

LONDON BOROUGH OF BRENT

MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE HELD IN THE CONFERENCE HALL, BRENT CIVIC CENTRE ON 16 JULY 2025 AT 6.00 PM

PRESENT: Councillor Conneely (Chair), Councillor Kennelly (Vice-Chair) and Councillors, S Butt, Dixon, Long, Lorber, Mitchell, and Molloy.

ALSO Present: Councillor Krupa Sheth (Cabinet Member for Public Realm & Enforcement, for item 6), and Councillor Muhammed Butt (Leader of the Council, for item 7)

1. **Apologies for absence and clarification of alternate members**

Councillor Conneely (as Chair) welcomed members of the Scrutiny Committee to the meeting.

Apologies for absence were received from Councillors, Ahmadi-Moghaddam, Maurice and Shah.

Councillor Muhammed Butt (Leader of the Council) attended the meeting as a substitute for Councillor Mili Patel (Cabinet Member for Finance & Resources).

2. **Declarations of interests**

There were no declarations of interest raised during the meeting.

3. **Deputations (if any)**

No deputations were raised at the meeting.

4. **Minutes of the previous meeting**

It was **RESOLVED** that the minutes of the previous meetings held on Thursday 3 April 2025 and Wednesday 23 April 2025 be approved as a correct record.

The opportunity was also taken to provide feedback for future consideration, noting that where an agenda item contained a proportion of exempt or 'below the line' information, this should be clearly indicated on the agenda, with dedicated time allocated for its separate consideration. It was felt that this approach had not been followed in relation to the recent Call-In meeting, resulting in certain matters not being adequately discussed.

The Chair undertook to raise this issue with the Scrutiny Team and relevant Corporate Directors, to review how information is shared with the Committee while ensuring compliance with public access requirements.

5. **Matters arising (if any)**

There were no matters arising raised at the meeting.

6. **Order of Business**

The Chair agreed to vary the order of business on the agenda to enable the Resources & Public Realm Scrutiny Committee Work Programme 2025/26 (Agenda Item 9) and Scrutiny Progress Update - Recommendations Tracker (Agenda Item 8) to be considered as the first main items of business on the agenda. The minutes therefore reflect the order in which the items were dealt with at the meeting.

7. **Resources & Public Realm Scrutiny Committee Work Programme 2025/26**

The Chair began by reminding members that the Committee's Work Programme was a flexible and responsive document. It was noted that the programme had been developed collaboratively with Committee members and informed by feedback and concerns raised throughout the year. The Chair confirmed that, at this stage, the Committee was content to proceed with the current iteration of the Work Programme, while remaining open to future amendments as necessary.

Having reviewed the work programme report, it was **RESOLVED** to note the Resources & Public Realm Scrutiny Committee work programme for the 2025/26 Municipal Year.

8. **Scrutiny Progress Update - Recommendations Tracker**

The Chair referred to the Housing Management Complaints Annual Report presented at the Committee's meeting in April 2025. Particular concern had been expressed regarding the data relating to housing, repairs, and maintenance. In response to these concerns, the Committee had requested further scrutiny of the matter and was pleased to welcome the attendance of Tom Cattermole (Acting Corporate Director, Residents and Housing Services), Spencer Randolph (Director Housing Services), and representatives from Wates.

The Chair then moved on to invite questions and comments from the Committee in relation to Housing Complaints as part of the Housing Management Complaints Annual Report, with the following comments and issues discussed:

- Members queried the overarching strategic plan in place to significantly reduce complaints related to repairs, particularly those of a recurring nature, and also sought clarification on the role of staff training and the extent to which the approach moved beyond incremental improvements. In response, Tom Cattermole (Acting Corporate Director, Residents and Housing Services) confirmed that a strategic review had been undertaken, with a particular focus on staff training and service improvement. The review had

been led by Lizzie Skillen (Quality Assurance and Standards Officer) who had prepared a presentation on the subject. In continuing the response, Lizzie Skillen proceeded to outline the scope and findings of the review and informed the Committee that she had joined Brent Council in October 2024, coinciding with the launch of the project. The review had been driven by resident insights and experiences, gathered through surveys and other engagement methods, with the aim of delivering tangible outcomes for residents. It was emphasised that the review sought to overhaul the complaints handling process within Housing Services, with a view to establishing a holistic and resident-focused complaints service. The objective was to rebuild trust, rectify failings, and embed a culture of continuous improvement. Key areas identified for improvement included, systems and guidance, staff training and internal campaigns, governance and performance monitoring, complaint definition, triage, and resolution timeframes, root cause analysis of recurring issues; and data accuracy and reporting mechanisms. Ongoing work to improve housing monitoring and controls around resolution timelines was highlighted, ensuring that outcomes were being met. Members heard that the Housing Management Complaints Annual Report for 2025 was in development and would provide further insight into areas requiring improvement. Close collaboration was underway with Councillor Donnelly-Jackson as the Lead Member for Complaints, to ensure robust oversight and transparency. It was stressed that the project was not seeking quick fixes but rather a fundamental restructuring of the complaints system. The Committee was advised that once the complaints handling framework was firmly established, attention would shift to service improvements informed by complaint insights. It was anticipated that this would lead to a reduction in complaints in targeted areas.

Findings from the review had been disseminated across Residents and Housing Services, contributing to a reframing of the approach to complaints and resident experience. Several headline findings, included:

- 1) An overreliance on service requests, resulting in underreporting of complaint;
- 2) The need for improved complaint acknowledgement and expectation-setting;
- 3) Repairs-related issues as the primary drivers of Stage 1 and Stage 2 complaints;
- 4) Limited data issues, with plans to enhance analysis by trade, outcome, and compensation type
- 5) Concerns regarding housing customer service, particularly in relation to access and communication

In concluding the response, Lizzie Skillen (Quality Assurance and Standards Officer) noted that the review had been positively received across the service and was expected to yield significant improvements in complaints handling and resident satisfaction.

- Members raised queries regarding the historical pattern of complaints, particularly those arising from repeated poor workmanship by various contractors and noted that this had been a key rationale behind the restructuring of the repair contract and the establishment of the in-house Handyperson Service unit. Clarification was sought on whether there was any evidence, at the level of complaints, to suggest that this restructuring

had led to improvements. In response, Lizzie Skillen (Quality Assurance and Standards Officer) acknowledged that further work was required to investigate the complaints data in greater detail and advised that the current system outputs did not provide the necessary level of detail to draw firm conclusions. However, she referenced a recent resident survey which had highlighted recurring themes of dissatisfaction, notably a lack of response and ineffective solutions. It was stated that while these themes were evident, it was not yet possible to attribute them to specific service improvements. Spencer Randolph (Director of Housing Services) added that the new contracts referenced by members had only recently commenced and explained that the contract with Wates had been initiated at the end of May 2025, while a second contract was scheduled to begin on 1 October 2025. As such, it was too early to assess performance or make comparative evaluations between contractors. Spencer Randolph expressed optimism that future data would enable meaningful comparisons and facilitate the identification of best practice. He further commented on the importance of the patching model within the Handyperson Service, noting that one of the key sources of complaint had been the lack of continuity in personnel attending to repairs. The patching model was designed to foster accountability between the resident and the operative, thereby improving service delivery and resident satisfaction.

- Members raised concerns regarding data collection and administration, particularly in relation to the monitoring of service improvements and customer service retraining and queried when performance statistics would be available for Committee review, and whether such data would be accessible within the early part of the new municipal year. In response, Spencer Randolph (Director of Housing Services) indicated that it was unlikely that comprehensive data would be available within that timeframe and informed the Committee that the Council was in the process of implementing a new system, NEC, which constituted an 18-month project. The first phase, focused on repairs and customer interaction, was expected to span nine months. It was estimated that a full comparative analysis of current and future performance would be feasible within approximately one year, once the recommendations from Lizzie Skillen's team, the new contracts, and the improved data systems had been embedded. Tom Cattermole (Acting Corporate Director, Residents and Housing Services) provided reassurance that improvements in service delivery were anticipated to be visible on the ground in the short term. However, he noted that enhancements in reporting and data analysis would take longer to materialise.
- Members questioned how the Council had arrived at a position where there was a significant gap in data and knowledge, which had hindered early identification and resolution of issues, and enquired whether this was attributable to outdated systems, insufficient training, or administrative shortcomings. In response, Tom Cattermole (Acting Corporate Director, Residents and Housing Services) advised that the deficiencies were largely the result of legacy systems which had not been updated in line with technological advancements. Modern tools such as GIS and complaint mapping were cited as examples of innovations that had not yet been

adopted. Members were assured that efforts were now underway to address these gaps.

- The Chair requested further clarification on the definition of complaints and the noted overreliance on service requests. In response, Lizzie Skillen (Quality Assurance and Standards Officer) explained that, while the Council had a formal definition of a complaint, namely, an expression of dissatisfaction however made, there was a need to ensure that staff were trained to apply this definition in practice. The importance of recognising dissatisfaction during resident interactions and proactively offering the opportunity to lodge a formal complaint was emphasised. Lizzie Skillen further elaborated on the distinction between service requests and complaints. A service request typically involved a first-time request for a service, whereas a complaint indicated a failure in service delivery. It was noted that, over time, the boundaries between the two had become blurred, with service requests increasingly being used improperly, and advocated for clearer guidance and processes to ensure that complaints were properly identified and investigated. The Chair stressed the importance of ensuring that complaint systems were accessible to all residents and that artificial barriers to lodging complaints were not created. The Chair reiterated that the Committee's original concern stemmed from the Housing Management Complaints Annual Report, which had revealed that over 60% of complaints were being upheld. This indicated not merely a high volume of complaints, but a significant level of service failure. The Chair cautioned against interpreting the data as a reflection of system blurring and instead urged a focus on addressing the underlying issues of service quality.
- Members sought details around whether the number of upheld complaints constituted a Key Performance Indicator (KPI) for triggering penalty clauses within the newly established contracts. In response, Spencer Randolph (Director of Housing Services) informed that while upheld complaints were not explicitly defined as a KPI triggering penalty clauses, the contracts did contain provisions enabling the Council to take action where dissatisfaction with service delivery was evidenced. It was confirmed that repeated complaints concerning similar issues could be used to invoke contractual remedies, including penalty clauses, where appropriate.
- The Chair expressed concern that upheld complaints, where service failure had been formally confirmed, were not being used to inform KPIs. The Chair referenced comments made by Martin Stollery (Principal Complaints Investigator) during the Housing Management Complaints Annual Review in April 2025, in which he had stated that all contracts should contain mechanisms for holding contractors accountable for upheld complaints and associated service failures. The Chair emphasised that the Complaints Team was required to report on compensation payments, and that failure to align this data with contractual performance measures represented a missed opportunity to ensure accountability and value for money. In response, Spencer Randolph (Director of Housing Services) acknowledged the concern and explained that the contracts currently in place had been developed over a two-year period and may not fully reflect the latest expectations regarding complaint data integration. It was noted that while the contracts were not legacy in nature, they had been initiated prior to the current scrutiny and

reform efforts. Members were informed that the Council was working towards a position where complaint data would be sufficiently detailed to identify patterns of service failure. This would enable the Council to hold contractors to account, either through penalty clauses or by reallocating work between contractors where performance was found to be lacking.

- The Chair requested information on the number of penalties issued under historic contracts over the past five years. In response, Spencer Randolph (Director of Housing Services) advised that he was unable to provide that information at the time of the meeting. The Chair suggested that the details be provided as an information request following the meeting.
- The Chair recommended that the Council prioritise the integration of complaint data into KPI frameworks, noting that such measures were essential for holding contractors accountable. The Chair stated that penalty clauses represented one of the most effective tools available to the Council for driving service improvement and ensuring value for money. The Chair cautioned that failure to use these powers proactively would undermine efforts to deliver high-quality services to residents. In response, Spencer Randolph (Director of Housing Services) concurred, stating that contract management under the new arrangements must be significantly more robust than in previous years.
- The Chair questioned where ongoing performance and quality management updates would be reported, noting the importance of transparency and oversight. In response, Tom Cattermole (Acting Corporate Director, Residents and Housing Services) explained that performance updates would initially be reported to the Lead Member, followed by the Council Management Team (CMT), and subsequently to Cabinet. Following up, the Chair asked whether such updates would also be presented to the Scrutiny Committee, given its responsibility for overseeing housing management. In response, confirmation was provided that performance updates would indeed be presented to Scrutiny.
- Members queried the process followed when a resident reported a problem within their property, specifically whether a Council Housing Officer attended first to assess the issue or whether a contractor was allocated to undertake the initial evaluation. In response, Spencer Randolph (Director of Housing Services) conveyed that the approach varied depending on the nature of the repair. Ordinarily, under the Council's price per property contract model, the contractor would attend directly. This model encompassed a predefined basket of standard repairs, each priced and agreed in advance. For example, if a resident reported a leaking radiator, the contractor would attend without the need for a surveyor, as such repairs fell within the standard scope. However, in cases involving more complex issues, such as damp and mould or multiple interrelated faults, a surveyor would be required to attend, specify the necessary works, and pass the specification to the contractor for implementation.
- Additional queries were raised regarding the evaluation of proposed solutions, asking whether the Council reviewed the appropriateness and

completeness of the contractor's response to reported issues. In response, Spencer Randolph (Director of Housing Services) highlighted the importance of understanding whether repeat service requests at a given address were attributable to contractor failure, tenant behaviour, or property-related issues. It was suggested that such data would be instrumental in improving the effectiveness of repair delivery.

- Members were keen to seek details around how repair visits and proposed solutions were documented, noting that clear communication with residents regarding the scope of works was essential to reducing complaints. It was also questioned if such communication was consistently provided and whether it was documented in writing. In response, Charmen Tulloch (Wates Representative) conveyed that the process began with a call to the Council's call centre, which operated under a separate contract. Call centre staff were expected to set clear expectations during the initial contact, ensuring residents were not misled regarding the nature or timing of the repair. For larger jobs, an inspection would be conducted to determine priorities and establish a plan of action. For routine repairs, the aim was to achieve a first-time fix by allocating a suitably experienced contractor. It was explained that if additional works were identified during the visit, the operative was expected to report these and communicate the next steps to the resident. In cases where follow-on work was required, residents should be provided with a follow-on card detailing the nature of the work and the anticipated timeline. While an exact date could not be provided immediately, residents would be kept informed as the order progressed. Members suggested that the Council review its complaints data to determine whether complaints stemmed from actual service failures or from unmet expectations due to unclear communication and also emphasised the importance of documenting interactions in plain language, particularly given the diverse nature of Brent's population. It was suggested that improved documentation and communication could reduce the volume of complaints and enhance service satisfaction.
- Further information regarding how the Council was managing the financial implications of repeat repairs was sought by members and whether the associated costs, including compensation payments, were being integrated into contract performance assessments. In response, Spencer Randolph (Director of Housing Services) noted that the Council's price per property contract model meant that contractors were paid a fixed annual sum per property, approximately £500-£600, regardless of the number of visits required. Consequently, if a contractor had to return multiple times to address the same issue, they would not receive additional payment. This arrangement incentivised contractors to complete repairs correctly on the first visit, as repeat visits incurred costs to the contractor rather than the Council.
- The Chair queried whether compensation payments issued in response to service failures were funded by the Council or by Wates. The Chair also raised concerns regarding the price per property contract model, noting that if repair tracking systems were insufficiently robust, repeat repairs might be incorrectly flagged as new issues. This could result in duplicate charges to contractors, particularly where residents delayed reporting unresolved issues

due to personal circumstances. In response, Spencer Randolph (Director of Housing Services) clarified that under the price per property model, the contractor received a fixed lump sum per property, irrespective of the number of visits required. Therefore, repeat visits did not incur additional charges to the Council. Regarding compensation, it was explained that liability depended on the source of the service failure. If the fault lay with Wates, they would bear the cost; if the failure originated within the Council's housing service, the compensation would be paid from Council budgets. Tom Cattermole (Acting Corporate Director, Residents and Housing Services) further advised that the Council was currently paying approximately £5,000 per week in compensation across various cases and expressed hope that the ongoing review and improvement efforts would lead to a reduction in compensation levels.

- Details were sought around the impact of staffing levels and turnover within the Housing Repairs and Contract Management teams on service delivery and performance. In response, Spencer Randolph (Director of Housing Services) noted that staff retention varied across service areas. In tenancy management, staffing levels were stable and retention had improved, resulting in a noticeable increase in compliments received. In contrast, the repairs service had experienced higher turnover until recently. Recruitment to permanent positions was underway, and it was hoped that the new appointments would bring greater stability. Tom Cattermole (Acting Corporate Director, Residents and Housing Services) further informed that staffing changes did have a direct impact on service delivery and cited a recent case in which a change in homelessness caseworker had led to a service failure, emphasising the importance of continuity in staffing. Members suggested that the Council implement a formal policy to ensure that when a staff member leaves, their caseload is immediately transferred to a senior officer or manager and stressed that unresolved cases must not be allowed to stagnate, as repeated failures in this area were unacceptable and could not be mitigated by financial compensation alone.
- As a further issue highlighted, members queried how Wates' internal monitoring processes aligned with the Council's complaints data and how both parties were collaborating to identify root causes and implement shared solutions. In response, Charmen Tulloch (Wates Representative) acknowledged that the previous process had been fragmented and ineffective. It was reported that Wates now held weekly meetings with Brent Council to review outstanding complaints specifically related to repairs. These meetings focused on identifying issues, such as delays in material procurement, and analysing service failures. The aim was to implement corrective measures and prevent recurrence. It was further explained that the review process encompassed all complaint stages, including service requests, Stage 1 complaints, Stage 2 escalations, and Ombudsman referrals. A comprehensive approach was being developed to ensure clarity regarding roles and responsibilities across the complaint process. Lessons learned were being used to inform process changes and improve service delivery.
- Members asked whether the weekly meetings between Wates and the Council were formally documented. In response, Charmen Tulloch (Wates

Representative) confirmed that all complaints reviewed during these meetings were recorded. Monthly reports were compiled, detailing the nature of service failures and identifying responsible parties. These reports were analysed holistically to detect trends. In addition to the weekly meetings with the Council, Wates held separate internal complaints meetings. It was stated that she was working closely with Lizzie Skillen (Quality Assurance and Standards Officer) to strengthen the complaints process.

- Members queried the nature of recurring issues identified through complaint trend analysis, asking whether factors such as staff turnover or incomplete assessments were contributing to service failures, and what remedial actions were being considered. In response, Charmen Tulloch (Wates Representative) highlighted that one key issue previously identified was the allocation of direct labour resources. Staff assigned to day-to-day repairs were being diverted to address complaints, resulting in delays for other residents awaiting routine repairs. To address this, Wates had established a dedicated team of multi-skilled operatives specifically tasked with resolving complaints-related repairs. This separation of functions was intended to reduce missed appointments and improve service delivery, and had already shown positive results. Lizzie Skillen (Quality Assurance and Standards Officer) further added that further joint work was required to ensure consistency in data interpretation and reporting. It was noted that current classifications, such as 'service delayed', were insufficiently descriptive and did not support meaningful qualitative analysis. The need for improved data sharing and integration between the Council and its contractors was emphasised.
- The Chair sought clarification on whether complaints were managed solely by the Council or whether contractors operated their own internal complaints processes prior to escalation. In response, Lizzie Skillen (Quality Assurance and Standards Officer) confirmed that there should be a single, unified complaints process managed by the Council. However, it was acknowledged that in practice, cases had sometimes been raised initially with Wates, then subsequently escalated to the Council, and in some instances further referred to the Chief Executive's casework team. It was stated that efforts were underway to streamline and consolidate complaints handling across all landlord services, including repairs, estate services, and pest control, to ensure consistency and transparency.
- Members questioned why Wates had not invested in modern technology to improve service delivery, noting that reliance on physical follow-on cards appeared outdated. In response, Charmen Tulloch (Wates Representative) informed that Wates did utilise digital communication methods. Residents received text message confirmations immediately upon booking a repair appointment, with additional reminders sent 24 hours prior to the scheduled visit. On the day of the repair, residents received a further message allowing them to track the operative's arrival in real time.
- Members enquired about the usage rates of the Council's 'My Account' system and how residents typically reported repairs. In response, Spencer Randolph (Director of Housing Services) advised that a review conducted by Housemark had found 'My Account' to be difficult for residents to use when

reporting repairs. As part of the Council's system upgrade, residents would soon be accessing a new platform, NEC, which would be integrated seamlessly with 'My Account'. Residents would be unaware of the transition, but would benefit from improved functionality, including the ability to report and track repairs more effectively.

- The Chair sought details from Wates on how their internal systems were being modernised. In response, Charmen Tulloch (Wates Representative) confirmed that Wates was in the process of implementing a dynamic scheduling system. This system would automatically allocate repair jobs based on operative availability and proximity, thereby reducing delays and missed appointments. The system would track all trades and locations in real time, enabling efficient job allocation and minimising disruption caused by staff absences or overruns on previous jobs.
- Highlighting concerns relating to operatives allegedly attending properties, but failing to knock or ring the doorbell, and leaving a calling card without attempting contact, raised further questions around how Wates monitored such incidents and verified whether the resident was genuinely unavailable or whether the operative had failed to attempt access. In response, Charmen Tulloch (Wates Representative) clarified that operatives were expected to knock or ring the doorbell upon arrival. If no response was received, they were required to telephone the resident using the contact details provided. Should this also fail, the operative was to notify the planning team, who would then attempt to contact the resident directly. If no contact could be made, the visit was recorded as a 'no access'. It was confirmed that operatives were required to take a photograph of the calling card being posted through the door as evidence of attendance. It was acknowledged that in cases involving residents with mobility or hearing impairments, additional notes should be recorded in the system to ensure appropriate adjustments were made, such as waiting longer or knocking more audibly.
- Following up from the previous question, members questioned whether operatives could call ahead to confirm their arrival time and ensure the resident was available. In response, Charmen Tulloch (Wates Representative) stated that she was actively encouraging operatives to make advance calls. However, it was noted that even if contact was made, operatives were still required to attend the property. It was acknowledged that some residents might be temporarily unavailable, such as being at a nearby shop, and that not all residents had access to mobile phones, which posed challenges for communication.
- The Chair requested detailed information on the Key Performance Indicators (KPIs) used to monitor missed appointments, including the thresholds for acceptable performance, the point at which penalties might be considered, and the criteria used to assess subcontractor performance and service quality. In response, Charmen Tulloch (Wates Representative) advised that she would need to consult with the contract leads and provide a formal response at a later date. The Chair suggested that the details be provided as an information request following the meeting.

- Members queried the Council's approach to benchmarking complaints and performance against other local authorities. In response, Lizzie Skillen (Quality Assurance and Standards Officer) informed that Brent Council was actively engaged with other London boroughs and sector-wide organisations such as Housemark. These partnerships facilitated the sharing of research and best practice. The importance of data reliability when participating in benchmarking exercises was emphasised and noted that the Council was committed to increasing its contributions to sector-wide transparency and learning. Reference was also made to tenant satisfaction measures, which, while not designed for direct comparison, were increasingly being used as informal benchmarks.
- Views were then sought around the role residents played in monitoring service performance. In response, Spencer Randolph (Director of Housing Services) confirmed that the newly established Housing Management Improvement Board included both independent members and tenants. The Board would receive regular reports on service performance, including complaints and repairs. Lizzie Skillen (Quality Assurance and Standards Officer) further stated that a dedicated resident group focused on complaints was currently being developed. This group would co-design service improvements and receive regular updates on complaints performance.
- As a final query, members questioned whether the performance data and resident feedback would be escalated to the Lead Member, Cabinet, or relevant scrutiny committees. In response, confirmation was provided that all performance data would be incorporated into the Council's reporting structures, including the Council Management Team (CMT), Policy Coordination Group (PCG), and Cabinet.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of Housing Complaints as part of the Housing Management Complaints Annual Report. As a result of the outcome of the discussion, the following suggestions for improvement and information requests identified were **AGREED**:

SUGGESTIONS FOR IMPROVEMENT

- (1) Collaborate with the procurement and complaints teams to assess how complaints data and areas of underperformance can be more effectively embedded into the management and monitoring processes of the Wates contract, and the upcoming Mears contract.
- (2) Develop a communication standard in collaboration with key contractors, such as Wates and Mears, to ensure consistent, transparent, and high-quality engagement with residents throughout the repairs and complaints journey.
- (3) Establish mechanisms that enable residents to play a meaningful role in monitoring the performance of the repairs service and in holding both the council and contractors accountable.

- (4) Ensure regular reporting on the performance management of the Wates and Mears contracts to the Community and Wellbeing Scrutiny Committee.
- (5) Develop and implement a robust guidance framework for succession planning to be rolled out across relevant internal teams and extended to contractors, with a specific focus on managing staff turnover and maintaining continuity of service in the delivery of repairs for residents.

INFORMATION REQUESTS

- (1) Provide a copy of the Housing Services Complaints Management Review Findings Report for 2024/25, along with a progress update on the implementation of the recommended interventions outlined in the report.
- (2) Provide details on the number of penalties issued under the Wates repairs contract over the past five years, specifically those related to upheld complaints in the repairs service.
- (3) Provide a yearly breakdown and comparison of compensation paid by Wates for repairs over the past five years, alongside compensation paid by the council over the same period in response to complaints about Wates' service.
- (4) Provide a summary of the responsibilities and service scope for both the Wates and Mears contracts.
- (5) Provide details on the key performance indicators (KPIs) and penalty clauses included in the Wates repairs contract.
- (6) Provide details on the proposed key performance indicators (KPIs) and penalty clauses in the upcoming Mears repairs contract.
- (7) Provide a clear overview of how the price-per-property model works in repairs, along with a five-year breakdown of the percentage of council properties that did not require any repairs each year.

Please note that the specific wording of the suggestions for improvement and information requests was subject to refinement following the meeting, with the agreement of the Chair.

At the conclusion of the previous item and prior to the commencement of the Budget Update item which was scheduled for formal discussion later in the meeting, the Chair invited Tom Cattermole (Acting Corporate Director, Residents and Housing Services) to comment on the issue of temporary accommodation (TA). The Chair noted that temporary accommodation continued to represent a significant financial pressure on the Council's budget and requested insight into any recent developments, interventions, or concerns. In response, Tom Cattermole (Acting Corporate Director, Residents and Housing Services) acknowledged that temporary accommodation remained a substantial and ongoing budgetary challenge. It was confirmed that while the issue of subsidy had been addressed, it had not been fully resolved. It was further noted the emergence of pressures relating to supported exempt accommodation, which warranted further discussion in collaboration with

Lawrence Coaker (Director Housing Needs and Support). Tom Cattermole concluded by affirming that the matter continued to be a serious concern for the Council and was recognised as such by the political leadership.

9. Update on Recycling in Brent

Councillor Krupa Sheth (Cabinet Member for Public Realm & Enforcement) was invited to introduce a report providing a comprehensive overview of the council's recycling performance by waste type (food, paper and card, dry mixed recycling, Garden Waste) and service delivery. The report provided background information on recycling performance data since the start of the contract in April 2023, which highlighted the recycling finances and improvements made including partnership and communications initiatives. The report also provided an overview of 'Simpler Recycling' expectations and upcoming legislative reforms over the next few years. The importance of recycling and the ongoing challenges associated with residual waste was highlighted. It was acknowledged that while progress had been made in improving recycling rates, further efforts were required to meet environmental and financial objectives. Members were reminded that recycling remained a critical priority, not only in contributing to a greener and cleaner Brent, but also in supporting broader climate objectives. It was noted that residual waste disposal continued to rise in cost, placing additional pressure on the Council's budget.

Having thanked Councillor Krupa Sheth for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Update on Recycling in Brent, with the following comments and issues discussed:

- As an initial query, members questioned why Brent and other West London boroughs were achieving recycling rates below 35%, despite estimates suggesting that up to 80% of household waste was recyclable and the Mayor of London's target being set at 65%. In response, Chris Whyte (Director, Public Realm) advised that the primary barrier to improved recycling performance in Brent was contamination of recycling bins, particularly in communal properties. It was further explained that Brent had a higher proportion of such properties compared to neighbouring boroughs, which compounded the challenge. It was acknowledged that addressing contamination in these settings required more intensive and targeted intervention than in other areas.
- Members further queried whether the financial implications of low recycling rates had been modelled, to which Chris Whyte (Director, Public Realm) confirmed that the cost of sending residual waste to energy from waste facilities, as opposed to recycling, represented a significant financial burden for the Council. It was stated that this had been modelled and was well understood. It was additionally noted that Brent offered a comprehensive recycling service that was broadly compliant with emerging national guidance on simpler recycling. However, it was emphasised that further optimisation was needed, particularly in two key areas, namely - reducing contamination and increasing food waste recycling. It was highlighted that food waste remained the heaviest component of residual waste and that Brent's food waste recycling service, particularly for flats, was still in the process of being expanded. Confidence was expressed that once the rollout was complete and participation increased, performance would improve

significantly. Ealing Council was cited as an example of a borough with high recycling rates, largely due to a well-established and widely adopted food waste recycling service.

- Members referenced the Extended Producer Responsibility (EPR) scheme and asked how Brent intended to utilise the anticipated £3.6 million in funding to improve recycling outcomes. In response, Chris Whyte (Director, Public Realm) explained that the funding could be used to support the introduction of new collection systems, equipment, and, crucially, education and engagement initiatives. It was reiterated that Brent already had a comprehensive recycling service in place, and the focus would be on optimising existing services, particularly food waste collection and reducing contamination at communal properties. It was confirmed that the funding would support a wide range of activities aimed at increasing participation and improving the quality of recyclable materials collected.
- Members raised questions around how the Council could improve public engagement to secure greater buy-in from residents for recycling initiatives. In response, Councillor Krupa Sheth (Cabinet Member for Public Realm & Enforcement) noted that recent communications campaigns had gained significant traction on social media. In continuing the response, Penny Lee (Waste & Recycling Manager) elaborated on the communications strategy, explaining that it was highly targeted. It was stated that approximately 80% of households were already recycling correctly, and therefore the Council focused its resources on in-person engagement with the remaining 20% who were not. The success of the 'Contamination Monsters' campaign was highlighted, which had been promoted via social media and JCDecaux boards, achieving over 20,000 views. Reference was also made to a new initiative to reduce disposable nappy waste, which included offering £50 vouchers for reusable nappies. Since its launch in April, 50 Brent parents had registered for the scheme. The campaign was supported by libraries and registrars, who distributed information to new parents. In concluding the response, Chris Whyte (Director, Public Realm) stated that while overarching messaging and branding were important, the most effective results came from highly localised and tailored interventions. Ealing Council's 'Bin Pal' scheme was cited as an example of best practice, where bespoke solutions were developed for individual blocks in collaboration with residents. This approach had led to a 38-40% increase in food waste recycling in targeted locations. It was emphasised that Brent would benefit from adopting similarly localised and resident-focused strategies.
- The Chair sought clarification regarding the number of residents who had taken up the reusable nappy voucher scheme, noting that the committee report referenced 24 participants, whereas a figure of 50 had been cited during the meeting. In response, Penny Lee (Waste & Recycling Manager) confirmed that the figure of 24 reflected the position at the time the report was written. It was explained that the updated figure of 50 represented the most current data as of the date of the meeting, acknowledging a time lapse between the report's preparation and the present update.
- Additional questions were raised around whether it was accurate to state that 80% of households were recycling correctly, with 20% contributing to

contamination. In response, Penny Lee (Waste & Recycling Manager) advised that the figure was indicative rather than definitive. The Council's contamination rate stood at approximately 20%, based on borough-wide collections. It was explained that this figure aligned with data from tagging systems and intervention outcomes. The Council had observed that certain households repeatedly contaminated recycling bins, while others responded positively to interventions such as stickers, letters, and in-person visits. However, Houses in Multiple Occupation (HMOs) and properties with shared bins remained particularly challenging due to high turnover and limited resident engagement. It was clarified that the Council's approach was data-driven, with weekly visits targeted at properties reaching a third stage contamination threshold. While the specific households varied, the overall contamination rate had remained consistent. It was reiterated that the majority of households were compliant, which justified the Council's targeted engagement strategy, supported by a borough-wide communications campaign.

- The Chair challenged the assertion that 80% of all households in the borough were recycling correctly, noting that not all households, particularly those in certain flats, had access to recycling services. In response, Chris Whyte (Director, Public Realm) acknowledged that while Brent had a comprehensive network of recycling services, there were gaps. It was confirmed that food waste recycling was not yet fully rolled out to all flats, and that dry recycling services were not currently available to flats located above shops, due to challenges such as access via rear alleyways. It was stated that these gaps were recognised and that work was ongoing to address them. However, it was affirmed that, aside from these exceptions, dry recycling services were broadly available to households across the borough.
- The Chair summarised that the 80% figure referred to households with access to recycling services, rather than all households in the borough. Of those with access, approximately 20% were responsible for contamination, which significantly impacted the borough's overall recycling rate, currently around 30%. In response, Penny Lee (Waste & Recycling Manager) clarified that the earlier comments made referred specifically to dry mixed recycling, not food waste. It was noted that contamination was most prevalent in blue-lidded recycling bins, whereas food waste contamination was minimal. It was confirmed that the overall recycling rate included food waste, but the contamination data discussed related solely to dry recycling.
- Members raised concerns regarding the low levels of recycling observed across communal estates and noted that, despite the varying designs of these estates, a common issue appeared to be the poor condition and unclear labelling of communal bins. Members suggested that residents may be willing to recycle, but contamination of bins by the end of the week rendered recycling efforts ineffective and queried whether the allocated funding would be used to provide new bins, improve cleanliness, or simply apply clearer signage, and sought clarification on the measures being taken to incentivise recycling in communal blocks. In response, Penny Lee (Waste & Recycling Manager) acknowledged the issue of contamination in communal recycling and confirmed that the Council was actively seeking to

improve recycling infrastructure in these areas. It was explained that high contamination levels rendered recycling financially unviable due to increased processing costs. As a result, the Council had invested in retrofitting of existing recycle bins, currently being trialled in selected locations. These bins featured reverse lids and auto-locking mechanisms, designed to prevent the disposal of entire bags of general waste and encourage proper use of the recycling aperture. It was further stated that the trial locations had been selected based on existing contamination levels, housing stock characteristics, and infrastructure suitability. Monitoring was being conducted in collaboration with Veolia, who were capturing photographic evidence and assessing the quality of recycling at the transfer station. Should the trial prove successful, the Council intended to use the available funding to expand the initiative. However, it was noted that managing agents were currently required to purchase bins from Veolia, which posed a barrier to implementation. The funding could potentially be used to overcome this barrier and improve infrastructure where most needed. Chris Whyte (Director, Public Realm) further added that the Council was exploring the creation of dedicated recycling stations, particularly within larger or more problematic estates. The aim was to physically separate recycling bins from general refuse, thereby establishing compounds that residents could take pride in and utilise appropriately.

- In response to further questioning regarding the handling of cardboard, Penny Lee (Waste & Recycling Manager) clarified that the new bins were intended for mixed recycling. It was noted that, at present, paper and card were only separated at kerbside collections.
- Members then enquired about the enforcement powers available to compel housing management companies to improve recycling facilities. Additionally, the Member sought information on the timeline for rolling out recycling zones within Council-managed estates. In response, Penny Lee (Waste & Recycling Manager) acknowledged that enforcement remained a challenge due to the absence of specific legislation mandating recycling compliance. While recycling was compulsory, it was not enforceable under current central government legislation. The Council continued to work with the Housing Team to conduct compliance visits, particularly in cases where contamination was symptomatic of broader issues. These joint visits enabled a more holistic approach to resolving waste-related problems. It was confirmed that managing agents were reminded of their responsibilities under licensing terms, which required the provision of adequate waste and recycling facilities. However, it was reiterated that enforcement options were limited in the absence of legislative backing. Chris Whyte (Director, Public Realm) further mentioned that recent organisational changes had resulted in caretakers being integrated into the Public Realm team. This restructuring enabled closer collaboration between caretakers and waste officers, facilitating more effective resolution of bin store issues and fly-tipping. The integration aimed to harmonise operations and improve service delivery across estates.
- Members sought clarification on whether there was any meaningful attempt to send recycling materials from communal estates to processing facilities, expressing concern that such efforts may be lacking. In response, Penny

Lee (Waste & Recycling Manager) confirmed that communal recycling had been separated from kerbside collections following a service change, as its inclusion had previously diminished the overall quality of recycling. It was reported that kerbside recycling had since improved significantly, with a notable reduction in rejected loads due to contamination. The rebate received for recycling had increased year-on-year from 2023-24 to 2024-25, reflecting improved financial outcomes. It was explained that communal recycling remained problematic, with a recent waste composition analysis revealing contamination levels of approximately 34%. This exceeded the recycling processor's acceptance threshold of 20%, resulting in rejected loads and higher disposal costs. Consequently, the Council had adopted a targeted approach, assessing communal rounds individually. Veolia provided photographic monitoring, and a camera installed at the transfer station enabled the identification of cleaner rounds. Selected rounds were then permitted to proceed as recycling, contingent upon infrastructure improvements to reduce contamination. Chris Whyte (Director, Public Realm) emphasised the importance of addressing the reprocessing stage of the waste journey and noted that solutions were being explored to enable processors to accept more mixed waste and extract greater value, thereby reducing reliance on resident behaviour and placing greater responsibility on the processing system. In concluding the response, Penny Lee (Waste & Recycling Manager) highlighted that discussions were ongoing with the recycling processor regarding a tiered approach for heavily contaminated materials. Richmond Council was cited as an example of a borough operating its own mini recycling facility, allowing for pre-sorting prior to delivery to the main processor. However, it was noted that Brent currently lacked the infrastructure, resources, and financial capacity to implement a similar system. It was acknowledged that shared bins and limited resident accountability posed challenges across London.

- Members requested data on the proportion of communal versus kerbside recycling within the borough. The response confirmed that communal recycling accounted for approximately 200-300 tonnes per month, whereas kerbside recycling ranged between 1000 and 1200 tonnes per month.
- Further questions were raised around whether contaminated waste was being sent directly to incineration, to which Penny Lee (Waste & Recycling Manager) explained that contaminated communal recycling was treated as general waste. If such waste were sent to the recycling processor and subsequently rejected, the Council would incur dual handling fees and higher disposal costs. Therefore, it was more cost-effective to send known contaminated loads directly to general waste. At present, 2-3 communal rounds were consistently processed as recycling, with others assessed on a rolling basis.
- Members were keen to seek details around whether the Council had explored the cost of establishing its own mini recycling facility, similar to Richmond Council's, and if this could be funded through the anticipated £3.6 million from the Extended Producer Responsibility (EPR) system. In response, Chris Whyte (Director, Public Realm) advised that Richmond operated a dedicated facility for sorting waste prior to processing and noted that replicating such a model in Brent would likely exceed the funding

available through EPR and would require a suitable physical footprint, which was currently scarce within the borough. It was suggested that a more feasible approach might involve collaboration with neighbouring boroughs, such as through the West London Waste Alliance, to develop shared infrastructure.

- Following up, members questioned whether such collaborative arrangements were currently being explored and how the EPR funds were expected to be allocated. In response, Chris Whyte (Director, Public Realm) stated that no formal programme or schedule of works had yet been developed. The need for expert input and coordinated discussions with other boroughs was emphasised to ensure alignment in processing arrangements and strategic ambition. It was indicated that the next 12 months would be critical in shaping the project and determining how the EPR funding would be utilised.
- Members expressed concern regarding the borough's recycling rate, noting that a rate of approximately 30% was insufficient in light of the financial implications associated with the Emissions Trading Scheme (ETS) and suggested that the Extended Producer Responsibility (EPR) funding could be utilised to support strategic interventions, including the formation of partnerships and pilot schemes, particularly targeting food waste and communal properties. It was queried whether this approach aligned with the Council's broader strategic thinking. In response, Chris Whyte (Director, Public Realm) affirmed the importance of developing locally relevant collection solutions while ensuring alignment with regional reprocessing arrangements. It was emphasised that Brent's interventions must be targeted and context-specific, but also compatible with the wider West London Waste Authority infrastructure. It was noted that the challenge extended beyond Brent's boundaries and required coordinated efforts across the sub-region to ensure consistency between collection and reprocessing systems.
- Clarification was then sought regarding the definition of contamination within the recycling process. In response, Penny Lee (Waste & Recycling Manager) elucidated that contamination was categorised into two types: prohibited and objectionable. Prohibited items included materials that could not be recycled under any circumstances, such as food waste, nappies, black bin bags, and textiles. Objectionable items, such as soft plastics and coloured carrier bags, were sometimes recyclable depending on market conditions and processor capabilities. It was noted that contamination thresholds were determined by weight, with food waste and textiles being particularly problematic due to their density. Black bin bags, while visually prominent, were lighter and therefore less impactful in weight-based assessments. It was highlighted that soft plastics were expected to be collected and recycled by 2027 under government legislation, despite the absence of a viable market. This issue had been raised by numerous local authorities through representative bodies.
- Details were also sought on whether all types of plastic bags were considered contaminants, to which Penny Lee (Waste & Recycling Manager) clarified that black bin bags were classified as prohibited, while coloured or clear carrier bags were deemed objectionable. The recycling processor's sampling methodology differentiated between these categories, but the

Council's public messaging remained consistent that no plastic bags should be placed in recycling bins.

- Members enquired about the status of the national deposit return scheme and whether the Council could engage in lobbying to expedite its implementation. Additionally, suggestions were made around lobbying for increased charges on disposable black bin bags to discourage their use. In response, Penny Lee (Waste & Recycling Manager) reported that the deposit return scheme was currently scheduled for implementation in October 2028, according to the latest update from central government. It was noted that while the scheme could improve recycling rates, it might also reduce the volume of recyclables collected at Council facilities, potentially resulting in financial drawbacks. Chris Whyte (Director, Public Realm) additionally outlined key forthcoming milestones in waste policy, including the implementation of EPR in 2026, mandatory collection of plastic films and soft plastics in 2027, the launch of the deposit return scheme in 2028 and the introduction of the Emissions Trading Scheme post-2028, which would impose charges on waste streams with carbon content.
- Members queried what measures Brent was taking to discourage retailers from distributing free plastic bags. In response, Alice Lester (Corporate Director, Neighbourhoods & Regeneration) opined that smaller retailers, such as corner shops, were exempt from the requirement to charge for plastic bags. However, she agreed to verify the legislative details.
- Reference was made to paragraph 5.1 of the committee report, with members noting that year-on-year comparisons of recycling tonnages failed to account for the increase in the number of households. Requests were therefore made for a more meaningful benchmark to assess performance. In response, Chris Whyte (Director, Public Realm) concurred that tonnage alone was not a sufficient metric and emphasised that the recycling rate, defined as the proportion of total waste sent for recycling, was a more accurate measure of performance. It was suggested that metrics such as kilograms of waste per household per year would provide a clearer picture of trends and efficiency, particularly in light of population growth and increased housing stock.
- Members reflected on the implementation of the blue bag recycling system, noting that the first year had been challenging, followed by marked improvement in the second year. Members recalled that the projected revenue for the third year was £1 million and queried whether this forecast remained accurate. In response, Chris Whyte (Director, Public Realm) acknowledged that the introduction of the blue bag system had initially resulted in a decline in performance, primarily due to service disruption and widespread resistance to the change. However, it was reported that subsequent improvements had been achieved across four key indicators- namely, increased volume of recyclable material collected via the blue bag system, reduction in contamination levels, decrease in processing costs and growth in revenue generated from high-quality recyclables. It was confirmed that the system had experienced a temporary setback but had since demonstrated sustained improvement. The importance of maintaining and further enhancing this progress was also emphasised.

- As a point of clarification, members requested further details regarding the interpretation of a previous recommendation, noting that their appeared to be differing understandings of the recommendation. In response, the Chair clarified that the original recommendation had been for the relevant department to explore both the financial costs and potential benefits of offering a bin-based recycling option, as an alternative to the bag system. This would be made available to residents on an opt-in basis in specific areas of the borough. The recommendation also included the proposal to consider a trial of this alternative approach. Chris Whyte (Director, Public Realm) further clarified that the recommendation had been thoroughly considered at a previous scrutiny meeting, and a commitment had been made to explore its feasibility. However, several factors subsequently rendered the proposal unviable, such as that Veolia had advised that the bin-based system could not be implemented in a manner consistent with the Council's preferences; the use of bins was likely to result in increased contamination, posing a number of challenges; and the level of resident interest in a bin-based system had not been tested.
- The Chair requested data on the percentage of flats in the borough currently provided with access to food waste caddies. In response, Penny Lee (Waste & Recycling Manager) reported that all kerbside flats had access to food waste recycling and could order caddies free of charge. The Council actively promoted this service to households not currently participating. For blocks of flats, 25% had received indoor caddies with a roll of liners, alongside communal food waste bins. Additional blocks had received communal bins only, and the rollout of caddies was ongoing. Following on from the previous question the Chair asked when the rollout would reach full coverage, to which Penny Lee confirmed that the target date for achieving 100% coverage of communal flats with food waste caddies was March 2026.
- As a final point, the Chair enquired about the percentage of flats with access to basic recycling provisions, such as clear plastic recycling bags, even in the absence of full bin infrastructure. In response, Penny Lee (Waste & Recycling Manager) explained that clear plastic recycling bags were provided exclusively to flats located above shops. These residents could order bags online free of charge or collect them from local libraries. The Council also distributed bags directly to encourage usage. For blocks of flats, mixed recycling was facilitated through communal bins. All blocks were expected to have access to these bins, and where deficiencies were identified, the Council engaged with managing agents to ensure provision. Brent housing estates were monitored in collaboration with the Housing Team to maintain consistent access to recycling facilities.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of Recycling in Brent. As a result of the outcome of the discussion, the following recommendations to Cabinet, suggestions for improvement, and information requests identified were **AGREED**:

CABINET RECOMMENDATIONS:

- (1) To lobby central government for legislation to restrict the distribution of single-use plastic bags by businesses and promote recyclable alternatives as the standard where feasible. This recommendation focuses on discouraging businesses from providing plastic bags to customers and encouraging the use of recyclable alternatives, such as paper bags.

SUGGESTIONS FOR IMPROVEMENT:

- (1) Deliver a member briefing session on the council's recycling initiatives, outlining current efforts and opportunities for members to support promotion to constituents.
- (2) Strengthen collaboration between recycling, housing management, and regeneration teams to improve the robustness and accessibility of waste and recycling infrastructure in new builds and estate upgrades.
- (3) Strengthen outreach and boost engagement with young people to increase awareness and participation in recycling initiatives.
- (4) Enhance and diversify communication efforts, and strengthen collaboration with local partners to raise awareness about nappy disposal and recycling options.
- (5) Strengthen enforcement to ensure council waste and recycling requirements are consistently upheld across housing association premises.
- (6) Explore the provision of a more robust alternative to the compostable caddy liners currently supplied to residents as part of the food waste recycling service.

INFORMATION REQUESTS

- (1) Provide an analysis of the effectiveness of current initiatives aimed at reducing textile contamination in recycling, including any lessons learned and adaptations to the approach that have been made to improve efforts.
- (2) Provide data on the extent to which exempt households contribute to the average monthly 14–18% of paper and card incorrectly placed in blue-lidded recycling bins instead of blue sacks.
- (3) Provide a detailed breakdown of recycling contamination specifically attributed to garden waste over the last year (2024/25).

Please note that the specific wording of the recommendations, suggestions for improvement and information requests was subject to refinement following the meeting, with the agreement of the Chair.

10. Budget Update - Medium Term Financial Strategy

Minesh Patel (Corporate Director, Finance & Resources) was invited to introduce a budget update on Brent's overall financial position by examining the Financial

Outturn Report for 2024/25, the Quarter 1 financial forecast for 2025/26 and the medium-term financial outlook, which was part of the committee's role in undertaking budget scrutiny throughout the year and would be considered by Cabinet on 28 July 2025. It was reported that in relation to the Financial Outturn Report 2024/25, the Council continued to face financial pressures, particularly in relation to temporary accommodation. While an overspend had occurred, the final position was less severe than initially forecast, which was considered a positive development, albeit not ideal. It was confirmed that no new financial risks had emerged by the end of the financial year. Regarding the Quarter 1 financial forecast for 2025/26, it was noted that the first quarter of the new financial year remained an early stage in the reporting cycle. Emerging risks were evident, particularly in demand-led services. Despite these pressures, the Council was currently forecasting a breakeven position. Key areas of concern included temporary accommodation, Adult Social Care, and Children's Services. With regard to the medium-term financial outlook, Minesh Patel provided an update on the Government's approach to the Spending Review and the long-awaited Fair Funding Review 2.0. It was confirmed that the Government had now published the framework outlining the key areas of focus for the review, including the resetting of funding formulas used to determine the distribution of resources across local authorities. Members heard that a consultation on the Fair Funding Review was currently live, with a deadline of 15 August 2025. The consultation comprised 50 questions, covering all aspects of the proposed funding formulas. Each local authority was expected to submit a response. Disappointment was expressed that the government had not provided a standardised model for authorities to use in assessing the impact of the proposed changes. In the absence of such a model, various London Councils had developed their own, though none were deemed fully reliable due to differing assumptions. It was noted that Brent Council was actively working through the available models in collaboration with London Councils and external advisers. It was confirmed that Brent's response would incorporate relevant points raised by London Councils but would also be tailored to reflect the borough's specific circumstances and priorities.

Having thanked Minesh Patel (Corporate Director, Finance & Resources) for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Budget update & Medium-Term Financial Strategy, with the following comments and issues discussed:

- Members cited figures relating to housing needs, Dedicated Schools Grant (DSG) overspend, and supported exempt accommodation, and queried whether these indicators reflected any measurable improvement. In response, Minesh Patel (Corporate Director, Finance & Resources) explained that the figures presented reflected the outturn position, which followed a forecast based on various assumptions. It was noted that significant work had been undertaken by officers during the previous year to reduce financial pressures through savings and revised approaches. However, it was emphasised that many of the challenges were demand-led, and therefore subject to fluctuation. As an example in relation to homelessness, there were peaks and troughs in demand which could significantly affect financial outcomes. While some progress had been made, the underlying issues remained persistent. The financial impact was illustrated by noting that a single additional child that requiring residential accommodation could cost the Council approximately £250,000 per annum.

Cautious optimism was expressed regarding the forthcoming Fair Funding Review, which could offer a degree of financial relief.

- As a supplementary question, members queried whether the Council had any influence over the Fair Funding Review process. In response, Councillor Muhammed Butt (Leader of the Council) confirmed that a consultation was currently underway, and that London Councils were actively lobbying central government. It was reported that early indications suggested that 23 London boroughs were likely to lose funding under the proposed changes, with only 8 boroughs expected to gain. Brent was not among the gaining local authorities. This information had been shared during a recent meeting and presentation on indicative figures.
- Members observed the planned discontinuation of the New Homes Bonus and the consolidation of various grants into the Revenue Support Grant and requested initial projections on the financial impact of these changes and any potential policy implications. In response, Minesh Patel (Corporate Director, Finance & Resources) advised that while the full impact remained unclear, the consolidation of grants was, in principle, a positive development. It was explained that managing over 55 separate grants, each with distinct conditions, had been challenging. A single consolidated grant would offer greater flexibility and allow the Council to make more independent decisions regarding expenditure. Regarding the New Homes Bonus, it was confirmed that Brent was currently allocated £1.9 million for 2025/26, but the Government had not yet provided clarity on how much of this would be retained under the new arrangements. It was further explained that the Government had reduced the number of funding formulae from 15 to 9, and that Brent was currently analysing its comparative position across key service areas, including adult social care, children's services, housing, highways, and fire services. The complexity of this analysis was emphasised, noting that relative need varied significantly across regions. Concerns were expressed about the data sources underpinning the formulae, citing the outdated Index of Multiple Deprivation (2019) and the 2021 Census, providing scope for inaccuracies. It was reiterated that while the implications were difficult to predict, the Council was approaching the changes with cautious optimism.
- Members questioned when the Council would be able to assess the full implications of the funding changes. In response, Minesh Patel (Corporate Director, Finance & Resources) informed that the Government had indicated an Autumn settlement and expressed hope that this would be received in early Autumn. It was stated that the Council was continuing to run various models to assess potential outcomes and aimed to have a clearer understanding prior to the development of the draft budget. In acknowledging the uncertainty, Minesh Patel noted that different models produced widely varying results, some indicating significant losses, others suggesting minimal impact. It was anticipated that media coverage would highlight areas of the country facing substantial reductions. It was further noted that the Fair Funding Review would take into account historical decisions, such as councils choosing not to raise council tax in previous years. It was confirmed that such decisions would not result in penalties, and that the review aimed to ensure fair distribution.

- Members noted that only approximately 8 London boroughs were expected to benefit from the Fair Funding Review, with Brent likely to remain in a neutral position. In light of this, the importance of initiating early discussions regarding the Council's communications and engagement strategy was emphasised ahead of the 2026/27 budget. Members also stressed the need to actively consult residents, businesses and other stakeholders, and sought details around the plans to ensure that feedback was both captured and demonstrably acted upon. In response, Minesh Patel (Corporate Director, Finance & Resources) acknowledged the importance of early and effective engagement and recognised previous criticism of the Council's communications strategy. It was noted that the financial information involved was complex and not easily accessible to the general public. However, improvements in collaboration with the Communications Team were reported, including the use of simplified formats such as explainer videos and relatable examples. It was also confirmed that the Council would seek to translate technical financial matters into accessible content and would aim to engage a broad range of stakeholders. The value of early engagement was emphasised, particularly in explaining the inherent uncertainties, and stated that transparency from the outset would be more constructive than attempting to communicate changes at short notice. Councillor Muhammed Butt (Leader of the Council) further stated that the Council had been transparent in its reporting, including the identification of at least £30 million in required savings. It was confirmed that the Council was facing £10 million in cuts in the coming year merely to maintain existing service levels. The increasing reliance on reserves and the unsustainable nature of this approach was highlighted, as outlined in the financial report. The Council's commitment to openness with members, residents, and stakeholders was reiterated.
- Members queried whether the restructuring of central government funding streams represented a form of devolution, given the reduction in ring-fencing. In response, Minesh Patel (Corporate Director, Finance & Resources) elucidated that while the consolidation of grants into broader funding envelopes did offer greater flexibility, it did not constitute full devolution. It was noted that London already possessed certain devolved powers and that there were currently few discussions about further devolution. It was also explained that the consolidation of grants would allow local authorities to make more autonomous decisions, reducing the administrative burden of managing multiple funding streams with varying conditions. It was emphasised that the principal benefit of the new approach was certainty. While the funding levels may not meet all needs, having a clear 3-year settlement would enable more strategic planning and implementation, as opposed to reactive annual budgeting.
- The Chair asked whether the Government was likely to include notional indicators within the adult social care ring-fence, specifying either the type of care (e.g. preventative) or simply the requirement to allocate funding to the sector. In response, confirmation was provided that both elements were likely to be included. It was anticipated that a portion of the funding would be earmarked for prevention, while another portion would be designated towards adult social care.

- The Chair expressed concern that any notional allocation might not align with Brent's actual service needs. In response, Minesh Patel (Corporate Director, Finance & Resources) acknowledged the complexity of aligning national funding models with local needs and noted that the growth in adult social care demand consistently outpaced the funding provided, even when growth assumptions were built into the settlement. Councillor Muhammed Butt (Leader of the Council) additionally noted that the Council now had greater clarity regarding future funding, including confirmation that the 5% council tax cap was fixed. It was also stated that this clarity would assist officers in long-term planning and allow for a more strategic approach to financial management.
- Members queried the status of SCIL funds that had been collected but remained unspent and asked why these funds did not appear in the financial accounts and what benefits were derived from them. In response, Minesh Patel (Corporate Director, Finance & Resources) explained that SCIL was a ring-fenced funding stream, designated for specific infrastructure-related purposes. Members learned that within the Council's treasury management strategy, unspent SCIL funds were utilised to reduce the Council's exposure to borrowing costs. This was achieved through internal borrowing, whereby available SCIL balances were used in place of external borrowing, thereby avoiding higher interest payments. This was likened to using a savings account to offset the need for a more expensive loan. When a call on SCIL funding arose, the Council would then borrow externally to replenish the internal borrowing. This approach was embedded within the Council's capital financing strategy, which was managed separately from the general revenue budget.
- The Chair proposed that future financial reports include a clear statement of the SCIL balance, along with an explanation of how it featured in the Council's Medium-Term Financial Strategy and other financial updates. This would enhance transparency and support the Committee in understanding the role of SCIL in financial planning.
- As a further issue highlighted, members asked what planned investments were in place to utilise the HRA surplus. In response, Amanda Healy (Deputy Director, Investment & Infrastructure) reported that the HRA had been closely monitored throughout the year, resulting in a surplus that had contributed to an increase in the operating reserve, now standing at £5.3 million. This exceeded the Council's target of maintaining reserves at 5% of HRA income. It was noted that the reserves had previously been below this threshold, and efforts had been made to rebuild it to ensure resilience against unforeseen pressures. It was acknowledged that Brent's reserve levels remained lower than those of peer authorities, which continued to pose a risk. The surplus would support long-term planning for housing improvements and development. It was confirmed that progress had been made across both capital and revenue programmes, as outlined in the outturn report.

- Members questioned how the Council intended to manage financial risks to the HRA, continue building new homes, and ensure the account remained in surplus and queried the impact of these pressures on the HRA business plan. In response, Amanda Healy (Deputy Director, Investment & Infrastructure) acknowledged the challenge of balancing fire safety obligations with the continued delivery of new housing and reported that a significant number of new homes were due to complete within the current financial year, reflecting the success of the recent developments. However, a decline in the development pipeline was noted, largely due to affordability constraints. Members heard that the Council continued to explore alternative funding opportunities, including engagement with the Greater London Authority (GLA). While current grant levels were insufficient to sustain previous delivery levels, discussions were ongoing. It was confirmed that the HRA business plan had been structured to accommodate both planned fire safety works and future development, within the limits of available resources.
- Members were keen to seek details around the financial impact of Granville New Homes on the HRA, to which Amanda Healy (Deputy Director, Investment & Infrastructure) advised that a final figure had not yet been determined, as negotiations were ongoing. However, provisions had been made within the HRA business plan to account for the anticipated costs associated with Granville New Homes.
- As a final point, members observed that Brent currently held one of the highest levels of council tax arrears nationally, with an average figure cited at approximately £92.2 million, comparable to Croydon. Questions were raised around why previous interventions had not yielded greater success in reducing arrears and what impact the changes to the Council Tax Support Scheme had had on residents' ability to meet payment obligations. In response, Minesh Patel (Corporate Director, Finance & Resources) acknowledged that while some figures reported in the press were factually inaccurate, the Council's collection rates were not at a satisfactory level. It was noted that the Government's Fair Funding Review assumed a 95% collection rate, whereas Brent currently achieved approximately 93%, which presented a risk under future funding assumptions. It was further explained that the Council had identified this issue in Autumn 2024 and had begun exploring alternative approaches to improve collection. Reference was made to previous discussions around the distinction between 'can't pay' and 'won't pay' cases, noting that Brent's post-COVID recovery had been less robust than in other areas, largely due to higher levels of deprivation. It was highlighted that the Council had prioritised support for vulnerable residents through its Ethical Debt Policy, which had been appropriately applied. However, this had resulted in insufficient resource allocation towards pursuing debts from those with the capacity to pay but who had not done so. It was stated that a renewed focus was now being placed on balancing support and enforcement, with a concerted effort underway to improve the Council's debt position. It was additionally noted that a portion of the reported arrears figure included statute-barred debt that should have been written off. The Council had not undertaken regular write-offs in recent years, which had contributed to the inflated figure. It was clarified that writing off debt did not negatively impact the Council's financial position, as provisions were made elsewhere in the accounts to offset uncollectable amounts.

Following up, members questioned whether the changes made to the Council Tax Support Scheme had resulted in the majority of residents being able to meet their payment obligations, to which Minesh Patel advised that he was unable to provide the relevant data at the time of the meeting and undertook to provide a written response following the meeting.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of the Budget update & Medium-Term Financial Strategy. As a result of the outcome of the discussion, the following suggestions for improvement identified were **AGREED**:

SUGGESTIONS FOR IMPROVEMENT

- (1) In future finance reports, provide detailed information on the balance of unallocated CIL funds, how they are being factored into financial planning, and their contribution to achieving the Council's strategic priorities and long-term objectives.
- (2) In future finance reports, provide detailed analysis of Council Tax collection, including any ongoing assessment of the current Council Tax Support Scheme's impact on collection rates, and the outcomes of initiatives aimed at improving collection performance.

Please note that the specific wording of the suggestions for improvement was subject to refinement following the meeting, with the agreement of the Chair.

11. Any other urgent business

No items of urgent business were identified.

The meeting closed at 8:56pm.

COUNCILLOR RITA CONNEELY
Chair