- 1.3 The strategy set out the financial context, the ways in which the companies currently monitor VfM, the intended outcomes of the strategy, roles and responsibilities for VfM, and how the strategy would be monitored and measured. Part of this included agreement to present an annual statement of value for money alongside the i4B and FWH business plans which would update on action plan progress and performance against the Regulator of Social Housing's VfM metrics.
- 1.4 The strategy's six areas of focus for VfM are as follows:
  - Voids performance
  - Income recovery and arrears management
  - Asset management and energy efficiency
  - Housing management costs
  - Tax efficiency
  - Value for money for tenants
- 1.5 For each area, the strategy set out current performance and available benchmarking, issues that had been identified, agreed improvement actions, and the desired outcomes of these. These actions were summarised into a Value for Money Action Plan which was agreed by the Board alongside the strategy.
- 1.6 Annex 1 provides a copy of the VfM action plan with updates on progress since the plan was agreed in September 2023. Further work is being carried out to provide a set of updated financial metrics.

1.7 A summary of progress in each area is provided below:

### 1.8 ***Voids Performance***

1.8.1 A report on the impacts of the Voids Hit Squad was presented to the January i4B and FWH Board meetings, showing early signs of improvement in returning around new voids. The Lettings function is being taken over by the new dedicated Housing Companies Operational Team. Improving voids performance remains an action in the 2024-25 Business Plans for the companies.

1.8.2 Procurement exercises for two pieces of work – the value for money review of void charging & costs, and the i4B re-let voids pilot – have been completed. The VfM review, showing an analysis on the appropriacy and accuracy of charging of voids costs within i4B and FWH, has been received and will be presented to the February Board meeting. The voids pilot action has been updated following procurement, and the pilot is expected to run until Q1 of 2024-25, after which an analysis report will be presented back to the Board.

### 1.9 ***Income Recovery and Arrears Management***

1.9.1 The recently formed Housing Companies Operational Team are taking over the functions of tenancy sustainment and income collection, alongside tenancy management, for the companies in early 2024. In addition, BEAM have been appointed to support tenancy sustainment within i4B. The impact of these changes will continue to be monitored during 2024-25 with early signs of performance improvements expected to continue.

### 1.10 ***Asset Management and Energy Efficiency***

1.10.1 Work to finalise stock condition & energy efficiency costs and input these into the i4B and FWH business plans will be in place for the beginning of the 2024-25 Business Plans. From this, a report to the Board outlining the impacts of this work and proposing an approach for potential future stock rationalisation will be prepared.

1.10.2 Regarding gathering information from freeholders on future asset management and decarbonisation works, a further round of letters has been sent out to third party freeholders outlining legal obligations under leases, etc. Response rates remain very low, and further escalation is difficult following discussions with Legal services; however, i4B and FWH will continue to send out requests for information on a periodic basis.

1.10.3 The company Boards have begun receiving more detailed reporting on live and closed disrepair cases, improving management oversight of the issue, which will continue into 2024-25 and beyond.

### 1.11 ***Housing Management Costs***

1.11.1 The companies have two main housing management contracts – the SLA with Brent Housing Service and i4B's contract with Mears for its properties in the Home Counties. The SLA is due to be renewed for 2024-25 alongside the Business Plans, and has been amended to reflect changes to management structures across 2023-24 which aim at future improvements to performance and VfM. The Mears contract will be re-tendered in time for its expiry date of September 2024, and officers are working with Procurement to begin this process, including improvements to the specification in areas such as disrepair and housing management KPIs.

1.11.2 As above, gaining further information from freeholders on service charges, etc. remains a challenge but will continue to be monitored.

1.11.3 Finally, fieldwork for an audit into the companies' financial controls is progressing, with the outcomes and recommendations actions due to be presented back to the Board in Q4 of 2023-24.

#### 1.12 ***Tax Efficiency***

1.12.1 The external tax planning review by EY has been completed and the final report was presented to the Board. Whilst this confirmed that existing tax calculations for the companies are accurate, and did not give rise to any substantive changes to practices, it did highlight the need for regular tax planning. Regular reviews will be scheduled in by the Finance Team for i4B and FWH beginning from June 2024.

#### 1.13 ***Value for Money for Tenants***

1.13.1 Alongside updates on income collection & tenancy sustainment in 1.9, i4B and FWH officers are carrying out the rent setting exercise for 2024-25. The rent setting policies and approach have been agreed by the Board, and following confirmation of new Local Housing Allowance rates for 2024-25, detailed modelling will be carried out. Rents will be updated and letters will be sent out to tenants in advance of 1 April 2024. Rent setting policies continue to follow best practice as set out by the Regulator of Social Housing, and any adverse impacts of rent increases on affordability for tenants will be closely monitored.


1.13.2 The Board is now receiving reports on tenant satisfaction every six months following changes to regulatory standards, and the direction of travel in satisfaction areas will be monitored alongside improved analysis on complaints during 2024-25.

1.14 The full Value for Money Strategy is presented in Annex 4. As the strategy has been in operation a short time, future statements will reflect on how well the strategy & action plan have contributed to achieving the desired outcomes set out in the strategy.

This page is intentionally left blank

Area	Action	Owner	Due date	January 2024 update
Voids performance	Monitor and scrutinise impact of voids improvement actions, including hit squad, on performance & costs	Strategy & Delivery Manager	Dec-23	Report to January Board on voids hit squad showing early signs of improvement. Continues to be an action in 2024-25 Business Plans; action and deadline to be updated for next review
	Progress VfM review with Ridge	Strategy & Delivery Manager	Dec-23	Ridge review to be presented to February Board
	Run and analyse results of re-let voids pilot	Strategy & Delivery Manager	Jun-24	Supplier in place, pilot likely to run until Q1 of 2024-25 - action and deadline date updated
	Consider disposal of void Home Counties properties	Strategy & Delivery Manager	Ongoing	Mears-managed voids are being reviewed on a case-by-case basis
Income recovery & arrears management	Monitor and scrutinise impact of improvement actions, including new staffing arrangements, on rent collection & arrears performance	Strategy & Delivery Manager	Dec-23	Early signs of performance improvement seen - new dedicated officers have now been recruited and BEAM have been appointed to assist with tenancy sustainment. Continuing to monitor across 2024-25 business plan; deadline to be updated for next review
Asset management & energy efficiency	Finalise stock condition costings and develop asset management strategy	Senior Financial Analyst	Nov-23	Action overdue, but due to be completed for start of 2024-25 business plan
	Finalise energy efficiency costings and develop decarbonisation strategy	Senior Financial Analyst	Nov-23	Action overdue, but due to be completed for start of 2024-25 business plan
	Agree stock rationalisation approach	Senior Financial Analyst	Sep-24	Deadline updated - to follow on from work above, and will be presented to the Board for agreement
	Identify and bid for energy efficiency grant funding opportunities	Strategy & Delivery Manager	Ongoing	No current opportunities
	Identify legal escalation routes to gather information on asset management & energy efficiency works from third party freeholders	Strategy & Delivery Manager	Completed	Discussions held with Legal, and challenging to escalate further beyond repeated rounds of legal letters outlining obligations under leases; however, letters will continue to be sent out on a periodic basis
	Closely monitor and scrutinise management of disrepair cases	Strategy & Delivery Manager	Ongoing	Reporting on disrepair has increased via the monthly performance report, and the Boards continue to have a greater focus on disrepair
Housing management costs	Agree costs for 2024-25 SLA, and review the effectiveness of new management arrangements	Strategy & Delivery Manager	Mar-24	SLA review presented alongside 2024-25 Business Plan, which reflects recent changes to management arrangements; SLA to be agreed alongside Business Plan at March Cabinet
	Begin review of Mears contract	Strategy & Delivery Manager	Jan-24	In progress with Procurement - deadline will be updated to reflect final procurement date of September 2024
	Identify legal escalation routes to gather information on service charges, ground rent, insurance, etc. from third party freeholders	Strategy & Delivery Manager	Completed	Discussions held with Legal, and challenging to escalate further beyond repeated rounds of legal letters outlining obligations under leases; however, letters will continue to be sent out on a periodic basis
	Carry out audit into financial controls and agree improvement actions	Strategy & Delivery Manager	Jan-24	Audit fieldwork is progressing
Tax efficiency	Complete EY tax planning review	Senior Financial Analyst	Completed	Final report presented to Board in October 2024
	Implement actions from EY tax planning review	Senior Financial Analyst	Completed	Action to introduce tax planning reviews as below
	Introduce business tax planning exercises	Senior Financial Analyst	Jun-24	To be introduced beginning from June
VfM for tenants	Monitor and scrutinise the impacts of the restructure and other improvement actions on affordability and tenancy sustainment	Strategy & Delivery Manager	Dec-23	Early signs of performance improvement seen - new dedicated officers have now been recruited and BEAM have been appointed to assist with tenancy sustainment. Continuing to monitor across 2024-25 business plan; deadline to be updated for next review
	Carry out 2024/25 rent setting with continued view towards tenant affordability	Strategy & Delivery Manager	Mar-24	Rent setting policies agreed for 2024-25 in line with sector best practice
	Monitor tenant satisfaction performance and direction of travel	Strategy & Delivery Manager	Mar-24	Six-monthly reports presented to Board; included in 24-25 Business Plans alongside complaints actions

This page is intentionally left blank

 <b>Brent</b>	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director, Resident Services</b>
	<b>Lead Member - Cabinet Member for Housing, Homelessness &amp; Renters Security (Councillor Promise Knight)</b>
<b>Future of Housing Repair Service Update</b>	
<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Ryan Collymore, Head of Housing Property Services 020 8937 1204 <a href="mailto:Ryan.Collymore@brent.gov.uk">Ryan.Collymore@brent.gov.uk</a>

## 1.0 Executive Summary

1.1 This report provides an update on the progress for the procurement and implementation of the new repairs service. It also provides more detail of the pre-tender considerations.

## 2.0 Recommendations

That Cabinet:

2.1 Approve an extension to the current housing repairs service contract with Wates, for a period of six months, with the possibility of extension for a further six months for the reasons set out in paragraphs 5.1 and 5.2.

2.2 Approve the outline pre-tender considerations set out in Section 6.

2.3 Approve the new timetable for future repairs delivery actions as set out at paragraph 5.3.

- 2.4 Approve the proposal that the final cost/quality split will be agreed by the Corporate Director, Housing and Resident Services, in consultation with the Corporate Director, Finance and Resources.

### **3.0 Detail**

#### **Cabinet Member Foreword**

- 3.1 This report outlines the proposals for the future of the repairs service and how officers have worked closely with members to agree on a preferred option. The hybrid model set out in this report includes a framework of local contractors and a handyman's service. It is expected that some of the procured contractors will be based in Brent and some the handypersons recruited will be Brent residents. This is in line with the Council's strategic priorities of Prosperity and Stability in Brent, Community Wealth Building and Thriving Communities.

#### **Contribution to Borough Plan Priorities & Strategic Context**

- 3.2 The Borough Plan includes two priorities specific to Housing, that are:

- Strategic Priority 1 – Prosperity and Stability in Brent
- Strategic Priority 2 – A Cleaner, Greener Future

- 3.3 These two priorities re-affirm the Council's ambition to continue building new Council homes with a target of 1,700 homes by 2028 and improving the quality of housing across the private sector and in the Council's own housing stock. Housing is also a key stakeholder in the delivery of Green Neighbourhoods both through the engagement with Registered Providers and investment in Council owned homes, specifically retrofitting poorly performing housing. It is acknowledged that whilst Housing is not specified in the remaining priorities set out in the borough plan, a safe, suitable, and secure place to call home is a foundation for Thriving Communities, The Best Start in Life, and a Healthier Brent.

- 3.4 Other strategies that are relevant to Housing include:

- Black Community Action Plan
- Climate and Ecological Emergency Strategy
- Homelessness and Rough Sleeper Strategy
- Equality Strategy
- Health and Well-being Strategy
- Procurement Strategy
- Local Plan
- Inclusive Growth Strategy

- 3.5 Future Strategies due for delivery this year that will also provide context are the Private Housing Strategy, Tenant and Leasehold Engagement Strategy and overarching Housing Strategy.



## **4.0 Background**

- 4.1 In 2014 Brent Housing Partnership (BHP) entered into a contract with Wates Construction Limited (Wates), to deliver the integrated asset management, planned and cyclical maintenance and responsive repairs maintenance works. The contract commenced on 1<sup>st</sup> October 2014 for an initial 5-year period, with the possibility of a further extension of 5 years.
- 4.2 The Contract was novated from BHP to the council in 2017 and thereafter varied to allow for a shorter extension period and further extension periods were agreed until the 5 August 2022. The parties subsequently agreed to exercise the option to extend the Contract further, until the 30 September 2024 (the “Extension Period”).
- 4.3 On 11 September 2023 Cabinet considered the future of the housing repairs service and agreed to a new hybrid delivery model which consisted of up to 6 main contractors using a Brent procured framework for additional local supplier support to deliver the service. A handyperson service was also agreed to deliver basic communal repairs.
- 4.4 The hybrid model was chosen for the following reasons:
- It meets the agreed principles of the service.
  - It provides the stability of having a main contractor delivering a large part of the service which limits the risk to the Council.
  - It provides competitive performance challenge across all areas.
  - It creates an opportunity for community wealth building.

## **5.0 Extension of Wates Contract**

- 5.1 The Housing Management Service (HMS) procured ARK Consultancy to work alongside them to support in the delivery of the new repairs service. Early in the discussions with ARK there was a concern about delivering the new service in time for the expiry of the existing contract, in particular mobilisation time. The hybrid model is not a standard way of delivering a repairs service so more work and time is required to make it fit for purpose. ARK have suggested that a minimum six-month extension to the current Wates contract will be necessary to undertake the needed preparation work to make the model a success. However, HMS are, on the advice of procurement colleagues, requesting a six plus six month extension to safeguard against any unforeseen issues that may delay the procurement process. Both parties remain confident, however, that a six-month extension will be enough time to deliver the new service. The new model is significantly different to the current and has particular complexities, not least how multiple lead contractors will work with both the Brent contractor framework and also the proposed handyperson service. Careful design of the contracts, specifications and commercial models are critical given the inherent risks and need to be informed by market feedback and properly tested.
- 5.2 It is also felt prudent to allow for six months’ mobilisation following contract award. Whilst a shorter period may be feasible, the requirements of potentially

mobilising multiple contracts and also achieving the required level of integration between the Council and contractors' ICT systems to enable a seamless service from day 1, a six-month mobilisation period therefore de risks the success of the implementation significantly. Officers are also proposing to allow for a slightly longer tender period than the statutory minimum of 30 days under the Public Contracts Regulations 2015. This will allow for sufficient consideration of queries on the contract and requirement from bidders and will mitigate what will inevitably be requests for extensions to the tender deadline, given the volume of tender activity in the market and evidence of contractors being more discerning over which opportunities to bid for.

5.3 If the extension to the current contract is agreed the indicative timetable will be as follows:

<b>Activity</b>	<b>Start</b>	<b>Completion</b>
Contractor engagement event	14/02/2024	14/02/2024
Cabinet Meeting to approve Proposal	11/03/2024	11/03/2024
S20 Notification of Intention Publish	12/03/2024	12/03/2024
S20 period ends	16/04/2024	16/04/2024
Consideration of S20 responses	17/04/2024	18/04/2024
All Tender documents to be completed ready for publication	02/05/2024	02/05/2024
Publish FTS Notice	07/05/2024	07/05/2024
Bidders period for submitting contract clarifications	07/05/2024	31/05/2024
Contract clarification response deadline for LBB	07/06/2024	07/06/2024
Bidders period for submitting non-contract clarifications	07/06/2024	07/06/2024
Non-contract clarification response deadline for LBB	14/06/2024	14/06/2024
Submission Deadline	21/06/2024	21/06/2024
Evaluation/Clarification and Moderation meetings	24/06/2024	19/07/2024
Outcome Report Drafting	19/07/2024	26/07/2024
Outcome report approval	26/07/2024	02/08/2024
S20 Outcome consultation	05/08/2024	08/09/2024
Response consideration deadline	10/09/2024	11/09/2024
Conditional Award	11/09/2024	11/09/2024
Standstill	11/09/2024	21/09/2024
Unconditional Award	23/09/2024	23/09/2024

Contract Mobilisation Period	23/09/2024	31/03/2025
Contract Go Live	01/04/2025	01/04/2025

## 6.0 Pre-tender Considerations

6.1 The first tier of the hybrid model will consist of six lots, three in the South of the borough and three in the North see below:

North of Brent	South of Brent
<b>Lot 1</b> Responsive repairs	<b>Lot 4</b> Responsive Repairs
<b>Lot 2</b> Planned works	<b>Lot 5</b> Planned works
<b>Lot 3</b> Void repairs	<b>Lot 6</b> Void repairs

6.2 Brent is considering options of how to ensure we gain best value from this process. Although only One Lead Contractor will be appointed for all/ per Lot for North or South, Brent is still reviewing if Lead Contactors can bid in both / or only North or South.

6.3 Tenders will be evaluated for the first tier contractors based on a cost and quality split. Whilst there is a pressure now and there will continue to be pressure on the HRA it is still incumbent on the Housing Management Service to provide the highest quality of service under the current financial constraints. The quality of service will always be reflected in customer satisfaction which is now being monitored by Regulator of Social Housing through Tenant Satisfaction Measures (TSM'S). It is proposed that the final split will be agreed by the Corporate Director Resident Services, in consultation with the Corporate Director Finance and Resources.

### Pricing

6.4 The pricing for Lots providing responsive repairs and void repairs will be based on Price Per Property (PPP) and Price Per Void (PPV) with exclusion charged at National Housing Federation (NHF) 7.1 Schedule of Rates. The pricing for the planned works Lots will be based on NHF 7.1 with preliminaries and overheads and profit charged separately to direct (i.e. labour, material and subcontractor) costs.

## 7.0 Contractor Framework

7.1 The agreed hybrid model includes a Brent procured Contractor Framework (CF) that will encourage local bidders and will provide support suppliers to the first tier contractors. We expect the CF to be used when the first tier contractor do not have the internal trades, skills or capacity in their direct labour to undertake

requested repairs. This is normal in the repairs and maintenance sector and most first tier contractors will have their own list of support suppliers they normally use when delivering similar contracts. However, most contractors will not have worked in an arrangement where they can only use a framework of suppliers procured by a local authority.

- 7.2 The above approach would allow HMS to gradually build a strong sustainable CF where smaller local suppliers are able to build on their experience and expertise with the support of the Council. We want to be in a position where the CF will have the capacity to take on all work delivered by the first tier contractors but we understand this will take some time. So, we will work with local contractors to help them develop and future proof the service.
- 7.3 In conjunction with Economic Development, we will arrange a market engagement event where we will invite prospective local bidders to attend and receive an overview of our proposals. This will include support in terms of understanding the scope of the works, the operation of the contracts, how to submit a bid, what they can expect and what will be required from them. We will offer additional bespoke support to any prospective bidder that requires it.
- 7.4 A market engagement event for the prospective lead contractors took place on 14 February. This was well attended and was a valuable interaction with the prospective lead contractors.
- 7.5 ARK has also undertaken soft market testing. Because of the major changes to the delivery model and some of the potential complexities associated in the relationship between the proposed new contracts and both the proposed Brent CF and Handyperson service, it is critical that a level of engagement takes place with the Lead contractors in the market to ensure that the opportunity is taken to encourage sufficient interest and quality responses that offer value for money. A Prior Information Notice (PIN) was published on 26 January which both alerted the market to the forthcoming tender opportunity and also provided the opportunity for them to respond to specific questions around:
- Use of the Brent-procured CF
  - The contractors' usual delivery model in particular the balance between direct delivery and subcontracting
  - Pricing models for each workstream and how to minimise 'risk-pricing'
  - Minimum contract values
  - Preferred contract length and use of 'no fault' break clauses
  - Form of Contract to be used
- 7.6 The deadline for submission of soft market testing responses was 12 February. Further updates will be available once the contractor feedback has been considered in conjunction with the market engagement events.
- 7.7 The initial thoughts from workshops held with ARK are that first tier contractors can deliver the PPP and PPV elements of the responsive repairs and void contracts through their direct labour or own supply chains, which would enable them to provide PPP and PPV rates at tender stage (which would be before the

CF appointments and rates are confirmed), however exclusions could be delivered through the CF which will provide some cost certainty on exclusion spend.

Contractor Framework Procurement Timetable

Indicative dates are:	Required Date
Supplier Market Engagement session.	Feb 24
S20 Leasehold consultation	Mar 24
Adverts placed and SQ issued	May 24
Deadline for SQ submissions	Jun 24
Evaluation of SQ submissions and notification of outcome to bidders	Jun 24
Invitation to Tender Issued	Jul 24
Deadline for tender submissions	Aug 24
Panel evaluation and moderation	Sep 24
Report recommending Contract (Framework Agreement) award circulated internally for comment	Oct 24
S20 consultation	Nov 24
Contract (Framework Agreement) Award – Delegate Authority to Corporate Director with Lead Member to award	Dec 24
Minimum 10 calendar day standstill period – notification issued to all tenderers and additional debriefing of unsuccessful tenderers	Dec 24
Contract (Framework Agreement) Mobilisation	Jan 25
Contract (Framework Agreement) start date	Mar 25

## **8.0 Handyperson Service**

- 8.1 The handyperson service will predominantly undertake communal repairs but may also undertake mould washes where necessary and provide a rapid response in the event of an emergency. The handypersons will work very closely with the area surveyors, caretakers and Housing Officers, ensuring that minor communal repairs are identified and completed quickly.
- 8.2 ARK have started to put together a draft job description and the plan is to try and recruit 10 handy persons ahead of the new contracts. This will provide us with earlier improvements to the service and reduce some of our spend on exclusions as all communal repairs are deemed as exclusions in the current Wates contract.

## **9.0 Call handling**

- 9.1 Call handling is an important part of the repairs service as it is the start of the customer journey. This is the stage where key information is gained from the resident which can be the difference between having a seamless customer journey and having continuous delays to complete what seems like a simple repair.
- 9.2 Currently we have systems that don't interface seamlessly, which means the contact centre are sometimes unable to confirm appointments with residents in that initial phone call, which causes frustration at the very start of the customer journey. Therefore it is essential that the contact centre have direct access into the contractor system so appointments and availability is visible. This will be a requirement of the tender specification.

## **10.0 Systems**

- 10.1 The current systems will need to be reviewed as they may not be sufficient to deliver the hybrid service. A system is required to provide a platform to manage the Contractor Framework (CF) for work allocation and monitoring of workloads. A system is also required to manage and allocate work to the handyperson service.
- 10.2 HMS are currently exploring what options are available and what the cost is likely to be. Having the right system in place will be important to the success of the new service particularly the CF and the handypersons.
- 10.3 There is also the need to develop current systems like Northgate and Dynamics to enable a smooth transition from one contractor to several. There is also the need to develop the current online repairs provided through MyAccount.

## **11.0 Cost of New Service**

- 11.1 The new service is likely to be more expensive than the current service mainly because the original Wates contract was let 10 years ago and costs of materials and labour have seen record increases over the last couple of years. There is

approximate 40% difference in cost between NHF 6.1 the schedule of rates the current contract is based on and the new version NHF 7.1.

- 11.2 The current PPP has not been reviewed annually as it should have been under the contract so this could also increase through the new tender. Experience of recent activity in the market has suggested PPP rates in the region of £450 to £550 assuming a certain level of exclusions and contractors' perceived levels of risk. Increases in repairs volumes as a result of greater homeworking post-Covid as well as inflationary pressures in the market have driven up costs under all commercial models.
- 11.3 PPV rates have similarly seen a steady increase with PPV rates closer to £3,000 with cost caps and exclusions.

## **12.0 Stakeholder and ward member consultation and engagement**

- 12.1 A Members Repairs re-procurement working group was formed late last year to provide constructive oversight and feedback on the design and delivery of the hybrid Repairs delivery model. Two meetings have been held where discussions have taken place about the vision for the service and the progress of the delivery model.

## **13.0 Financial Considerations**

- 13.1 The proposed contract extension for Wates, does not change any agreed contractual commitments and costing structure between the Council and Wates, therefore the extension will not directly result in additional budget requirement to fund housing repairs programme in 2023/24.
- 13.2 Hybrid repairs model, where the majority of repairs are outsourced to a group of contractors and an internal handyperson service focusing on communal repairs is estimated to cost £1.2m for implementation, this is £0.4m more than the cost estimated for direct re-procurement. The additional cost of implementation is estimated to be mitigated through cost reductions in communal repairs, through use of an internal handyperson service. Management cost of handyperson service is estimated at £0.6m and will need to be contained within the overall budget for repairs once annual contract costs are known for hybrid model.
- 13.3 High levels of uncertainty around cost inflation and rising interest rates pose a financial risk to the HRA. This has an impact on the cost of materials for repairs and affordable labour market, as well as potential need to borrow, in order to fund major refurbishments to tower blocks, therefore posing further challenges to financial affordability in the HRA. Inflation on existing repairs budgets between 5% to 10% could result in additional budgetary requirements ranging between £1.7m to £3.4m. Cost increases associated with repairs management will require funding through a combination of inflation on rental income and efficiency savings to avoid budget deficits.

## **14.0 Legal Considerations**

- 14.1 It is recommended that Cabinet approval is sought to an extension to the current housing repairs service contract with Wates for a period of six months with the possibility of extension for a further six months for the reasons set out in paragraphs 5.1 and 5.2. The current contract with Wates is due to expire on 30 September 2024. The contract does not contain provision for further extension and therefore any further extension will need to be agreed with Wates. On the basis that the extension is for a maximum of 12 months, it is considered that such extension is permissible in accordance with Regulation 72 of the Public Contracts Regulations 2015.
- 14.2 The estimated value of the procurement for the housing repairs service is above the threshold for Works under the Public Procurement Regulations 2015 (the “PCR 2015”) and the procurement is therefore governed by the PCR 2015.
- 14.3 The procurement is subject to the Council’s own Standing Orders and Financial Regulations in respect of High Value Contracts. For High Value Contracts, Cabinet must approve the pre-tender considerations (Standing Order 89) and the inviting of tenders (Standing Order 88).
- 14.4 The report contains information in Section 6 addressing some of the pre-tender considerations detailed in Contract Standing Order 89. It is noted that the Council’s consultants, Ark, are obtaining contractor feedback regarding certain pre-tender considerations which will inform the full list of pre-tender considerations to be considered by Cabinet.

## **15.0 Equality, Diversity & Inclusion (EDI) Considerations**

- 15.1 Pursuant to s149 Equality Act 2010 (the “Public Sector Equality Duty”), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
  - (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,
- 15.2 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.
- 15.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising



disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.

15.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

15.5 An Equality Analysis of the preferred option will be undertaken in due course.

## **16.0 Climate Change and Environmental Considerations**

16.1 As part of the tender process Officers will explore the idea of requesting all contractor vehicles are electric or hybrid to reduce emissions whilst they travel around the borough. Handyperson's vehicles will all be electric.

16.2 The above will help the Council's environmental objectives and climate emergency strategy.

## **17.0 Human Resources/Property Considerations (if appropriate)**

17.1 The re-procurement of the housing repairs service is likely to involve the transfer of staff pursuant to the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). Such transfer is likely to be complex given the intention to split the service into six lots.

## **18.0 Communication Considerations**

18.1 The CF will require a communication strategy that will include an open day where contractors are invited to discuss the opportunity of working with the Council. HMS are also working with Brent Works to support in the recruitment of handypersons for the new service.

18.2 As highlighted in 12.6 there is likely to be significant change in the way services are provided for residents, therefore a detailed communications plan will be developed to include tenants and leaseholders as the new repairs service is implemented.

### **Related document(s) for reference**

Cabinet Report (11 September 2023) - [Future of Housing Repairs Service](#)


Cabinet Report (11 March 2024) - Amendment to Authority to Tender for Framework Agreements for Housing Refurbishment Works and Technical Consultancy Services

**Report sign off:**

**Peter Gadsdon**

Corporate Director, Resident Services

This page is intentionally left blank

 <p><b>Brent</b></p>	<p><b>Cabinet</b> 11 March 2024</p>
	<p><b>Report from the Corporate Director of Resident Services</b></p>
	<p><b>Lead Member – Cabinet Member for Housing, Homelessness &amp; Renters Security (Councillor Promise Knight)</b></p>
<p><b>Amendment to Authority to Tender for Framework Agreements for Housing Refurbishment Works and Technical Consultancy Services</b></p>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Giuseppe Coia, Major Works and Refurbishments Manager 07776 665790 <a href="mailto:Giuseppe.Coia@brent.gov.uk">Giuseppe.Coia@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1 The Council requires to establish a contractor and a technical consultancy supply chain in order that the future responsive repairs service and capital works programme in relation to several existing Council services and new Council and Government initiatives, can be effectively delivered. The contracts for the repairs and maintenance service are being reprocured. This will establish the tier 1 lead contractors. The framework agreement will provide some of the tier 2 works contractor supply chain for the tier 1 lead contractors and will also provide the Council with direct works contractors when required.
- 1.2 Cabinet initially approved this procurement in the Cabinet Meeting of 12 October 2020.
- 1.3 Further to the Cabinet approval on 12 October 2020, the scope of the original procurement that was approved has been amended to support the re-procurement of the repairs and maintenance service.

- 1.4 This report sets out the changes to the original proposed procurement that are required to reflect the implications of the separate procurement of the replacement repairs, voids and planned maintenance contract. An updated report on the future of the repairs service has also been included on this Cabinet agenda as Agenda Item 9.

## **2.0 Recommendations**

That Cabinet:

- 2.1 Notes the proposed amendments to the procurement of a framework agreement for Housing Refurbishment Works as set out in paragraph 4.4 to include the increases of Lots from 6 to 16, the amendment to annual framework value and the extension of the framework term from four to ten years compared to that detailed in the Cabinet Report dated 12 October 2020 requesting Authority to Tender for Framework Agreements for Housing Refurbishment Works and Technical Consultancy Services.
- 2.2 Notes that the amended framework for Housing Refurbishment Works will be available to call off by Council officers and contractors appointed in connection with replacement repairs, voids and planned maintenance works.
- 2.3 Approves inviting tenders for a framework agreement for Housing Refurbishment Works on the basis of the revised pre - tender considerations set out in paragraph 4.9 of the report.
- 2.4 Approves Officers evaluating the tenders referred to in 2.3 above on the basis of the evaluation criteria set out in paragraph 4.9 of the report.
- 2.5 Approves reducing the number of Lots from seven to six for the framework agreement for Technical Consultancy Services as detailed in paragraph 4.1.
- 2.6 Approves this report in conjunction with the re-procurement of the repairs and maintenance service report.

## **3.0 Detail**

### **3.1 Cabinet Member Foreword**

- 3.1.1 The amendments to the original Cabinet report are required to support the re-procurement of the responsive repairs service. These amendments are an opportunity to procure more effective and efficient services going forward.

### **3.2 Contribution to Borough Plan Priorities & Strategic Context**

- 3.2.1 These frameworks contribute to the Borough Plan and other strategic policies as follows:

- (a) A Cleaner, Greener Future – the technical design will include specifications that are sustainably sourced. There will be high levels of energy efficiency in the properties that will lead to reduced fuel usage and bills for residents.
- (b) Thriving Communities – the technical consultants will provide support to the local community in terms of work experience and computer equipment.
- (c) A Healthier Brent – the works will eradicate the issues of water penetration and dampness within the properties.
- (d) Climate & Ecological Emergency Strategy – the design and resultant works will contribute to the Council achieving its climate emergency targets.

3.2.2 These priorities re-affirm the Council’s ambition to continue building new Council homes with a target of 1,700 homes by 2028 and improving the quality of housing across the private sector and in the Council’s own housing stock. Housing is also a key stakeholder in the delivery of Green Neighbourhoods both through the engagement with Registered Providers and investment in Council owned homes, specifically retrofitting poorly performing housing. It is acknowledged that whilst Housing is not specified in the remaining priorities set out in the borough plan, a safe, suitable, and secure place to call home is a foundation for Thriving Communities, The Best Start in Life, and a Healthier Brent.

3.2.3 Other strategies that are relevant to Housing include.

- Black Community Action Plan
- Climate and Ecological Emergency Strategy
- Homelessness and Rough Sleeper Strategy
- Equality Strategy
- Health and Well-being Strategy
- Procurement Strategy
- Local Plan
- Inclusive Growth Strategy

3.2.4 Future Strategies due for delivery this financial year that will also provide context are the Private Housing Strategy, Tenant and Leasehold Engagement Strategy and overarching Housing Strategy.

## **4.0 Background**

4.1 The procurement of the new Technical Consultancy Services Framework Agreement is in progress. Following further consideration, Officers recommend the reduction in the number of lots under the Framework from seven to six. This involves the deletion of Lot 7 Partnering Contract Administration. This deletion is because the new works contracts will not be partnering contracts and will thus not require partnering contract

administration. It is expected that the Technical Consultancy Services Framework will be in place by August 2024.

- 4.2 The procurement of the new Housing Refurbishment Works Framework Agreement has been postponed. This was to allow the development of the procurement strategy for the new responsive repairs, voids and planned maintenance contracts.
- 4.3 The procurement strategy for the new responsive repairs, voids and planned maintenance contracts has now been agreed. It sets out the following approach. The procurement of 2 or more lead contractors to undertake works in 2 new Brent geographical areas, also known as Lots as detailed below:

North of Brent	South of Brent
<b>Lot 1</b> Responsive repairs	<b>Lot 4</b> Responsive Repairs
<b>Lot 2</b> Planned works	<b>Lot 5</b> Planned works
<b>Lot 3</b> Void repairs	<b>Lot 6</b> Void repairs

- 4.4 The initial thoughts from workshops held with ARK who are procuring the new responsive repairs and maintenance contracts, are that first tier contractors can deliver the Price per Property (PPP) and Price per Void (PPV) elements of the responsive repairs and void contracts through their direct labour or own supply chains, which would enable them to provide PPP and PPV rates at tender stage (which would be before the works framework appointments and rates are confirmed), however exclusions could be delivered through the works framework which will provide some cost certainty on exclusion spend.

The above approach would allow HMS to gradually build a strong sustainable contractors framework where smaller local suppliers are able to build on their experience and expertise with the support of the Council. We want to be in a position where the contractor's framework will have the capacity to take on all work delivered by the first tier contractors but we understand this will take some time. So, we will work with local contractors to help them develop and future proof the service.

The amendment to the previous Council decision is as follows:

#### **ORIGINAL CABINET APPROVED PROPOSALS FOR HOUSING REFURBISHMENT WORKS FRAMEWORK**

Lot	Title	Annual Value From	Annual Value To	Number of Works contractors on Framework
1	Major Works Refurbishment and Associated New Build	£ 5,000,000	£ 25,000,000	4-8
2	Minor Works	£ 250,000	£ 2,000,000	4-8
3	Voids Re-Servicing	£ 250,000	£ 2,500,000	3-6

4	Fire Safety Works	£ 250,000	£ 3,000,000	3-6
5	Adaptations	£ 100,000	£ 300,000	2-4
6	Energy Efficiency and Retrofit Works	£ 250,000	£ 2,500,000	3-6

## PROPOSED AMENDMENT FOR THE HOUSING REFURBISHMENT WORKS FRAMEWORK

<b>Major and Specialist Works Frameworks</b>				
Lot	Title	Annual Value From	Annual Value To	Number of Works Contractors on Framework
1	Major Works Refurbishment and Planned Maintenance	£ 5,000,000	£ 25,000,000	4
2	Minor Works; Structural and Disrepair Work; Playgrounds; Builder's Work Incl Estate Works	£ 1,000,000	£ 4,200,000	4
3	Voids Re-Servicing	£ 500,000	£ 5,000,000	4
4	Fire Safety Works	£ 250,000	£ 3,000,000	4
5	Adaptations	£ 100,000	£ 300,000	2
6	Energy Efficiency and Retrofit Works	£ 250,000	£ 5,000,000	3
<b>Responsive Repairs and Maintenance Works Frameworks</b>				
Lot	Title	Annual Value From	Annual Value To	Number of Works Contractors on Framework
7	Multi-trade Repairs	£ 200,000	£ 600,000	4
8	Carpenter Work	£ 250,000	£ 500,000	4
9	Plumber Work	£ 250,000	£ 500,000	4
10	Domestic Electrical Work	£ 250,000	£ 500,000	4
11	Blacksmith and Metal Work	£ 100,000	£ 250,000	3
12	Painter and Decorator Work	£ 150,000	£ 400,000	3
13	Door and Window Work Incl Glazing Work	£ 300,000	£ 600,000	4
14	Roofing and Roughcasting Work	£ 200,000	£ 450,000	4
15	Plastering and Tiler Work	£ 100,000	£ 250,000	3
16	Scaffolding Work	£ 200,000	£ 500,000	3

- 4.5 The increase in lots for the Housing Refurbishment Works framework is to provide the supply chain for the responsive repairs and maintenance contract. This was not originally envisaged. Following consultation regarding the procurement, there is a wish to improve the operation of contractor's supply chain. It is considered that this proposal will help to ensure better buy-in and improved trading arrangements for the supply chain as the lead contractors will not seek ever increasing discounts from the supply chain.
- 4.6 The Council's new Works Framework will be operated under the following scenarios:

	Lots 1 to 16 above.
Scenario 1	Lead contractors call-off or undertake mini-competitions from these to procure their supply chains.
Scenario 1	Lead contractors' contract and engage directly with the Lot 1 to 16 contractors.
Scenario 2	Brent can also directly call-off or undertake mini-competitions from these to procure direct works contractors.
Scenario 2	Brent contracts and engages directly with the Lot 1 to 16 contractors. This is where Brent chooses not to put work through the lead contractors.
Framework Management	Brent framework manager oversees the operation of the framework and works contractor performance.

4.7 The original Cabinet decision approved a Housing Refurbishment Works Framework Agreement term of 4 years.

4.8 It is now proposed to extend the Framework term to 8 years for the following reasons:

- To support the requirement to use the Housing Refurbishment Works Framework list of contractors for the longer-term repairs, voids and planned maintenance contracts, which will be in place for 10 years. This will facilitate long term availability of the supply chain and facilitate continuity of service.
- To enable long-term working relationships to be formed and embedded.
- Recognition that the Housing Refurbishment Works supply chain has to invest significant time and funding in preparing their tender bids.
- The time taken to re-procure a works supply chain can take 2 years. To extend the originally contemplated term of the frameworks alleviates the Council and the supply chain from the frequent re-procurement costs and frees up valuable Council resources.

4.9 In accordance with Contract Standing Orders 88 and 89, pre-tender considerations have been set out below for the approval of the Cabinet.

Ref.	Requirement	Response
(i)	The nature of the service	<u>Housing Refurbishment Works Framework</u> A multi contractor framework with 16 Lots as listed in paragraph 4.4 above.



Ref.	Requirement	Response
		Use of the framework agreement for Housing Refurbishment Works will be available for use by Brent Council and contractors appointed under the new responsive repairs, voids and planned maintenance contracts.
(ii)	The estimated value.	<p>Housing Refurbishment Works – the estimated total annual values for works across all Lots on the framework will range between £9.1 million to £47.05 million per annum. £72.8 million to £376.4 million full term.</p> <p>These figures are indicative and subject to change based on available budgets and service demand.</p>
(iii)	The contract term.	The framework for services will remain a four-year term. The framework for works will be an eight-year term. However, services and works ordered before the expiry of the term of the framework may run past this period provided that the award of contract will be in accordance with the Public Contract Regulations 2015.
(iv)	The tender procedure to be adopted.	Restricted Procedure.
v)	The procurement timetable. Note that this applies to the procurement of the Works Framework only as the procurement of the technical services framework is underway.	See 4.10 below
(vi)	The evaluation criteria and process.	1. As a Restricted Procedure will be followed, all interested bidders will complete a Selection Questionnaire (SQ) which will be assessed to ensure bidders meet the Council's minimum requirements in respect of financial standing, technical capacity and technical expertise. The highest-ranking qualified bidders will then be invited to tender.

Ref.	Requirement	Response																																
		At tender evaluation stage, the panel will evaluate all of the tender lots for both frameworks against the following criteria: 40% Quality – delivery of the service/works, 10% Social Value and 50% Price.																																
		<table border="1"> <thead> <tr> <th>Technical / Quality</th> <th>Area weighting</th> <th>Overall weighting</th> </tr> </thead> <tbody> <tr> <td>Q1 Resourcing &amp; Management</td> <td>20%</td> <td rowspan="5">40%</td> </tr> <tr> <td>Q2 Delivery of Service</td> <td>30%</td> </tr> <tr> <td>Q3 Quality &amp; Monitoring</td> <td>20%</td> </tr> <tr> <td>Q4 Stakeholder Engagement</td> <td>20%</td> </tr> <tr> <td>Q5 Sustainability and Circular Economy KPI/Outcome</td> <td>10%</td> </tr> <tr> <td><b>Total for Quality/Technical</b></td> <td><b>100%</b></td> <td></td> </tr> <tr> <th>Social Value</th> <th>Area weighting</th> <th>Overall weighting</th> </tr> <tr> <td>Social Value</td> <td>100%</td> <td>10%</td> </tr> <tr> <th>Commercial</th> <th>Area weighting</th> <th>Overall weighting</th> </tr> <tr> <td>Commercial (Tendered Framework Prices)</td> <td>100%</td> <td>50%</td> </tr> <tr> <td colspan="2" style="text-align: right;"><b>Total</b></td> <td><b>100%</b></td> </tr> </tbody> </table>	Technical / Quality	Area weighting	Overall weighting	Q1 Resourcing & Management	20%	40%	Q2 Delivery of Service	30%	Q3 Quality & Monitoring	20%	Q4 Stakeholder Engagement	20%	Q5 Sustainability and Circular Economy KPI/Outcome	10%	<b>Total for Quality/Technical</b>	<b>100%</b>		Social Value	Area weighting	Overall weighting	Social Value	100%	10%	Commercial	Area weighting	Overall weighting	Commercial (Tendered Framework Prices)	100%	50%	<b>Total</b>		<b>100%</b>
Technical / Quality	Area weighting	Overall weighting																																
Q1 Resourcing & Management	20%	40%																																
Q2 Delivery of Service	30%																																	
Q3 Quality & Monitoring	20%																																	
Q4 Stakeholder Engagement	20%																																	
Q5 Sustainability and Circular Economy KPI/Outcome	10%																																	
<b>Total for Quality/Technical</b>	<b>100%</b>																																	
Social Value	Area weighting	Overall weighting																																
Social Value	100%	10%																																
Commercial	Area weighting	Overall weighting																																
Commercial (Tendered Framework Prices)	100%	50%																																
<b>Total</b>		<b>100%</b>																																
(vii)	Any business risks associated with entering the contract.	No specific business risks are considered to be associated with entering into the proposed Housing Refurbishment Works Framework. Financial Services and Legal Services have been consulted concerning this. By setting up framework agreements, this does not commit the Council to any level of expenditure at this stage.																																
(viii)	The Council's Best Value duties.	Full advertising in accordance with the Public Contracts Regulations 2015, Contracts Finder and on the London Tenders Portal and a robust tender evaluation process will be carried out in order to support the Council's best value duties.																																
(ix)	Consideration of Public Services	10% of the evaluation is included for Social Value benefits.																																

Ref.	Requirement	Response
	(Social Value) Act 2012	
(x)	Any staffing implications, including TUPE and pensions.	See section 8 below.
(xi)	The relevant financial, legal and other considerations.	See sections 6 and 7 below.
(xii)	Sustainability	Economic viability Environmental protection Social equity
(xiii)	Key Performance Indicators / Outcomes	Appropriate Key Performance Indicators / Outcomes will be included in the Contract.
(xiv)	London Living Wage	The Housing Refurbishment Works Framework will require appointed contractors to pay the London Living Wage.
(xv)	Contract Management	A contract manager will be appointed, and appropriate contract management provisions will be included in the Contract.

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

### Timetable

Activity	Start	Completion
Contractor engagement event	14/02/2024	14/02/2024
Cabinet Meeting to approve Proposal	11/03/2024	11/03/2024
S20 Notification of Intention Publish	12/03/2024	12/03/2024
S20 period ends	16/04/2024	16/04/2024
Consideration of S20 responses	17/04/2024	18/04/2024
Publish Contract Notice and Issue SQ	07/05/2024	07/05/2024
Submission Deadline	07/06/2024	07/06/2024
Evaluation/Clarification and Moderation meetings	10/06/2024	24/06/2024

Issue Invitation to Tender	01/07/2024	01/07/2024
Submission Deadline	07/08/2024	07/08/2024
Evaluation/Clarification and Moderation meetings	08/08/2024	29/08/2024
S20 Outcome consultation	02/09/2024	04/10/2024
Response consideration deadline	04/10/2024	18/10/2024
Conditional Award	14/11/2024	14/11/2024
Standstill	15/11/2024	02/12/2024
Unconditional Award	03/12/2024	13/12/2024
Contract Mobilisation Period	16/12/2024	28/02/2025
Contract Go Live	03/03/2025	03/03/2025

### **Options Appraisal**

4.11 In order to deliver the initiatives referred to above it will be necessary for the Council to have access to a number of suitable contractors. Several procurement options are available. Due to the scale and value of the future works programme it will be advantageous to have access to a supply chain that is procured under thorough tender conditions. The preferred option should be relatively easy to administer whilst still providing ongoing competition from the supply chain and opportunities to make further cost, quality and service benefits. The procurement of new Council Housing Refurbishment Works framework agreements is the proposed option as outlined below.

### **5.0 Stakeholder and ward member consultation and engagement**

5.1 A Notice of Intention to procure the Housing Refurbishment Works Framework will be sent to leaseholders prior to the commencement of the procurement process. A notice of Proposal will be issued prior to the award of the framework agreement. This will be a Long-Term Qualifying Agreement for the purposes of leaseholder consultation. Post framework award it is only necessary to issue a single Notice of Estimate when works or services are required.

5.2 The Cabinet Member for Housing, Homelessness & Renters' Security has been consulted.

### **6.0 Financial Considerations**

6.1 The current estimated total annual value of contract for the works detailed in this report ranges between £6.1m to £35.3m. Proposed changes to contract value range between £9.1m to £47.05m, resulting in estimated overall increased budgetary requirements ranging between £3m to £11.75m per annum.

- 6.2 The Asset Management Strategy (AMS) and budget availability in the Housing Revenue Account (HRA) Business Plan are required to be closely aligned. Budget availability will be dependent upon revenue contributions from income received each year, which consists of rent increases and major works cost recovery through service charges. Any expenditure on major works programme above assumed baseline budgets could require mitigating cost reductions and additional borrowing to fund budget shortfalls in any particular year.
- 6.3 By setting up framework agreements, this does not commit the Council to any level of expenditure at this stage. Individual, direct framework call-offs and mini-competitions will continue to follow the standard Council's approval and governance processes.

## **7.0 Legal Considerations**

- 7.1 The proposed estimate for the procurement of the two frameworks as set out in the report will be above the threshold for both works and also services as detailed in the Public Contracts Regulations 2015 ("PCR 2015").
- 7.2 The estimated values of the frameworks are such that they are classified as High Value Contracts under the Council's Contract Standing Orders. For High Value Contracts, the Cabinet must approve the pre-tender considerations set out in paragraph 4.9 above (Standing Order 89) and the inviting of tenders for the frameworks (Standing Order 88). Delegated authority to the Corporate Director, Residents Services, in consultation with the Lead Member for Housing, Homelessness & Renters Security is sought to appoint contractors and providers to the frameworks and therefore, once the tendering process is undertaken Officers will report back to the Corporate Director, Residents Services, explaining the process undertaken in tendering the frameworks and recommending appointment to the frameworks.
- 7.3 As this procurement to establish a framework agreement is subject to the full application of the PCR 2015, the Council must observe the requirements of the mandatory minimum 10 calendar standstill period imposed by the PCR 2015 before the frameworks can be awarded. The requirements include notifying all tenderers in writing of the Council's decision to award and providing additional debrief information to unsuccessful tenderers on receipt of a written request. The standstill period provides unsuccessful tenderers with an opportunity to challenge the Council's award decision if such challenge is justifiable. However, if no challenge or successful challenge is brought during the period, at the end of the standstill period the Council can issue a letter of acceptance to the successful tenderer and the frameworks may commence.
- 7.4 Regulation 33 (3) of the PCR 2015 states that the term of a framework agreement shall not exceed 4 years, save in exceptional cases duly justified, in particular by the subject-matter of the framework agreement. The intention is for the Housing Refurbishment Works Framework Agreement to be for a period of 8 years. The exceptional reasons justifying the extended duration of the framework are set out in paragraph 4.9.

7.5 In procuring the frameworks, it will be necessary for the Council to carry out consultation pursuant to s20 of the Landlord and Tenant Act 1985 as amended by the Commonhold and Leasehold Reform Act 2002 as the frameworks will be classed as a Qualifying Long-Term Agreements. A two-stage consultation will be required with at least a 30-day consultation period for each stage. The Council has a duty to regard any observations, comments or responses arising from consultation with the leaseholders. If it is possible to draft the frameworks with sufficient detail, it may be possible to ensure that no further consultation is required save for consultation under Schedule 3 of the consultation legislation when the Council undertakes any qualifying works i.e., building works.

### **Public Services (Social Value) Act 2012**

7.6 The Council is under duty pursuant to the Public Services (Social Value) Act 2012 (“the Social Value Act”) to consider how services being procured might improve the economic, social and environmental well-being of its area; how, in conducting the procurement process, the Council might act with a view to securing that improvement; and whether the Council should undertake consultation. Whilst these considerations don’t strictly apply to the framework for works, Officers will incorporate social value into the specification, award criteria and contract for these Frameworks to ensure that a contribution of 10% of the contract value delivered is made to Brent’s Social Value commitments.

### **8.0 Equality, Diversity & Inclusion (EDI) Considerations**

8.1 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.

8.2 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.

8.3 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.

8.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.

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

**9.0 Climate Change and Environmental Considerations**

9.1 To set out how the proposals impact on the Council's environmental objectives and climate emergency strategy. Sustainability KPI/Outcomes will be included as part of the tender process.

9.2 The Works Contractors will specify materials and products that will be sustainably sourced and that will provide increased energy efficiency in resident's homes.

**10.0 Human Resources/Property Considerations (if appropriate)**

10.1 There are no direct implications for council staff arising from the tender.

**11.0 Communication Considerations**

11.1 None.

**Related document(s) for reference:**

Cabinet Report (12 October 2020) - [Authority to Tender for Framework Agreements for Housing Refurbishment Works & Technical Consultancy Services](#)

Cabinet (12 October 2020) - [Cabinet Decision List](#)

**Report sign off:**

**Peter Gadsdon**  
Corporate Director, Resident Services

This page is intentionally left blank



 <b>Brent</b>	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director of Resident Services</b>
	<b>Lead Member – Cabinet Member for Housing, Homelessness &amp; Renters Security (Councillor Promise Knight)</b>
<b>Proposal to deliver 60 homes for Social Rent on the Chalk Hill Estate – use of the Council’s Compulsory Purchase Power</b>	

<b>Wards Affected:</b>	Barnhill
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	One Appendix 1: Plan 1: Plan showing proposed development areas
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Emily-Rae Baines, Head of Affordable Housing & Partnerships <a href="mailto:Emily-Rae.Baines@brent.gov.uk">Emily-Rae.Baines@brent.gov.uk</a>

## 1. Executive Summary

- 1.1. The purpose of this report is to consider the potential for delivering new social housing through the redevelopment and regeneration of garages, parking areas and associated hard standing forming part of the Scientist Estate, Chalkhill.
- 1.2. The Chalkhill Estate is owned and managed by Metropolitan Thames Valley Housing Association (MTVH). MTVH is currently proposing to deliver and manage the new homes.
- 1.3. The Chalkhill Estate was one of the major social housing estates constructed in the Borough in the 1960's. However, by the late 1970's significant problems had arisen which culminated in the demolition of the high-rise parts of the estate in 1997 and their replacement. The lower rise elements of the 1960's estate remained, and it is some of those original 1960's elements which are

subject to these current regeneration proposals.

- 1.4. The Scientists Estate within Chalkhill comprises a series of 3 and 4 storey residential blocks with associated garages, parking and areas of hard standing. MTVH has been developing regeneration proposals for this area in consultation with the local community. Whilst these proposals remain under consideration, the current proposal comprises the delivery of around 60 new social homes through the redevelopment of garages, parking areas and hard standing identified on Plan 1.
- 1.5. This regeneration proposal will not require the demolition of any existing homes. However, the land identified on Plan 1 is subject to several outstanding third-party interests which will need to be assembled to enable the delivery of new homes. These third-party interests are typical of those falling within a housing authority constructed social housing estate. When such housing estates are regenerated it is commonly necessary for the local authority to support development using statutory site assembly powers. In this case the scheme will be delivered by MTVH but the Council's support will be necessary to enable delivery.
- 1.6. Detailed regeneration proposals will be considered through an application proposed to the Local Planning Authority in 2024, these detailed proposals are not considered by this report. Instead, this report has been prepared to consider the principle of regeneration and recommend the Council work with MTVH to support achieving the overarching development objective of delivering new social housing within the Chalkhill Estate.

## **2. Recommendation(s)**

Cabinet are asked to:

- 2.1. Approve in principle the Council working with MTVH to support the development objective of delivering new social housing within the Chalkhill Estate.
- 2.2. Approve in principle to make Compulsory Purchase Orders of land interests within the Chalkhill Estate as identified on Plan 1 under Planning or Housing legislation to bring forward the development objectives, subject to a further specific resolution of Cabinet in respect of the making of each order.
- 2.3. Agree advancing the preliminary stages of the compulsory purchase process on the Chalkhill Estate, including, but not limited to, land referencing, issuing section 16 of the Local Government (Miscellaneous Provisions) Act 1976 notices (section 16 notices), engaging, consulting and negotiating with landowners, and preparation of documentation and undertake all matters that the Council might need to undertake to inform a further report to Cabinet to make, confirm and implement the CPO, if required.
- 2.4. Approve in principle to appropriate, subject to planning, the land identified on Plan 1 under section 203 of the 2016 Housing and Planning Act, subject to a

further specific resolution of Cabinet in respect of the making of each appropriation.

- 2.5. Approve in principle to make stopping up orders using planning or highways legislation for any land identified on Plan 1 and comprising public highway.
- 2.6. To note the potential for the delivery of new social housing illustrated by MTVH's current design proposals. Noting that the current proposal will be subject to further consultation, design refinement and following that be subject of an application for planning permission to the Local Planning Authority.
- 2.7. Delegate authority to the Corporate Director of Resident Services, in consultation with the Lead Cabinet Member for Housing, Homelessness and Renters Security to enter into an indemnity agreement with MTVH to indemnify the Council for all costs associated with the compulsory purchase process on Chalkhill Estate.

### **3. Detail**

#### **3.1 Cabinet Member Foreword**

- 3.1.1 Increasing the supply of affordable housing is integral to meeting the long-term housing needs of Brent residents. In the Council's borough plan, we committed to deliver 5,000 affordable homes in the borough and are on track to achieve this.
- 3.1.2 Despite the Council's success in delivering much needed affordable housing, the cost-of-living crisis and on-going housing crisis has led to more Brent residents needing support to find somewhere safe, secure, and affordable to live.
- 3.1.3 This report sets out an opportunity to work closely with one of our strategic partners MTVH Housing to unlock 60 new social homes for residents by repurposing garage sites.
- 3.1.4 To achieve the homes we need, working collectively with social landlords and private developers is imperative. Increased land prices and building costs have made developing new affordable homes more challenging in Brent, but by working with partners to identify opportunities such as the scheme outlined in this report we can continue to build.

#### **3.2 Contribution to Borough Plan Priorities & Strategic Context**

- 3.2.1 The borough plan sets out the Council's ambition to provide safe, affordable housing for residents and under the strategic priority 'Prosperity and Stability' reaffirms the pledge; *to deliver 5,000 affordable homes across the borough of which 1,700 will be delivered by the Council by 2028.*
- 3.2.2 Other strategies relevant to achieving this strategic priority include:

- Local Plan
- The Poverty Commission
- Housing Allocations Policy
- Climate and Ecological Emergency Strategy
- Homelessness and Rough Sleeper Strategy
- Equality Strategy
- Health and Well-being Strategy
- Inclusive Growth Strategy

3.2.3 The Council is currently developing an overarching Housing strategy, in which supply of new Affordable Housing will be a key strand.

#### **4. Background**

4.1. The proposed development is situated in the Scientists Estate part of the wider Chalkhill Estate. This is located in the Wembley Park area of the London Borough of Brent. Chalkhill was one of the major estates constructed in the borough by the Greater London Council in the 1960's, by the 1980's the original high-rise blocks had been subject to physical and social deterioration. This culminated in the demolition of the high-rise elements of the estate by 1997. In its place a new low-rise estate was built, together with some commercial development. Some low-rise parts of the estate were not subject to redevelopment in the 1990's and it is some of these retained parts of the original estate that are proposed for regeneration.

##### The developer

4.2. The estate was transferred from the London Borough of Brent to Metropolitan Housing Trust in 1996, they subsequently delivered the initial regeneration scheme in the late 1990's and early 2000's. Both the new and retained original parts of the estate are now held and managed by MTVH following the merger of Metropolitan Housing Trust with Thames Valley Housing Association in 2018. A smaller number of properties and garages have remained under the management of Brent Council where tenants opted to remain Council tenants. As these properties become vacant, the deed is signed over to Metropolitan and Thames Valley.

4.3. MTVH provides affordable housing for people living in London, the South East, East Midlands and East of England. MTVH is member of the National Housing Federation and the G15 – which represents London's largest housing associations. It has a strong track record of delivering regeneration, new homes and building communities. Whilst MTVH's other projects build a variety of housing tenures, it is proposed all new homes delivered as part of the regeneration proposal on the Chalkhill Estate will comprise social housing, and the Council will hold nomination rights.

##### Site specifics

4.4. The development sites are identified edged red on plan 1. They form garage blocks, car parking areas, grassed areas, trees and hardstanding. There are

105 individual garages across five separate sites.

- 4.5. In situ there are 5 residential blocks (Curie House, Darwin House, Davey House, Faraday House and Einstein House) all medium rise blocks of brick facades with outset balconies and flat roofs. All of these are from the initial estate construction in the 1960's. These residential blocks fall outside of the development sites and no existing homes will be demolished to deliver the proposed new homes.
- 4.6 Of the 105 garages on the site, 61 (58%) are unoccupied. 39 garages have been secured by MTVH with the rest to be secured by vacant possession via termination of licences / leases. There are 16 garages owned by leaseholders. It is envisaged that these third-party interests will be secured through negotiations in the shadow of compulsory purchase powers. Two garage blocks at Havenwood have been identified as a health and safety risk to the public due to the risk of collapsing roofs. Furthermore, some garages next to Einstein House are currently supported by scaffolding; however, these have not been flagged as having structural issues. The remainder of the garages are largely in detracting condition and beyond economic repair.
- 4.7 The garages were also constructed in the 1960's when cars were considerably smaller. As such the garages are too small to accommodate many modern cars. This typically means garages of this type and age are often used for general storage rather than vehicle parking.

## **5. The proposal**

- 5.1 In 2021, MTVH commissioned BPTW Architects to undertake a masterplan feasibility study of the Chalkhill Estate. This identified six land parcels within the north and eastern areas of the Estate of which one is the site in question. The other five sites are considered long term (20+ year) opportunities, and the suitability and justification of these sites is not considered in this report. On this site three different options were considered:

### 5.1.1 Option 1: Low Intervention

This option focuses on the infill of vacant or underused brownfield sites for a small housing development, aspirations enshrined in the National Planning Policy Framework (NPPF) 2021. This would involve the redevelopment of underutilised garage space in the site area to develop c. 60 units with a net gain of 60.

### 5.1.2 Option 2: Medium Intervention

This involved a wider redevelopment of the site including streamlining to the south of the site. This scheme would deliver c. 79 units with a net gain of 69. This solution would require the redevelopment of townhouses requiring the acquisition of 6 privately-owned properties and the possession and decant of 4 MTVH-owned properties. Further, displacement outside of the townhouses would require the paying of statutory compensation payments for home loss and

disturbance to owners and occupants.

### 5.1.3 Option 3: High Intervention

A complete redevelopment of a wider site to deliver c. 179 units with a net gain of 65 units. This long-term solution would necessitate a CPO to acquire c.100 freehold and leasehold interests in this wider site.

#### Preferred option

5.2 On balance Option 1 was chosen as the most proportionate solution for a number of reasons. Firstly, it provides similar net gain but without the environmental costs associated with large scale demolition and is tied into the Council's preference to renovate rather than replace affordable housing so that we maximise additional affordable homes in the borough where possible. Secondly, it offers an opportunity to remove underutilised brownfield sites. Most notably however it is the lowest intervention option and does not require the relocation and purchase of leaseholders and freeholders of residential accommodation and therefore it balances a low impact with achieving a good housing gain.

5.3 This preferred option relates only to the footprint of the garages and hard standing and demonstrates the potential delivery of around 60 new social homes by adopting this site boundary. Detailed design proposals for this site option are being prepared by MTVH's team in consultation with the community. This will be subject to a further formal application to the Local Planning Authority in 2024 and is not considered further by this report.

#### Alternatives

5.4 Options 1-3 above set out potential alternative options, in addition to this there is also a do- nothing option. The do-nothing option is not recommended for it would not deliver any new homes, it would fail to make the best use of the site and would allow the current issues with reports of fly tipping, vandalism, loitering, drug dealing and isolated anti-social behaviour to persist within the garage sites.

5.5 Furthermore, many of the garages are in a poor state of repair, in a do-nothing option this would worsen making the site more dilapidated, detracting further from residential amenity. An alternative do-nothing scenario could involve MTVH refurbishing the garages in their current form. However, stock condition surveys have confirmed that it would be uneconomic to refurbish the garages and the garages are too small for many modern cars, and typically such garages are instead used for storage purposes. A do-nothing refurbishment option would likely result in the sites operating as a small-scale self-storage centre which also has potential to detract from residential amenity and would not support meeting the Borough's housing needs.

#### Meeting the Councils objectives and benefits of the scheme

- 5.6 The delivery of new social housing on the Chalkhill Estate accords with adopted Council policy and national policy supporting the delivery of new homes and the regeneration of brownfield land.
- 5.7 The Council has committed to providing more council homes, with a target for 5,000 new homes by end of the financial year 2027/28. All of the new homes delivered at Chalkhill by MTVH will be for social rent with the Council holding nomination rights. These new homes will make a significant contribution to the Council's target.
- 5.8 The Council will also have 100% nomination rights to the first let of these homes and nomination rights to 75% in perpetuity meaning all homes built will help to meet the growing housing need on the Council's Housing Register.
- 5.9 Development in this part of the Chalkhill Estate is likely to deliver several benefits which accord with Council objectives as follows:
- 5.9.1 It has been identified that the garages are areas which have been susceptible to crime with reports of fly tipping, vandalism, loitering, drug dealing and isolated anti-social behaviour. This scheme specifically deals with these safety and security issues and replaces these areas with well lit, accessible residential and amenity areas.
- 5.9.2 In terms of environmental issues brownfield redevelopment is a more sustainable option than greenfield development. This proposal is for an environmentally conscious, car light development. The thermal performance of the new homes will allow the occupiers to live in warm homes using minimal energy.
- 5.9.3 This proposal provides an opportunity to deliver new social housing within an existing housing estate without displacing anyone from their home. The housing yield is expected to be around 60. Any statutory land assembly powers used here would not involve removal and relocation of homes and families. As such it is a proportionate solution for the creation of additional affordable housing in the area.
- 5.9.4 This scheme is a superior utilisation of the site compared to the present. Providing around 60 dwellings on a social rented tenure replacing underutilised garages of which: 61 are void and unoccupied, some are deemed a health and safety risk, others next to Einstein House are supported by scaffolding, and many are in poor condition and beyond economic repair.
- 5.9.5 The scheme would also have positive effects for the local area through the general improvement of the social and environmental wellbeing of the area attributed to the provision of high-quality landscaping, functional amenity space, and the removal of garage sites with associated anti-social issues.

Third party land interests

- 5.10 To enable development of the subject sites it will be necessary to assemble

several third- party interests currently understood to comprise:

- Long Leasehold interests in 16 garages held by neighbouring leasehold flats.
- Assured tenancy interests in 8 garages held by neighbouring assured tenants.
- Rights to park held by two neighbouring leasehold property.
- Rights of access and rights to use common parts of the estate held by third party leaseholders in adjoining and neighbouring buildings on the wider Chalkhill Estate.
- Infringed rights of light held by third party leaseholders of adjoining homes.

5.11 As the project progresses formal land referencing will be undertaken to identify the full extent of affected third party land and rights.

5.12 MTVH has undertaken consultation with the community regarding the potential for redevelopment and those affected have been provided with the opportunity to influence the design proposals. It is MTVH's intention to open negotiations to acquire relevant third-party interests by agreement in 2024.

5.13 All private treaty negotiations will be undertaken in accordance with the provisions of the Statutory Compensation Code. This means any affected parties will be able to claim for the market value of their interests, together with a statutory loss payment and reimbursement of reasonable professional fees.

5.14 Whilst it is MTVH's desire to assemble all interest by agreement, the nature and number of affected interests means compulsory purchase powers may be required to enable delivery of the project within a reasonable programme and budget. If it is necessary to exercise compulsory purchase powers, specific authority will be sought from Cabinet in future.

5.15 MTVH is hopeful planning permission will be granted for the scheme by the end of 2024. The desire is to start on site in Q2/Q3 2025. The programmed start on site date would be in either Q2/Q3 of 2025 with a two-year staggered build out ending Q3/Q4 2027 or Q1 2028 maximum. This would be in line to complete within the council's affordable housing target of 5,000 homes by the end of the 2027/28 financial year.

5.16 However, to achieve this programme it will be necessary to assemble all interests by agreement in the shadow of compulsory purchase powers and subsequently appropriate the site using section 203 to extinguish third party rights. There is potential for the project to be delayed if agreement cannot be reached and it is necessary to hold a public inquiry into a compulsory purchase order. If such delay arises it may be possible to accommodate that within a phased construction programme.



5.17 Therefore, it is important to undertake any third-party property negotiations in the shadow of compulsory purchase powers for this will encourage landowners to reach agreement. If agreement cannot be reached, ultimately a CPO will be required to provide certainty over delivery of the project within a reasonable timescale and budget. Should MTVH be required to issue a CPO, support from the Council to exercise such powers is necessary. This report therefore seeks approval of the proposal and confirmation of support to MTVH from the Council to use such powers if required.

## **6. Stakeholder and Ward Member Engagement**

6.1 Consultation and engagement have started with both the community and members. MTVH are being closely supported by the Affordable Housing and Partnerships Service as well as Legal Services within the Council to ensure due process is followed and the scheme proposed meets the requirements of Brent residents.

6.2 In January 2023 MTVH wrote to the Barnhill Ward Councillors; Local MP and Cabinet Members for Housing and Regeneration introducing development proposals at Chalkhill Estate.

6.3 In Spring 2023, letters were sent to all known garage occupants advising that MTVH are considering several options for the future of the garages and requesting completion of a questionnaire to establish if and how the garages are being used. This was supplemented by a door knocking exercise in August 2023.

6.4 In October 2023, a letter and set of Frequently Asked Questions was issued to all known garage occupants and households adjacent to the garage sites informing them of the garages audit findings; advising that MTVH are considering long term options for the garage areas and that residents will be invited to share their views on the options in the coming months. A project website has been operational since September 2023 to provide an online portal for providing updates on the development proposals; managing resident communications and to display consultation materials throughout the project.

6.5 MTVH wrote to the Barnhill Ward Councillors; Local MP and Cabinet Members for Housing and Regeneration in early November 2023 informing them of the findings of the garages audit and updating on the proposed development and proposed consultation strategy.

6.6 In mid-November 2023, MTVH issued a newsletter to all known garage occupants and all households within and surrounding the Chalkhill Estate, inviting local stakeholders to consultation events at Chalkhill Community Centre.

6.7 MTVH hosted two drop-in events for the local community in late November / early December 2023 and attended a pre-arranged community Christmas Event. The purpose of the events was to give the local community an opportunity to view the early development proposals and ask questions and

provide feedback for the project team's consideration.

- 6.8 Approximately 30 people attended the drop in events including both Ward Councillors. Ward Councillors were broadly supportive of rationale / proposals. Issues and queries raised by residents included existing inconsiderate parking practices, sufficiency of proposed parking spaces, visitor parking, replacement storage provision, overlooking, noise from play space, retention of green space, party wall and disruption during construction phase.
- 6.9 A second round of formal consultation events on the developed proposals will take place in Spring 2024. MTVH are also liaising with the Chalkhill Residents' Association and Chalkhill Primary School as key community bodies at the Estate.
- 6.10 A ward member briefing took place on 05 February 2024 to provide an update on plans and progress, whilst giving members an opportunity to ask questions of MTVH. A walkabout of the site with Councillors' including the Cabinet Member for Housing, Homelessness and Renter's Security has been scheduled for 11 March 2024.

## **7. Next Steps**

- 7.1 Subject to Cabinet approval, the first stage of the compulsory purchase process will commence on the site, including land referencing, section 16 notices, landowner negotiations and preparation of documentation required to inform a further report to Cabinet to make CPOs of land interests, if required.
- 7.2 MTVH will continue negotiations with landowners to acquire the outstanding interests of the site by private treaty, but this approval from Cabinet will allow the compulsory purchase process to commence and run concurrently with private treaty negotiations.

## **8. Financial Considerations**

- 8.1 The project will be delivered and funded by MTVH from its internal resources. MTVH has considerable experience in the delivery of regeneration and affordable housing as well as the management of social housing stock. It holds considerable internal resources and has access to external funding; therefore, it is well placed to deliver the regeneration.
- 8.2 Should it be necessary to exercise compulsory purchase and statutory site assembly powers the cost of the Council preparing and exercising these powers will be refunded by MTVH through a suitable indemnity agreement.
- 8.3 Currently any cost being incurred by the Council is staff time through established salaries and remits already in place within the operating structure.

## **9. Legal Considerations**

- 9.1 The Council has powers to make a compulsory purchase order pursuant to

section 226(1)(a) of the Town and Country Planning Act 1990 where the acquisition will facilitate the carrying out of the development, redevelopment or improvement in relation to the land. The Council must be satisfied that the redevelopment, development or improvement is likely to contribute to the achievement of i) promotion or improvement of the economic wellbeing of their area; ii) the promotion or improvement of the environmental wellbeing or their area; iii) the promotion or improvement of the social well-being of their area.

- 9.2 Compulsory purchase orders must only be made if there is a compelling case in the public interest. The purpose for making the compulsory purchase order must be made justifying the interference with the human rights of those with an interest in the land affected. In particular, the provisions of article 1 of the First Protocol to the European convention on Human Rights and in the case of a dwelling article 8 of the convention.
- 9.3 The Council must consider why it is necessary to acquire the property interests identified in Appendix 1. These interests are key to the delivery of the proposed scheme and are located throughout the site so comprehensive redevelopment is not currently feasible.
- 9.4 The developer will first attempt to acquire the individual freehold interests by private treaty and take into consideration payment of any valid statutory compensation.
- 9.5 Delivery of the scheme would help deliver the Council's key objectives as set out in the Local Plan and in the Borough Plan 2023 - 2027, with the provision of new homes, including affordable homes, employment and training opportunities throughout the construction programme and job creation through the commercial and affordable workspace in the proposed scheme.
- 9.6 Additional compulsory purchase support may be required as set out in paragraph 5.17. The contract(s) for such support would be classed as Low Value Contracts under the Council's Contract Standing Orders and Financial Regulations and Chief Officers have authority delegated under Part 3 of the Constitution to procure and award such contracts.
- 9.7 An indemnity agreement with the developer is proposed to indemnify the Council against the costs of running and implementing a Compulsory Purchase Order, if required. This will seek to minimise the Council's exposure to costs in exercising its compulsory purchase powers. Whilst it is not possible at this stage to accurately estimate these costs, the main areas of expenditure will be around land acquisition and compensation, running the compulsory purchase process, professional advice, including legal, property and valuation or other relevant advice. The costs of formal notice serving, public enquiry and any subsequent legal challenges will also be dealt with through the indemnity agreement.
- 9.8 Any appropriation will be delivered using section 203 of the 2016 Housing and

Planning Act.

- 9.9 Stopping up orders for schemes of this nature are commonly delivered through s.247 and s.248 of the 1990 Town and Country Planning Act. Stopping Up Orders are granted by the General Purposes Committee and an application will have to be made to this Committee.
- 9.10 Further reports to Cabinet will follow at the appropriate time to obtain the requisite Cabinet authority in respect of relevant land to be acquired or appropriated which will set out the Council's case for compulsory acquisition/appropriation to form the substance of statement of reasons to be submitted to the Secretary of State with the compulsory purchase orders.

## **10. Equality, Diversity & Inclusion (EDI) Considerations**

- 10.1 Whilst an EQIA has not been prepared at this stage, one will be prepared if it is necessary to exercise statutory site assembly powers. The Council has considered the potential impacts of the current proposals on affected parties and has identified a positive equality impact in terms of the delivery of more and better homes. The new homes will all be available at a social rent and the Council will hold nomination rights. These homes will be designed as lifetime homes, they will be well insulated and designed to be accessible for all, they will make a considerable contribution towards meeting the shortage of social housing in London.
- 10.2 Any affected third-party landowners will be entitled to compensation in accordance with the Statutory Compensation Code. The overarching principle of which is fairness and equivalence. As such any affected landowners should be put back in the position they were prior to the acquisition of any interest, so far as money can.
- 10.3 Although the detailed design of development proposal has not yet been finalised, it is noted that any development option involving the construction of new homes will lead to construction activities with consequent potential for negative impacts amongst protected characteristic groups during the construction phase. As the design progresses to a planning application, if it is approved it will be conditioned such that construction impacts are mitigated so far as reasonably possible. This will be considered further as part of the planning assessment.

## **11. Climate Change and Environmental Considerations**

- 11.1 The delivery of new social housing with high levels of thermal efficiency will ensure those residing in the new homes are able to maintain warm homes whilst minimising energy usage.
- 11.2 The site forms a sustainable location to deliver much needed new homes, it comprises previously developed land and lies in a well-connected location affording the residents good access to services and public transport.

## **12. Communication Considerations**

- 12.1 MTVH have already undertaken a programme of community consultation, this will continue as the project progresses.
- 12.2 For the Council, this scheme (subject to planning) will be an example of working closely with partners to deliver homes for social rent for Brent residents.

## **13. Human Resources / Property Implications**

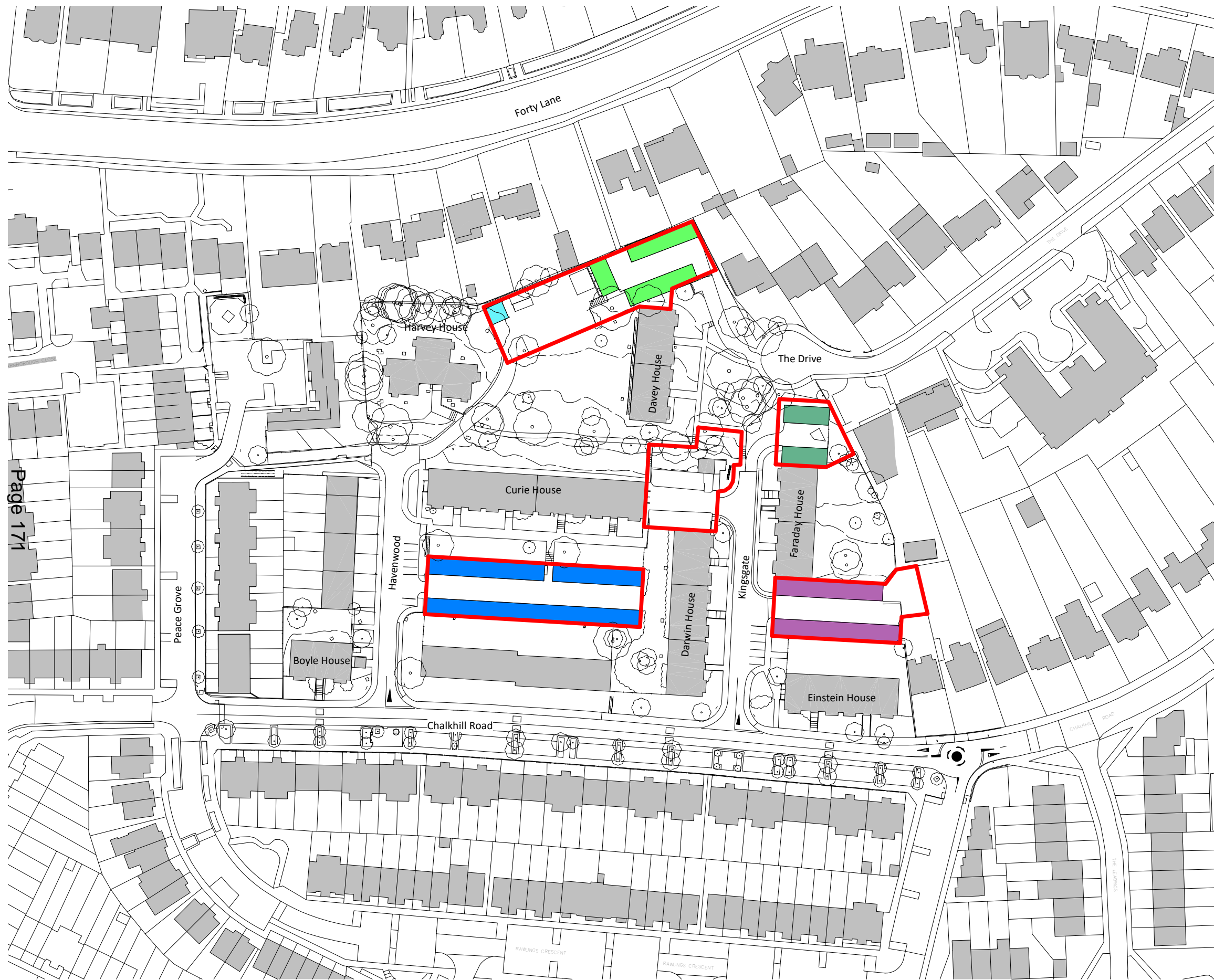
- 13.1 Whilst MTVH will underwrite the Council's costs, including officer costs, associated with the CPO process, it should be noted that officer time will need to be allocated to the process on a regular basis, including attending meetings with MTVH and affected landowners, reviewing information submitted and preparing reports.

**Report sign off:**

***Peter Gadsdon***

Corporate Director of Resident Services

This page is intentionally left blank



Page 171

**Key**

- Red line boundary for each proposed building area of the scheme
- Existing Garage Site 1
- Existing Garage Site 2
- Existing Garage Site 3
- Existing Garage Site 4
- Existing Garage Site 5

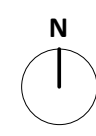
**Notes:**  
 Do not scale. All dimensions are in millimetres unless otherwise stated. This drawing should be read in conjunction with all relevant project information and contract documentation. All dimensions to be checked prior to fabrication and or commencement of works. All works to comply with all relevant legal standards, building regulations and warranty provider requirements. Report any discrepancies, if in doubt ask.

Revisions:					
Rev	Status	Date	Description	Drn	Chkd
P01	S3	25.08.23	Issued for Garage Sites indication	MB	
P02	S3	04.09.23	Issued for Garage Sites indication revised colours	MB	
P03	S3	05.09.23	Issued for Garage Sites indication revised	MB	
P04	S3	16.01.24	Red line indicating each proposed areas of the scheme	MB	

Client Name:	MTVH		
Project Name:	Havenwood and Kingsgate Garages		
Drawing Name:	Existing Garages Location Plan		
Drawing Number:	HKG-BPTW-S01-00-DR-A-0103	Rev:	P04
Status:		S3	
Project No:	23-001	RIBA Stage:	1
Drawn By:	MB	Scale:	1:1250 @ A3

**PRELIMINARY - FOR COMMENT**


40 Norman Road,  
 Greenwich, London  
 SE10 9QX  
 t. 020 8293 5175  
 bptw.co.uk



1:1250m

This page is intentionally left blank



 <b>Brent</b>	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director of Resident Services</b>
	<b>Lead Member – Leader of the Council (Councillor Muhammed Butt)</b>
<b>Corporate Performance Q3 reporting</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	One Appendix A: Borough Plan Q3 Scorecard
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Jon Cartwright, Head of Change and Customer Insight, Resident Services 020 8937 1742 <a href="mailto:Jon.Cartwright@brent.gov.uk">Jon.Cartwright@brent.gov.uk</a>  Stephanie Keen, Senior Research and Intelligence Officer, Resident Services 020 8937 1492 <a href="mailto:Stephanie.Keen@brent.gov.uk">Stephanie.Keen@brent.gov.uk</a>  Julia Pieza, Senior Research and Intelligence Officer, Resident Services 020 8937 4511 <a href="mailto:Julia.Pieza@brent.gov.uk">Julia.Pieza@brent.gov.uk</a>

## 1.0 Executive Summary

1.1 This report and the performance scorecard (Appendix A) sets out the position on the Council's performance in the third quarter of 2023/24. The content of the report and scorecard focus on progress in delivering the in delivering the priorities and outcomes set out in the Council's Borough Plan 2023-2027: Moving Brent Forward Together.

## **2.0 Recommendation(s)**

Cabinet are recommended to:

2.1 Note the Borough Plan 2023/24 performance reporting for Q3 set out from 3.2 and included in Appendix A, and:

2.2.1 Consider the current and future strategic risks associated with the information provided and agree remedial actions on strategic risks as appropriate.

2.2.2 Challenge progress with responsible officers as necessary.

## **3.0 Detail**

### **3.1 Cabinet Member Foreword**

3.1.1 This report provides detailed reporting against the suite of Key Performance Indicators (KPIs) developed to monitor delivery of the desired outcomes (i.e., 'what success will look like' measures) set out in the Borough Plan 2023-2027: Moving Brent Forward Together. This includes progress updates for key activities and commentary against targets aligned to each of the five priority areas:

- Prosperity and Stability in Brent
- A Cleaner, Greener Future
- Thriving Communities
- The Best Start in Life
- A Healthier Brent

### **3.2 Borough Plan performance Q3**

3.2.1 Overall, there are currently 50 Borough Plan key indicators in the Q3 performance scorecard.

3.2.2 KPIs are rated Red, Amber or Green depending on their performance against the target for the quarter.

- Green KPIs have met or exceeded their target
- Amber KPIs are between 0.01% and 5% outside of their target
- Red KPIs are 5% or greater outside their target

Of the 50 Borough Plan indicators for Q3:

- 20 are on or above target (Green)
- 5 are just off target (Amber)
- 13 are off target (Red)
- 12 provide contextual information

3.2.3 A summary of performance is outlined in the following sections. Where relevant the commentary also references progress against annual targets in addition to quarterly e.g., where progress towards the target is seasonal.

## Prosperity and Stability in Brent

### Red KPIs

- 3.2.4 The average days taken to process change events for benefit claims is rated Red due to changes taking 8 days to process against a target of 5 days. The average days taken to process new benefit claims is also rated Red with claims taking 23 days to process against a target of 19 days. For context, the London averages are 9 days for change events and 27 days for new claims. Temporary Accommodation and Supported Accommodation complex cases have had an impact on performance this quarter. Improvement in Temporary Accommodation process for licenses and rent accounts is expected to improve performance. Further work is ongoing with IT improvements planned.
- 3.2.5 There have been 420 affordable homes delivered by external providers (incl. S.106) YTD, against a target of 461, with 156 homes delivered in Q3. The delays and abandonments of projects have been registered due to the current economic climate and its effect on development costs. Whilst the target for this year is unlikely to be met, across the entire supply programme, the Council is on track to meet the 5,000 affordable homes in the borough by 2027/28.
- 3.2.6 The number of Council homes delivered is rated Red with 53 units provided in Q3. The year-to-date performance includes 119 Council homes delivered against a target of 291. Though the Council is unlikely to meet the 291 target this financial year, the Council remains on track to deliver the targeted 1,700 homes by 2027/28. In Q4 several sites across Brent including Preston Park Library, Brent Indian Community Centre, Learie Constantine are set to handover and deliver additional Council homes. The programme continues to be monitored through the Housing Care and Investment Board.
- 3.2.7 The number of empty properties refurbished and brought back into use within the borough is rated Red with 35 properties refurbished at the end of Q3 against a target of 100 by the end of the financial year. Whilst the number of empty properties being brought back is lower than target, it is due to rise significantly in Q4. A granted aided scheme of 46 units of accommodation has just been completed and is in the process of being let as Temporary Accommodation. Officers are working hard to progress other cases in order to meet the 100 target by the end of Q4. The team continues to monitor grant-aided works on-site

### Amber, Green and Contextual KPIs

- 3.2.8 The average number of days taken to process Resident Support Fund application was 15 days against a target of 20 days rating the measure Green. This has improved from last quarter's 18 days to process applications. The number of applications remains consistent at 140 a week but dropped slightly in December.

- 3.2.9 The number of Houses of Multiple Occupation licensed in the borough is rated Green with 4,934 HMOs licensed against a target of 4,125. HMO Licence applications continue to be submitted and processed and the team expects the level of applications to increase further when borough wide licensing is introduced in April 2024. Currently Brent has the second highest number of HMO licensed properties in London.
- 3.2.10 The percentage of Brent Start overall achievement per academic year (July-Sept) for Q3 was 89% and rates Amber below the 93% target. This figure measures the achievement in Term 1 with 107 participants waiting for outcomes. If all 107 have positive outcome, the in-year achievement would increase to over 95%. The final achievement rate for academic year 2023-24 will be audited by the team in Oct 2024.
- 3.2.11 Measures for both Jobs and Apprenticeship Outcomes from Brent Works are rated Green and have exceeded targets providing 155 jobs and 39 apprenticeship opportunities in Q3.
- 3.2.12 The number of local apprenticeship/work experience opportunities (Social Value and Ethical Procurement Policy) was also above target providing 55 opportunities against a target of 20 in Q3. Social Value commitments embedded through the Council's Procurements have been successful in surpassing the apprenticeship target for the year.
- 3.2.13 The percentage of local suppliers used by the Council was rated Green with 42% against a target of 40%. This has been achieved through the Council's local procurements which have been able to provide opportunities for the local supplier base.
- 3.2.14 The percentage of jobs secured paying London Living Wage for Q3 was 81.5% rating it Green above the target of 75%.
- 3.2.15 The number of residents accessing Community Hubs was 5,313 in Q3 against a target of 3,125. The year-to-date performance shows 14,861 residents have accessed community hubs against a target of 14,063. In comparison to December 2022, Q3 this year was significantly busier with 30% more enquiries which has followed the trend throughout the year with each month in 2023 consistently being 15-30% busier. This could be explained by a culmination of the cost-of-living crisis having a bigger impact on a larger percentage of people as well as the Hub service becoming more widely known.
- 3.2.16 The percentage of enquiries at the Community Hubs resolved at point of contact was 84% at the end of Q3 rating the measure Green. A contextual measure for the Community Hubs shows that 862 referrals to foodbanks were made through Brent Hubs in Q3. This is in line with last year's figures.
- 3.2.17 The number of affordable homes delivered by i4B in Q3 was 5 with the year-to-date performance being 11 properties. This is currently a contextual measure and i4B continues not to have a set target of acquisitions for this year. The maximum purchase price cap set due to inflation will still affect the

purchase number of street properties. As detailed in Q2 in response to increased pressures in Temporary Accommodation currently being experienced by the Council, i4B has reviewed its acquisition appraisal model. While the Council injects 20% of equity into each property purchased by i4B, the model previously only accounted for 5% equity. The revised model now accounts for the full 20% equity injection provided by the Council, and following Board approval the amount i4B is able to spend on properties has increased. The company now has a target of purchasing 12 properties in 2023-24, and based on four recent acquisitions in Q3 i4B is on track to meet this. Given the increased price caps, i4B's purchasing target for 2024-25 will be 25 properties.

## **Cleaner, Greener Future**

### **Red KPIs**

- 3.2.18 The target to decrease the amount of non-recyclable waste (tonnage) borough wide by 2% by April 2024 is rated Red. The amount of non-recyclable waste was 20,120 tonnes against a target of 17,169 tonnes in Q3. The year-to-date performance for this measure stands at 60,906 tonnes against a target of 51,506 tonnes. Since the start of the new contract in April 2023, the team's primary focus has been embedding the new contract and service changes. In Q3 the team have begun to divert the waste provided from communal residential areas to be collected as residual waste. Although residual waste continues to increase due to increase borough population our focus remains on providing education to help curtail residents contaminating their waste. The team will be in a better position to comment on the impact of diverting waste in Q4. In line with last quarter commentary a contamination plan is still in place, along with a waste board to monitor data and implement mitigating actions.
- 3.2.19 The value for customer reported Category 2 defects repaired on time in Q3 was 83% against a target of 100% rating the measure Red. The contractor has performed well over this period, however delays in closing off gully cleansing orders upon completion has resulted in lower overall performance figures which. If these orders had been closed on time the figure would be over 90% and more similar to Q2. The contractor has been reminded of the importance of closing completed jobs down on time to avoid them being marked as late.

### **Amber, Green and Contextual KPIs**

- 3.2.20 The number of new electric vehicle charge points year-to-date is 202, rating the measure Green. There were 40 Source London Charger bays operational by the end of November 2023 and 20 Uber/Zest bays of 22Kw were operational by the beginning of December 2023 meeting the Q3 target. A further 140 bays will be rolled out by July 2024.
- 3.2.21 There are two contextual KPIs related to Brent's climate aims. The number of businesses utilising Council's new carbon footprinting tool remained the same in Q3 with 17 businesses. The carbon footprinting tool was made available to

a number of early adopters and going forward will be utilised as a resource for businesses to use that is a benefit of signing up to the Brent Climate Charter. The tool helps businesses understand their existing carbon footprint and steps they would need to take to reduce further. In Q3 4 additional businesses have signed up to the Brent Climate Charter. The team launched the Brent Climate Charter formally at Wembley Stadium in November 2024. The event was attended by senior leaders, guest speakers from a number of sustainable businesses and was attended by around 50 businesses and was well received.

- 3.2.22 The number of homes retrofitted/receiving energy efficiency improvement Social Housing Decarbonisation Fund, Carbon Offset Fund or other funding stream is another contextual measure. The Council has received funding to retrofit 127 properties over a 2–3-year period which is the long-term target for this project. A total of 59 properties now have scaffold erected, window replacement and masonry works have commenced. To date 8 properties have been completed. Given the long-term and complex timelines of retrofitting homes the team will work to set short-term targets in order to deliver all of the funding available.

## **Thriving Communities**

### **Red KPIs**

- 3.2.23 There are no Red KPIs for Thriving Communities.

### **Amber, Green and Contextual KPIs**

- 3.2.24 There were 247.5 hours contributed toward supporting events within the community as part of the Social Value and Ethical Procurement Policy against a target of 80 hours in Q3, rating this KPI Green. The year-to-date figure is 357.5 hours. This includes training and bespoke events with involvement from the Council's suppliers. Social Value commitments through our Procurements have been successful in obtaining supplier buy in supporting the delivery of better outcomes for the community through training and events.
- 3.2.25 There are several contextual measures for Thriving Communities. 69 engagement events took place across the community in Q3, largely promoting the Community Grant Fund (CGF) the team's largest grant and also offering support across the community to apply. This brings the YTD figure to 136 events. There have also been 21 grants awarded through the Love Where You Live (LWYL) programme and the Edward Harvist Trust Fund (EHTF) providing £98,067 of funding this quarter. The YTD figure for total number of grants awarded is 60, and £117,567 of funding has been awarded YTD. The team has seen a reduction in the number of LWYL grant applications particularly with our other significantly larger grants being open at the same time. With the capacity to promote decreased due to the demands and associated work of the larger grants. This is the first year these KPIs are being recorded therefore this year will provide baseline figures for future years.

3.2.26 Following a successful review of Brent Connects meetings over the summer, and introduction of a refreshed approach, there were 5 Brent Connects meetings over Q3. The Autumn round of Brent Connects ran over October, updated figures from last quarter's report show there were 185 attendees across the 5 Brent Connect areas. 352 registrations were recorded on Eventbrite.

## **The Best Start in Life**

### **Red KPIs**

- 3.2.27 Due to ongoing recruitment activity to increase the number of youth inspectors, there has been a delay in initiating youth inspections of Council and commissioned services, which is why this indicator is rated red. Young people have, however, been involved in a range of activities that influence and help to shape service delivery. This includes a member of Care Leavers in Action participating in the assessment of bids for a contract for the provision of education, employment and training for young people. Representatives from Care Leavers in Action have attended Corporate Parenting Committee where they actively question officers on services. Care Leavers in Action members also have regularly participated in the Voice and Influence subgroup of the Children's Trust Corporate Parenting partnership group, that focuses on improving service provision for Looked After Children and Care Leavers.
- 3.2.28 The number of participants regularly attending Care Leavers in Action, Care in Action and Junior Care Leavers in Action in the year to date is 15 against a target of 30. There are a range of activities underway to increase regular participation, through for example showcasing the role of these groups in shaping services at the Brent Care Leavers Hub and Barnardo's Brent Care Journeys group. Younger children in care are being encouraged to engage in enrichment activities where they can spend time with their peers who are members of Care in Action and Junior Care Leavers in Action (such as a trip to London Zoo attended by 40 children and young people and a Christmas bowling trip attended by 13 children). A new Participation Manager took up post in January, who will be focusing on increasing participation.
- 3.2.29 The percentage of Looked After Children (LAC) in education, employment or training (EET) (Year 12 and 13) was 75.42% in Q3 against a target of 80%. Supporting all LAC into suitable education, employment and training opportunities is a key focus for Brent Virtual School. A Post-16 advisor has recently been recruited with extensive experience of working in a local college, who in partnership with Prospects and the Brent Virtual School Key Stage 4-5 Transitions Worker, is focusing on early identification of young people at risk of being NEET. Brent Works is continuing to help Care Leavers secure education and training opportunities by supporting the Care Leaver Covenant that involves signing up local employers to support LAC and Care Leavers into local employment.

## **Amber, Green and Contextual KPIs**

- 3.2.30 The percentage of children becoming the subject of Child Protection Plan for a second or subsequent time was 13.6% against target of 13.5% in Q3, rating this measure as Amber. Analysis is ongoing of those who had a factor of gangs, missing, child sexual exploitation and criminal exploitation as the main factor in their assessment to identify if children could have been supported differently to achieve more positive outcomes. Learning from this is shared with Localities Service social work teams.
- 3.2.31 The percentage of care leavers (19–21-year-olds) in education, employment or training (EET) was 56% against a target of 57% rating the measure Amber. Brent Works and the Virtual School are working collaboratively to help young people engage and remain in suitable EET opportunities.
- 3.2.32 The number of registered services users that have had a contact with Family Wellbeing Centres (FWC) was 12,833 exceeding a target of 10,767 in Q3. This indicates that promotion of the FWC offer across Brent is reaching new families and supporting their access to a range of services.
- 3.2.33 The number of young people who regularly attend the Care Leavers Hub was 41 exceeding the target of 30. This reflects continued efforts to encourage Care Leavers to participate in the hub and the social activity that it offers as part of their wider support network.
- 3.2.34 The number of young people regularly attending the Brent Youth Parliament was 28 exceeding the target of 25. The Brent Youth Parliament Executive Group is focusing on increasing regular attendance through the selection of topics discussed, with the support of the Children and Young People Department.
- 3.2.35 The percentage of pupils attending Brent Schools which are rated good or outstanding is 99.3% with a target of 95%. Meanwhile, 96.5% of Brent schools are judged Good or Outstanding. Pupils attending two schools who have never had an inspection are excluded from this measure.
- 3.2.36 The percentage of young people from Black African, Caribbean and Somali communities who have been permanently excluded is rated Green. In Q3 there was 1 such pupil permanently excluded, bringing the year-to-date figure to 3 of a total of 18 exclusions (16.5%) in the year to date. This is an improvement on previous performance. The local authority is funding anti-racist training for school leaders to help address disproportionality in the education system, including in relation to exclusions.

## **A Healthier Brent**

### **Red KPIs**

- 3.2.37 The percentage of Care Act assessments completed within 28 days (excluding SMART and OT) was 54% against a target of 80% in Q3. Performance is



currently moving in the right direction but there is still more work to be done to achieve the target. Service operation process (SOP) has now been implemented and will be reiterated at all staff events. Managers are responsible to ensure good practice is implemented in line with the SOP across the service. The team has a DMT dashboard where service performance is monitored in monthly DMT Performance and Finance meetings. In addition, the PSW and POT also have a responsibility to monitor performance across their lead professions. Work is also currently in progress to develop a portal to allow carers assessment to be completed in a quick and efficient way. The Duty team had reduced staff capacity due to recruitment and retention issue and work is currently in progress to reduce the backlog of assessments.

- 3.2.38 The percentage of new birth visits within 14 days was 89.5% YTD below the 95% contractual target set. The service is currently experiencing an extreme shortage of health visitors. However, visits within the statutory target of 30 days are on target at 98%. A detailed plan for those who are not seen by 30 days is shared with the Commissioner, and an ongoing recruitment campaign is delivered by the provider. The Brent Public Health team is also closely monitoring the provider performance through monthly contract meetings. There are some ongoing management processes underway in order to improve performance. The issue has been escalated up to the provider Chief Executive. A Recovery Board is to meet under the governance of the ICP.

#### **Amber, Green and Contextual KPIs**

- 3.2.39 The reablement sequel to service is rated Amber with 74% against a target of 75% at the end of Q3. The team has been in the process of procuring reablement providers to deliver better reablement outcomes. Meanwhile physiotherapists have moved to employment of CLCH from 31/12/2023 and the team will be closely monitoring the impact of their input in achieving the target.
- 3.2.40 The total number of adults in structured treatment YTD was 1,151 (figure to the end of October) and this is against a local year-end target of 1,200. This figure has an Amber rating against the target, however there is usually a delay in numbers being reported through national monitoring systems for this measure. The treatment provider Via is confident that the target will be met as the year progresses. The level of new presentations (R12) Nov 22 to Oct 23 is at a rate of 585, which is above the march 2022 baseline of 462 and this gives added confidence that the target will be reached.
- 3.2.41 There are three Green indicators for Brent Health Matters (BHM). The number of Brent Health Matters (BHM) community events held was 94 YTD exceeding the target of 90. These events are run across all Brent neighbourhood areas, working with local community organisations. The BHM programme has also involved 475 health checks in Q3 bringing the YTD number of health checks to 2,805 against a target of 2,500. At outreach events a number of health checks are completed and include BMI, blood pressure, heart rate and diabetes risk score. For Q3 not all events included health checks as some had

a focus on preventative messaging instead. The BHM programme has also engaged with 400 organisations in Q3 bringing YTD performance to 1,229 against a target of 1,050.

3.2.42 There are two contextual measures concerning long-term support needs of older adults and younger adults met by admission to residential and nursing care homes. In Q3 94 long-term support needs of older adults were met by admission to residential and nursing care homes per 100,000 population; and 2 long-term support needs of younger adults were met by admission to residential and nursing care homes. For both KPIs smaller numbers indicate better performance. The team is constantly reviewing the authorisation processes, particularly for short-term placements to ensure that community-based care is considered before approving a long-term residential/nursing care. The ICB is actively reviewing nursing placements and transferring those placements to ASC if they do not meet CHC funding criteria. Social workers are reviewing placements and it has been evidenced in the QAM process that the brokerage team is negotiating down the cost of the expensive placements with providers. In addition, supported living and extra care housing options are considered prior to making permanent residential/nursing placements. The data for these measures are provided by ASCOF and updated annually.

#### **4.0 Stakeholder and ward member consultation and engagement**

4.1 KPIs for the Borough Plan 2023-27 were developed in consultation with directorate performance leads.

#### **5.0 Financial Considerations**

5.1 There are no financial implications as a result of this report.

#### **6.0 Legal Considerations**

6.1 There is no statutory duty to report regularly to Cabinet on the Council's performance, however under the Local Government Act 1999 a best value authority has a statutory duty to secure continuous improvement in the way in which its functions are exercised having regard to a combination of economy, efficiency and effectiveness. Regular reports on the Council's performance assist in demonstrating best value.

#### **7.0 Equality, Diversity & Inclusion (EDI) Considerations**

7.1 There are no direct diversity implications.

#### **8.0 Climate Change and Environmental Considerations**

8.1 Indicators that support delivery of the Brent Climate Emergency Strategy are included in the 'Cleaner, Greener Future' section of this report and in the first iteration of the Corporate Balanced scorecard.

**9.0 Human Resources/Property Considerations (if appropriate)**

9.1 There are none.

**10.0 Communication Considerations**

10.1 There are none.

**Report sign off:**

***Peter Gadsdon***

Corporate Director of Resident Services

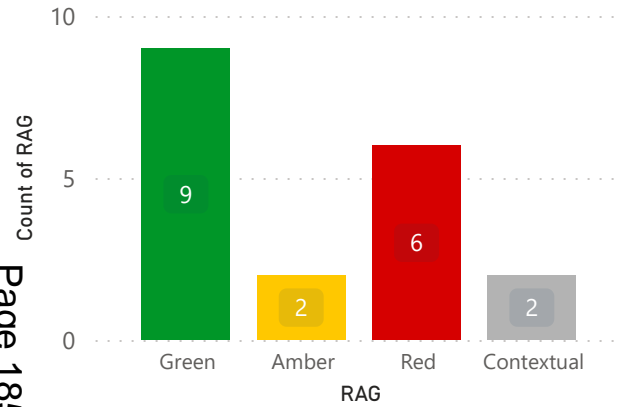
This page is intentionally left blank

# Corporate Performance Report - 2023-24 Q3

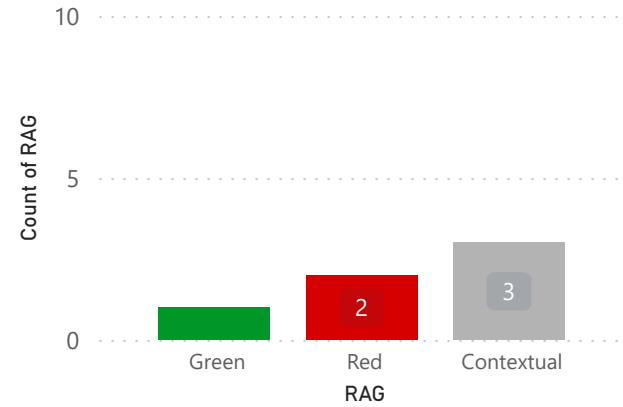


Page 185

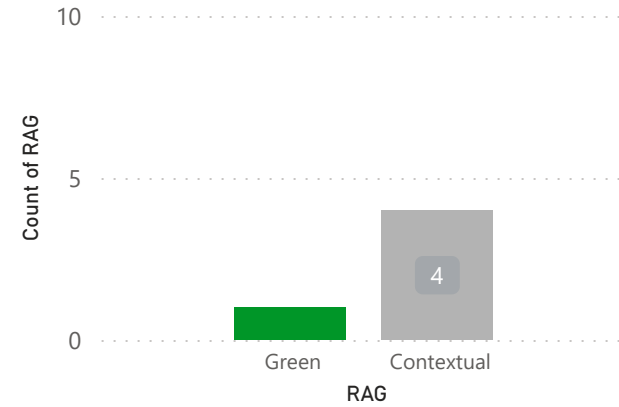
Prosperity and Stability in Brent



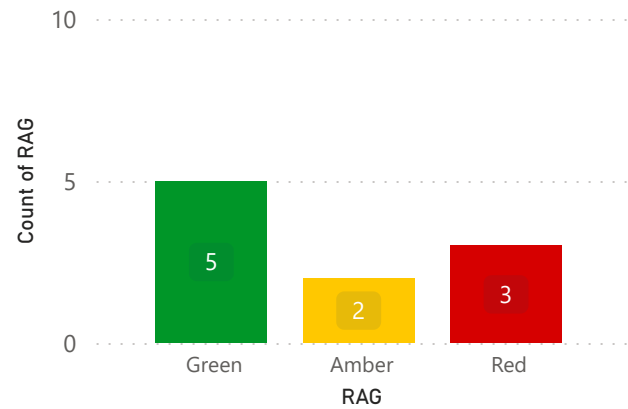
A Cleaner Greener Future



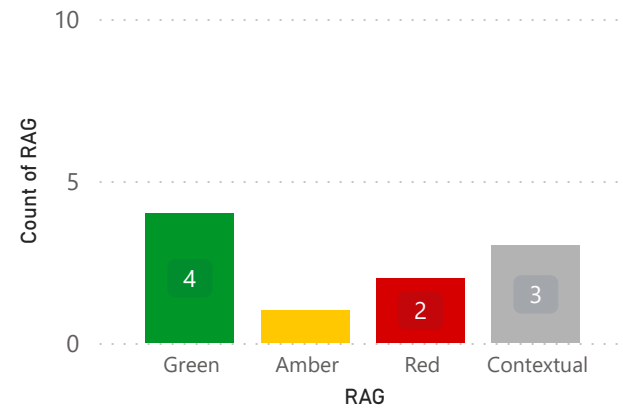
Thriving Communities



The Best Start in Life



A Healthier Brent



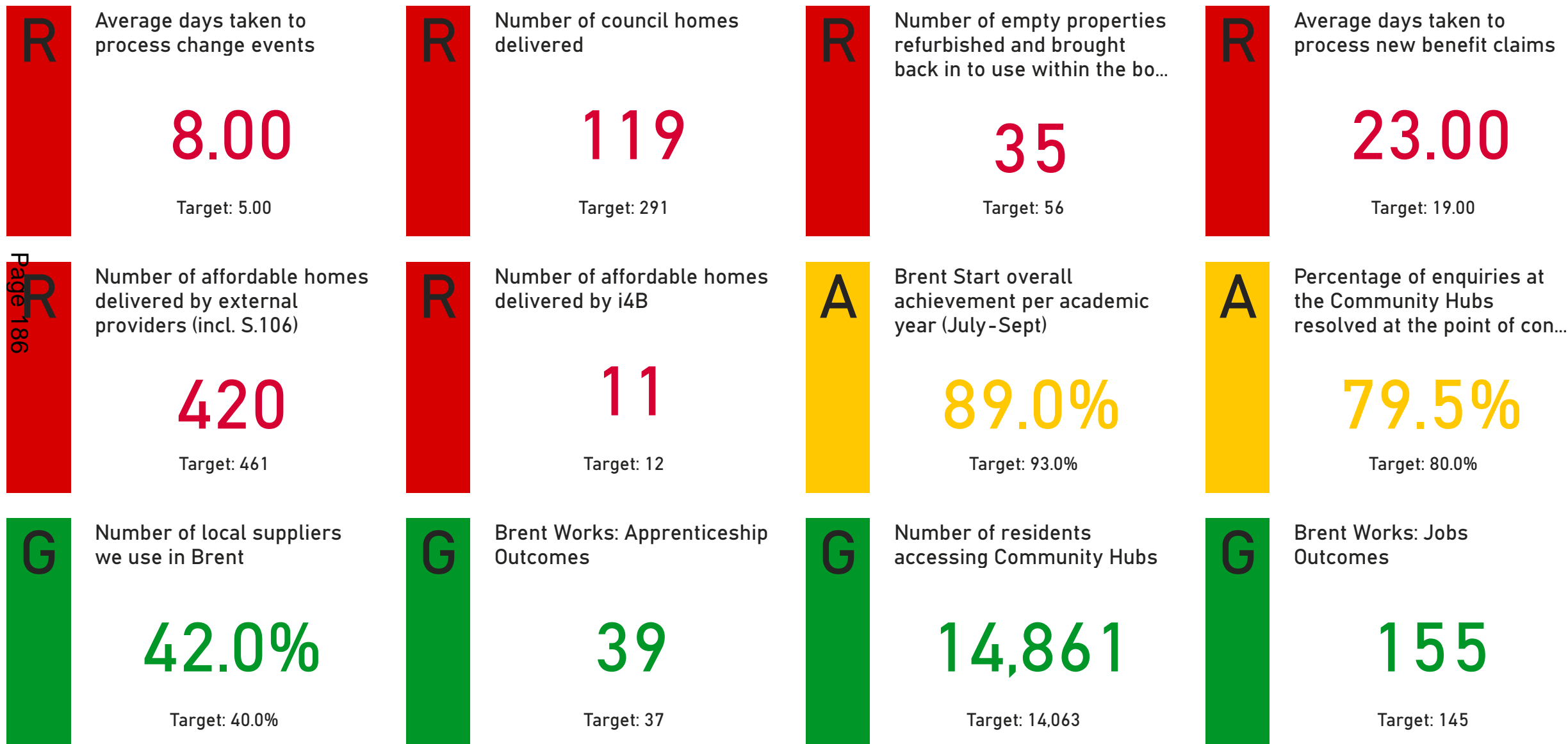
**Key for Performance Rating**

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

- Green** – At target or exceeding target
- Amber** – 0.01% - 5% outside target
- Red** – Greater than 5% outside target,
- Contextual** – No target set
- n/a** – Data not available

# Corporate Performance Report - 2023-24 Q3

## Prosperity and Stability in Brent



# Corporate Performance Report - 2023-24 Q3

## Prosperity and Stability in Brent

G

Percentage of Jobs secured paying LLW

81.5%

Target: 75.0%

G

Number of Houses of Multiple Occupation licensed within the borough

4,934

Target: 4,125

G

Average number of days processing Resident Support fund

15.00

Target: 20.00

G

Number of local apprenticeships/work experience opportunities (i...

90

Target: 20

G  
Page 187

Increase in the number of job and apprenticeship opportunities across the b...

115

Target: 1

C

Total applications made for the Resident Support fund (Digital support package) a...

542

Contextual

# Corporate Performance Report - 2023-24 Q3

## A Cleaner Greener Future

R

Decrease the amount of non-recyclable waste (tonnage) borough wide by 2% by April 2024

60,906

Target: 51,506

R

Customer reported category 2 defects repaired on time

83.0%

Target: 100.0%

G

Number of new electric vehicle charge points

202

Target: 202

C

Number of businesses signed up to the Brent Climate Charter

6

Contextual

Page 188

C

Number of businesses utilising council's new carbon foot printing tool

17

Contextual

C

Number of homes retrofitted/receiving energy efficiency improvements via Social Housing Decarbonisation Fund, ...

8

Contextual



# Corporate Performance Report - 2023-24 Q3

## Thriving Communities

G

Hours contributed toward supporting events within the community [SVEPP]

357.50

Target: 80.00

C

Increase in the number of engagement events that take place across the com...

136

Contextual

C

Total amount of funding awarded through grants

£117,567

Contextual

C

Total number of grants awarded

60

Contextual

C  
Page 189

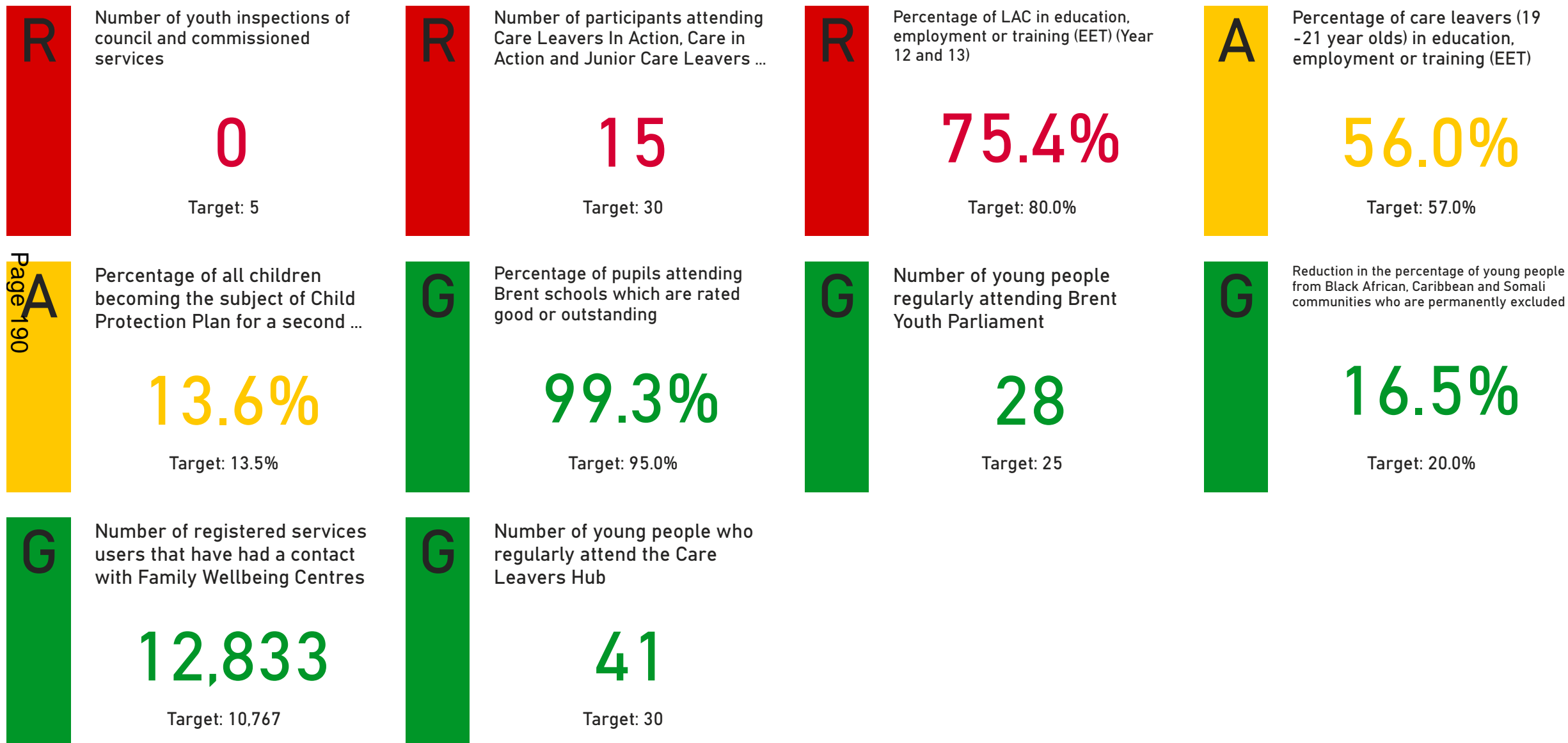
Total number of residents attending Brent Connects meetings

185

Contextual

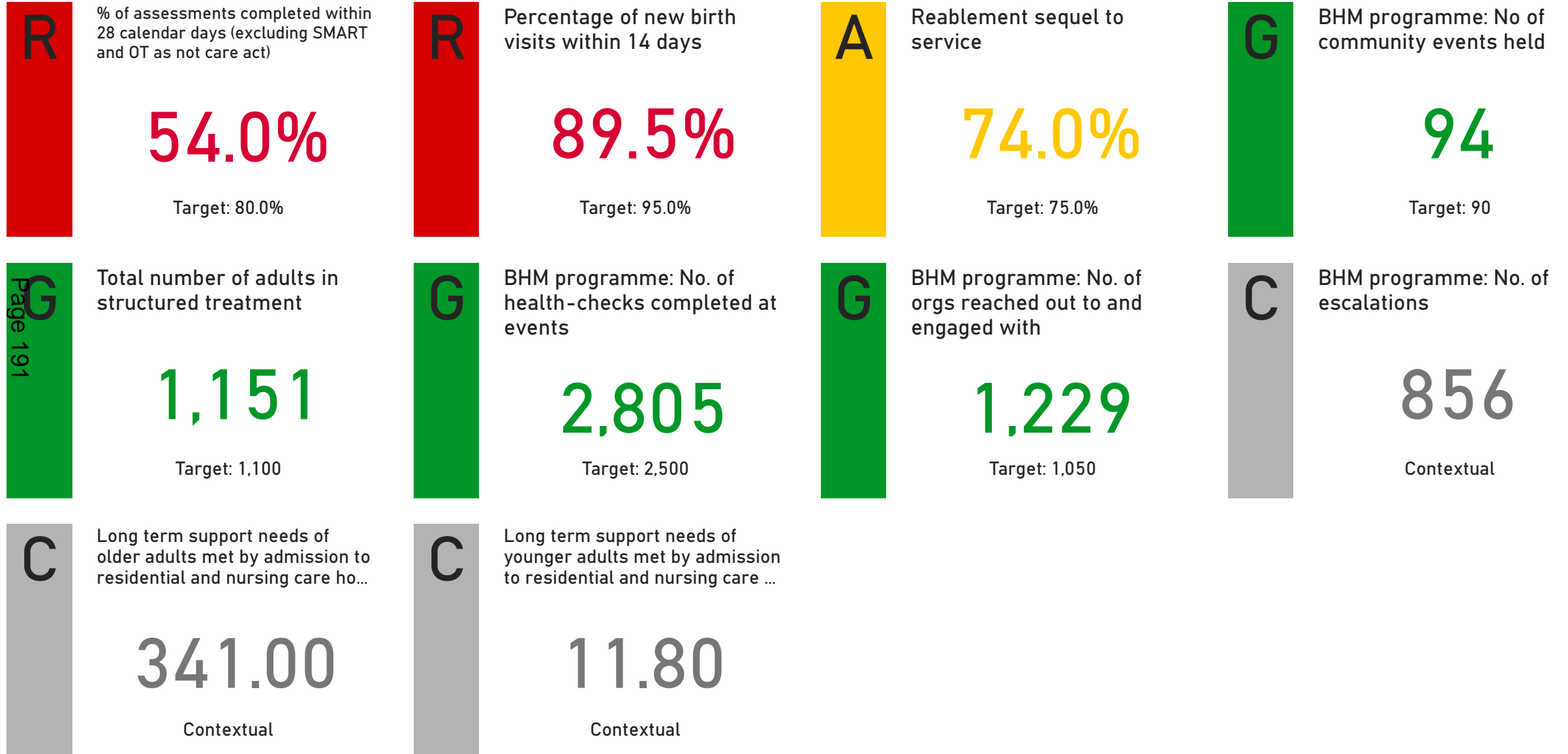
# Corporate Performance Report - 2023-24 Q3

## The Best Start in Life




# Corporate Performance Report - 2023-24 Q3

## A Healthier Brent



This page is intentionally left blank

 <b>Brent</b>	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director of Finance and Resources</b>
	<b>Lead Member – Deputy Leader &amp; Cabinet Member for Finance Resources &amp; Reform and Cabinet Member for Regeneration, Growth &amp; Planning (Councillor Shama Tatler)</b>
<b>Request for Strategic Community Infrastructure Levy Allocation for three projects</b>	
<b>Wards Affected:</b>	Preston, Northwick Park, Kingsbury
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Open
<b>List of Appendices:</b>	None
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Neil Martin Head of Capital Delivery 020 8937 4203 <a href="mailto:neil.martin@brent.gov.uk">neil.martin@brent.gov.uk</a>  Tanveer Ghani Director, Property and Assets 020 8379 1722 <a href="mailto:tanveer.ghani@brent.gov.uk">tanveer.ghani@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1. To seek Cabinet approval for use of Strategic Community Infrastructure Levy (SCIL) funding towards three separate projects as detailed in the main body of this report.

## 2.0 Recommendation(s)

That Cabinet:

- 2.1 Approves the use of £600k of SCIL for the fit out of Preston Community Library.

- 2.2 Approves the use of up to £3m of SCIL for the completion of the spine road at Northwick Park as part of the One Public Estate development.
- 2.3 Approves the use of £500k of SCIL for the nursery development project at Grove Park Pavilion.

### **3.0 Detail**

#### **3.1 Cabinet Member Foreword**

- 3.1.1 This report is part of the Council's ongoing commitment to create long lasting positive change to local areas for the benefit of the communities that live there. The use of Strategic Community Infrastructure Levy to deliver these projects will benefit both current Brent and future residents as the borough grows and prospers.
- 3.1.2 The projects at Preston Library and Grove Park Nursery help to meet outcomes within the Borough Plan, namely Strategic Priority 3 Thriving Communities to allow the local community to be involved in and lead on activities for their communities. The projects also help to achieve objectives within the Local Plan and Infrastructure Delivery Plan by providing community facilities for Brent's growing population.
- 3.1.3 The Northwick Park Spine Road project delivers infrastructure that helps to unlock the growth area to deliver further community facilities and homes.

#### **3.2 Background**

- 3.2.1 Strategic Community Infrastructure Levy (SCIL) is a charge which can be levied by local authorities on new development in their area and helps to deliver vital infrastructure. It can be used to fund a broad range of infrastructure including transport facilities, play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare, schools, district heating schemes and other community facilities. This flexibility gives local authorities the opportunity to prioritise what vital infrastructure is needed and this is supported by the Infrastructure Delivery Plan (IDP).
- 3.2.2 This report sets out a request for SCIL investment for three projects that will aid in the delivery of infrastructure needed to support development.

##### *Preston Community Library*

- 3.2.3 The Preston Community Library redevelopment has delivered 12 affordable homes and a new community space on the ground floor. This forms part of the Council's New Council Homes Programme (NCHP) that plans to deliver over 1,000 affordable Council homes.
- 3.2.4 The current contract provided the community space as shell and core and requires SCIL investment to enable the delivery of a fully equipped space for a local community group to operate.

- 3.2.5 The Council has worked with Preston Community Library who were based at the site prior to the commencement of the development to operate the new community space provided once complete.
- 3.2.6 Preston Community Library is currently located at a nearby site (Ashley Gardens) on a temporary basis until such time that the new community space is complete. The community space will be a local hub that seeks to provide a range of services in partnership with the voluntary sector. These proposals include a new community library, English to Speakers of Other Languages (ESOL) classes, film club, art classes, memory lounge for people suffering with dementia. There will also be opportunities for other voluntary sector organisations to use the new facility.
- 3.2.7 With the 46,000 new homes in Brent expected to be delivered in the Local Plan period of 2019 to 2041 there will be a need for new and enhanced community facilities in and around the growth areas to meet this increase in population. Although the location of the library is Carlton Avenue East / Preston Road and is not a growth area as determined in the Local Plan, it does neighbour the growth areas of Northwick Park and Wembley Park. It also is in close proximity to the Preston Road Town Centre which is a key area to develop as proscribed in the Local Plan.
- 3.2.8 The project meets Policy BS11: Social Infrastructure & Community Facilities through supporting Brent's diverse community and helping to promote social inclusion and cultural wellbeing. The facilities and subsequent activities proposed at Preston Community Library will do this as a place to meet, hire and enjoy. By supporting this project, it will allow the community to operate at its maximum potential as it will be operated by the community, for the community.
- 3.2.9 This project will also assist in meeting policy BHC3: Supporting Brent's Culture and Creative Industries as the facility will offer facilities to hire as well as a venue to showcase cultural events and activities.

#### *Northwick Park Spine Road*

- 3.2.10 In 2016 Brent in conjunction with three other major landowners; The London Northwest NHS Healthcare Trust, The University of Westminster and Sovereign Network Group, got together and made a bid for One Public Estate (OPE) funding. The OPE funding provided for master planning, infrastructure planning and development advice. This funding was integral to assist with submitting the various planning applications associated with the delivering the vision for the Northwick Park Masterplan.
- 3.2.11 The One Public Estate Initiative aims to deliver:
- Improved transport connections – construct a new spine road and associated junction improvements on Watford Road to manage the highways impact from the scheme.
  - Increased supply of affordable housing.

- New Student hub including educational buildings/accommodation/sports facilities.
- Enhanced connectivity and place making.
- Reduced running costs and cleaner/greener energy for the hospital.
- Intensification of the use of green assets (playing fields).

3.2.12 Brent received a Housing Infrastructure Fund (HIF) Grant from the GLA for a total of £10m. The funding was awarded to help deliver the new access road and unlock Northwick Park as a strategic growth site. There have been a number of changes to the cost to deliver the project including contract price fluctuation, utility diversions and unforeseen ground conditions since contract award. The £3m SCIL request is crucial to achieving project completion of the new access road, which will be adopted by Brent as the highway authority.

3.2.13 The new Spine Road promotes active and sustainable travel through the provision of a new bus interchange, a combination of new wide footways either side of the carriageway, including a shared use pedestrian/cycle path on the north side of the new Spine Road and a new wide shared use footway on Watford Road. New signalised pedestrian and cycle crossings and zebra crossings are also provided, linking Northwick Park underground, University of Westminster, Northwick Park Hospital, and providing a new link and junction to serve the future planned housing development and development works at the University. The spine road is a Brent owned asset built under a section 278 agreement so will remain the Council's asset to maintain and manage moving forwards.

3.2.14 One of the key targets in the local plan is for Northwick Park's new designation as an intensification area to deliver a significant amount of new housing (up to 1,600 new homes), together with a significant expansion of the University of Westminster Harrow Campus (up to 50,150m<sup>2</sup> of teaching facilities, sports facilities and ancillary leisure and commercial uses, and student accommodation with up to 800 student bed spaces), small scale commercial units to serve local needs and a replacement nursery.

3.2.15 Phase 1 of the masterplan will deliver 654 homes through a joint venture agreement between Sovereign Network Group and Vistry Partnership. The full masterplan currently is awaiting outline planning permission, which is subject to a section 106 agreement and GLA consent. The Northwick Park Masterplan will contribute ~£16m in CIL payments to the Council over the course of the total project.

3.2.16 The project meets Policy BT4: Forming an access on to a road through the promotion of sustainable modes of transport, helping to reduce pressure on the existing highway network. Most importantly, that the network can operate efficiently and safely for all users. This SCIL funding investment will help deliver key enabling infrastructure that will facilitate the safe provision of additional residential (BNWGA1A) for Northwick Park to be developed as a Growth Area.



### *Grove Park Pavilion*

- 3.2.17 The Grove Park Pavilion comprises a two-storey community brick-building of approximately 400 sqm. It is located on the north side of Grove Park, which is situated in a residential area of the Kingsbury ward. The ground and part of the first floor was occupied in connection with a nursery and children's education and has been in community use for over 30 years. Since 2018/19, the premises have been occupied by Live-in Guardians to prevent squatting/anti-social behaviour and the property requires investment to bring back into use.
- 3.2.18 The project proposes to refurbish the existing property to provide a modern, refurbished nursery for local residents. It is anticipated that the refurbished premises will be marketed by the Council for an experienced nursery operator to manage on a lease basis.
- 3.2.19 The project is currently in the early stages of refurbishment plans for the reinstatement of the use as before, and an indicative cost plan has been provided to the Council by an external surveyor. It is estimated the refurbishment costs will be in the region of £500k to bring the property up to a lettable standard. The works will include new floorings, windows, enhanced life safety equipment and age appropriate toilets and welfare facilities.
- 3.2.20 In Brent, the Burnt Oak and Colindale growth area brings together sites along the western edge of the Edgware Road, the A5 corridor, in between Burnt Oak and The Hyde Town Centres. Considering the new housing schemes coming forward in Burnt Oak and Colindale, there will be a need for new community facilities in and around the growth areas to meet this increase in population. Colindale/Burnt Oak is identified in the Mayor's London Plan as an Opportunity Area with potential for 7,000 new homes and 2,000 new jobs by 2041. Since 2019, over 1,400 new homes were completed in Colindale/Burnt Oak. Since the Opportunity Area was designated in 2008, over 5,000 new homes have been completed.
- 3.2.21 The project meets Policy BS11: Social Infrastructure & Community Facilities through supporting Brent's diverse community and helping to promote social inclusion and cultural wellbeing. The facilities proposed at Grove Park will do this as a place to meet, hire and provide essential childcare and education.

## **4.0 Stakeholder and ward member consultation and engagement**

- 4.1 For Preston Community Library, ward members have been kept up to date with progress on the project. Further, the community library is a key stakeholder in working on designs, building layouts and proposed usage of the building. Both parties will continue to be updated should the use of SCIL be approved and the delivery of the library fit out progresses.
- 4.2 For Northwick Park Spine Road, the key stakeholders are London Northwest NHS Healthcare Trust, The University of Westminster and Sovereign Network Group. The group along with the Council meet regularly to update on this project progress.

4.3 For Grove Park Pavilion, ward members will be kept up to date as the project progresses. Also, any potential nursery provider will be a key stakeholder in working on designs, building layouts and proposed usage of the building.

## **5.0 Financial Considerations**

5.1 The requested use of SCIL below for the three projects has been supported by Infrastructure Officer Working Group in order to fund the projects:

1. Preston Library: £600,000
2. Northwick Park Spine Road: up to £3,000,000
3. Grove Park Nursery: £500,000

5.2 At the time of drafting this report there is sufficient SCIL available to fund this project. As described above, the projects are seen as appropriate uses of SCIL to meet the requirements of the Local Plan and IDP.

5.3 For Preston Library, the anticipated cost is £867,000 and there is Neighbourhood Community Infrastructure Levy (NCIL) funding of £267,000 to contribute to the costs of the fit out costs.

5.4 For Northwick Park Spine Road, the projected budget is £13m and there is Housing infrastructure Funding (HIF) of £10m.

5.5 For Grove Park Pavilion, there is currently no additional budget and so the SCIL request is to fund the full costs to refurbish the existing building to create the proposed nursery.

5.6 By using SCIL, there is no need for the Council to use capital borrowing to deliver these projects.

## **6.0 Legal Considerations**

6.1 SCIL is a charge which can be levied by local authorities on new development in their area. It helps them deliver the infrastructure needed to support development. It can be used to fund a broad range of facilities including transport facilities, play areas, open spaces, parks and green spaces, cultural and sports facilities, healthcare, schools, district heating schemes and other community facilities. This flexibility gives local areas the opportunity to choose what infrastructure they need to deliver their relevant plan, supported by the IDP. Brent's IDP identifies the need for more community facilities across the borough with a range of affordable and flexible community spaces which can be hired for a range of uses.

6.2 For Preston Library, by approving the SCIL request, there are no further legal considerations as a result of this report.

6.3 For Northwick Park Spine Road, there are no further legal considerations as a result of this report.

6.4 For Grove Park Pavilion, by approving the SCIL request, the Council will be able to begin the project. This will involve procurement of very low value, low value, and medium value contracts. These will be procured in line with the Procurement Regulations and the Council's Standing Orders and financial and constitutional processes.

## **7.0 Equality, Diversity & Inclusion (EDI) Considerations**

7.1 The Council, as a public authority exercising public functions, is subject to a general public sector equality duty (PSED) under section 149 Equality Act 2010 (EqA). The PSED requires public authorities to have "due regard" to:

- The need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the EqA.
- The need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it. This involves having due regard to the need to:
  - remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it; and
  - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- The need to foster good relations between persons who share a relevant protected characteristic and those who do not share it. This includes having due regard to the need to tackle prejudice and to promote understanding.

7.2 For Preston Library and Northwick Park Spine Road, officers do not consider there is any change in the equalities considerations from those previously reported to Cabinet. For Grove Park Pavilion, further equalities considerations will be put forward when obtaining approval to procure and enter into contracts with designers and contractors.

## **8.0 Climate Change and Environmental Considerations**

8.1 For Preston Library and Grove Park Pavilion, the fit-out and refurbishment works will include low-carbon technologies such as air source heat pumps and enhanced building insulation to further reduce heat loss.

## **9.0 Human Resources/Property Considerations (if appropriate)**

9.1 For Preston Library and Grove Park Pavilion, completion of the projects will allow the Council to let these facilities to third party operators on a lease basis.


## **10.0 Communication Considerations**

10.1 The Council will continue to work with local stakeholders to update the local community and Ward Councillors as each project progresses.

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resources

 <b>Brent</b>	<b>Cabinet</b> 11 March 2024
	<b>Report from the Corporate Director, Finance and Resources</b>
	<b>Lead Member – Deputy Leader and Cabinet Member for Finance, Resources &amp; Reform (Councillor Shama Tatler)</b>
<b>Authority to Award Contract for the Provision of Microsoft Licenses for Shared Technology Service (STS) Partner Borough Southwark</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Key
<b>Open or Part/Fully Exempt:</b> <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small>	Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)"
<b>List of Appendices:</b>	Two Appendix 1 List of Tenderers Appendix 2 Evaluation Scores
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Amin Jan Assistant Category Manager, Shared Technology Services 07951 148778 <a href="mailto:amin.jan@brent.gov.uk">amin.jan@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1. This report concerns the procurement of Microsoft Licences for the London Borough of Southwark. This report requests authority to award a contract as required by Contract Standing Order 88. This report summarises the process undertaken in procuring this contract and, following the completion of the evaluation of tenders, recommends to whom the contract should be awarded in accordance with paragraph 13 of Part 3 of the Constitution.

## **2.0 Recommendation(s)**

That Cabinet:

- 2.1 Approves the award of a contract for the provision of Microsoft Licences for the London Borough of Southwark to Bytes Software Services Limited for a term of three years in the estimated sum of £6,306,449.63.

## **3.0 Detail**

### **Cabinet Member Foreward**

- 3.1 Under the Shared Technology Services' Inter Authority Agreement, Brent is the contracting authority for contracts procured for the delivery of services to the Shared Technology Services' partners, namely the London Boroughs of Brent, Lewisham and Southwark.
- 3.2 The current contract for the provision of Microsoft Licences for the London Borough of Southwark (Southwark) expires at the end of March 2024, and it is therefore necessary to procure a new contract. The award of the contract for the provision of Microsoft Licences is for the sole use of Southwark but will nonetheless help to ensure the effective operation of the Shared Technology Services which in turn assists with the Borough plan priority of Prosperity and Stability in Brent.

### **Background**

- 3.3 At present, Southwark requires approximately 4300 Microsoft Licences and additional Microsoft products for its staff members. These licences and additional Microsoft products have been procured under a contract with Trustmarque Limited for last three years. Microsoft Agreements are not made directly with Microsoft but contracted through resellers.
- 3.4 The contract for Microsoft Licences for Southwark expires 31<sup>st</sup> of March 2024 and to ensure that Southwark can continue to operate its existing systems, it is therefore mandatory to put a new contract in place prior to expiry of the existing contract.

### **The Tenders Process**

- 3.5 The Contract will be called off from the Y20011 KCS Professional Services Software Products and Associated Services 2 framework (the "Framework"), using the form of award and standard call off terms and conditions prescribed under the Framework. The Framework was established by Kent County Council
- 3.6 A further competition exercise was carried out using the Framework in accordance with its rules.
- 3.7 In accordance with the requirements of the Framework, the Invitation to Tender stated that the selection of Suppliers to be awarded the contract would be made

on the basis of the most economically advantageous tender, and that in evaluating tenders, the Council would have regard to the following:

- Price (80%)
- Quality (20%)

### **Evaluation Process**

3.8 The tender evaluation was carried out by a panel of officers from Shared Technology Services

3.9 All tenders had to be submitted electronically no later than 11 am on 26 January 2023. Four tenders were submitted. Each member of the evaluation panel read the tenders and met on 2 February 2024 and each submission was marked by the panel against the award criteria.

3.10 The names of the contractors are contained in Appendix 1. The scores received by the contractors are included in Appendix 2. It will be noted that Contractor B was the highest scoring contractor, and it is therefore recommended that the contract is awarded to Contractor B namely Bytes Software Services Limited.

3.11 The contract will commence on 25 March 2024. As the proposed contract represents a call-off under a framework agreement, a mandatory standstill period is not required.

### **4.0 Stakeholder and ward member consultation and engagement**

4.1 The relevant Shared Service Borough stakeholders have been consulted in relation to this procurement.

### **5.0 Financial Considerations**

5.1 The estimated value of the contract is £ 6,306,449.63.

Estimated Value - Year 1	Estimated Value – Year 2	Estimated Value – Year 3
£2,102,149.88	£2,102,149.88	£2,102,149.88

5.2 The cost of the contract will be met entirely from the Southwark IT budget.

### **6.0 Legal Considerations**

6.1 Under the Shared Technology Services' Inter Authority Agreement, Brent is the contracting authority for contracts procured for the delivery of services to the Shared Technology Services' partners. Southwark has fully delegated the procurement of ICT contracts within the scope of the Shared Technology Services to Brent. Pursuant to Schedule 9 of the Shared Technology Services'

Inter Authority Agreement, where Brent is procuring on behalf of the other Council(s), Brent shall follow its own Constitution and the Public Contracts Regulations 2015.

- 6.2 The value of this contract over its lifetime is in excess of the threshold for Services and the award of the contract is therefore governed by the Public Contracts Regulations 2015 (the “PCR 2015”). The award is subject to the Council’s own Standing Orders in respect of High Value Contracts and Financial Regulations
- 6.3 The PCR 2015 allow the use of framework agreements and prescribe rules and controls for their procurement. Contracts may then be called off under such framework agreements without the need for them to be separately advertised and procured through a full procurement process. Call offs under the framework need to be carried out in accordance with the framework rules, to include using evaluation criteria specified in the framework and utilising the terms and conditions set out in the framework.
- 6.4 The Council’s Contract Standing Orders state that no formal tendering procedures apply where contracts are called off under a framework agreement established by another contracting authority, where call off under the framework agreement is approved by the relevant Chief Officer and provided that the Corporate Director, Governance has advised that participation in the framework is legally permissible. The Corporate Director, Governance confirms that participation in the Framework in respect of the proposed procurement is legally permissible.
- 6.5 As the proposed Contract is classed as a High Value Contract pursuant to the Council’s Contract Standing Order 86 (e)(f), Cabinet approval is required for the award of any High Value Contract as required by paragraph 9.5 of Part 3 of the Council’s Constitution.

## **7.0 Equality, Diversity & Inclusion (EDI) Considerations**

- 7.1 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.

- 7.2 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster



good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

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

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

## **8.0 Climate Change and Environmental Considerations**

8.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any direct impact on Brent’s environmental objectives and climate change strategy.

## **9.0 Human Resources/Property Considerations (if appropriate)**

9.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any direct human resources or property considerations.

## **10.0 Communication Considerations**

10.1 Given the nature of the contract and the fact it is for the benefit of Southwark, it is not considered that the recommendation to award has any communication considerations for Brent.

**Report sign off:**

***Minesh Patel***

Corporate Director, Finance and Resources

This page is intentionally left blank

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

Document is Restricted

This page is intentionally left blank

## APPENDIX 2

### Evaluation Scoring Microsoft Licences for the London Borough of Southwark

Table 1

	Contractor A	Contractor B	Contractor C	Contractor D
Total Lot Price (£)	£6,403,654.20	£6,306,449.63	£6,249,481.98	£6,430,922.52
Weighted Price Score (Out of 80)	78.07	79.28	80	77.74

Table 2

Criteria	Contractor			
	A	B	C	D
Quality Criterion - Added Value (Out of 10)	6	8	6	10
Quality Criterion - Social Value (Out of 10)	8	10	8	8
Price Criterion - Weighted Price Score (Out of 80) from Table 1 Above	78.07	79.28	80	77.74
Total Score	92.07	97.28	94	95.74

This page is intentionally left blank