



## Resources and Public Realm Scrutiny Committee

**Wednesday 16 July 2025 at 6.00 pm**

Conference Hall - Brent Civic Centre, Engineers Way,  
Wembley, HA9 0FJ

Please note this will be held as a physical meeting which all Committee members will be required to attend in person.

The meeting will be open for the press and public to attend or alternatively the meeting can be followed via the live webcast. The link to follow proceedings via the live webcast is available [HERE](#)

### Membership:

#### Members

Councillors:

Conneely (Chair)  
Kennelly (Vice-Chair)  
Ahmadi Moghaddam  
S Butt  
Dixon  
Long  
Lorber  
Maurice  
Mitchell  
Molloy  
Shah

#### Substitute Members

Councillors:

Aden, Afzal, Ethapemi, Collymore, Mahmood, Rajan-Seelan, Ketan Sheth and T Smith

Councillors:

Kansagra and J Patel

Councillors:

Clinton and Matin

**For further information contact:** Rebecca Reid, Governance Officer  
Tel: 020 8937 2469 Email: [rebecca.reid@brent.gov.uk](mailto:rebecca.reid@brent.gov.uk)

For electronic copies of minutes, reports and agendas, and to be alerted when the minutes of this meeting have been published visit:

**[www.brent.gov.uk/committees](http://www.brent.gov.uk/committees)**



### **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 or 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
<b>1 Apologies for absence and clarification of alternate members</b>	
<b>2 Declarations of interests</b>	
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.	
<b>3 Deputations (if any)</b>	
To hear any deputations received from members of the public in accordance with Standing Order 67.	
<b>4 Minutes of the previous meeting</b>	1 - 36
To approve the minutes of the previous meetings as a correct record:	
<ul style="list-style-type: none"><li>• Thursday 3 April 2025</li><li>• Wednesday 23 April 2025</li></ul>	
<b>5 Matters arising (if any)</b>	
To consider any matters arising from the minutes of the previous meeting.	
<b>6 Update on Recycling in Brent</b>	37 - 56
The purpose of this report is to provide a comprehensive overview of the council's recycling performance by waste type (food, paper and card, dry mixed recycling, Garden Waste) and service delivery.	
<b>7 Budget Update - Medium Term Financial Strategy</b>	57 - 198
This report provides an update on Brent's overall financial position by examining the financial outturn position for 2025/26, the Q1 financial forecast for 2025/26 and the medium-term financial outlook, which is part of the committee's role in undertaking budget scrutiny throughout the year.	

*(Agenda republished to include this item on 11/7/25).*

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

199 - 214

This report presents the scrutiny recommendations tracker for review by the Resources and Public Realm Scrutiny Committee.

## **9 Resources & Public Realm Scrutiny Committee Work Programme 2025/26**

215 - 222

To provide an update on the Resources and Public Realm Scrutiny Committee's work programme 2025-26.

## **10 Any other urgent business**

Notice of items to be raised under this heading must be given in writing to the Deputy Director of Democratic and Corporate Governance or their representative before the meeting in accordance with Standing Order 60.

**Date of the next meeting: Tuesday 2 September 2025**



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

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## **MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE** **Held in the Conference Hall, Brent Civic Centre on Thursday 3 April 2025 at 6.00 pm**

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

Also Present: Councillor Muhammed Butt (Chair of the Barham Park Trust Committee)

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

Apologies for absence were received from Councillors Conneely (Chair), Ahmadi-Moghaddam and Shah.

### **2. Declarations of interests**

Councillor S Butt declared a personal interest in respect of Agenda Item 3: Call-In: Barham Park Trust Committee Decision - Operational Property matters and restricted covenants at 776-778 Harrow Road as a member of the Planning Committee at the time planning application 22/4128 was considered and the decision which formed part of the basis of the call-in to be considered under Item 3 was subsequently made. In addition, he advised that he was currently the Vice Chair of the Planning Committee.

Similarly, Councillor Dixon declared a personal interest in respect of Agenda Item 3: Call-In: Barham Park Trust Committee Decision - Operational Property matters and restricted covenants at 776-778 Harrow Road as a member of the Planning Committee at the time planning application 22/4128 was considered and decision upon.

Councillor Maurice declared a personal interest in respect of Agenda Item 3: Call-In: Barham Park Trust Committee Decision - Operational Property matters and restricted covenants at 776-778 Harrow Road as a member of the Planning Committee at the time planning application 22/4128 was considered and the decision was made. In addition, he advised that he was one of the Councillors who had signed the call-in request.

Councillor Lorber declared an interest in respect of Agenda Item 3: Call-In: Barham Park Trust Committee Decision - Operational Property matters and restricted covenants at 776-778 Harrow Road as a Trustee of the Friends of Barham Library. In addition, he advised he was also a Trustee of the Friends of Barham Park. Furthermore, he disclosed that he had been approached on different occasions by the owner of the site at 776-778 Harrow Road.

At this stage of the proceedings, legal advice was offered to members who had participated in the Planning Committee during the consideration and subsequent decision on planning application 22/4128 relating to 776 & 778 Harrow Road, which the Trust Committee decision on modification of the restrictive covenant that was not subject call-in directly related to. Marsha Henry (Director of Law) referenced the seven principles of conduct in public life, specifically highlighting issues of objectivity and integrity which pertained to the way in which the average person might perceive the deliberation of the decision and whether members could arrive at a decision objectively. While there were differences in the matters being deliberated, it was

advised that, in terms of perception, it would be prudent for members who had been involved in the consideration of the relevant planning application to withdraw from discussions on the restrictive covenant issues. Consequently, due to their declared interests as members of the Planning Committee who had participated in the decision on the planning application relating to the site and in line with legal advice, Councillors S Butt, Dixon, and Maurice withdrew from the meeting during the consideration of matters related to the restricted covenants at 776-778 Harrow Road.

Members were advised that Councillor Lorber had been provided with advice in advance of the meeting which was reiterated by Marsha Henry (Director of Law), that he should consider whether he had a disclosable interest, although it was ultimately a matter for him to decide. Councillor Lorber advised that as he had not been a member of the Planning Committee he felt able to consider the call-in matters impartially and without any form of pretermination as he was representing local views. He therefore remained in the meeting and, having presented the call-in, continued in his role as a member of the committee. It was noted that, should any complaint arise as a result that would be subject to separate investigation under the Member Code of Conduct.

No other interests were declared at the meeting.

3. **Call-In: Barham Park Trust Committee Decision - Operational Property matters and restricted covenants at 776-778 Harrow Road**

In opening the item, the Chair advised that the meeting had been arranged, in accordance with Standing Order 14, to consider a call-in submitted by five members of the Council in relation to decisions made by the Barham Park Trust Committee on Monday 24 February 2025 regarding the following item:

- (a) Operational Property Matters relating to Barham Park and 778 Harrow Road Restrictive Covenant(s) Update

Given the nature of the issues raised under the call-in the Chair advised that he would separate consideration of the call-in into two distinct sections. The first would cover the wider property related issues arising from the Barham Park Trust decisions relating to the increase in allocated funding for Year 1 works to the estate utilising restricted funds and finalisation of the lease arrangements for Unit 6 within the Barham Park building with ACAVA. The second element would cover the decisions relating to modification of the restrictive covenants at 776 and 778 Harrow Road which would be undertaken once those members of the Committee who had declared an interest had withdrawn from the meeting.

In considering the call-in, the Chair reminded the Committee that the line of questioning must remain specifically within the remit of the call-in and that issues raised on anything wider would not be valid and ruled out for consideration.

Having clarified the basis of the call-in, the Chair then proceeded to invite Councillor Lorber to outline the reasons for the call-in as representative of the members who had supported its submission.



In presenting the call-in, Councillor Lorber highlighted the following key issues as the basis for which the decision had been called-in:

- In representing the members who had called in the decision, Councillor Lorber began by outlining a number of concerns regarding the conduct of the Barham Park Trust and the administration of the charity's affairs and highlighted the strength of feeling locally in opposition to the proposed modification of the restrictive covenant impacting on 776 & 778 Harrow Road, as demonstrated by a petition with over 700 signatories calling on the Council to protect Barham Park and not lift the covenant.
- Councillor Lorber expressed his dissatisfaction at being denied the opportunity to speak at the last meeting of the Trust by the Chair of the Barham Park Trust Committee and importance of adhering to guidance provided to Councils when acting as trustees of charities. It was emphasised that councillors were expected to be embedded within the local community and to understand the community's sentiments. However, it was felt the repeated refusal of councillors serving on the Trust Committee to listen to community members and their representatives indicated a fundamental flaw in the process and governance arrangements for the Trust.

As a result, it was felt that the relevant Charity Commission guidance should be reviewed, particularly in situations where there was a significant conflict of interest and support was expressed for the appointment of an independent trustee on the Trust Committee to help avoid such issues with it felt the Council having a direct interest in respect of the modifications being sought to the restrictive covenant designed to protect local interests following approval of the associated planning application. It was felt that this constituted a direct conflict of interest that the councillors serving on the Trust could not manage independently.

- It was explained that the covenant was established to protect the public, and the owner of the site had been aware of the restrictions when acquiring the properties. The covenants explicitly prohibited the addition of car parking spaces and other structures on the land. It was noted that the planning permission approved in June 2023 designated the site as a car-free development, however, the report to the Trust and the valuation referenced car parking spaces and the lifting of other restrictions, which it was felt contradicted the planning permission.
- The accuracy of the valuation relating to modification of the covenant and deed permitting the proposed development at 776 & 778 Harrow Road was also questioned, given the difference in the original position presented to the Trust Committee in September 2023. It was questioned whether the trustees would have pursued lifting or varying the covenant had they known the Trust would receive the reduced valuation (£200,000) given the costs also incurred by the Trust to achieve this amount.
- In summing up, the Committee was advised that the decisions made by the Barham Park Trust Committee on Monday 24 February 2025 were felt to be flawed, which had led to the decisions being called in for further consideration

and members in considering the call-in were urged to refer the matter back to the Trust or, preferably, to the Full Council for a decision regarding the management of the Trust.

The Chair thanked Councillor Lorber for summarising the reasons for the call-in and invited Members to ask any questions they had in relation to the information presented:

- As an initial query, the Chair inquired about the benefits of appointing an independent trustee. In response, Councillor Lorber elaborated on the fundamental issues faced by the Council, which had been recurrent, whether in the context of planning applications or the affairs of the Trust. It was noted that comments had been made about the necessity to meet housing needs within the Borough and, more importantly, the Trust's need to generate funds to avoid the Council having to make financial contributions. Reference was made to the guidance provided by the Charity Commission, which highlighted specific examples of major conflicts of interest that Councils might find challenging to manage with one such example reflected the situation in Brent, involving the disposal of a piece of land to generate funds for maintaining the rest of the land. The Charity Commission recommended that in such situations, the Council should seriously consider whether the conflict of interest was so significant that it could not be managed properly, thereby necessitating the appointment of an independent trustee.
- Further details were also sought on the manner in which it was felt public consultations should be conducted. In response, Councillor Lorber emphasised that Barham Park was land gifted to the public of Wembley for their recreation, and the local community had a strong attachment to the park. It was noted that the community understood the generosity of the individual who gifted the park and wanted to be heard regarding its management. In recognising the history relating to the development of the land at 776 and 778 Harrow Road it was highlighted that the community were opposed to any further development in the park or on the site. Councillor Lorber stressed that the community felt ignored, as they were neither consulted nor informed about decisions affecting the park.
- Members acknowledged the summary of the Charity Commission guidance provided, but as a point of clarification also felt there was a need to consider the extent of any perceived conflict of interest and how this would also need to influence interpretation of the guidance. In response, Councillor Lorber cited additional guidance regarding the appointment of an independent trustee when conflicts of interest were difficult to manage, as this would ensure transparency and impartiality. It was highlighted that reports presented to the Barham Park Trust Committee often referenced Brent Council's contributions to the Trust, whether in terms of officer time or financial support. It was argued that the need to generate funds to avoid Council contributions constituted a conflict of interest, indicating a lack of understanding and independence in managing the Trust's affairs.

As no further issues were raised, the Chair thanked Councillor Lorber for responding to the Committee's queries and advised that he had also accepted a further two requests to speak from members of the public in relation to the call-in. On this basis

he then moved on to invite Gaynor Lloyd (as a local resident who would also be speaking on behalf of the second registered speaker, Philip Grant), to address the Committee with the following key issues highlighted:

- Gaynor Lloyd, having experience as specialist commercial property partner in a law firm and working with valuers, emphasised the critical legal role in drafting the necessary modification and deed relating to the covenant and need to focus upon the precise wording and impact on valuation.

It was noted that altering restrictive covenants would significantly impact on the value of the associated land with concern expressed at the terms of the modification to the restrictive covenant which had formed the basis of the decision by the Trust Committee. Furthermore, while it was felt that the new wording should have been included in the Valuer's instructions, it appeared that officers could later amend these terms through negotiation, without any reference back to assess the impact on value. It was highlighted that the new wording also permitted car parking and garages, despite planning consent explicitly forbidding both.

- The impact on future value was also highlighted as a concern with, if felt, nothing to prevent the owner from submitting another planning application, as had been done before to extended development on the site.
- Concerns were also identified in relation to advice provided in the report to the Trust Committee on disposing of charity land for not addressing whether beneficiaries (the public of Wembley) should have been consulted first or identifying any potential conflicts of interest given the Council's liability for maintaining the park land.
- It was further mentioned that the Charity Commission had issued guidance in August 2024 on the legal responsibilities of trusteeship, prepared in consultation with the LGA, which urgently drew the attention of all local authorities. The call-in referenced Case Study 1 from that guidance, which mirrored the current scenario. It was felt that facilitating this development posed significant risks of conflict of interest for the Trust.
- It was noted that the Council, as the planning authority, faced substantial public objection to the planning application relating to the development of 776 and 778 Harrow Road, yet the Trust did not comment and the receipt of valuation fee in exercising the deed seeking to modify the restrictive covenants to permit the approved development felt to support the potential conflict of interest given the impact on subsidy provided by the Council to support the Trust.
- For the reasons outlined, Gaynor Lloyd advised that she also supported reference back of the original decision and also for the matter be referred to the Charity Commission for further review.

The Chair thanked Gaynor Lloyd for her comments and attendance at the meeting and then invited Members to ask any questions they had in relation to the information presented, with the following issues raised:

- Members referred to Gaynor Lloyd's examination of the report's details, seeking her perspective on what she would have anticipated the report to encompass for the trustees. In response, Gaynor Lloyd remarked that she would have expected the report to provide transparency by clearly setting out the exact terms of what the valuer was being asked to value. It was noted that it was almost impossible to understand from the report how the restrictive covenant was to be listed. Gaynor Lloyd further stated that although she had not seen the valuation report, she would have expected the brief to the valuer to specify the restrictive covenants and their replacements, to be considered during valuation. The difficulty in discerning the basis of the valuation from the report was stressed. It was further explained that valuing the modification or removal of a restrictive covenant was a specialist task with various implications. Further concerns were highlighted in what was felt to be contradiction between the conditions approved as part of the planning permission relating to the site and wording of the modification to the restrictive covenant in relation to car parking and impact on valuation.
- Members referenced page 19 of the committee report, noting the known planning permission and existing covenant restrictions on car parking. The report suggested modifications for residential dwellings and associated infrastructure, including garages and outbuildings and members questioned whether Gaynor Lloyd would have expected the valuer to assign a greater value to the site as a result. While not a valuer, Gaynor Lloyd advised in response that the inclusion of car spaces as part of the redevelopment of the site would likely have a higher market value than those without. The importance of appending the valuer's instructions to the report to ensure transparency and public understanding of the post-event developments in the park was emphasised.
- In terms of any bias in the valuation in favour of the site owner Gaynor Lloyd highlighted the Charity Commission guidance in terms of any valuation process. Whilst not having access to the valuation report, it was accepted that the valuation had been conducted by an accredited professional.

The Chair thanked Gaynor Lloyd for responding to the Committee's queries and then moved on to again invite Gaynor Lloyd to speak on behalf of Philip Grant to address the Committee, with the following issues raised:

- Gaynor Lloyd, on behalf of Philip Grant, referred to the report presented at the Barham Park Trust Committee meeting on 24 February 2015, which stated: "The restrictive covenants were imposed in August 2011 to preserve the area's character and limit development." It was asserted that these aims remained as crucial now as they were in 2011.
- Barham Park, identified as one of Brent's Historic Parks and Landscapes, was considered a heritage asset that the Council pledged to protect. The covenant achieved this by prohibiting "any development in or upon the Property," which was situated within the park and designated as a Site of Importance for Nature Conservation.

- Concerns were therefore highlighted at the basis of the decision made by the Planning Committee when granting development consent in 2023 with covenant therefore representing the final protection.
- Whilst the decisions made by the Trust in February appeared to align with the Council's Property Strategy, approved by the Cabinet last year, it was, however, felt they it did not reflect the charitable aims of the Trust or the wishes of the residents, who were intended to be its beneficiaries.
- The Charity Commission had recommended that local residents should have a voice in the Trust's decisions which, despite a proposal presented to the Council's Corporate Director of Law & Governance, had not been accepted following the most recent review of the Trust's governance arrangements. Additionally, it was noted that Philip Grant along with other residents had been denied the opportunity to address the Trust Committee on these matters in September 2023..
- In concluding, Philip Grant had felt Brent Council as the sole Trustee of Barham Park along with the Trust Committee was acting contrary to the Trust's best interests, and as a result support was expressed for the matter being referred back for further consideration.

With no questions raised, the Chair thanked Gaynor Lloyd (on behalf of Philip Grant) for presenting the representations to the Committee and then proceeded to invite Councillor Muhammed Butt as Chair of the Barham Park Trust Committee to respond to the issues raised within the call-in.

Councillor Muhammed Butt thanked the speakers for their contributions. In responding to the call-in and explaining the basis of the decisions made by the Barham Park Trust Committee, he felt it was important to begin by highlighting that the reports had detailed the process followed by the Trust and assured all present that the Trust had received appropriate advice and legal guidance to ensure full compliance with the requirements related to their charitable obligations. The Committee had received the requisite training to ensure adherence to all necessary requirements and regulations with, he assured members, all decisions made felt to be in the best interest of the Trust and in accordance with the requirements for trustee members.

Having thanked Councillor Muhammed Butt for the initial response on the call-in the Chair took the opportunity to emphasise the importance of adhering to the advice provided in relation to consideration of the call-in. It was therefore confirmed that the topics for discussion at this stage of the meeting would include the decisions relating to the increase in allocated funding for Year 1 works to the estate utilising restricted funds and finalisation of the lease arrangements for Unit 6 within the Barham Park building with ACAVA, prior to those councillors who had declared an interest withdrawing from the meeting for the second element of the call-in.

The Chair then invited comments from the Committee with the following points covered:

- Members raised initial concerns regarding the failure to respect the car-free provision in the planning permission, noting that it had been stated this did not affect the valuation and inquired if this could be reconsidered. In response, Denish Patel (Head of Property) confirmed that there were no plans to breach the planning permission and clarified that the restrictive covenants would align with the planning permission. It was noted that the committee report referred to vehicles, including cycles and cycle parking, rather than motor vehicles specifically.

As further clarification, Martha Grekos (Senior Planning Lawyer) advised the Committee regarding the planning matters:

- The sale of the two properties was lawfully executed by the Trust in 2011, and they were no longer part of the Trust holdings, now being private residential properties outside the Trust estates. The Trust retained certain restrictive covenants imposed on those titles at the time of sale. Planning permission was granted on 13 June 2023, reflecting that these events occurred at separate times.
- The modification of the covenant rights did not constitute a disposal of park land. The present proposal was not a sale or transfer of the actual land, nor did it involve disposing of any charity-owned land or public open space. The Trust retained covenant interests, which did not detract from the public use or enjoyment of the park.
- The Trust would not agree to any covenant release that permitted more than what the planning permission allowed. The intent was to mirror the scope of the approved developments, with no extensions or outbuildings permitted unless aligned with the current planning permission. Condition 3 of the planning permission removed permitted development rights for extensions and outbuildings, and Condition 28 provided measures to prevent vehicle parking within the curtilage of the dwelling houses, ensuring a car-free development.

In reminding members of the initial focus on matters relating to the increase in allocated funding for Year 1 works to the estate utilising restricted funds and finalisation of the lease arrangements for Unit 6 within the Barham Park building with ACAVA the Chair advised that further questions at this stage of the meeting should only relate to the call-in on these elements of the decisions. In continuing the following issues were raised:

- Regarding the funding for Year 1 works, the Chair sought clarification on use of the restricted funds. In response, Tanveer Ghani (Director of Property and Assets) explained that the figure used in the September 2024 Trust Committee Operational Property Matters report was based on an assessment by a surveyor, focusing on works costs and capital costs. The £269,000 estimate for initial repair works did not include professional consultants' fees. The new figure of approximately £350,000 in the February 2025 paper accounted for 10% professional fees and new information regarding VAT treatment.

- In response to further questioning, Ben Ainsworth (Head of Finance) remarked that there were special rules regarding VAT recovery for charity trusts where the local authority was the sole trustee, which differed from the rules applicable to the Council. The Council benefited from rules concerning VAT recovery, whereas the Trust could recover a much more restricted amount of VAT, not to the same extent as the Council. Specifically, the Trust could only recover VAT on its non-business activities and not on its business activities. This distinction was identified during the finalisation of the total cost for the latest report.
- Members recalled that approximately 18 months prior, the Trust had considered a substantial investment in Barham Park, focused on future development of the estate building. The trustees had been advised of the likely investment required. It was questioned whether the costs presented to the trustees included the VAT cost. The response confirmed that the costs presented to the trustees were exclusive of VAT with concerns subsequently expressed by a member of the committee about the basis of the advice in this respect provided to the Trust Committee, which had also caused significant concern among local residents and community groups occupying the Barham Park building given the level of cost previously incurred and perceived lack of progress in delivery of any improvements. As a result it was felt consideration needed to be given to the current governance arrangements of the Trust to ensure appropriate challenge for the benefit of the charity and the people of Brent.
- The Chair then moved on to focus on addressing the re-negotiation of the lease at Unit 6 with further details sought on the repayment of any outstanding arrears. In response, Denish Patel (Head of Property) advised that early discussions with the current lease holder (ACAVA) on the lease re-gear were underway, and one of the conditions would be that any tenants wishing to re-gear their lease must have cleared any arrears owed. A lease re-gear would not proceed if the tenant had outstanding debt to be repaid.
- Confirmation was also sought that the Trust was seeking to obtain the maximum commercial rental agreement and whether that would be sustainable for future tenants. In response, Denish Patel (Head of Property) explained that a valuation would be carried out, potentially including a pro-rata valuation on current rents, as a individual tenant currently held one lease for multiple units. An independent valuation would be conducted for the Trust, and negotiations would proceed based on the valuation.
- The Chair acknowledged the challenges in the commercial rent market and asked if the trust could afford for the building to remain vacant for a substantial period and for how long. In response, Denish Patel (Head of Property) advised that it was not ideal for units to remain vacant for long periods. The intention was for the property to be marketed, and it was noted that there was demand for commercial units in the Borough. Confidence was expressed that the unit could be let within a reasonable period, although there might be a period of vacancy. Efforts would be made to achieve a back-to-back letting if possible.
- In terms of further clarification regarding the VAT position of the Trust the current status of income sources was explained with Tanveer Ghani (Director of Property

and Assets) outlining the potential benefits and costs of VAT treatment and impact of any delay in seeking to progress the essential maintenance works and wider property strategy for the estate building whilst the VAT position was considered, noting that delays in tendering could lead to increased construction and inflation costs.

- The need highlighted to ensure that any lease agreement should avoid any financial loss to the Trust. It was remarked that if ACAVA were to surrender or re-gear their lease, they should continue to pay the due rent until the Council successfully re-let the units. It was emphasised that there should be no unpaid void period, as this was a matter of negotiation and agreement. It was also noted that the units were in poor condition and would be challenging to let. In response, Denish Patel (Head of Property) advised that it would not be fair to the existing tenant to impose such conditions and emphasised that the Trust, when letting properties, engaged in commercial activity, which inherently involved risk. Balancing the sustainability of existing tenants was also important. It was assured that efforts would be made to re-let the units as soon as possible if the proposal proceeded, with a focus on mitigating risks.

With no further issues raised and having considered the grounds for the call-in and response provided at the meeting in outlining the basis for the decisions which had been taken by the Barham Park Trust Committee the Committee (in summing up and considering the options available under the call-process), indicated they were minded to confirm rather than refer back the original decisions taken by the Barham Park Trust Committee in relation to the allocation of funding for Year 1 works to the estate utilising restricted funds and finalisation of the lease arrangements for Unit 6 within the Barham Park building with ACAVA.

It was therefore **RESOLVED**, having noted the comments from two members of the Committee who expressed a preference for referring the decision back for reconsideration on the basis it was not felt the issues raised under the call-on had been adequately addressed, to confirm as a final outcome of the call-in the original decision made by the Barham Park Trust on Monday 24 February 2025 in relation to the allocation of funding for Year 1 works to the estate utilising restricted funds and finalisation of the lease arrangements for Unit 6 within the Barham Park building with ACAVA, with it noted that those decisions would therefore take immediate effect following the meeting.

In accordance with their disclosable interests declared earlier in the meeting Councillors S Butt, Dixon, and Maurice then withdrew from the remainder the meeting prior to the consideration of matters pertaining to the related to covenants at 776-778 Harrow Road.

The Committee then turned their attention to the matter regarding the modification of the restrictive covenant on 7768 & 778 Harrow Road, to which Martha Grekos (Senior Planning Lawyer) provided a concise summary of the earlier discussions pertaining to this issue. It was reiterated that the Trust would not agree to any covenant release that permitted anything more than allowed under the granted planning permission. The intent was to mirror the scope of the approved developments, unless aligned with the current planning permission. Condition 3 of the planning permission removed



permitted development rights for extensions and outbuildings, and Condition 28 provided measures to prevent vehicle parking within the curtilage of the dwelling houses, ensuring a car-free development.

Having thanked Martha Grekos for the summary, the Chair then invited comments from the Committee, with the following issues raised:

- The Chair inquired whether a public consultation was necessary and, if so, what benefits it would bring to the Trust. Opinions were also sought on the scope of such a consultation, whether it should cover the Sudbury area only or be extended to the wider Wembley area. In response, Marsha Henry (Director of Law) indicated that a consultation would not be required. Whilst acknowledging that the restrictive covenant was held on trust for a charity in accordance with section 121A of the Charity Act 2011 and that the covenant benefited the land to which it related, it was not accepted that the cottages were to be used for any particular purpose of the charity, that they amounted to designated land, or that the consequential publication and engagement requirements of section 121A applied. Accordingly, the Trust would need to request that the Charity Commission formally dispense with the requirements of section 121A in their section 105 application.
- The Chair noted that over 700 residents had signed a petition expressing a desire to have a say in what was built and used in the park. The Chair hoped this would be considered in future decisions. The Chair emphasised the importance of preventing boundary creep and ensuring that the green space and public park were protected from overdevelopment. In response, Denish Patel (Head of Property) assured that the development would remain within the current title, requiring verification by an independent surveyor both prior to and during the development.
- Members noted that the February 2025 Trust report, particularly paragraph 3.9 onwards, might cause concern due to the specified paragraphs purportedly conflicting with the conditions imposed on planning. Members also questioned why these paragraphs were included in the report and why the valuer referred to car parking spaces for each of the new houses. In response, Denish Patel (Head of Property) reassured the Committee that the designated adviser worked exclusively for the Trust, not the Council or the landowner. It was emphasised that the adviser's report was solely for the benefit of the Trust with further assurance that that valuers used their professional judgment to collate evidence from the market.
- Assurance was sought as to whether it was felt the Trust had received maximum value for the valuation and whether obtaining another valuation would provide benefit to the Trust. In response, Denish Patel (Head of Property) reminded the Committee that chartered surveyors adhered to the highest professional and ethical standards dictated by the RICS. It was stated that the valuation represented the best terms reasonably obtainable for the proposed change and that any further changes to the restrictive covenants would require future approval by the Trust Committee. Tanveer Ghani (Director of Property and Assets) additionally noted that the Charity Commission had been engaged

following a separate complaint submitted following the decision taken by Trust meeting in February 2025 in relation to the legal and valuation advice provided. The Charity Commission had indicated that they would not minded to pursue the complaint any further, based on the information which had been provided in response to their requests for further detail. There was deemed to be no further value in seeking different valuation reports, as it would frustrate the process and undermine the Trust's position in future negotiations. Furthermore, the Chair sought assurance that the actions were in line with the Trust's objectives and the best interests of the charity, as well as compliance with planning consent and regulations. In response, Tanveer Ghani (Director of Property and Assets) confirmed that the definitive planning permission for the development allowed on the site had been obtained. The valuation was undertaken in terms of the gross development value, in line with the planning permission for.

- Members inquired about the meaning of recommendation 2.1, specifically referring to the modifications outlined in paragraphs 3.8 to 3.11 of the Trust report, which referenced garages, parking spaces, and other elements and appeared to contradict the planning approval granted. In response, Tanveer Ghani (Director of Property and Assets) explained that the covenant modifications would need to be drafted through the legal conveyancing process with independent solicitors acting on behalf of both parties. In continuing the response, Martha Grekos (Senior Planning Lawyer) referred to paragraphs 3.8 and 3.9 to 3.11 of the committee report, which discussed the proposed modifications in the planning permission. It was acknowledged that these paragraphs might appear contradictory but clarified that the TP1 dated 12 August 2011 showed all the restrictive covenants. The proposed modifications were intended to facilitate the development. There were six restrictive covenants, including one that restricted the use of the property to a single private dwelling. As planning permission had been granted for an increased number of dwellings, that restriction needed to be removed. The modifications preserved reasonable protections while enabling the approved redevelopment and would be finalised following the legal conveyancing process. In concluding the response, Nadeem Khan (Chief Lawyer Property Planning and Environment) further added that the modifications would only authorise what the planning permission allowed, ensuring alignment with the planning permission. The document would be presented to the other parties' solicitors for comments and suggestions with assurance provided the aim was to modify the restrictive covenants to allow the development in accordance with the planning permission and related conditions.
- Further clarification was sought that there were no further significant changes proposed, with Martha Grekos (Senior Planning Lawyer) confirming that the changes were solely to allow the permission granted in 2023. It was emphasised that there would be no additional changes beyond what was granted in the planning permission.
- Members questioned the necessity of modifying the restrictions, particularly those related to vehicles and storage, given that the planning permission specified a car-free development. Details were sought around the reason why the restrictions to allow vehicle access needed to be modified when it was not part of the planning permission granted in 2023. In response, Martha Grekos

(Senior Planning Lawyer) clarified that the term 'vehicle' could include cycles. It was further explained that planning permission had mandated a car-free site with measures to prevent residential parking. The covenants would not create inconsistencies, ensuring a car-free development with essential access for emergency services only.

- Members cited page 19 of the committee report, which referenced the parking of vehicles by residents and visitors in designated areas approved under planning permission, and questioned whether or not this referred to car vehicles. In response, Martha Grekos (Senior Planning Lawyer) confirmed that it did not refer to car vehicles, as Condition 28 specified a car-free development. Nadeem Khan (Chief Lawyer Property Planning and Environment) further highlighted that one of the existing restrictive covenants prohibited the parking of trailers, mobile homes, caravans, cars, or boats, which would remain unchanged.
- Members identified that the committee report referred to modifying the restriction on standing or supporting vehicles, commercial vehicle trailers, mobile homes, caravans, trailers, carts, or boats to permit reasonable residential use. It was questioned why the report stated modifications if officers claimed there were none. In response, Nadeem Khan (Chief Lawyer Property Planning and Environment) informed that the modifications would align with the planning permission, allowing the development. It was further explained that all variations and modifications to the restrictive covenant would be reviewed to ensure compliance with the planning permission. For the avoidance of doubt, Martha Grekos (Senior Planning Lawyer) read Condition 28 from the committee report, which required measures to prevent vehicle parking within the curtilage of the dwelling house prior to first occupation. These measures were aimed to ensure a sustainable car-free development and protect the amenities of Barham Park users.
- Members expressed concern regarding the clarity of the proposed modifications presented for approval. In response, whilst acknowledging the potential for confusion members were once again assured that the planning permission would form the guiding document and compliance with Condition 28 was assured within the original planning consent was confirmed.

In recognising the concerns raised the opportunity was once again taken to highlight the importance of robust governance arrangements in relation to management and operation of the Trust.

- Members inquired whether the discussed modifications were specific to the current development or if they would be permanent modifications applicable to future developments, to which Martha Grekos (Senior Planning Lawyer) confirmed that the modifications were specific to the current development and were necessary to lift the restrictions to allow the approved permission to proceed.
- Concerns were raised around parking arrangements within the boundary of properties at 776 and 778 Harrow Road, specifically for furniture removal vans and service vehicles. In response, Martha Grekos (Senior Planning Lawyer)

assured that such measures had been considered by as part of the planning consent granted

- As a final point, and in addressing earlier queries raised by members pertaining to page 19 of the committee report, Martha Grekos (Senior Planning Lawyer) confirmed that the wording was correct, allowing vehicle and pedestrian access for lawful residential use while complying with Condition 28, which prevented permanent vehicle parking but permitted temporary access. Denish Patel (Head of Property) further added that each clause specified the planning permission and provided examples, such as modifications permitting the construction of residential dwellings and associated infrastructure, including garages, in accordance with planning permission 224128.

With no further issues raised and having considered the grounds for the call-in and response provided at the meeting in outlining the basis for the decisions which had been taken by the Barham Park Trust the Committee (in summing up and considering the options available under the call-process), indicated they were minded to confirm rather than refer back the original decisions taken by the Barham Park Trust Committee in relation to the modification and discharge of the restrictive covenant for 776 and 778 Harrow Road.

It was therefore **RESOLVED**, having noted the comments from one member of the Committee who expressed a preference for referring the decision back for reconsideration on the basis it was not felt the issues raised under the call-on had been adequately addressed, to confirm as a final outcome of the call-in the original decision made by the Barham Park Trust on Monday 24 February 2025 in relation to approving the modification of the restrictive covenants at 776 and 778 Harrow Road, delegating authority to execute the deed and seeking Charity Commission consideration of the Qualified Surveyor's Report and authorisation under Section 105 of the Charities Act to modify or discharge the covenants. It was noted that these decisions would therefore take immediate effect following the meeting.

#### 4. **Any other urgent business**

No items of urgent business were identified.

The meeting closed at 7.38 pm

Councillor Daniel Kennelly  
Vice-Chair in the Chair

**MINUTES OF THE RESOURCES AND PUBLIC REALM SCRUTINY COMMITTEE**  
**Held in the Conference Hall, Brent Civic Centre on 23 April 2025 at 6.00 pm**

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

ALSO Present: Councillor Benea (Cabinet Member for Regeneration, Planning & Property)

**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, Dixon, Maurice and Ahmadi-Moghaddam with Councillor Fraser attending as a substitute for Councillor.

**2. Declarations of Interests**

Councillor Fraser declared a personal interest in respect of Agenda Item 8: Complaints Annual Report 2023/24 due to the recent employment of a close family member within Brent Social Services.

Councillor Fraser had not sought to take any predisposed position in the consideration of the information item and therefore felt able to consider the matters relating to Brent's performance in managing and resolving complaints impartially and without any form of pretermination.

**3. Minutes of the Previous Meeting**

It was **RESOLVED** that the minutes of the previous meeting held on Tuesday 25 February 2025 be approved as a correct record.

**4. Matters Arising (If Any)**

There were no matters arising raised at the meeting.

**5. Deputations (If Any)**

No deputations were raised at the meeting.

**6. Establishment of Kerbside Management Scrutiny Task Group**

Councillor Mitchell was invited to introduce a report providing an overview of the establishment of a Task Group to conduct an in-depth review of Brent's current kerbside management strategies and assess whether further value could be added to foster a more sustainable, inclusive, and connected community. In presenting the report, the comprehensive nature of the topic was underlined, which would encompass climate change commitments, transport, accessibility, and public health.

With reference to paragraph 8.1 of the committee report, it was emphasised that the work of the proposed Task Group supported the Borough Plan priorities for a cleaner, greener future and a healthier Brent. It was further noted that the Task Group would align with key strategies and policies, including the Brent Climate and Ecological Emergency Strategy, the long-term transport strategy, and the Brent Active Travel Implementation Plan.

Councillor Mitchell delineated three primary areas of focus within the Task Group:

- 1) Broadly examining kerbside space and community benefits, including sustainable urban drainage solutions and tree planting.
- 2) Considering active travel and school streets, aiming to enhance the success Brent had already achieved in these areas.
- 3) Reviewing parking, with a focus on ensuring fair pricing and equitable access to the kerbside, in collaboration with officers and relevant cabinet members.

It was highlighted that the Task Group anticipated involving expert interviews and discussions, committee meetings, and consultations with various community groups, including Brent Action on the Climate and Ecological Emergency (ACE Brent).

The proposed membership of the Task Group would consist of the following non-executive members:

- Cllr Mary Mitchell (Chair)
- Cllr Anthony Molloy
- Cllr Saqib Butt
- Cllr Janice Long
- Cllr Jayanti Patel
- Cllr Ajmal Akram

Having reviewed the report, it was **RESOLVED** to agree the establishment of the Kerbside Management Scrutiny Task Group, noting the membership and terms of reference outlined within the committee report.

## **7. Build Quality in Brent**

Councillor Benea (Cabinet Member for Regeneration, Planning & Property) was invited to introduce the report relating to Build Quality in Brent, which focused on how the Council sought to uphold build quality in new build council housing, as well as the refurbishment of community and social infrastructure and facilities for children and young people. The Committee was reminded that the Council delivered a significant portfolio of construction-related projects, including affordable housing, mixed-use developments, and facilities for children and young people.

Three main categories of project delivery were outlined for the construction-related projects, namely council-led schemes, open market acquisitions and developer-led schemes. For council-led schemes, the Council had greater control over its own projects to ensure and deliver high-quality buildings and facilities. By working through

the Royal British Institute of Architects Plan of Work, the Council undertook activities, functions, and mechanisms to deliver its capital projects through the pre-construction stages, construction stage, and handover and building operation stages. These included procurement considerations, external professional services, support, and contractual mechanisms. In relation to acquisition schemes, the Council was not directly responsible for build quality requirements, as these were the responsibility of the developer and their appointed consultants and contractors. However, the Council employed its own professional service providers to monitor the developer's progress, supervise construction, and report to the Council, which in turn would cover any issues to be raised with the developer. Similarly, with regard to development agreement schemes, the build quality was the responsibility of the developer, but they were accountable to the Council. The Council also employed its own professional service providers to monitor performance, and in long-term partnerships, the incremental release of further sites helped incentivise positive behaviours regarding build quality.

It was acknowledged that the Council had experienced build quality issues in the past, such as with Granville New Homes and contractors going into administration during live projects. However, the Council, through the measures discussed within the committee report, aimed to reduce the risk of such occurrences to ensure the delivery of high-quality buildings to its residents. Alice Lester (Corporate Director Neighbourhoods and Regeneration) advised that the report effectively set out the different touchpoints where the Council had accountability and governance mechanisms to scrutinise the progress of schemes on sites and the quality being delivered and referenced the mitigations available when issues arose. In citing the example of Granville New Homes, recognising it as a considerable failure of build quality, it was noted that oversight and scrutiny had significantly improved since that time. It was hoped that the measures established within the committee report provided the Committee with reassurance that the Council had been taking the necessary actions to continually address such issues. Tanveer Ghani (Director of Property and Assets) further added that there was a fine line between build quality, wear and tear, and mismanagement or the use of substandard products or features.

Having thanked Councillor Benea, Alice Lester and Tanveer Ghani for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Build Quality in Brent report, with the following comments and issues discussed:

- A member expressed concern with the report, stating that while the report discussed processes and precautions, it lacked an analysis of performance. The member highlighted significant defects in build quality within various blocks in their ward and expressed disappointment at the absence of an evaluation of the system's effectiveness. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) requested specific examples of the problems identified by the member for further investigation. Following up, the member cited the lack of analysis regarding the issues with Granville New Homes, noting that the roof had been installed incorrectly. Recent developments in South Kilburn were also referenced, where blocks signed off in the last four to five years were experiencing serious problems. The member referred to a survey conducted approximately eight years ago with an architect and a surveyor, which detailed numerous defects in new blocks developed in the preceding six to seven

years. The findings had been sent to Brent Council, but the response was to only remedy the identified defects rather than address the underlying issue of poor build quality. Alice Lester (Corporate Director Neighbourhoods and Regeneration) acknowledged the need for more detailed information and noted that some issues might be related to building maintenance, which fell outside the Council's remit, rather than initial build quality. Gerry Ansell (Director Inclusive Regeneration and Employment) stated he had not been made aware of the case mentioned but expressed willingness to investigate further if more details were provided. The Chair explained that the report had been submitted for review concerning design and build practices as well as management of repairs with concern expressed that the report did not address why the buildings were initially constructed to a substandard quality, leading to ongoing repair and maintenance issues. Both Alice Lester and Gerry Ansell stated that they were not aware 2017 report referred to, which had been circulated before either of them were in posts relating to South Kilburn. The Chair emphasised the need for a robust approach to identifying trends and gaps in build quality to improve future designs. The Chair noted that while the report indicated an interest in feedback and improvements, there was evidence that feedback had not been treated as a learning opportunity in the past three years.

- Following on, the Chair sought examples where feedback about poor build quality had been received and had subsequently influenced design, checks, and construction practices in current projects. In response, Tanveer Ghani (Director of Property and Assets) explained that all schemes involving contractors working directly for the Council included a 12-month defect liability period. During this period, any reported issues could be rectified by the contractor. The Hillside development in Stonebridge was cited as an example, where residents issues with electrical heat management had led to considerations for future systems and controls. Reference to latent defects was also made, which could be addressed even after the defect liability period, with certain contract payments retained to ensure contractor accountability. The Committee was reassured that the Council was investigating rights under defect and latent defect policies for issues such as those at Granville New Homes. The nature of design and systems was emphasised, noting that practices and technologies evolved over time.
- Members inquired whether there was any recourse against individuals who had signed off on build quality that was evidently substandard. In response, Tanveer Ghani (Director of Property and Assets) advised that the Council had appointed two forms of support for managing and supervising construction on site: an employer's agent and a clerk of works, who served as an independent supervisor on the quality of construction. It was detailed that the clerk of works ensured that critical aspects, such as fire safety and fire stopping, were signed off before proceeding with further construction stages. Following on from the previous question, members queried whether any of these functions were performed in-house, to which Tanveer Ghani (Director of Property and Assets) clarified that all such functions were subcontracted, with consultants and contractors procured based on a specification of services. In continuing the response, Neil Martin (Head of Capital Delivery) provided an example of pursuing litigation and arbitration against both the contractor and the architects for the Wembley Primary School build completed in 2008. It was noted that the Council had



received compensation for poor design and construction quality, highlighting that opportunities for recourse existed through contracts with both contractors and designers. This raised related questions around whether there could be recourse against multiple entities, including those who signed off on build quality that was substandard. Tanveer Ghani (Director of Property and Assets) responded that recourse depended on the transaction between Brent and the developer at the time, specifically on the collateral warranties requested as part of the conditions to purchase the development. It was emphasised that future acquisitions now insisted on such conditions being met before deal completion, reflecting lessons learned.

- Further details were sought on the building sign off process, with concerns being raised about private firms signing off on non-compliant builds. It was questioned whether these firms were effectively regulated. Inquiries were also made regarding the Council's legal and financial recourse against private firms selling building control services. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) advised that for private developments using private building control approved inspectors, any complaints or defects were solely between those parties. For Council schemes, it would be important to seek legal advice regarding potential recourse against private firms.
- The Chair further inquired whether it was Brent Council's current policy to use in-house building control services for all projects under its control, to which Alice Lester (Corporate Director Neighbourhoods and Regeneration) responded affirmatively.
- Clarification was sought around whether issues identified in previous builds had been incorporated into future checklists to ensure they were covered in future sign-offs. Additionally, members inquired about the start of the 12-month defect liability period. In response, Tanveer Ghani (Director of Property and Assets) confirmed that the defect liability period commenced the day after the practical completion certificate was received. It was further explained that when a contractor handed over a building, it was because all contractual obligations had been fulfilled. Separate entities or organisations would then be procured for full fit-out if required.
- Questions were raised around the responsibility for subcontractors under a main contractor. In response, Tanveer Ghani (Director of Property and Assets) advised that before awarding a contract, the Council obtained a parent company guarantee to ensure accountability, supported by performance bonds and / or parent company guarantees.
- The Chair reiterated the need for performance information in the committee report, emphasising the importance of demonstrating how feedback from past projects had influenced current practices and welcomed the opportunity for any future reports to provide examples of successful identification and rectification of poor build quality.
- In response to further questioning, the Committee heard that at present, there was only one contractual dispute related to a large development similar to

Granville New Homes. Additionally, there were outstanding Parent Company Guarantee (PCG) claims on schemes built under the school capital programme. These represented the broad scope of current disputes involving completed developments, with issues arising from contractors either not being present or responsibilities shifting.

- The Chair inquired when it had been Brent Council's practice to exclusively use in-house inspectors, to which Alice Lester (Corporate Director Neighbourhoods and Regeneration) advised this had in place for been approximately two years. However, it was noted that during procurement, the decision on appointing a building control inspector lay with the contractor, although the Council strongly encouraged the use of its own inspectors. It was clarified that it could not be made a condition of procurement. Tanveer Ghani (Director of Property and Assets) further added that, during his tenure at Brent Council, the advice given to all bidders was to liaise with building control, as it was the Council's preference. However, it was reiterated that the Council could not obligate contractors to use its services, as they operated in the commercial world and sought the best value in appointing a building control inspector. It was noted that for schemes where the Council was self-delivering, the Council had managed to use their own building control services, whereas developer-led schemes tended to be more flexible in their approach.
- Further details were also sought on whether the Council had ever terminated a contract with a private firm for failing to meet building inspection standards. In response, Tanveer Ghani (Director of Property and Assets) explained that while the Council could not terminate a contractor and their supply chain, it could appoint its own employer's agent and clerk of works to oversee the project. It was further stated that payments to developers were withheld until all checks and balances were agreed upon on-site, ensuring accountability.
- Following up, details were sought on whether the Council had any knowledge of private firms being removed from the register by the building safety regulator for failing to fulfil their legal duties. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) informed that she was not aware of any such removals and noted that the building safety regulator had only been operational for a short time and had faced significant challenges and backlogs. It was further mentioned that no schemes had yet been signed off by the regulator at Gateway 3 and she was not aware of any accredited inspectors operating in Brent having been disbarred. It was acknowledged that one or two accredited inspectors had gone into administration, causing problems on private schemes, not any Council schemes.
- Members were keen to seek details on the role of the fire brigade in inspecting buildings and how their checks differed from building control inspections. In response, Neil Martin (Head of Capital Delivery) explained that the London Fire Brigade was a statutory consultee on the fire plan as part of building control sign-off. For non-high-risk buildings (below 18m or seven storeys), Building Control and the Council used internal services, with the London Fire Brigade consulting on the Fire Strategy, potentially involving site visits. For high-risk buildings, the responsibility lay with the building safety regulator. Following up, members

expressed concern about buildings failing fire inspections and inquired about the responsibility for addressing these failures. In response, Neil Martin (Head of Capital Delivery) detailed the process of building control application and sign-off, involving the submission of plans to Brent Council Building Control and consultation with the London Fire Brigade. It was explained that once a building was signed off, any subsequent fire incidents would be investigated to determine responsibility, whether due to accident, arson, or building faults. The responsible body, whether that be a tenant, occupier, or the building owner or operator, would then address the issue based on the investigation's findings. In providing further details members heard that the London Fire Brigade (LFB) served as a consultee to the broader building control application. It was the responsibility of building control, whether through a private approved inspector or internally via Brent Council's building control, to sign off on the building. This process was complemented by the Building Safety Act (BSA) principal designer and the BSA principal contractor, who signed a document affirming that the principal design had been executed in accordance with building regulations. Similarly, the principal contractor confirmed that the construction had adhered to building regulations. These three bodies collectively signed off to certify that the building had been constructed in compliance with building regulations, which included a fire safety assessment.

- Details were sought about the role of political oversight in the process of monitoring build quality. In response, Tanveer Ghani (Director of Property and Assets) informed that the officers had fortnightly catch-up meetings with the lead member, during which updates were provided on various capital programme projects, including new build housing, community infrastructure, and facilities for children and young people. It was stated that, as per the Constitution, officers were required to engage the lead member before formally awarding contracts of a certain value. This process involved consulting with the lead member on the project, propose recommendations, seeking feedback and any points of clarification before proceeding with any decision. Additionally, for matters requiring cabinet-level decisions, there was further consultation with lead members prior to presenting the issue to the cabinet. The Constitution was designed to ensure engagement with members before making decisions. Following on from the previous question, members questioned the extent to which monitoring around build quality was discussed in the fortnightly briefings with the lead member. In response, Tanveer Ghani (Director of Property and Assets) highlighted that the Council had a good track record of the schemes it had built and their quality. It was noted that all homes delivered by the Council as a developer had not encountered defects or challenges. Historical schemes within the schools programme were occasionally discussed with the lead member where there was material information to update or guidance to seek. It was acknowledged that these matters could be protracted, requiring significant time to reach a developed stage before presenting them to the lead member for review and consideration. Alice Lester (Corporate Director Neighbourhoods and Regeneration) further noted that the lead member was also updated on the progress of any contractual disputes with suppliers.
- Views were sought from Councillor Benea (Cabinet Member for Regeneration, Planning and Property) as lead member to share her perspective on ensuring

the highest standards of build quality. In response, Councillor Benea (Cabinet Member for Regeneration, Planning and Property) conveyed that since her recent appointment as lead member, she had engaged with officers on various issues during lead briefings and site visits in South Kilburn and Wembley. It was emphasised that political oversight involved overseeing and holding officers accountable, but it was not a full-time operational role. It was highlighted that the role concentrated focus on asking questions, being informed, and addressing residents' concerns by raising them with officers. Following up, the Chair sought reassurance that the quality of construction was a priority issue. In response, Councillor Benea (Cabinet Member for Regeneration, Planning and Property) affirmed that build quality was indeed a priority and reiterated that these matters were discussed in lead member briefings and that clarification from officers was regularly sought on these issues.

- Members sought reassurance on the mechanisms in place to ensure lessons were learned from previously identified issues. In response, Tanveer Ghani (Director of Property and Assets) articulated that the Council had employer's requirements (ERs) to ensure contractors fully understood the Council's expectations. The ERs were last updated in 2021 and were subject to continual revision to reflect changes in legislation, regulations, and service deliverables. The importance of maintaining updated ERs to adhere to the latest standards was emphasised. It was further noted that the issuance of practical completion certificates was contingent upon addressing all building safety issues, with the Council's building control team conducting thorough compliance checks before issuing the certificate. Any identified issues were rectified prior to the issuance of the certificate. Alice Lester (Corporate Director Neighbourhoods and Regeneration) additionally mentioned that the Council had a comprehensive checklist to ensure builds met required standards and provided an example where lessons were learned from a previous issue involving incorrect bin store sizes due to Veolia not being involved in the design. This error was subsequently rectified by including bin store requirements in future checklists. This raised related questions from members around an issue in Chalkhill where bin stores were omitted from the design process and questioned how such issues were identified in the initial design phase. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) explained that the starting point was the brief to the architects, outlining the scope of work. It was acknowledged that the omission of bin stores should not have occurred and stated that full details would need to be provided if an investigation into this was required.
- Members sought examples of how residents or tenants had been engaged in the design and construction process. It was also questioned how their concerns were tracked and addressed, and how this information was used to inform future schemes. In response, Tanveer Ghani (Director of Property and Assets) explained that existing users or occupiers of sites were a fundamental part of the design and engagement journey and cited three mixed developments - Preston Community Library, Learie Constantine Centre, and the Brent Indian Community Centre - where ground floor facilities were designed in alignment with the community's needs. Regarding resident engagement, it was further mentioned that pre-planning consultation events for large schemes, which included public events, drop-in sessions, online material, and resident feedback was followed by

a planning application and statutory planning consultation, providing tenants and residents with formal opportunities to raise concerns and speak at Planning Committee where necessary. The Council's responsibility to both existing and new residents was emphasised, ensuring that they were part of the development journey. Following up, members inquired how issues for existing tenants were dealt with, to which Tanveer Ghani (Director of Property and Assets) highlighted that for Council-led construction projects, periodic newsletters were sent to residents within the vicinity, including contact details for site managers and officers. Reference was also made to a recent site visit with Councillor Benea as part of the development of the new SEND school site on London Road. The distinction between issues for Neighbourhoods and Regeneration and Housing Management teams was noted, where issues relating to Housing Management within the 12-month liability period were referred back to the construction team for resolution.

- Concerns were raised around the placement of bins against fire alarm buttons and exit buttons, questioning why this was not considered during the design phase. In response, Tanveer Ghani (Director of Property and Assets) acknowledged the issue and argued that it could also be a matter of considerate use by those handling the bins. It was recognised that the omission at Learie Constantine Centre had been addressed by ensuring Veolia's involvement in the design process for future schemes, including considerations for drop curbs, bin opening doors, and bin sizes.
- Members sought details around how buildings were designed to be resilient to climate change. Additionally, the Chair emphasised the importance of ensuring the highest design standards, reflecting the realities of residents' lives and future pressures such as climate change, flooding, and drainage needs. It was questioned what measures were being taken to go beyond legal compliance to achieve high-quality, fit-for-purpose builds. In response, Tanveer Ghani (Director of Property and Assets) detailed that each site had a drainage strategy, including CCTV inspections of existing infrastructure to identify issues. The importance of appointing skilled professionals to design provisions for flood risk, surface water management, and general water attenuation was emphasised. Reference was made to Preston Community Library, where an attenuation tank was installed after repairing drainage in collaboration with Affinity Water. The challenge of less permeable surfaces due to increased building density was noted and the need for collaboration with statutory stakeholders to maintain existing drainage systems was emphasised. Confidence was expressed in the high quality of current schemes, citing developments in Wembley and South Kilburn. The importance of using the 12-month post-handover period to address issues and inform future schemes was also highlighted.
- Members raised concerns regarding emerging issues in the newer blocks, specifically those up to five years old in South Kilburn, with the primary issues highlighted as the failures of heating systems and hot water systems. It was noted that Unity Place was currently experiencing the worst problems, attributing these to poor build quality. In addressing the concerns regarding Unity Place, Archika Kumar (Head of Estates Regeneration) clarified that the recent issues involving the lack of electricity in eight homes over the bank holiday weekend

were related to utility and substation problems. It was emphasised that these were not attributable to build quality but rather to utility provision, which was currently being resolved.

- Members inquired about future legislation and its impact on development, specifically with regards to initiatives aimed at increasing recycling in flats, transitioning from gas boilers to heat pumps, and other forthcoming changes. Concerns were expressed about the potential cost impact on residents and the need to ensure these changes did not hinder the Council's development plans. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) indicated that the Council conducted horizon scanning to anticipate future legislative changes and cited examples, such as the Edgware Road scheme, where the Council proactively included additional stair cores to comply with anticipated building safety regulations. It was noted that similar proactive measures were taken for the Wembley Housing Zone and the Fulton Road development.
- Members sought clarification on the impact of these proactive measures on the Council's build programme, particularly in South Kilburn and Wembley. Further concerns were expressed around potential delays and long-term costs associated with rethinking and redesigning developments, to which Alice Lester (Corporate Director Neighbourhoods and Regeneration) highlighted that the primary factor slowing down development was viability and assured members that no current schemes required redesign due to forthcoming legislative changes. Tanveer Ghani (Director of Property and Assets) further added that the Council had two live schemes awaiting planning determination. The difficulty in securing viability for new affordable housing, particularly social rent, due to market conditions was also highlighted.
- Further details were sought about pending legislation that may come into effect within the next 2 to 5 years and its potential impact on viability. It was also questioned how requirements such as additional stair cores could affect development costs and space utilisation. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) clarified that while fire safety measures and additional stair cores did impact viability, no current schemes required such redesigns. The cost implications and loss of space associated with these measures was also acknowledged. In continuing the response, Neil Martin (Head of Capital Delivery) discussed upcoming legislation related to district heat networks and government consultations on heat tariffs and billing which would affect communal heating systems and district heating systems, particularly in South Kilburn. Members were assured that future-proofing measures were being incorporated into current developments. Additionally, the Council's efforts in the school building programme were highlighted, noting that new projects included air source pumps and solar panels to meet regulatory standards for fabric and insulation. The new SEND school on London Road, was rated BREEAM outstanding, making it potentially one of the greenest buildings nationally.
- Details were also sought about the frequency of significant drops in design quality in current council projects or recently delivered projects post-design phase. In response, Neil Martin (Head of Capital Delivery) provided context by explaining

that while there might be minor reductions in quality, such as a drop from a 98.6% BREEAM rating to 95%, the overall quality remained high. It was emphasised that planning for high-quality design was essential, but practical realities, such as material shortages, could impact the final outcome. For example, the current shortage of bricks might necessitate using alternative materials, which could slightly alter the appearance but not the quality. It was assured that any changes made were to maintain good quality and meet project objectives, even if they differed marginally from the initial design.

- Following up, the members requested a general indication of the level of any drop in specification in terms of build quality from the design stage to the final product over the last five years. Performance feedback was also sought on the success of upholding high-quality design versus the final outcome. Neil Martin (Head of Capital Delivery) stated, in response, that the Council had consistently aimed to deliver high-quality buildings. It was acknowledged that while changes might occur, such as alterations in appearance, the functional quality remained intact. It was noted that assessing the drop in quality might be subjective, as changes in appearance did not necessarily equate to a drop in build quality. The Chair then expressed interest in a review to understand the extent of the drop in quality between the design stage and final delivery, emphasising the importance of having data to scrutinise the Council's performance in maintaining high standards. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) acknowledged the need for such a review and suggested that, while resources might be limited, sampling could be conducted to gather the relevant data.
- Members inquired about the Council's measures to ensure that third parties appointed under the Building Safety Act 2022 were competent and met statutory requirements. In response, Neil Martin (Head of Capital Delivery) explained that the procurement process involved setting out requirements and asking questions about the technical capacity and ability of third parties to meet those requirements. For example, under the Building Safety Act, the Council was required to appoint a principal designer under which the appointed party must demonstrate appropriate qualifications, understanding of building regulations, and experience with similar projects. This process ensured that all design disciplines and contractors satisfied the necessary scope and specifications.
- Inquiries were also made around the establishment of the building safety regulator, its impact on local authorities like Brent, and the improvements to build quality for residents. In response, Neil Martin (Head of Capital Delivery) confirmed that the building safety regulator had been established and was under the responsibility of the Health and Safety Executive. It was noted that the Council's input was limited, as the role was led by the Health and Safety Executive. It was further mentioned that the Edgware Road scheme was currently at the planning stage, explaining that the first gateway of the Building Safety Act involved submitting a notification to the building safety regulator during the planning determination period. Subsequent gateways would involve submissions by the building safety principal designer. It was indicated that unless the building safety regulator employed the Council's internal building control team for a specific case, the Council's influence over the regulator was minimal. Alice

Lester (Corporate Director Neighbourhoods and Regeneration) added that the Council's building control officers were part of an organisational group of local authority building control officers, which engaged with the building safety regulator and the Local Authority Building Control (LABC) as the representative body. It was noted that concerns about delays had been raised, and some categories of schemes were delegated to the Council's building control to act on behalf of the building safety regulator, with associated fees.

- It was questioned whether there had been any impact on improvements to build quality as a result of the building safety regulator. In response, Neil Martin (Head of Capital Delivery) informed that decisions had been made at gateway 2, but it remained premature to ascertain the full impact on build quality. It was noted that delays in processing applications had been reported, and the true impact would only be evident once the backlog was cleared and work commenced on site.
- In responding to further queries around the impact of infill projects on current residents, the confidence in the system of checks, climate-proofing of buildings, and the role of the building safety regulator, Alice Lester (Corporate Director Neighbourhoods and Regeneration) explained that for certain categories of development, particularly larger schemes, the building safety regulator stage (known as gateway 1 at the planning stage) had recently been introduced, where the regulator would review building regulations. Neil Martin (Head of Capital Delivery) added that the building safety regulator's involvement was limited to high-risk buildings over seven storeys or 18 metres. For other projects, the Council's building control service or an approved inspector would make decisions. The Council's approach to drainage was detailed, including site surveys, CCTV inspections, and compliance with London Plan requirements for flood risk mitigation.
- Details were also sought about the status of the legislation discussed in the spring of 2022, which was expected to mandate that local authority building control teams would have the final sign-off on projects. Reasons were sought as to why this legislation had not been implemented and why local authority building control teams were not the default option. Clarification was also sought on whether this legislation had led to an increase in private developments using the Council's building control services. In response, Alice Lester (Corporate Director Neighbourhoods and Regeneration) conveyed that the earlier discussion pertained to the default option for council-led schemes. It was clarified that the accredited inspector regime had not been abolished, and private developers still had the option to use accredited inspectors if they preferred. It was further mentioned that the building safety regulator had the ability to delegate some building control sign-off responsibilities to local authority building control for certain categories of applications, effectively making the local authority the default sign-off authority on behalf of the building safety regulator. However, it was noted that there were no statistics available to determine whether the workload had increased since the changes were introduced.
- Members questioned what measures had been taken to encourage private developers to use the Council's building control services as opposed to private companies. In response, Gerry Ansell (Director Inclusive Regeneration and



Climate Resilience) acknowledged that the Council's building control service had faced challenges, including difficulties in retaining building control surveyors, which had resulted in a loss of market share. It was noted that the Council had struggled to secure more projects and that recruitment difficulties were ongoing. Despite efforts to market the services, the Council had lost ground, particularly in smaller-scale building control applications. It was further noted that the Council had expertise in modular and tall buildings, which some larger developers preferred. It was also highlighted the Council's efforts to develop its own staff, including the recruitment of two apprentices, but acknowledged that there was still a gap.

As a further query, members sought details regarding the reasons for the recruitment challenges. In response, Gerry Ansell (Director Inclusive Regeneration and Climate Resilience) cited a number of reasons for the recruitment challenges, including a shortage of people entering the industry and the fact that approved inspectors could offer higher salaries than local authority building control staff. It was further mentioned that the Council had implemented a market supplement to counteract this issue but still faced difficulties in retaining surveyors. It was also noted that several staff members were at or beyond the normal retirement age, and the Council was doing its best to retain the staff. It was emphasised that the recruitment challenges were not unique to Brent but were a national issue.

- As a final issue, further information was sought regarding whether contractors specified the accredited inspectors they intended to work with at the tendering stage, to which Tanveer Ghani (Director of Property and Assets) confirmed that contractors would typically provide quotes from different suppliers, including accredited inspectors, when submitting bids.

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

### **Suggestions for Improvement**

- (1) Where appropriate, encourage contractors for council build projects/schemes to use Brent's building control services.
- (2) Conduct a survey to identify which council-owned buildings may fall within the scope of the Building Safety Act 2022 and/or the Defective Premises Act 1972 in relation to relevant defects, and assess whether there is potential for legal recourse.
- (3) Undertake a sampling review to assess design changes from the planning stage through to practical completion, and determine whether these changes have impacted build quality.

- (4) Undertake a sampling review to assess design changes from the planning stage through to practical completion, and determine whether these changes have impacted build quality.

### **Information Requests**

- (1) Share examples that demonstrate how feedback on build quality issues has led to tangible improvements in design and processes, helping to enhance build quality in subsequent projects or schemes.

*Please note that recommendations, suggestions for improvement and information requests may be subject to finalisation or refinement following the meeting, with the agreement of the Chair.*

## **8. Complaints Annual Report 2023/24**

Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance & Resources) was invited to introduce a report providing a breakdown of complaints received by department and the top five issues of complaint for those respective departments. The report also provided a breakdown of the number of complaints that had been upheld, not upheld, partly upheld, rejected or withdrawn for each department, with further details provided in the appendices. In presenting the report, the Committee was informed that complaints served as important learning points for the Council, helping to shape the Council's priorities in many different ways and enable the Council to make necessary changes to achieve and further its priorities. Complaints also offered an opportunity for the Council to understand issues and put things right, also ensuring that they did not reoccur.

The Housing Management Score was notably high, with a high number of stage 1 and stage 2 complaints. Specifically, 60% of stage 1 complaints were upheld, and 75% of stage 2 complaints were upheld, indicating that fault was found in these cases. The Housing Needs department had also received a significant number of complaints at both stages 1 and 2, followed by the Customer Access Team.

Although complaints regarding Adult Social Care and Children's Social Care followed separate statutory complaints procedures, both departments were still among the top six departments with the highest number of complaints received. It was reiterated that this data pertained to the period 2023 to 2024.

Having thanked Councillor Mili Patel for introducing the report, the Chair then moved on to invite questions and comments from the Committee in relation to the Complaints Annual Report 2023/24, with the following comments and issues discussed:

- As an initial query, members raised concerns regarding the high number of complaints around social work and communication, which accounted for over half of the complaints in 2023/2024 and the impact on performance and standards of care. Details were sought around the measures implemented to address this issue and improve future care experiences. In response, Claudia Brown (Director of Adult Social Care) acknowledged the concerns around communication, emphasising that the majority of complaints were related to inadequate updates on care plans, untimely processing, and lack of proactive follow-up. The

initiatives undertaken to address these issues included targeting customer care through training programs for managers and social workers, introducing policies and procedures for responding to customers, with a standard operating model accessible to all staff since 2023, ensuring work practices were reinforced during supervision sessions, implementing training programs focused on general customer care and introducing standard letters to inform individuals of next steps and contact information post-assessment.

- Views were then sought regarding what lessons could be learned from a wider organisation perspective whether in terms of Adult Social Care (ASC) as an outlier with issues also noted in relation to the complaints upheld involving the contact centre, localities, and Looked After Children (LAC). In response, Claudia Brown (Director of Adult Social Care) advised that she did not regard ASC as an outlier, as indicated by the medium range of complaints in the adult social care report. It was noted that the majority of complaints related to service failure, predominantly in commissioning services, and communication issues. The need for improvement was emphasised, highlighting the importance of providing appropriate responses to customers. The volume of complaints was also contextualised, with it being noted that ASC served approximately 4000 service users.
- Clarification was sought as to whether the complaints received by ASC were related to recruitment and retention of staff. In response, Claudia Brown (Director of Adult Social Care) confirmed that the complaints were not significantly related to recruitment and retention of staff. Issues with timely responses and handover delays were acknowledged but it was emphasised that most complaints were related to communication. A number of measures to address these issues were cited, including ensuring thorough communication post-assessment, implementing templates for standard letters and monitoring complaints and developing customer care posts to improve communication.
- Details were sought on wider learning in relation to performance around communication. Councillor Mili Patel (Deputy Leader and Cabinet Member for Finance & Resources) agreed on the need to improve communication but did not feel this represented a chronic issue. Nigel Chapman (Corporate Director Children, Young People, and Community Development) added that while there were 41 stage 1 complaints, the number was relatively low compared to the total number of children in care (300), care leavers (600), and open cases (3000). The challenging nature of social work and the impact of difficult decisions on families was highlighted, which often led to complaints about communication. Martin Stollery (Principal Complaints Investigator) further emphasised the importance of record-keeping to address disputes about communication. It was noted that clear records and detailed notes facilitated responses to residents' concerns and highlighted the practice of recording calls through the contact centre.
- Details were sought around whether there was a system in place where verbal communication was supplemented with written confirmation as part of the process. In response, Nigel Chapman (Corporate Director Children, Young People, and Community Development) informed the Committee of the use of the Mosaic case recording system, which provided opportunities for case note

recording with families or children. Members heard that one of the practice promises was that information should be recorded in the Mosaic system to reflect discussions held, though it was acknowledged that there were situations where records were not maintained, and in such cases, complaints investigations often found in favour of the complainant due to the lack of documentation with the need to ensure information was accurately recorded reiterated.

- Members further inquired whether, as a matter of course, verbal communications were confirmed in writing, considering the potential for misunderstandings and language barriers. In response, Nigel Chapman (Corporate Director Children, Young People, and Community Development) noted that it was not always practical to confirm all conversations in writing. While communications were largely documented, staff also used work phones for informal communication methods preferred by young people, such as WhatsApp messages. It was acknowledged that in more contentious situations, social workers provided written confirmations to mitigate the risk of disputes. The importance of recording significant communications, especially in cases where there might be disputes with parents, was highlighted. Claudia Brown (Director of Adult Social Care) further added that under Adult Social Care, significant communication events were added to the client database, and staff were expected to update the database within 24 hours of a visit. It was noted that complaints often arose from failures to follow through on promises or untimely responses. The importance of timely communication and providing individuals with information about what to expect after interactions with social workers was emphasised. The introduction of the "Waiting Well" process was additionally highlighted to address issues related to long waiting lists.
- The Chair questioned whether there were additional measures from Adult Social Care that other departments could adopt to address similar issues. In response, Martin Stollery (Principal Complaints Investigator) emphasised the importance of record-keeping across all departments. It was noted that significant communications should be uploaded to databases rather than being stored in individual email accounts. The need for a cultural shift towards better record-keeping was stressed to ensure continuity of information, even where officers left the organisation. Amira Nassr (Deputy Director Democratic and Corporate Governance) further highlighted the importance of following through on actions set out in stage 1 and stage 2 complaints to prevent escalation. It was noted that ensuring actions were completed as promised was crucial to managing complaints effectively.
- Members sought clarification as to the responsible persons for checking whether visits had been made, if clients had been responded to in a reasonable time, and whether there was a process for recording visits and management-level checks. In response, Claudia Brown (Director of Adult Social Care) explained that there was a process in place through management supervision. During supervision, caseloads and any complaints were reviewed. All complaints were signed off by the Heads of Service, ensuring that the process was followed and complaints were addressed appropriately.

- Members were keen to seek details around addressing issues to avoid complaints and inquired about the potential for a technological solution. In response, Claudia Brown (Director of Adult Social Care) reiterated the introduction of standard letters to inform customers of what to expect post-assessments. It was noted that this initiative aimed to reduce complaints by providing clear communication and setting expectations. This approach was anticipated to enhance communication and reduce complaints over time. Nigel Chapman (Corporate Director Children, Young People, and Community Development) further mentioned the use of Power BI dashboards within the service area which tracked casework information, flagging overdue assessments and visits. The system enabled team managers to monitor their team's casework and ensured that key performance indicators (KPIs) were met. Members were reassured that tracking systems were in place to address issues.
- Members raised concerns regarding the rise in complaints about the commissioning and marketing of services in Adult Social Care, noting that paragraph 5.5 indicated an increase from 15 to 31 complaints. Details were sought around how teams were working with service providers to address these concerns and ensure that feedback from residents and their families was being incorporated to meet expected standards. In response, Claudia Brown (Director of Adult Social Care) detailed that all providers on the framework had undergone a robust process to be included. The commissioning service monitored these providers rigorously, with placement officers conducting regular visits to ensure compliance with requirements. Social workers raised service concerns if a provider was not delivering as expected or where complaints were received from customers. Common complaints included carers arriving late, which were addressed through the commissioning team. If issues persisted, a provider concern process was followed, working with the provider to improve service delivery.
- The Chair sought clarity around the factors behind the rise in complaints as noted in the report, which highlighted issues such as care package decisions, assessment delays, and providers not arriving on time or starting services late. In response, Claudia Brown (Director of Adult Social Care) acknowledged the issues highlighted and noted that improvements had been made in starting services through a clear process with commission brokers. A new database was being developed to monitor complaints against specific providers, allowing for more prompt and effective responses. The provider concern process varied based on the situation, with the Care Quality Commission (CQC) being informed where there were significant concerns. The process would take approximately 3 to 6 months, and if improvements were not made, it was reported that the CQC could take action.
- Questions were raised around the frequency of placement officer visits, the turnaround time given to providers, and how delays in assessments were being tackled. In response, Claudia Brown (Director of Adult Social Care) informed that a new process for prompt Care Act assessments was being introduced, ensuring that individuals received some degree of support pending a comprehensive assessment. The new database was anticipated to help monitor and respond to complaints against providers more closely. It was also noted that the provider

concern process was individualised, with the CQC being involved in significant cases.

- Members noted two partially upheld complaints regarding commissioning for Children and Young People (CYP) and requested further details regarding the complaints. In response, Nigel Chapman (Corporate Director Children, Young People, and Community Development) informed that the specific details of the individual complaints were not immediately available at the meeting but offered to provide a brief written update for the Committee.
- Members sought further details on the recurring themes or issues identified in stage 2 or stage 3 complaints and whether these were systemic issues within CYP. In response, Nigel Chapman (Corporate Director Children, Young People, and Community Development) noted that the issues were small in number, with themes including support for care leavers and ensuring care leavers understood their eligibility for services. Several issues were attributed to a transient staff group of personal advisers with efforts highlighted to recruit and retain a permanent workforce. Disputes between parents and the role of social workers in such situations, which sometimes led to complaints, were also conveyed.
- As a further issue raised, members inquired about complaints regarding direct payments in CYP and whether these were related to cuts in provision, expressing concern about potential increases in complaints next year. In response, Nigel Chapman (Corporate Director Children, Young People, and Community Development) clarified that the complaints were not related to cuts but to a more stringent approach to determining eligibility for services. The focus was on delivering services efficiently and reviewing care and support packages to ensure appropriate use of resources. It was also noted that support for children with disabilities had been growing significantly. Financial pressures and the need to spend money prudently was also acknowledged.
- Members sought examples of changes driven by complaints that resulted in procedural and process improvements, leading to a reduction in complaints from 2024-25. In response, Martin Stollery (Principal Complaints Investigator) drew attention to the appendices within the committee report, which listed service improvements arising from stage 2 complaints and outlined a number of examples in support.
- The Chair raised questions regarding the substantial number of complaints about Wates' performance in relation to housing repairs and inquired about contract monitoring, with a suggestion being made to invite the Housing Services Team and Wates to a future meeting for further discussion. In response, Martin Stollery (Principal Complaints Investigator) noted that Housing Services was best placed to address this issue but highlighted the expectation that contracts include clear requirements regarding complaints. It was suggested that the clauses of the contract should allow for recouping compensation from contractors such as Wates where complaints were upheld. It was indicated that this recommendation had been flagged to housing management for consideration.

- Members observed a notable increase in compensation payouts and requested further information on the reasons for the increase and measures taken to reduce payouts, particularly within the scope of resident services. In response, Martin Stollery (Principal Complaints Investigator) clarified that the increase in total compensation from 2022-23 to 2023-24 was approximately 7%. It was emphasised that the focus should not be on reducing compensation payouts but on dealing fairly with each individual case. The complaints service followed guidelines issued by the Ombudsman to remedy complaints appropriately with the emphasis on addressing the underlying issues. In continuing the response, Amira Nassr (Deputy Director Democratic and Corporate Governance) explained, as an example, that the Complaints team held regular meetings with housing management to identify trends and patterns in complaints which allowed the service to be made aware of areas with significant payouts and to implement necessary service improvements. Martin Stollery (Principal Complaints Investigator) further added that compensation payments for housing needs were increasing, and complaints were a standing item in Senior Management Team (SMT) meetings, ensuring ongoing dialogue regarding these issues.
- Members referenced paragraph 1.6 of the committee report, noting a 14% increase in stage 2 complaints, and requested additional context around this increase. In response, Martin Stollery (Principal Complaints Investigator) identified two key drivers: the housing crisis, leading to a year-on-year increase in housing needs stage 2 complaints and compensation payments, and the increased visibility of the Housing Ombudsman following the Rochdale case. The Housing Ombudsman had raised awareness among residents about their right to complain, enhancing the profile of housing management-related complaints. Amira Nassr (Deputy Director Democratic and Corporate Governance) further advised that when complaints were upheld, it did not necessarily imply that the Council had not initially upheld the complaint. The Ombudsman might also uphold the complaint, which could potentially skew the statistics.
- Details were sought around the mechanisms in place to ensure feedback from the Local Government and Social Care Ombudsman (LGSCO) or Housing Ombudsman was acted upon and monitored to prevent recurrence of issues. In response, Martin Stollery (Principal Complaints Investigator) confirmed that all decisions from the Ombudsman were entered into the complaints database and circulated to relevant officers and Corporate Directors. Each recommendation was assigned a timescale, as expected by the Ombudsman, and a specific officer was designated to lead on completing the action. Evidence of completion was required to be uploaded to the database and sent to the Ombudsman to demonstrate compliance. Weekly reports were circulated to senior managers, highlighting any actions not completed within the specified timeframe, ensuring a rigorous process for compliance.
- Members questioned the extent to which complaints related to housing were due to misinformation or lack of correct information. In response, Martin Stollery (Principal Complaints Investigator) noted that there had been significant staff turnover in housing needs, leading to escalated complaints due to issues with communication relating to homeless applicants and had resulted in a lack of continuity and delays in casework. It was acknowledged that the situation was

now improving with a more settled workforce. Poor communication and failure to follow up were identified as key issues, with specific legislative timescales for each stage of the homeless application not being met. These issues had been fed back to Housing Needs and incorporated into their improvement plans.

- The Chair sought details around whether there were any departments that were not responsive to the systems in place for in-year monitoring of complaints and the need for clearer improvement plans. In response, Amira Nassr (Deputy Director Democratic and Corporate Governance) advised of the engagement being undertaken with departments and noted, as an example, the implementation of a housing improvement plan. The responsiveness of senior managers and the importance of seeing the outcomes of these efforts was highlighted. The challenges posed by the housing crisis and temporary accommodation was acknowledged and no other areas of significant concern were identified. Members heard that specific interventions were in place to address cultural changes and improve responsiveness.

In seeking to bring consideration of the item to a close, the Chair thanked officers and members for their contributions towards scrutiny of Complaints Annual Report 2023/24. As a result of the outcome of the discussion, the following suggestions for improvement identified were **AGREED**:

### **Suggestions for Improvements**

- (1) Explore arrangements with third-party providers that enable the council to recover costs incurred from compensation paid out as a result of complaints related to their services.
- (2) That representatives from Wates and senior officers from Residents and Housing Services attend the committee meeting on 16 July 2025 to address questions related to the Housing Management Complaints Annual Report 2023/2024

*Please note that recommendations, suggestions for improvement and information requests may be subject to finalisation or refinement following the meeting, with the agreement of the Chair.*

## **9. Scrutiny Recommendations Tracker**

In relation to the Scrutiny Progress Update - Recommendations Tracker report, the Chair reported that updated responses had been received from the Children, Young People, and Community Development team regarding committee inquiries in the Safer Brent Partnership report.

Responses had also been received from the Children, Young People, and Community Development team in response to committee questions concerning the Emerging Employment Strategy.

Updated responses had been received from Finance and Resources regarding outstanding committee questions relating to the Q3 financial forecast.



Updates had also been received from the Service Reform and Strategy team with regard to committee information requests concerning commissioning, procurement, community wealth building, and social value.

The Committee **RESOLVED** to note the updates provided within the Scrutiny Tracker

#### **10. Resources and Public Realm Scrutiny Committee Work Programme 2024/25.**

The Committee received a report from the Deputy Director Democratic and Corporate Governance, which presented the 2024-25 work programme for the Resources & Public Realm Scrutiny Committee.

In considering the report, members were advised that as this was the final meeting of the Municipal year, there were no further modifications to the work programme until the new work planning program was established in summer 2025.

Having reviewed the work programme report, it was **RESOLVED** to note the Resources & Public Realm Scrutiny Committee work programme for the 2024-25 Municipal Year.


#### **11. Any Other Business**

No items of urgent business were identified.

The meeting closed at 8:54pm.

COUNCILLOR RITA CONNEELY  
Chair

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	<b>Resources and Public Realm Scrutiny Committee</b> 16 July 2025
	<b>Report from the Corporate Director of Neighbourhoods and Regeneration</b>
	<b>Cabinet Member for Public Realm and Enforcement (Councillor Krupa Sheth)</b>
<b>Update on Recycling in Brent</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	N/A
<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>	Appendix A – Integrated Street Cleansing, Waste Collections and Winter Maintenance
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Rashmi Agarwal – Head of Service Development & Contract Performance, Public Realm, Neighbourhoods & Regeneration <a href="mailto:Rashmi.Agarwal@brent.gov.uk">Rashmi.Agarwal@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1. The purpose of this report is to provide a comprehensive overview of the council's recycling performance by waste type (food, paper and card, dry mixed recycling, Garden Waste) and service delivery.
- 1.2. This report provides background information on recycling performance data since the start of the contract in April 2023. It highlights the recycling finances and improvements made including partnership and communications initiatives.
- 1.3. This report also provides an overview of 'Simpler Recycling' expectations and upcoming legislative reforms over the next few years.

## 2.0 Recommendation(s)

- 2.1 It is recommended that the committee note the contents of this report.
- 2.2 It is recommended that the committee note improvements made to recycling collections since the introduction of the twin-stream recycling service in October 2023, and Brent's compliance with Simpler Recycling legislation.

### 3.0 Detail

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

Brent's Borough Plan sets out how we can achieve one of our strategic priorities "A cleaner, Greener Future", with the objective to future-proof the Borough to bring about positive changes to keep the environment clean and develop our services to residents. Waste and Recycling performance has a direct link with the Borough's aim to reduce the overall proportion of household waste being generated by encouraging more recycling and promoting reuse of items. The Simpler Recycling reforms mandate separate collection of paper and card, and food roll out to all properties in Brent by 2026. By having the back-end systems / processes in place, we can collect more types of recyclable materials.

- 3.1.2 One of the desired outcomes of our Climate & Ecological Emergency Strategy is to tackle climate change by reducing consumption, resources, and waste. A key factor in helping to achieve this outcome is to reduce carbon emissions from the disposal of recyclable packaging.
- 3.1.3 Effective waste collection systems that promote more sustainable waste management help change behaviours and create better environmental outcomes and particularly support the council's climate action programme.

#### 3.2 Background

- 3.2.1 Veolia previously provided Brent with a holistic service for waste, recycling, street cleansing, winter and grounds maintenance service up until March 2023. As part of the Borough's Redefining Local Services (RLS) programme which aimed to have:
  - A specialist contract approach for outsourced services
  - Improved contract management and monitoring for contracted services
  - An intelligence-led approach to the deployment of resources
  - Better digital customer interface with real-time information and issue reporting
  - A neighbourhood approach to managing local issues to meet the needs of local areas
- 3.2.2 A rigorous procurement exercise was carried out reviewing the arrangements in place under the old Veolia contract and ensuring the tender process brought in some efficiency savings whilst maintaining similar levels of service. At the time it was deemed that the Council could benefit by splitting up the core components from the previous Veolia contract and procure these services with other providers. As a result, the Council now has one main contract and several small contracts in place in partnership with West London Waste Authority (WLWA) to manage its waste, recycling, street cleansing and winter maintenance services. The new **Integrated Street Cleansing, Waste Collections and Winter Maintenance** contract commenced on 1 April 2023 as an 8-year contract with Veolia Environmental Services, with a potential for extension for another 8 years. The other small contracts related to waste are listed below:

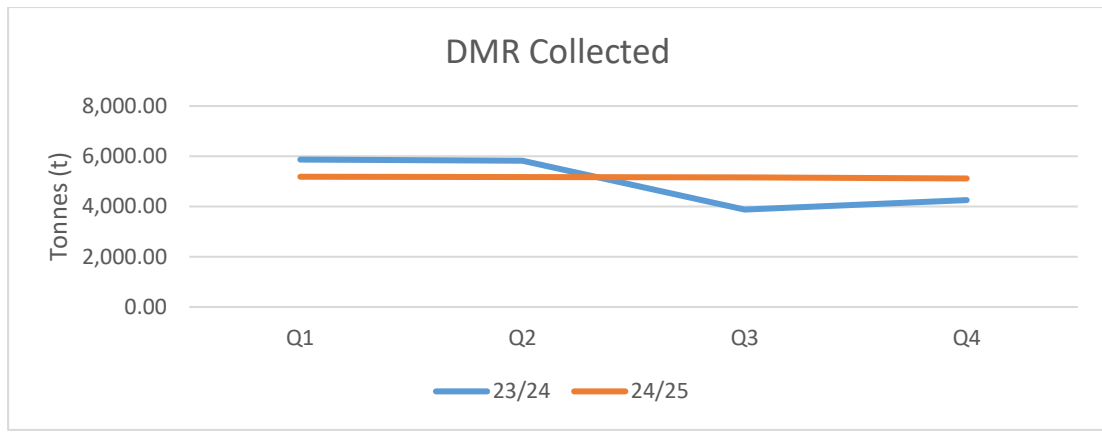
Provider	Contract	Commencement Date
WLWA (N+P)	Recyclates reprocessing	01 April 2023
WLWA (Edwards)	Paper and Card reprocessing	01 October 2023
WLWA (AnyJunk)	Bulky Waste collections	01 April 2023

- 3.2.3 Some other key changes introduced from 1<sup>st</sup> April 2023, were to our recycling service. The first major change was the switch in our recycling processor from Veolia's Southwark Material Recovery Facility (MRF) to N+P's MRF. Another key change was the introduction of twin stream fibre recycling from 1<sup>st</sup> October 2023, which involved the segregation of paper & card from the rest of the recyclable materials residents were putting in their recycling bins. To facilitate the separate collections of these materials, the blue sacks were introduced as a cost-effective container solution. The rationale behind this change was that if the Council could extract cleaner paper & card from the waste stream, we would have the opportunity to get more income from the on sell of the material.
- 3.2.4 There were initial challenges with the introduction of blue sacks, with a high volume of queries/complaints received about the sacks and reports from residents about having difficulties in adapting to this new change. Since the start of the service in October 2023, we have seen a significant reduction in the number of queries and complaints received regarding the blue sacks. A recent survey carried out by the team indicates blue bag participation levels are at 80% and our paper and card tonnage has returned to previous levels.
- 3.2.5 In addition to twin stream fibre recycling, we also introduced a small items recycling collection service at the same time. This service is a free bookable service allowing our residents to recycle batteries, small electrical items and textiles to be collected from their doorsteps.
- 3.2.6 The twin stream recycling service changes are now fully embedded, and we are in the third year of contract's operation. We have seen improvement in our recycling tonnage and a reduction in levels of contamination and improvement in the quality of paper and card collected.

## **4.0 Recycling Performance Overview**

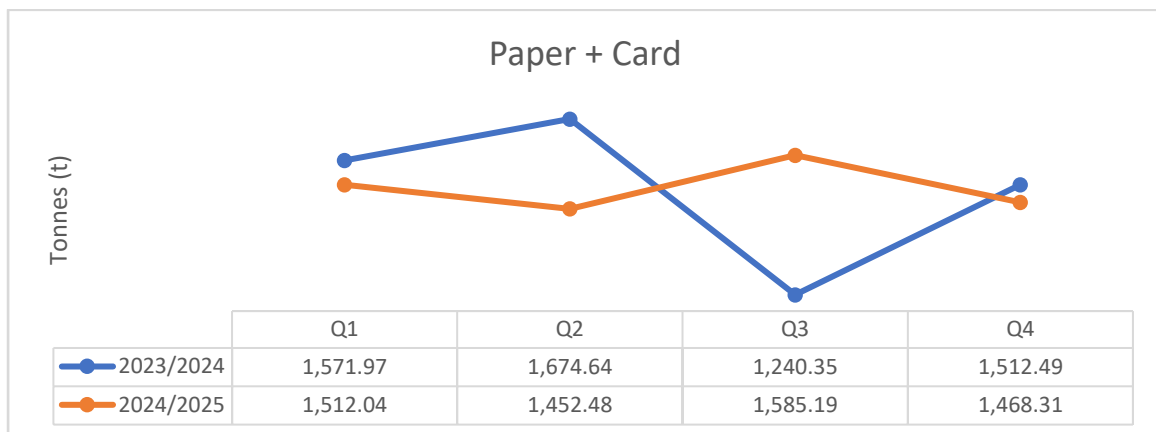
- 4.1 A breakdown of recycling tonnages by waste type (e.g. paper and cardboard [blue sacks], food waste, garden waste, and other recycling [blue-lidded bins]) is provided below.
- 4.2 **Dry Mixed Recycling (DMR)**

When comparing our collection figures from 23/24 to 24/25 financial year we can see that overall DMR collected tonnage has improved by 4.07%. One of the main factors to this is the reduced number of rejected loads resulting in a higher tonnage processed.

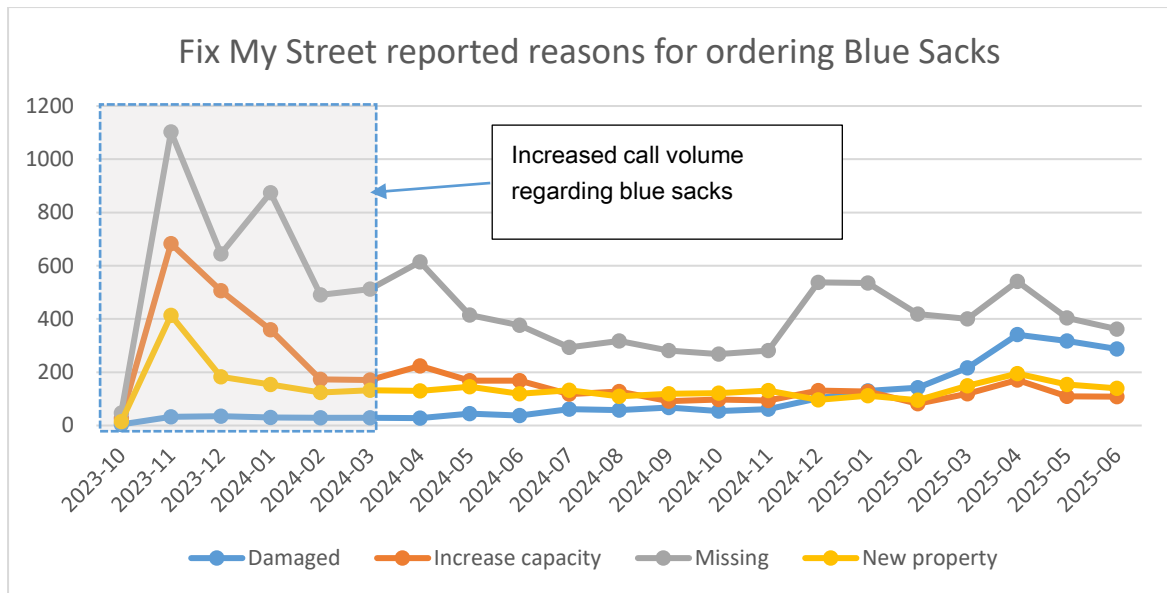


#### 4.3 Paper and card (Blue sacks)

From the graph below we can see there is a small statistical difference in Paper and Card tonnage collected from 23/24 (total 5,999.45 tonnes) to 24/25 (total 6018.02 tonnes). We have seen that our paper and card contamination has been very low. There is a 52.2% decrease in contamination compared to previous year.



From data gathered from Fix My Street reports we can see that since the service change in October 2023; 18,652 blue sacks have been ordered. The most recorded reason for a new sack was due to them going missing. From the graph below we can see that in the first 3 months of the blue bag scheme (October to December 2023) there were high numbers of reported missing blue sacks. From February 2024 the amount of reported missing blue sacks decreased into a consistent pattern.

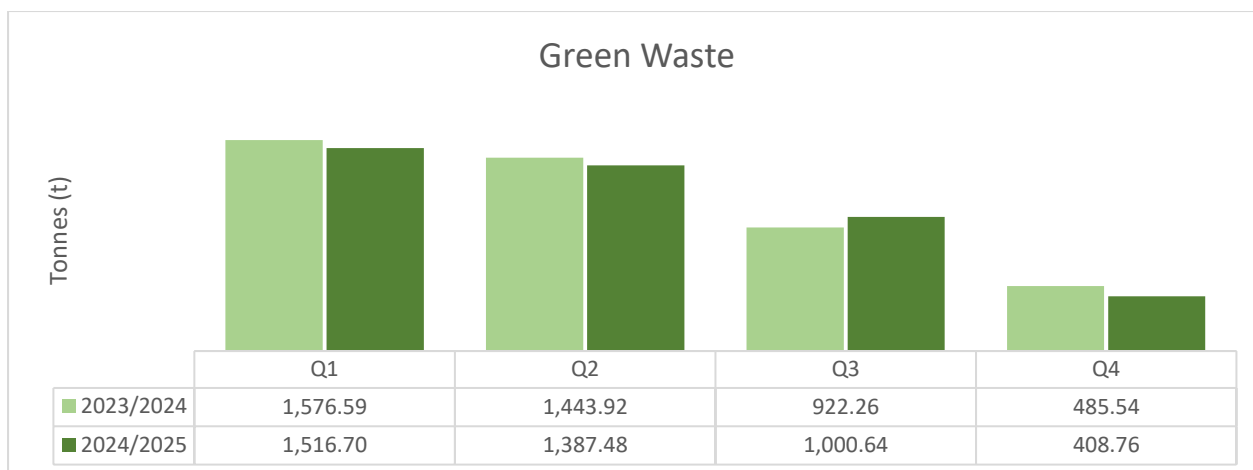


Our contact centre telephone data shows a total number of 227 calls received in the first six months of the roll out of blue sacks. Since the start of service, the call volumes have gone down significantly. The table below provides a snapshot of call volumes for recent months.

Month	Count
10-2024	25
11-2024	31
12-2024	41
01-2025	47
02-2025	28
03-2025	28
04-2025	6
05-2025	7
06-2025	6

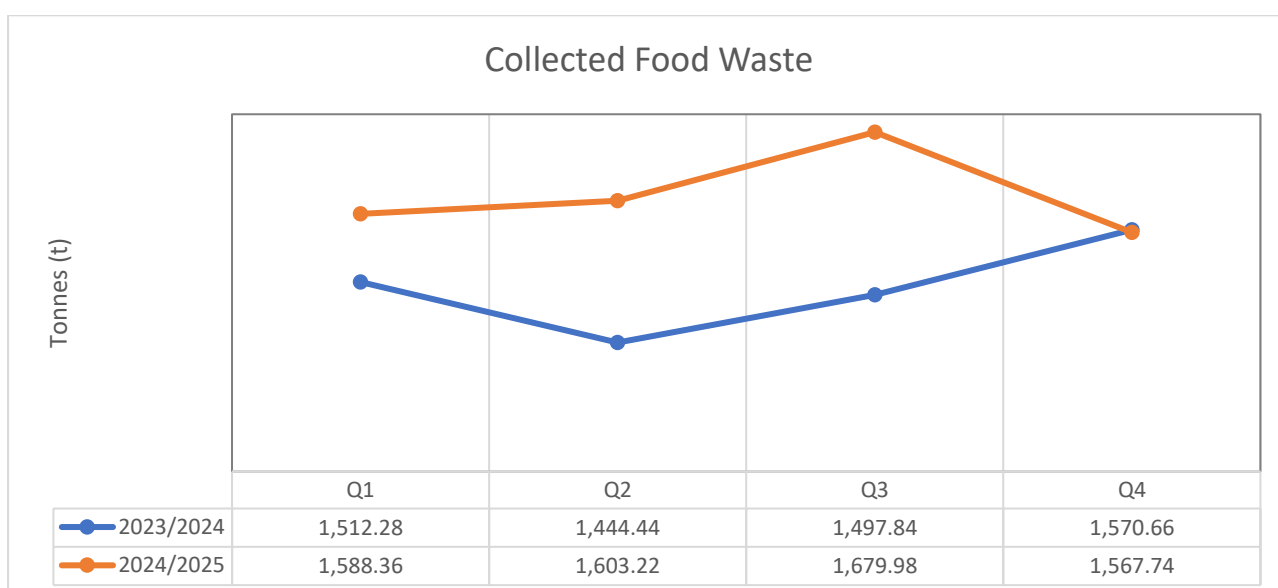
#### 4.4 Garden Waste

Garden waste has a very seasonal trend due to the nature of the waste. We can see that the negative correlation from Q1 through to Q4 as we go from summer to autumn. There are other variables i.e. total garden waste subscriptions which affects our garden tonnage. As of April 2025, our garden waste subscription cost increased to £69. We are about 800 members down when compared to same time last year. We are confident that subscriptions will pick up as we go further into the year. We will monitor to see if the price increase causes any change to our total number of subscription and tonnage collected.



#### 4.5 Food Waste

Collected food waste has seen a 6.9% improvement from the previous financial year. This is due to recent roll out of food waste collection from flats and some communal blocks. Waste and Recycling officers has also carried out further promotion to kerbside properties.



#### 4.6 ***Brent Recycling rates comparison with neighbouring authorities***

At the start of new contract in April 2023, our recycling rounds for both communal and kerbside were mixed. It was in October 2023 that communal recycling rounds were separated to improve contamination in recycling going to our processor. After separating the communal rounds, we sent our communal recycling to the processor and it did not meet processors acceptance threshold due to high level of contamination. Therefore, all communal recycling is currently being sent as residual waste to be incinerated. However, we have started to recycle Food Waste for certain communal properties. Waste composition analysis has taken place to determine whether contamination has decreased as we work on improving recycling behaviour amongst



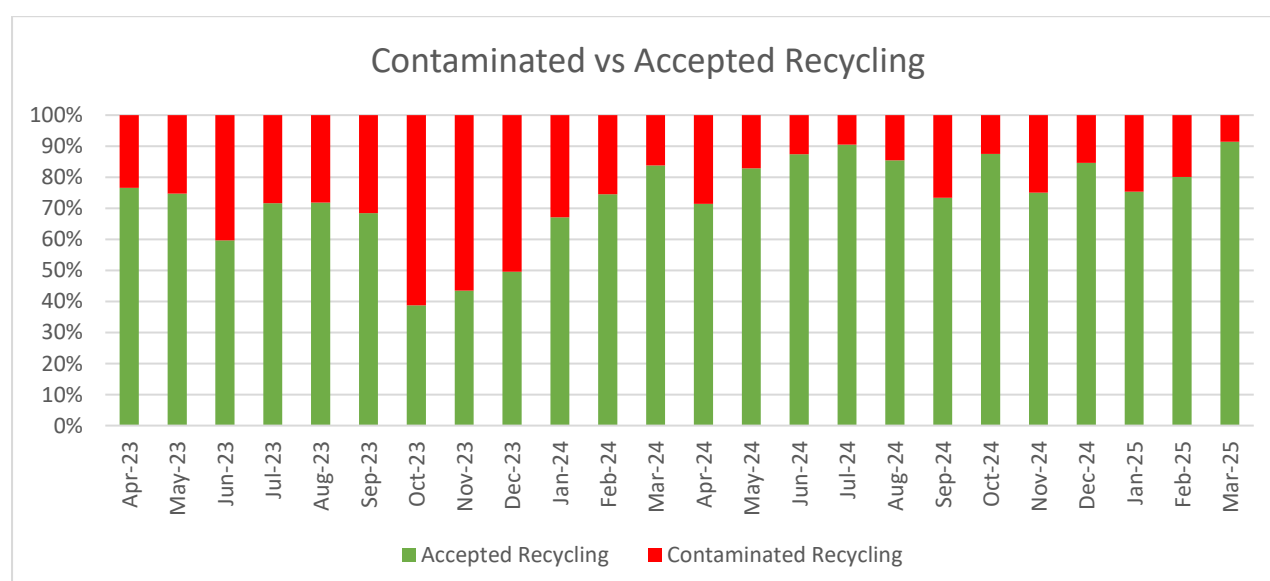
our residents as well as improving infrastructure at targeted communal sites. Hence, it is not possible to provide comparative recycling data for kerbside and communal properties. In addition, due to the complexity of Veolia vehicle rounds, it is not possible to obtain recycling data by ward or areas.

The table below shows recycling rates in comparison with neighbouring boroughs. We can see that Brent has a strong upward trend, improving from 24.8% to 33.8% (+9%), highlighting the work that has taken place within the borough. This has affected our recycling rate positively. Please note that Q4 is still under review but should continue the positive trajectory.

Authority	No. Households	Total Population	Q3 Recycling Rate 23/24	Q4 Recycling Rate 23/24	Q1 Recycling Rate 24/25	Q2 Recycling Rate 24/25	Q3 Recycling Rate 24/25	Average
Barnet LB	159,470	389,101	26.7%	25.3%	30.2%	29.6%	26.9%	27.8%
Brent LB	135,310	341,221	24.8%	27.0%	31.9%	34.1%	33.8%	30.3%
Camden LB	113,410	218,049	29.7%	27.9%	28.0%	26.4%	28.1%	28.0%
Ealing LB	148,480	369,937	50.0%	48.4%	49.0%	51.7%	49.0%	49.6%
Harrow LB	96,510	261,185	31.6%	28.2%	32.7%	32.9%	29.2%	30.9%
Hillingdon LB	118,350	310,681	36.1%	32.1%	41.1%	39.6%	35.2%	36.8%
Hounslow LB	110,290	290,488	37.3%	35.3%	37.8%	38.7%	NAN	37.3%

#### 4.7 Contamination levels

From the graph below we can see a sharp increase in contaminated waste in October 2023 with the introduction of separate collection of paper and card. However, this has steadily decreased from 33% of our total recycling being rejected in 23/24 to 17.9% in 24/25.



The below table shows data for the last two years of rejected loads from our recycling processor, N+P

No. of Rejected Load	23/24	24/25
Q1	84	28
Q2	81	25
Q3	74	26
Q4	37	27

## 5.0 Recyclates Finance Summary

5.1 For the first year of the Integrated Street Cleansing, Waste Collections and Winter Maintenance contract, Brent sent 19,823 tonnes of recycling for processing. That tonnage consisted of 13,823 tonnes of Co-mingled material and 5,999 tonnes of paper and card. In 2024/25 a total of 20,629 tonnes of recycling was sent for processing with 6,018 tonnes of that consisting of paper and card. Whilst tonnages remained similar, a lot of work was done with customer engagement, education and contract monitoring to achieve higher rebate values. The table below compares the first 2 years of the new contract.

Year	Total Tonnage Collected	Co-mingled collected tonnage	% Co-mingled downgraded	Paper & Card collected Tonnage	% Paper & Card Downgraded	Processing costs	Rebate
2023/24	19,822	13,823	23%	5,999	0%	£2,270,173	£493,364
2024/25	20,629	14,611	18%	6,018	0%	£1,555,804	£739,926

5.2 In 2023/24, 33% of recyclable material collected was downgraded upon arrival at the processor. Considering the high percentage of rejected loads, specific measures were introduced with a focus on trying to get better quality material to the reprocessor. This can be seen in the decrease in processing costs for 24/25. This in turn helped the Council to achieve a higher rebate value.

5.3 Whilst we are recycling more of our material than we have previously, our rebate values are largely dictated by market material prices, which are out of our control. The below table highlights 3 different material types which have experienced the largest movements in terms of unit price.

Year	Aluminium Cans		Pot, Tubs and Trays		PET Clear	
	High	Low	High	Low	High	Low
2023/24	£17.22	£6.41	£4.61	-£0.67	£16.21	£6.71
2024/25	£31.34	£13.84	£4.15	-£4.75	£33.75	£11.71

5.4 We are forecasting an income of £1m for 2025/26 and this will be achieved by diverting more recyclable material to the right stream.

## **6.0 Contract Performance and Monitoring**

- 6.1 The contract management hub within Public Realm department oversees and manages day-to-day performance management of the Integrated cleansing waste and recycling contract. This is to ensure better consistency of approach, better integration and regular reviews of contract key performance indicators. There are performance reports and dashboards to monitor material performance of loads going to the processor, N+P. This in turn drives the conversation with both Veolia and N+P through a series of reoccurring meetings.
- 6.2 Greater emphasis has been put on Veolia to monitor the quality of recyclable material they collect and to highlight areas of high contamination. This in turn helps us to target these locations with intervention through education resulting in better quality materials reaching our recycle processor, N+P, which is demonstrated in the tables above.
- 6.3 The waste and recycling performance data is now available on Open Data platform for public to see. Data is updated on a quarterly basis.

## **7.0 Partnership Working**

- 7.1 Driving up recycling rates and reducing contamination relies on effective stakeholder engagement and management. We work with many key stakeholders, including Veolia, recycling processor, N+P, West London Waste Authority and internal council teams such as Communication, Neighborhood Management, Housing, Enforcement, Schools and most importantly, Brent residents.
- 7.2 Tackling contamination takes a multi angle approach with the most successful albeit resource heavy, being our point-of-sale evidence-led approach, targeting households who repeatedly contaminate their recycling bins. The waste and Recycling team work with Veolia on this, monitoring crew performance, highlighting any room for improvements throughout, the process consists of:
- Collection crews tag recycling bins found contaminated both with a physical tag and on their system, does not empty the bin.
  - Visits are made by Brent waste and recycling officers to those addresses who reach third contamination. During visit bins are stickered, door knocking to speak with resident, letter including pictorial information on correct recycling. Upon visit a bin and capacity audit is also undertaken.
  - For persistent contamination issues at the same address, where managing agents are involved, they are contacted to remind them of their responsibility to manage waste and recycling at the managed address.
  - Further work is carried out with housing colleagues, signposting any license issues found, joint visits take place where necessary and appropriate.
  - Communal recycling contamination- in addition to literature to residents, working with managing agent/caretaker, highlighting contractual agreements whilst ensuring facilities are at a standard expected. Bin and infrastructure improvements are made and recommended where possible.
  - Veolia management spot check addresses and rounds, highlight repeat offenders and monitoring crews where necessary. Veolia are monitoring and reporting on hidden contamination in bins providing this information to Brent recycling team to lead to targeted action on a round/area level.

- 7.3 One of the highest contaminants in our recycling bin stream is nappies. Our recycling team has partnered with Real Nappies for London who is giving Brent families a £50 voucher towards reusable nappies. Throughout the month of April and May 2025, officers visited all 6 libraries, and a pop-up information event was held during rhyme time sessions. So far 24 vouchers have been issued to parents in Brent. The scheme has been launched in tandem to inform parents on the correct disposal of single use nappies, utilising the nappy monster asset, to keep them out of the recycling stream and put correctly in the general waste bin whilst encouraging parents to make a more environmentally friendly choice with reusable nappies, which saves money too. Visit: <https://www.realnappiesforlondon.org.uk/brent> for more information.
- 7.4 Waste and Recycling officers work closely with the Council's Climate team on initiatives like repair café and schools Climate Action plan.
- 7.5 We are currently exploring a new partnership with an app called Litter Lotto. Litter lotto incentivises correct recycling at home as well as correct litter and recycling disposal out of the home, in parks and on the street in the borough. The at home function will incentivise residents to receive rewards for recycling or disposing of waste correctly by providing rewards which enter them into regular cash prize draws.

## 8.0 Recycling Communication and Engagement

- 8.1 Waste and recycling officers recently carried out an evaluation exercise to measure how successful the current process and assets, including stickers and letters, are at reducing contamination. They completed the intervention using two collection rounds with addresses found with contaminated recycling bins. One round with a high number of Houses with Multiple Occupancy (HMO's) was chosen to see the variance in performance. When officers revisited the addresses after 3 weeks to check the result of their intervention, they saw a success rate of 70% on a normal round and 58% on the rounds with high number of HMOs. The below table provides further data.

Recycling Round	Round 1	Round 2 (HMOs)
Total number of addresses	1216	520
Number of addresses found contaminated	129	85
% contamination	11%	16%
No. households revisit 3 weeks later	129	85
No. households contamination still present	39	38
% addresses remained contaminated	30%	42%
% with no contamination present	70%	58%

- 8.2 We rely on Veolia crew performance correctly tagging and not emptying contaminated bins. With a high number of bins to empty on each round, there is room for human

error. To manage this, we monitor reports on number of bins tagged on a monthly basis by Veolia crews. Any crew with a large difference month on month are flagged to Veolia management with Veolia then monitoring targeted crews. Brent waste and recycling officers ride along with Veolia crew on a regular basis to monitor both resident and crew recycling performance. In the process they speak to residents, provide education and make improvements where appropriate and necessary.

- 8.3 In July 2024, we launched our new contamination campaign, depicting 'monsters' for key contaminants we find in the household recycling bins from data provided by our recycling processor. There are 6 monsters: food waste monster, clothing and textiles monster, black sack monster, nappies monster, electrical items monster and garden waste monster. Media coverage on these have consisted of JCD boards, organic social, paid ads, Brent magazine features, school workshop and school video. All content links to webpage to find out more, including a helpful tutorial video on our main webpage of what can go into each bin, explaining contamination, how to tackle it and the effect of it. More detail can be found in the link below:  
<https://www.brent.gov.uk/bins-rubbish-and-recycling/bin-monsters>
- 8.4 After the launch of all monsters, a targeted approach was taken to highlight one monster at a time with a clear message and call to action. For example, with food waste high at Christmas and excess waste also seen, the food waste monster was targeted across JCD and social during the festive period.
- 8.5 Garden waste monster was targeted during the seasonal months when residents are signing up to garden waste service, promoting the service as well as highlighting the issues of garden waste going into the recycling bin incorrectly. Garden waste monster gif in March 25 received 20,000 views:  
<https://www.facebook.com/BrentCouncil/videos/500545649771045/>
- 8.6 Textiles monster saw coverage in between season changes when we expect to see people throw away textiles. Textile monster gif received 33,000 views:  
<https://www.facebook.com/BrentCouncil/videos/508736781953981>
- 8.7 Targeted messaging per contamination monster includes:
- Food waste – should always go in your food waste caddy, which are free and collected weekly, freeing up space in general waste bin
  - Textiles – use our free small items collection, local charity shops, or TRAIDs pick-up option to give your clothes to someone who needs them
  - Nappies – cannot be recycled- must always go into the general waste bin, why not try reusable nappies and claim your free £50 voucher towards them
  - Black sacks- must only be used in your general waste bin, cannot be recycled and can result in good recycling being wasted
  - Garden waste – Use our garden waste service to recycle your garden waste correctly sign-up online for your yearly subscription
  - Small electricals/batteries – Use our free small items collections service, or battery bins found in shops and local libraries.

## **9.0 Areas of Improvement, upcoming projects and learning from recent initiatives**

- 9.1 The introduction of twin stream recycling, which involved separate collection of paper and card, has not only made us compliant with the Simpler Recycling legislation, we have also seen improvement in the quality of paper and card collected. The introduction of blue bags for paper and card has helped to reduce contamination and improve income from fibre collected. The contamination rate for paper and card is less than 0.2 percent. Although our participation rate for blue bags is 80 percent, we would like to further improve it to 85 percent or more.
- 9.2 Initial challenges were faced at the start of roll out of blue sacks due to poor quality of sacks received from the manufacturer. The blue bag sample shown to officers was not what the council received. Due to longer delivery period, full order was placed, and the council had no choice but to receive delivery and roll it out across the council. This was challenged and disputed with the supplier and officers managed to get 50% of the amount back. This was then used towards ordering a better-quality blue sack with a different supplier. The new bags are now in circulation, and we have not received any quality complaints. In turn, we have seen number of orders of the new sacks grow alongside positive feedback.
- 9.3 We are in the process of improving our communal recycling. Communal recycling was separated from kerbside recycling in October 2023, to reduce overall contamination seen at the recycling processor, N+P. This in turn has been successful in cleaning up our kerbside recycling and led to more accurate monitoring and targeted intervention on the kerbside recycling stream. Contamination found in communal recycling remains too high to make it financially viable to process all recycling collected from communal bins. To tackle this, a targeted approach is being taken, monitoring each communal round and load with video and photo footage to inform which rounds can move as recycling and which need further work to drive down contamination. Improved infrastructure is being applied per round to communal sites, with auto locking and reverse hinged recycling bins which prevents large sacks of rubbish being placed in them. Work is currently underway to upgrade bins, after which we will monitor the impact of the changes made.
- 9.4 Indoor kitchen caddies and liners have been introduced to 25% of all properties in blocks of flats, with roll out to 100% to be complete by March 26. All residents will receive a 5litre indoor kitchen caddy, a roll of caddy liners and a flyer about how and why to recycle food waste. Average monthly food waste tonnage has increased by 50% since the roll out to communal rounds. 140 new communal food waste housing units are in process of being delivered to all BHM sites over the coming months. Privately managed estates will also receive upgraded communal food waste bins for those that do not yet have sufficient provisions. On kerbside food waste recycling, a project plan is in progress to increase participation and in turn food waste tonnage. Evidence led approach is to be taken targeting rounds/ areas with the lowest reported collected food waste tonnages, with a trial to measure intervention success prior to further roll out.
- 9.5 Since the monsters contamination campaign and intervention launched in July 2024, we have seen a considerable drop in the number of rejected loads at N+P. An average of 33% of loads were rejected in 23/24 compared to an average of 18% of loads rejected in 24/25, which is a difference of -15%. The less rejected loads increase the overall tonnage of recycling processed, increasing rebate whilst reducing costs on rejected recycling which moves as general waste when rejected. So far in 25/26 we have seen 1 rejected load in April and 0 rejected loads in May which is a successful start to the year.

- 9.6 When measuring contamination, we look at both number of rejected loads due to contamination being viewed at 20% or more done by visible checks at N+P, our recycling processor contractor, as well as sampling carried out on the accepted loads of recycling. This gives us clear data on what the key contaminants are when it gets to the plant, some of which are not visible to crew or officers at checks due to being hidden at the bottom of recycling bins. The top 6 contaminants found in our recycling, from data from N+P are: food waste, textiles, black sacks, nappies, garden waste and electrical items. Food waste and textiles remain the highest each month, particularly due to weight whereas black sacks which are more prevalent visibly, are lighter in weight. The contamination rate from the sampling of the accepted tonnage, we have seen it remain relatively the same each year at 19.1% in 23/24 and 19.7% in 24/25. Therefore, we have further work to do on reducing the contamination rate from the sampling of our accepted loads.
- 9.7 HMOs and places of residence with shared bins remain a difficult property type when it comes to issues with waste management, including contamination, excess waste and incorrect usage of bins/containers. Lack of responsibility and ownership makes it difficult to change behaviours as well as transient nature of residents residing at these addresses. Other issues include overcrowding and unlicensed properties with landlords and managing agents difficult to reach. We are working collaboratively with private housing colleagues to work towards tackling these issues, however, with recycling alone not enforceable in legislation, this becomes a barrier for change.

## 10.0 **Simpler Recycling and upcoming legislations update**

- 10.1 **'Simpler Recycling'** will enable consistent, more streamlined collections from all households, businesses and relevant non-domestic premises (such as schools and hospitals). The new default requirement for most households and workplaces will be 4 containers for:

- residual (non-recyclable) waste
- food waste (mixed with garden waste if appropriate)
- paper and card
- all other dry recyclable materials (plastic, metal and glass)

This is the government's maximum default requirement and is not expected to increase in the future. However, councils and other waste collectors will still have the flexibility to make the best choices to suit local needs. These reforms will reduce confusion, ending the 'postcode lottery' of bin collections, which will help ensure the correct materials are captured for recycling.

Local authorities will be required to collect the core recyclable waste streams from all households in England by March 2026. This includes introducing weekly food waste collections for most homes.

Kerbside plastic film collections from businesses and relevant non-domestic premises, and households will need to be introduced by 31 March 2027.

Brent is already mainly compliant, though arrangements will need to be made for plastic film collections from 2027.



10.2 **Extended Producer Responsibility** - From 2025, some organisations and businesses will have to pay a fee for the packaging they supply to or import into the UK market. This is called extended producer responsibility (EPR) for packaging. The money will go to local authorities, as:

- waste disposal, waste collection (such as Brent) or unitary authorities.
- statutory waste disposal authorities (such as WLWA)

It will cover net costs of collecting, managing, recycling and disposing of household packaging waste. In the future, Local authorities will need to sign up to the new local authority payments (LAPs) function of the EPR digital service to receive payments. In the first year (April 2025 to March 2026) LAs will receive a basic payment based on, publicly available and existing data, including Waste Dataflow information and Office of National Statistics (ONS) data. Data about tonnages, operations and unit costs gathered from a representative sample of LAs across the UK. From the second year (April 2026 to March 2027) the basic payment and any adjustments will be based on data LAs submit to the Scheme Administrator.

Brent's estimate for the basic payment for first year of scheme is estimated at £3.6m. The first payment will be made between October and December 2025 and will cover the first 2 quarters of the financial year. The second and third payments will be made between January and March 2026 and will cover the third and fourth quarter of the financial year. Further details on final amount and payment dates will be received in due course.

10.3 **Emissions Trading Scheme scope extension to waste from 2028** - The ETS is a cap-and-trade system that applies an additional cost to fossil-based emissions released by the incineration process. The expansion of ETS to waste will bring additional costs as it seeks to influence a reduction in emissions from incineration and energy from waste. ETS is a market-led scheme meaning the costs are volatile, moving around with the market due to factors often outside of the waste systems control.

Local authorities are legally obligated to collect household waste including materials that are difficult and expensive to process and provide a universal service that includes those that do not participate in recycling schemes.

Based on available data, the expansion of ETS to local authorities in 2028 could add gross additional costs of between £367 million and £747 million and could rise to £1.1 billion in 2036 with a total cumulative cost over this period that could be as high as £6.5 billion.

Should packaging EPR cover the costs of the fossil-based packaging waste in the residual stream, which is estimated to be around 18 percent, then the costs to local government could still be up to £551 million in 2028 and could rise to £837 million in 2036 and bring about a total cumulative cost of £5.4 billion over this period.

This is an enormous financial pressure that would create real challenges for local government and its statutory requirement to set a balanced budget each year. While the high-cost scenario may not come to pass, councils would need to take action to budget for this scenario given the level of uncertainty due to the price volatility.



Brent's residual waste is currently treated at an energy from waste plant, so these costs will apply.

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

- 11.1 The Lead Member is appraised of waste and recycling performance as part of her fortnightly briefings with officers. An end of year (2024-25) performance review meeting took place with the lead member in June 2025, highlighting areas of improvement and challenges faced in waste and recycling service. In addition, representatives from the Veolia contract also provides a monthly performance report directly to the Lead Member.

#### **12.0 Financial Considerations**

- 12.1 There are no financial considerations that arise directly from this report. But a detailed financial summary highlighting the recycling processing costs and income generated is provided in section 5 of the report.

There are no financial considerations that arise directly from this report. But a detailed financial summary highlighting the recycling processing costs and income generated is provided in section 5 of the report.

#### **13.0 Legal Considerations**

- 13.1 There are no legal implications arising from this report.

#### **14.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 14.1 There are no EDI considerations relating to this report.

#### **15.0 Climate Change and Environmental Considerations**

- 15.1 The Integrated Street cleansing, waste collection and recycling service contract supports the borough plan priorities for; A cleaner Greener Future and Healthier Brent, along with various key strategies including the Brent Climate & Ecological Emergency Strategy 2021-2030.

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

- 16.1 There are no HR or property related implications arising from this report.

#### **17.0 Communication Considerations**

- 17.1 There is an ongoing engagement and communication plan in place to address recycling behaviour change as highlighted in section 8 of this report.

#### **Report sign off:**

**Alice Lester**

Corporate Director, Neighbourhoods and  
Regeneration

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## Appendix A - Integrated Street Cleansing, Waste Collections and Winter Maintenance

### Veolia

Veolia previously provided Brent with a holistic service for waste, recycling, street cleansing, winter and grounds maintenance service up March 2023.

As part of the Borough's Redefining Local Services (RLS) programme which aimed to have:

- **A specialist contract approach for outsourced services**
- **Improved contract management and monitoring for contracted services**
- **An intelligence-led approach to the deployment of resources**
- **Better digital customer interface with real-time information and issue reporting**
- **A neighbourhood approach to managing local issues to meet the needs of local areas**

A rigorous procurement exercise was carried out reviewing the arrangements in place under the old Veolia contract and ensuring the tender process brought in some efficiency savings whilst maintaining similar levels of service. At the time it was deemed that the Council could benefit by splitting up the core components from the previous Veolia contract and procure these services with other providers. As a result, the Council now has one main contract and several small contracts in place in partnership with West London Waste Authority (WLWA) to manage its waste, recycling, street cleansing and winter maintenance services. The new **Integrated Street Cleansing, Waste Collections and Winter Maintenance** contract commenced on 1 April 2023 as an 8-year contract with Veolia Environmental Services, with a potential for extension for another 8 years. The other small contracts related to waste are listed below:

Provider	Contract	Commencement Date
WLWA (N+P)	Recyclates reprocessing	01 April 2024
WLWA (Edwards)	Paper and Card reprocessing	01 October 2024
WLWA (AnyJunk)	Bulky Waste collections	01 April 2024

Despite having several core services still sitting with Veolia as part of these changes, with so many new contracts and contractors to onboard, it was a very busy first 6 months of mobilisation. Not only was the transition between providers challenging, but we also had several big service changes to introduce. The mobilisation and introduction of services changes went well and we are now in a position where we can start seeing some of the benefits of those changes.

As part of the new contract with Veolia, different strategies were investigated to keep the new contract within budget whilst delivering a good service to our residents. One key area identified for change and to maximise efficiency was to our street cleaning offering from a traditional service to an intelligence led approach. We wanted to have cleaner streets, at less cost, with a much more flexible and problem-solving orientated approach.

The new street cleansing schedule commenced on 3 July 2023, which incorporated changes to the street cleaning frequencies. We introduced six rapid response teams covering the five Brent connects area. Using these crews as part of the intelligence led approach, our data shows that we have been able to keep up with the standards our resident's demand and in most cases, excel in the performance of the old street cleaning regime. To demonstrate this success, you can see in Table 8.1 of Appendix 4b there were a total 7,122 proactive jobs completed by Veolia of which 1,284 is Hotspot Sweeping, 2,162 Fly tip clearance and 3,664 Proactive jobs.

In addition to the intelligence led street cleansing approach, Veolia crews are proactively clearing fly tips with 75% cleared within 24hrs. You can see from Table 7; fly tip volumes have reduced by 24% compared with the previous year.

We are actively monitoring the success of the intelligence led Street Cleansing change. Neighbourhood Managers undertake weekly "proactive inspections" to assess street cleansing standards and flag up any areas that need improvement. To help facilitate the Intelligence led street cleansing approach, we also introduced a new reporting tool called Fix My Street (replacing Love Clean Streets). Whilst initial uptake was low (due to residents still using Love Clean Street's), you can see (Table 9) that over the past few months, residents are utilising this tool to report a variety of issues, including street cleaning requests.

Based on the information being received through Fix My Street reports and from the proactive inspections, the cleansing schedule is reviewed regularly to target hot spot areas to ensure the Borough is being serviced to a high standard.

Overall, the new street cleansing service is working well and we now have a system of data capture that enables us to look at the streets most reported on Fix My Street for littering and fly tipping and so directs the efficient use of street cleansing resource. The introduction of Rapid Response Teams allows for a more flexible, proactive, and rapid response to addressing a problem and resolving issues which wasn't available previously.

Another key change introduced from 1<sup>st</sup> April 2023, was that to our recycling service. The first major change was the switch in our recycling processor from Veolia's Southwark Material Recovery Facility (MRF) to N+P MRF. Another key change was the introduction of twin stream fibre recycling from 1<sup>st</sup> October 2023, which involved the segregation of paper & card from the rest of the recyclable materials residents were putting in their recycling bins. To facilitate the separate collections of these materials, the blue sacks were introduced as a cost-effective container solution. The rationale behind this change was that if the Council could extract cleaner paper & card from the waste stream, we would have the opportunity to get more income from the on sell of the material. There were initial challenges with the introduction of blue sacks with a high volume of queries/complaints received on sacks and there were reports on sacks either missing or not delivered. Equally, some residents had difficulties in adapting to this new change. We carried out a huge communications and marketing campaign with publicity in Brent Magazine, social media, newsletters and our waste officers door knocked, attended community meetings, distributed literature, set up stalls in public places to educate our residents on the new service changes and its

benefits. Since the start of the service until now we have seen a significant decline in the numbers of queries and complaints received regarding the blue sacks. And at the same time our participation levels have gone up and we have seen improvement in tonnage for paper and card.

In addition to twin stream fibre recycling, we also introduced small items recycling collection service at the same time. This service is a free bookable service allowing our residents to recycle batteries, small electrical items and textiles to be collected from their doorsteps. From the start of the service in October 2023, over 1000 bookings have been received by Veolia. We aim to push the publicity of this service in our next communications campaign to raise recycling awareness and improve take-up of this service.

As with any change in service, there are going to be groups resistant to change without understanding the necessity behind the decision making. We hope that the new service changes would reduce the overall cost of the service provision thus allowing us to deliver the service within budget.

When assessing the effectiveness of the new contracts and the services changes, one must factor in that it's not "like for like" when compared to the previous year. This year's data will form the baseline for the new contract with Veolia over the next seven years of the contract.

During the first year of contract monitoring, one of the key things that was noticed is that we are extracting less recycling from our collections than in previous years (See Table 4). Whilst it would be easy to relate this to the contract / service changes, it should be noted that there are other factors to consider - first and foremost, the cost-of-living crisis which we are all experiencing currently. This means people are spending less, buying less and therefore generating less packaging which is a common theme across all waste streams (Table 1 & 2). The impact on recyclable materials can be further quantified by the analysis that our contractor, N+P provided in which they observed that this year alone, they have processed 10% less recyclable material than last year and that is across all their contracts. So, this would suggest there is a general trend. Also to consider, is the fact that producers are being more environmentally conscious and selling their goods with less packaging.

Another key change that impacted on our recycling rates was the switch from Veolia's MRF to N+P's MRF. The two MRF's operate on a different set of acceptance criteria, and this has meant that more of our recycling with N+P has been rejected before it goes through the processing stage. This is largely due to N+P's acceptance criteria being stricter than Veolia's MRF. This has been accentuated somewhat with the paper and card removed from the total recyclable material presented to N+P, therefore making the contaminants within the recycling become more apparent as the paper and card made up a significant percentage of the tonnage. To counter this, we asked Veolia to split the communal collections from the kerbside collections as the bulk of the contamination comes from communal rounds. We have acknowledged this, and we have an active program in place with our behaviour change team to work on communal rounds to improve recycling rates.


Also, with the cleaner paper and card going to an alternative specialist re-processor (Edwards), we can mitigate for any additional costs incurred from higher rejected loads. As residents start to get used to the twin stream service, we can see a rise in yields (Table 5) being received by Edwards with hardly any of the material rejected thus bringing the council a higher rebate value than if it were to go through a regular MRF.

As part of the new contract with Veolia, we are also exploring a program to electrify the whole fleet used to service the waste collections. If the programme materialises, this would be a first for Veolia amongst their other contracts throughout the UK.

Another service change introduced in April 2024 was the Bulky waste service which was outsourced to AnyJunk (via WLWA). As you can see from the initial data (Table 6), there have been more paid collections taking place than in the previous year. The service delivery is self sufficient with the cost of providing the collection element of the service paying for itself.

In summary, the contractual changes / service changes have taken some time to bed in. It was a colossal undertaking with so many contractors to onboard / mobilise and all the work that needed to be done to bring about the service change whilst maintaining a seamless transition for our residents. However, since the turn of the year, there have been some really encouraging signs that we are on the right trajectory to meeting our performance and financial targets. This can be partially seen when looking at Veolia's performance against some of their Key Performance Indicators (KPI's) (Table 10).

We are confident that we have the right partners in place and can build on the relationships we have fostered to enable us to deliver effective and efficient services to our residents during these challenging times.

	<b>Resources &amp; Public Realm Scrutiny Committee</b> 16 July 2025
	<b>Report from the Corporate Director of Finance and Resources</b>
	<b>Lead Member - Deputy Leader, Cabinet Member for Finance &amp; Resources (Councillor Mili Patel)</b>
<b>Budget update &amp; Medium Term Financial Strategy Financial</b>	
<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not Applicable
<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>	Three Appendix 1: Financial Outturn 2024/25 Appendix 2: Quarter 1 Financial Forecast 2025-26 Appendix 2a: Appendix A – Q1 Savings Delivery Tracker Appendix 2b: Appendix B – Prudential Indicators Appendix 3: Medium Term Financial Strategy
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Minesh Patel, Corporate Director of Finance & Resources Tel: 020 8937 4043 Email: <a href="mailto:Minesh.Patel@Brent.gov.uk">Minesh.Patel@Brent.gov.uk</a>

## 1.0 Purpose of the report.

- 1.1 This report provides an update on Brent's overall financial position by examining the financial outturn position for 2024/25, the Quarter 1 financial forecast for 2025/26 and the medium-term financial outlook, which is part of the committee's role in undertaking budget scrutiny throughout the year.

## **2.0 Recommendation(s)**

- 2.1 That the committee note the report.

## **3.0 Detail**

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

- 3.2 The Medium Term Financial Strategy provides a framework to invest in broader ambitions and long-term priorities such as the Borough Plan, the cost-of-living crisis and other future steps to ensure the Council continues to operate in a financially sustainable and resilient way as well as supporting residents in need.

## **4.0 Financial Outturn 2024/25**

- 4.1 This report (attached in Appendix 1) sets out the outturn for income and expenditure versus the revenue budget and capital programme for 2024/25 and other key financial data. The Council's General Fund outturned at break even, following a transfer from Reserves. The Housing Revenue Account (HRA) has an underspend position of £4.9m, and the Dedicated Schools Grant (DSG) overspent by £0.4m. In 2024/25 the Council's capital programme spent £238.9m which equates to 84% of the approved budget.
- 4.2 Whilst the General fund as a whole broke even, there was an overall service overspend of £15.5m, which is attributable to expected overspends in the provision of homelessness services, temporary accommodation and supported exempt accommodation. Community, Health & Wellbeing achieved a breakeven position and the Children & Young People service overspent by £0.4m, while other services outturned with modest underspends in line with the Quarter 3 forecast. Overall, the financial position has improved by £1.9m since the Quarter 3 forecast. The use of earmarked reserves set aside to manage service overspends of £15.5m has resulted in an overall breakeven position for the General Fund.

### **Housing**

- 4.3 The most significant overspend in 2024/25 was within the Housing Needs service, which reported a total net overspend of £15.3m (£13.3m in 2023/24), which is consistent with the reported forecasts during the year and is primarily due to extreme pressures on the Housing Needs service. The demand from homeless households in Brent as of March 2025 was 6,281, broken down between 3,538 single people and 2,743 families. This equates to an average of 121 applications per week. Whilst this level of demand represents a 14% reduction on the 2023/24 total number of applications,



which was 7,300, the demand for the service and associated costs remain high. In April 2025, there were 1,182 homeless households in Bed and Breakfast (B&B) accommodation - an increase of 10% from February 2025, when there were 1,078 homeless households.

- 4.4 Progress continues to be made in the key priority of decanting households living in the highest cost nightly paid Temporary Accommodation (TA) properties (B&B), into more affordable accommodation. The Council has also entered in a number of lease arrangements to achieve cost avoidance in comparison to more expensive B&B placements.
- 4.5 In 2024/25, i4B continued its street property acquisition programme and had a target to acquire 25 homes. i4B is a housing company wholly owned by Brent Council set up to acquire, letting, and manage a portfolio of affordable, good quality private rented sector (PRS) properties. Properties are let to homeless families at Local Housing Allowance (LHA) levels. This enables the Council to either prevent or discharge its homelessness duty and therefore reduce temporary accommodation costs whilst also ensuring families have a secure and responsible landlord. The rise in LHA rates has enabled i4B to increase its acquisition price caps. As of April 2025, 36 properties have been acquired, 28 have been let, 3 are in refurbishment and 5 have been handed over to Housing Lettings to secure suitable tenants. There are a further 4 properties that are in the i4B acquisition pipeline.
- 4.6 In addition, as of April 2025, 16 properties have been acquired under the Local Authority Housing Fund (LAHF) grant fund from the Ministry of Housing, Communities and Local Government (MHCLG) aiming to reduce local housing pressures, provide sustainable settled housing and support local housing markets. A number of properties are also in conveyancing or awaiting valuation.

#### **Dedicated Schools Grant (DSG)**

- 4.7 The overall DSG deficit has increased from the brought forward balance of £13.2m to £13.6m at the end of 2024/25, following an in-year overspend of £0.4m. Despite surpluses against the Schools Block (£0.055m), Early Years (EY) Block (£1.5m) and the Central Schools Services Block (£0.144m), these were offset by a pressure against the High Needs Block which saw a deficit of £2.1m.
- 4.8 The HN Block reported an overspend of £2.1m compared to £0.2m reported in Quarter 3. The main reason for the increase being the top-up funding for children placed in special schools and academies due to an increase in pupil numbers and average unit costs mainly from January 2025. There was an increase in the number of children requiring Education, Health and Care Plans (EHCPs) which was 3,892 as at March 2025 compared to 3,598 as at

March 2024, an increase of 8.2%. This led to increases in the top-up funding for in-borough mainstream academies and special schools, placements in independent day special schools and alternative education for children awaiting placements as well as the post-16 provision.

### **Housing Revenue Account (HRA)**

- 4.9 The HRA has achieved an overall surplus of £4.9m and has been able to increase the HRA operating reserve. The most significant variances contributing to the surplus is additional rental income from new stock additions and income from leaseholder service charges being above expectations.

### **5.0 Q1 Forecast**

- 5.1 This report (attached in Appendix 2) sets out the financial forecast for the General Fund revenue budget, the Housing Revenue Account, the Dedicated Schools Grant and the Capital Programme, as at Quarter 1 2025/26.
- 5.2 The forecast at Quarter 1 is an overall breakeven position, however there are a number of risks could impact this forecast that are being managed by services. The current budget also reflects £8.9m of savings agreed by Full Council in February 2025, the status of which are set out in Appendix 2a.
- 5.3 Despite the considerable efforts of the Council to manage its financial position, the operating environment and wider economic context continues to be volatile with small changes in demand disproportionately materialising in large financial pressures. These are particularly in Children's social care and Adult social care packages in terms of volumes and complexities, and temporary accommodation volumes, costs of provision and loss of Housing Benefit subsidy from central government. The Council is also dealing with the impact of rising costs due to the continued high level of provider inflationary pressures, and the impact of the cost-of-living crisis which also affects important income streams of the Council.
- 5.4 Since 2023, a number of actions have been taken to mitigate these pressures in order to maintain financial control. The Council has implemented a Budget Assurance Panel to provide additional oversight and scrutiny of its financial position, including in-year budget pressures and issues, mitigating actions and the delivery of agreed savings. In addition, given the pressures experienced in 2024/25, in-year savings targets and enhanced spending controls were introduced. This resulted in £8.6m of one-off savings, on top of the permanent savings agreed at Full Council. These measures included proactive vacancy management, directorate led targeted non-essential

spending controls including agency and interim spend, alongside department led management action plans reflecting other actions being undertaken.

- 5.5 A view will be taken during 2025/26 on whether similar additional in-year measures are required if the current forecast worsens.

## **6.0 Medium Term Financial Outlook**

- 6.1 This report (attached in Appendix 3) sets out the overall financial position facing the Council and highlights the significant risks, issues and uncertainties with regards to the Council's Medium Term Financial Strategy (MTFS). It also sets out the proposed budget setting strategy for 2026/27, which is the Council's minimum legal duty in respect of local authority budget setting, in order to maximise the period of consultation with residents, businesses and other key stakeholders.
- 6.2 As set out for Full Council in February 2025, the estimated budget gap over the next three years is £30m, resulting in a savings target of £10m per annum.
- 6.3 The most significant matter to draw members attention to is the Fair Funding Review that was announced on 20 June 2025. The Government proposes to calculate updated local authority funding allocations by bringing together an updated assessment of relative need, an adjustment for the relative ability of authorities to generate Council Tax income and transitional arrangements across the three year settlement to ensure that authorities are able to plan sufficiently for the changes.
- 6.4 The consultation document includes details of all proposed formulae, the results of the relative need calculations at a local level for each of the formulae, as well as the results of the whole-council relative need assessment which is achieved by combining formula scores in line with the relative size of expenditure on various services. The consultation does not provide information of how much funding is within scope of this assessment. There are seven formulae proposed – adult social care, children's social care, foundation formula, fire and rescue, highways maintenance, home-to-school transport and temporary accommodation.
- 6.5 The consultation also assesses the relative differences in cost of providing the same unit of service through area cost adjustments. These adjustments measure differences between 'labour' costs (e.g. wage differences, travel times) and 'rates' costs (e.g. premises costs).
- 6.6 The Government is considering using projections for residential population,

council tax base and council tax level growth within the distribution methodology. For population, latest Office for National Statistics (ONS) projections would be used and the Government would apply judgement in terms of forecast future council tax level change and taxbase growth.

- 6.7 The Government is proposing a three-year phased transition period. The Government intends to protect a 'vast majority' of councils through a cash flat (0%) funding floor which would assume full use of council tax flexibilities. However, some councils (i.e. those whose current share of funding is the furthest from the new share and are therefore facing largest losses) will need bespoke arrangements, suggesting they will not receive 0% floor protection. The consultation signals that requests for further council tax flexibility will continue to be assessed on a case-by-case basis, rather than a blanket relaxation of the referendum policy.
- 6.8 The Government is also proposing to simplify existing Settlement grant funding within the Revenue Support Grant and to consolidate smaller grants within wider service areas into single consolidated grants, distributed according to bespoke distributions for those grants. The four consolidated grants proposed in the consultation are:
- Homelessness and Rough Sleeping Grant – This will bring together funding for all homelessness and rough sleeping revenue funding, except for temporary accommodation funding, which will be rolled into RSG;
  - Public Health Grant – This will consolidate the existing Public Health Grant with other service-specific grants related to Public Health activities;
  - Crisis and Resilience Grant – This will consolidate the existing Household Support Fund and Discretionary Housing Payment Grants into a single fund to enable local authorities to build the financial resilience of their communities and assist those facing financial crisis;
  - Children, Families and Youth Grant – This will consolidate the Children's Social Care Prevention Grant and the Children and Families Grant, alongside further investment in children's social care reform.
- 6.9 Specifically, the Government proposes to end the New Homes Bonus (£1.9m for Brent in 2025/26) in its current form and roll this funding back into the Revenue Support Grant (RSG), as well as rolling in the social care funding (Local Better Care Grant, Social Care Grant and the Market Sustainability and Improvement Fund), which was a total of £56.7m of funding for Brent in 2025/26. Whilst the future of the Recovery Grant (£5.8m for Brent in 2025/26) is not discussed in the consultation, the ministerial foreword states that this was a "one-off grant to sustain councils with historical low tax bases and

higher levels of deprivation, through to the upcoming multi-year settlement". Therefore, it is expected that this grant will also be rolled into the settlement to be distributed in line with the revised needs assessment.

- 6.10 While adult social care grants will be consolidated into the settlement, the Government is considering including a bespoke 'notional' line within the funding allocation to indicate how much of the settlement is deemed to be allocated for adult social care, including the adult social care council tax precept. If this notional amount was to be included, this would reduce the flexibility of local authorities to allocate the available funding according to local need. However, in practice, demand for adult social care is rising at a faster rate than funding, meaning it is likely that the Council would exceed such a notional amount when allocating funding to adult social care within the new settlement.
- 6.11 At this stage there are serious concerns about the Children and Young People's Services formula that was developed by the Department for Education. A modified version of this formula is now being used to determine the funding local authorities receive. Based on current modelling, London boroughs' collective funding share could be reduced by £1.5 billion (or 27%) due to changes in the children's formula. At this state it is difficult to understand how children's services needs would have shifted so significantly as to warrant this significant shift in funding. This is the single biggest impact to London boroughs' funding in the government's funding reform proposals.
- 6.12 It is important that DfE and MHCLHG allow time for the formula to be properly scrutinised and examined by the local government sector and explain the rationale behind any changes. Officers will work to assess the implications of the reforms for Brent Council's budget and MTFS over the coming weeks. Unfortunately, the consultation did not provide detailed models or provisional allocations at local authority level, so at the time of dispatch of this report, it is not possible to determine the specific impacts of the reforms for Brent, pending the development of tools by partner organisations that will assist with the modelling.
- 6.13 The FFR consultation will close on 15 August 2025. Brent Council will comprehensively review all relevant aspects of the consultation and provide a detailed response to support the Government in developing a multi-year settlement from 2026/27 in line with the objectives set out in the consultation documents. This work will inform the development of the draft budget for 2026/27, which will be presented to Cabinet in the autumn, in advance of the first multi-year local government finance settlement to be delivered by the Government before the end of the year.

## **Summary of Key Financial Pressures**

- 6.14 **Adult Social Care:** 6% increase in users and costs; workforce shortages exacerbated by immigration policy changes.  
**Children's Services:** High-cost placements (up to £500k/year); delays in opening in-house residential home.  
**Housing:** £15.3m overspend in 2024/25; limited availability of suitable placements for children with high needs.  
**Schools & DSG:** £13.6m cumulative DSG deficit; 8 schools in deficit; EHCP demand continues to rise.  
**HRA:** Inflation and repairs driving costs; regulatory compliance (e.g., fire safety) adds financial risk; rent convergence could improve income.

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

- 7.1 There are no stakeholder and ward member consultation arising from this report.

## **8.0 Financial Considerations**

- 8.1 This report sets out the financial outturn position for 2024/25, the Quarter 1 financial forecast for 2025/26 and the medium-term financial outlook. Financial considerations are set out throughout the report.

## **9.0 Legal Considerations**

- 9.1 The law requires that the council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance (Section 28 Local Government Act 2003: the council's Financial Regulation 2.3 Revenue Budget Monitoring, Forecasting and Overspends).

## **10.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 10.1 There are no EDI considerations arising out of this report.

## **11.0 Climate Change and Environmental Considerations**

- 11.1 There are no climate change or environmental considerations arising out of this report.

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

12.1 There are no HR or property considerations arising out this report.

**13.0 Communication Considerations**

13.1 There are no direct communication considerations arising out of this report.

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resources

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	<b>Resources &amp; Public Realm Scrutiny Committee</b> 16 July 2025 <b>Cabinet</b> 28 July 2025
	<b>Report from the Corporate Director, Finance and Resources</b>
	<b>Lead Member</b> <b>Deputy Leader &amp; Cabinet Member for Finance and Resources</b> <b>(Councillor Mili Patel)</b>
<b>Financial Outturn 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>	Open
<b>List of Appendices:</b>	None
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Rav Jassar Deputy Director, Corporate and Financial Planning Email: <a href="mailto:Ravinder.Jassar@brent.gov.uk">Ravinder.Jassar@brent.gov.uk</a> Tel: 020 8937 1487  Amanda Healy Deputy Director, Investment and Infrastructure Email: <a href="mailto:Amanda.Healy@brent.gov.uk">Amanda.Healy@brent.gov.uk</a> Tel: 020 8937 5912

## 1.0 Executive Summary

- 1.1 This report sets out the outturn for income and expenditure versus the revenue budget and capital programme for 2024/25 and other key financial data. The Council's General Fund outturned at break even, following a transfer from Reserves. The Housing Revenue Account (HRA) has an underspend position of £4.9m, and the Dedicated Schools Grant (DSG) overspent by £0.4m. In 2024/25 the Council's capital programme spent £238.9m which equates to 84% of the approved budget.

- 1.2 Whilst the General fund as a whole broke even, there was an overall service overspend of £15.5m, which is attributable to expected overspends in the provision of homelessness services, temporary accommodation and supported exempt accommodation. Community, Health & Wellbeing achieved a breakeven position and the Children & Young People service overspent by £0.4m, while other services outturned with modest underspends in line with the Quarter 3 forecast. Overall, the financial position has improved by £1.9m since the Quarter 3 forecast. The use of earmarked reserves set aside to manage service overspends of £15.5m has resulted in an overall breakeven position for the General Fund.
- 1.3 A number of spending controls were introduced in 2024/25 to reduce the in year overspend. These controls are estimated to have saved £8m overall and therefore have reduced the required use of reserves. However, as reserves can only be used once this reduces the scope to address such pressures in the future. Further details of the impact of spending controls are set out in the paragraphs below.
- 1.4 The tables below show the forecast position against budget for the General Fund, Dedicated Schools Grant and Housing Revenue Account.

Service Area	Revised Budget	Actual Transactions	Over/(Under) Spend	Q3 Forecast
	£m	£m	£m	£m
Community, Health & Wellbeing	160.4	160.4	0.0	0.4
Children and Young People	91.9	92.3	0.4	1.3
Neighbourhoods and Regeneration	36.0	34.9	(1.1)	(1.7)
Finance and Resources	11.7	11.5	(0.2)	(0.1)
Law & Governance	14.7	14.3	(0.4)	0.1
Partnerships, Housing and Resident Services	40.4	53.2	12.8	12.9
Central Items – Supported Exempt Accommodation	0.0	4.0	4.0	4.5
<b>Total</b>	<b>355.1</b>	<b>370.0</b>	<b>15.5</b>	<b>17.4</b>
Central Items / Transfer from reserves	(355.1)	(370.0)	(15.5)	(17.4)
<b>General Fund Outturn</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
DSG Funded Activity	0.0	0.0	0.4	0.2

Housing Revenue Account (HRA)	0.0	(4.9)	(4.9)	0.0
<b>Total (GF, HRA, DSG)</b>	<b>0.0</b>	<b>(4.9)</b>	<b>(4.5)</b>	<b>0.2</b>

- 1.5 For 2024/25 the Council spent £238.9m, which equates to 84% of the approved capital programme budget, representing an underspend compared to budget by £283.9m as shown in Table 2 below.

Capital Board	Original Budget	Revised Budget	Outturn	FY Variance		
	£m	£m	£m	£m	£m	£m
				(Underspend)/ Overspend	(Slippage)/ Brought Forward	Variance Total
Corporate Landlord	14.2	13.7	11.6	0.0	(2.1)	(2.1)
Housing GF	59.8	81.6	71.0	(1.2)	(9.4)	(10.5)
Housing HRA	57.3	54.7	60.9	1.7	4.4	6.1
PRS I4B	46.3	0.0	0.0	0.0	0.0	0.0
Public Realm	23.8	25.4	18.1	(4.3)	(3.0)	(7.3)
Regeneration	64.7	45.9	34.6	(0.1)	(11.2)	(11.3)
Schools	24.7	28.7	22.1	(0.5)	(6.1)	(6.6)
South Kilburn	27.2	33.4	20.4	(12.1)	(0.9)	(13.0)
St Raphael's	0.3	0.5	0.2	0.0	(0.3)	(0.3)
<b>Total</b>	<b>318.3</b>	<b>283.9</b>	<b>238.9</b>	<b>(16.5)</b>	<b>(28.5)</b>	<b>(45.0)</b>

## 2.0 Recommendation(s)

- 2.1 That Cabinet note the overall financial position for the financial year 2024/25.

## 3.0 Cabinet Member Foreword

- 3.1 As we reflect on the financial year 2024 to 2025, it is clear that Brent Council has navigated another period of profound challenge with determination, resilience and an unwavering commitment to improving the lives of our residents. This year, we have faced a complex and unforgiving financial landscape, shaped by national economic pressures, rising demand for services and the continuing impact of the cost-of-living crisis. Despite these headwinds, we have delivered a balanced General Fund outturn a testament to the strength of our financial planning and the dedication of our finance officers.
- 3.2 The headline figures tell a story of both prudence and ambition. We have spent £238.9 million on our capital programme, achieving 84 per cent of the approved budget. This investment has supported vital regeneration projects, housing developments and improvements to our public realm. Our Housing

Revenue Account closed the year in surplus, and our Community, Health and Wellbeing services delivered £3.3 million in in-year savings while still maintaining essential services. These achievements represent homes built, services delivered and lives improved.

- 3.3 However, we must also confront the stark realities. The Council experienced a £15.5 million overspend across services, driven primarily by the escalating costs of homelessness, temporary accommodation and supported exempt accommodation. The demand from homeless households in Brent reached 6,281 by March 2025 — including 3,538 single people and 2,743 families. The number of households in bed and breakfast accommodation rose by 10 per cent in a single month, from 1,078 in February to 1,182 in April. These figures reflect the daily hardships of families and individuals in our borough.
- 3.4 The £4 million overspend in supported exempt accommodation also highlights the urgent need for national reform, stronger oversight and better regulation to protect both residents and public finances.
- 3.5 In response, we introduced robust spending controls that saved £8.6 million and reduced our reliance on reserves. We held vacancies, renegotiated contracts and made tough but necessary decisions to protect frontline services. But reserves can only be used once, and we must now focus on building a sustainable and resilient financial foundation.
- 3.6 This report is the financial reflection of our values. We have prioritised the most vulnerable, invested in our communities and upheld our commitment to fairness and equity. As we look ahead, we must continue to challenge ourselves, innovate and fight for the resources our borough sorely needs.

## 4.0 Revenue Detail

### 4.1 Community, Health and Wellbeing

Community, Health and Wellbeing	Revised Budget	Outturn	Over/(Under) Spend
	£m	£m	£m
Adult Social Care & Integrated Care Partnerships	83.8	83.6	(0.2)
Strategic Commissioning & Capacity Building	50.7	50.8	0.1
Public Health	24.2	24.2	0.0
Leisure	1.7	1.8	0.1
<b>Total</b>	<b>160.4</b>	<b>160.4</b>	<b>0.0</b>

## **Summary**

- 4.1.1 The Community Health & Wellbeing directorate has a small underspend of £24k at the end of the year. This is a reduction from the Quarter 3 forecast of a £0.4m overspend. The reasons for the movement are set out below.
- 4.1.2 The directorate was able to deliver £3.3m of in-year savings by bringing forward previously agreed savings, use of service reserves and the impact of changes to the charging policy.

## **Adult Social Care & Integrated Care Partnership**

- 4.1.3 The Quarter 3 forecast had assumed a £0.9m underspend, however the position has reduced to a £0.2m underspend. There were pressures that the service had to manage to arrive at the underspend position mainly as a result of the number of service users across ASC increasing by 7% in 2024/25 and the average weekly costs increasing by 6%. There was an overall c£1.7m pressure against the care packages budgets mainly in Mental Health and Learning Disabilities where there has been a 9% increase in the number of Mental health (MH) clients and a 9% increase in Learning Disabilities (LD) clients placed in supported living accommodation and the average weekly rate for the MH cohort saw a 12% increase while the LD cohort was 1%.
- 4.1.4 The pressure was mitigated from underspends across the Day Centre budgets of £1m and underspends against staffing budgets of £0.7m due to focused management action to reduce agency spend and holding in year vacancies. Furthermore, the service was able to achieve an underspend position through the use of historic reserves from health.

## **Strategic Commissioning & Capacity Building**

- 4.1.5 The Quarter 3 forecast had assumed a £1m overspend, however this has reduced to £0.1m. The movement is mainly due to the Homecare forecast which was based on estimates from Mosaic, but providers are paid based on actual hours utilised from the provider portal. The pressure has arisen from £0.1m slippage against savings from the implementation of technology enabled care.

## **Public Health**

- 4.1.6 The Public Health grant underspent by £0.4m, mainly arising from a delay in the implementation of the social isolation service contract (£0.1m) and late notification of the Agenda for Change funding (£0.3m) which will be passported to the relevant providers. The underspend has been transferred to the Public Health ring fenced reserve, bringing the balance to £10.4m.

## Leisure

- 4.1.7 The service was forecasting an overspend of £0.3m at Quarter 3, which has reduced to £0.1m. The movement was mainly due to additional income not previously recognised in the forecast and in year staff vacancies. The movement has gone towards partly mitigating the pressures arising from the reduced Vale Farm management fee which resulted in a £0.2m pressure.
- 4.1.8 This position was also achieved through drawing down £0.6m from the Willesden PFI smoothing reserve. This reserve balance is now £0.4m and it is expected that this will be utilised in 2025/26.

## Savings and Slippages

- 4.1.9 The department had a savings target of £0.8m to deliver in 2024/25. However, savings target for technology enabled care (£0.1m) has been delayed until 2025/26.

## 4.2 Children and Young People (CYP) (General Fund)

Children and Young People (GF)	Revised Budget	Outturn	Over/(Under) Spend
	£m	£m	£m
Central Management	2.0	1.7	(0.3)
Early Help	5.6	4.6	(1.0)
Safeguarding and Quality Assurance	4.0	3.8	(0.2)
Localities	24.7	25.1	0.4
LAC and Permanency	7.5	7.9	0.4
Forward Planning, Performance & Partnerships	45.9	47.0	1.1
Inclusion	2.2	2.0	(0.2)
Setting and School Effectiveness	0.0	0.2	0.2
Total	91.9	92.3	0.4

- 4.2.1 The CYP directorate's General Fund budget overspent by £0.4m which is £0.9m less than the Quarter 3 forecast of £1.3m. The decrease is mainly due to less than expected pressures across the service, particularly within the budgets held for central services and Early Help.
- 4.2.2 The £0.4m overspend is mainly attributable to placement spend and an increase in spend against the budget held for clients with no recourse to public funds as well as a £0.5m provision for disputed invoices raised to the Integrated Care Board for health contributions towards the cost of children in care.

- 4.2.3 Recruitment and retention across the directorate remains a national challenge. However, management actions to reduce reliance on agency staff have resulted in a significant decrease in costs, from an average weekly expenditure of £119k (covering 92 agency staff) in April 2024 to approximately £67k (covering 52 agency staff) by the end of the financial year.

#### **Detailed narrative**

- 4.2.4 Pressures against the placement budgets led to an overspend of £1.1m, as previously reported in Quarter 3, due to an increase in the number of children placed in residential care homes; with a significant increase seen in the second half of the financial year, as well as placements in secure accommodation. The Pressures against the residential care placements were partially offset by underspends against the budgets held for the cost of children placed by Independent Fostering Agencies (IFA), due to an overall reduction of the number of Looked After Children in Brent, as well as increased income from the Home Office for Care Leavers and Unaccompanied Asylum-Seeking Children (UASC) presenting to the borough compared to budget.
- 4.2.5 The Localities service overspent by £0.4m due to an increase in spend against the budget held for clients with no recourse to public funds. However, pressures within this area were mitigated by in-year savings through the recovery of overpayments, staffing vacancies and reduction in agency spend.
- 4.2.6 The LAC and Permanency area also experienced budget pressures, resulting in a £0.4m overspend, primarily driven by legal costs. This year's pressure is attributed to a small number of legal challenges and high-cost legal disbursements associated with age assessments for Unaccompanied Asylum-Seeking Children (UASC).
- 4.2.7 The Safeguarding and Quality Assurance service underspent by £0.2m. The main driver being staff vacancies both within the Children Safeguarding and Participation services as well as a small underspend in centralised training. This outturn was in line with previous forecasts.
- 4.2.8 The budgets held for central services underspent by £0.3m as some of the expected department wide pressures did not materialise. This budget includes a £0.5m provision for disputed invoices raised to the Integrated Care Board for health contributions towards the cost of children in care.
- 4.2.9 The pressures within the directorate were mitigated by a £1m underspend in the Early Help service. As part of spend control measures, the service maximised the use of grant funding, drew on service reserves where possible,

secured a Public Health contribution for the Citizen's Advice Bureau contract, and held vacancies where possible.

### **Savings and slippages**

4.2.10 The directorate delivered £1.9m of agreed savings in 2024/25. A further £1.2m of savings was originally allocated to the SEND Transport budget; however, this has been deferred to 2025/26 to align with the implementation of the newly approved transport policy. The policy is expected to begin delivering cost savings as it gains traction.

4.2.11 Savings were achieved through several measures, including £0.86m from reductions in care packages, £0.51m from staffing efficiencies, and £0.376m from contract savings and other miscellaneous items. Additionally, £0.2m in digital savings was realised, of which £80k was met from wider service area budgets.

4.2.12 In addition, the directorate had identified c£1m of in year savings included in the reported outturn.

### **4.3 Neighbourhoods and Regeneration**

<b>Neighbourhoods and Regeneration</b>	<b>Revised Budget</b>	<b>Outturn</b>	<b>Over/(Under) Spend</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Public Realm	24.9	23.1	(1.8)
Inclusive Regeneration & Employment	3.1	3.2	0.1
Property & Assets	8.0	8.6	0.6
<b>Total</b>	<b>36.0</b>	<b>34.9</b>	<b>(1.1)</b>

### **Summary**

4.3.1 Neighbourhoods & Regeneration are reporting an underspend of £1.1m for 2024/25. This is a planned underspend as a result of in-year savings implemented by the department which were required Council-wide to help manage the overall budget pressures. These savings come from a review of the resources available to the department and largely come from the utilisation of service reserves and additional income generated by the Parking service in 2024/25.

4.3.2 The outturn has moved from the £1.7m underspend which was forecast at Quarter 3. The increase in cost is a change in how lease commitments are accounted for, ensuring they are now fully captured in our financial reporting.



This will result in a recurring cost going forward, providing a more accurate picture of our long-term financial obligations of the Property & Assets Portfolio.

### **Public Realm**

- 4.3.3 Public Realm report an underspend of £1.8m. This is an improved position from the £1.0m underspend forecast at Quarter 3. This change is largely due to refinements in how income is recognised within Parking & Healthy Streets. Enhanced reporting processes have enabled earlier recognition of Penalty Charge Notice (PCN) income, including amounts issued but not yet paid adjusted for those expected to be cancelled or uncollectable. This technical adjustment has improved the in-year position, but does not affect the overall value of revenue generated.
- 4.3.4 Within Public Realm pressures still remain around Waste. As reported at Quarter 3 pressures have resulted from increased residual waste and fly-tipping, alongside higher variable costs for recycle processing and unfavourable fluctuations to market prices for recyclates. In order to combat this the service have worked to increase the recycling rate by 5%, to reduce fly tip reports by 10,000, and introduced priority work to increase waste enforcement actions by 3,100.
- 4.3.5 A number of waste initiatives were introduced throughout the year such as 'don't mess with Brent' and 'contamination monsters'. Since the monsters contamination campaign and intervention launched in July 2024, it has resulted in a reduction of the number of recycling loads rejected at processing. An average of 33% of loads were rejected in 23/24 compared to an average of 18% of loads rejected in 24/25. The lower rejected loads increased the overall tonnage of recycling processed, increasing the rebate from sale of materials, whilst reducing costs on rejected recycling which moves as general waste when rejected. The 'don't mess with Brent' campaign focused on littering and fly-tipping, and as such the income collected enforcement action grew by £0.1m in 2024/25 when compared to the previous year.
- 4.3.6 These pressures from waste were able to be managed within the Directorate due to underspends from Parking & Healthy Streets. This underspend comes from improved performance due to a range of operational improvements and efficiencies. These include new enforcement plans reviewed monthly, increased use of e-bikes, new and replacement CCTV enforcement cameras, along with new Controlled Parking Zones which has resulted in a significant increase in the number PCNs issued over the last year.

### **Inclusive Regeneration & Employment**

- 4.3.7 Inclusive Regeneration & Employment report a £0.1m overspend for 2024/25. At Quarter 3 the Department were reporting a £0.4m underspend as a result of in-year savings targets. However, due to underspends within Public Realm some planned reserve movements were not required.

### **Property & Assets**

- 4.3.8 Property & Assets report an overspend of £0.6m for 2024/25. As noted in 4.3.1 this overspend and variance from the Q3 position is down to a review of lease accounting effecting the reported income within Commercial Property.
- 4.3.9 Within the Directorate there were also higher than anticipated staffing costs within Facilities Management largely coming from increased overtime costs, which are under review for 2025/26. High inflation also resulted in increased contract costs for the FM contract. However, the overspend was offset within the Department from an underspend in Energy due to energy costs being based upon contracts bought for future energy supply, and the fall in energy costs.

### **Savings and Slippages**

- 4.3.10 Savings for 2024/25 were set under the Council's previous structure. Following the change, savings have been realigned and £2m of savings are attributable to the Neighbourhoods and Regeneration department. £0.7m of this £2m target relates to finding new tenants for parts of the Civic Centre, which has been deferred to 2025/26. Of the remaining £1.3m of savings in 2024/25, these were able to be delivered in-year.

## **4.4 Law and Governance**

<b>Law and Governance</b>	<b>Revised Budget</b>	<b>Outturn</b>	<b>Over/(Under) Spend</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Democratic Services	5.9	5.8	(0.1)
Human Resources	3.7	3.4	(0.3)
Legal Services	5.1	5.1	0.0
<b>Total</b>	<b>14.7</b>	<b>14.3</b>	<b>(0.4)</b>

### **Summary**

- 4.4.1 Law & Governance are reporting an underspend of £0.4m for 2024/25. This is an improved position from the £0.1m overspend forecast at Quarter 3.
- 4.4.2 The main driver for the improved position is Legal Services who now report a breakeven position. The department had previously been experiencing

pressures on their staffing budget due to high agency costs covering essential vacant posts. However, the Department implemented a recruitment drive in-year. This recruitment, combined with a review of debt recovery cases to generate income and an increase of staff time spent on capital projects has led to the improved outturn position.

4.4.3 Human Resources report an underspend of £0.3m, consistent with the position reported at Quarter 3. This underspend is primarily attributable to the achievement of in-year savings and the use of the Public Health grant to fund a proportion of apprentice and graduate salaries, reflecting their contribution to public health-related activities.

4.4.4 Democratic Services report a small £0.1m underspend representing an improvement from the break-even position forecast at Quarter 3. The underspend is largely the result of staffing vacancies that remained unfilled by the of the financial year.

## 4.5 Finance and Resources

Finance & Resources	Revised Budget	Outturn	Over/(Under) Spend
	£m	£m	£m
Finance Services	7.0	6.8	(0.2)
Organisational Assurance & Resilience	4.7	4.7	0.0
Shared Technology Services*	0.0	0.0	0.0
<b>Total</b>	<b>11.7</b>	<b>11.5</b>	<b>(0.2)</b>

\*Shared Technology Service show a net zero budget, however their gross expenditure budget is £17m. This expenditure is fully recharged across the three partner boroughs, therefore the income for these recharges net the expenditure to zero.

### Summary

4.5.1 Finance & Resources report a £0.2m underspend for 2024/25. This an improved position from the £0.1m forecast at Quarter 3.

4.5.2 The underspend in Finance is due to a combination of achieving in-year savings, implementing spending controls and holding posts vacant.

4.5.3 Shared Technology Services report a break-even position after the completion of charges to the partner organisations.

4.5.4 Organisational Assurance & Resilience also report a break-even position. At Quarter 3 it was expected that the department would achieve a £0.1m underspend due to staffing vacancies. However, this did not materialise due to successful recruitment in Quarter 4.

## 4.6 Partnerships, Housing and Resident Services

<b>Resident Services</b>	<b>Revised Budget</b>	<b>Outturn</b>	<b>Over/(Under) Spend</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
Resident Services	16.2	14.8	(1.4)
Communications, Insight and Innovation	16.7	16.0	(0.7)
Housing Needs and Support	2.4	17.7	15.3
Communities and Partnerships	4.3	4.1	(0.2)
Private Housing Services	0.4	0.3	(0.1)
Corporate Director	0.4	0.3	(0.1)
<b>Total</b>	<b>40.4</b>	<b>53.2</b>	<b>12.8</b>

### Summary

4.6.1 The Partnerships, Housing and Resident Services department is reporting a net overspend of £12.8m for 2024/25. The overspend is as a result of the high level of pressures in the Housing Needs and Support service leading to a £15.3m overspend, which is partially reduced by in-year saving measures across other service areas within the department. In-year saving measures amounting to £2.3m were achieved by holding posts vacant, generating additional income and reviewing opportunities to postpone expenditure plans in the short term. The outturn is in line with the Quarter 3 forecast, which projected an overall £12.9m overspend for the department.

### Resident Services

4.6.2 Resident Services are reporting an overall £1.4m underspend, which is £0.1m below the original in-year saving target and the Quarter 3 forecast. Higher than anticipated spend on the funeral service and printing costs were largely offset by additional income achieved by the Registration and Nationalities team as a result of a higher demand for services.

4.6.3 Customer Services also continued to support residents through the cost-of-living crisis. The Council allocated £0.4m from reserves to the Resident Support Fund to support residents experiencing financial difficulty. The Government continued to fund the Household Support Fund and the Council has been granted £5.6m which was used to support households receiving free school meals for holiday period, credit union support with interest free loans, food banks, careers in Brent, winter support, holistic support with debt and reactive support with household bills through an application process.

## **Communications, Insight and Innovation**

- 4.6.4 Communications, Insight and Innovation are showing a £0.7m underspend for the service. This is £228k greater than their in-year saving target and the Quarter 3 forecast. The greater underspend is attributable to additional filming, advertising and events income achieved by the service.

## **Housing Needs and Support**

- 4.6.5 The Housing Needs and Support service report a total net overspend of £15.3m, which is consistent with reported forecasts during the year and is due to extreme pressures on the Housing Needs service. An extremely high level of demand for homelessness services and emergency temporary accommodation is a national issue, but it is particularly acute in London.
- 4.6.6 The demand from homeless households in Brent as of March 2025 was 6,281, broken down between 3,538 single people and 2,743 families. This equates to an average of 121 applications per week. Whilst this level of demand represents a 14% reduction on the 2023/24 total number of applications, which was 7,300, the demand for the service and associated costs remain high. In April 2025, there are a total of 1,182 homeless households in Bed and Breakfast (B&B) accommodation - an increase of 10% from February 2025, when there were 1,078 homeless households.
- 4.6.7 Progress continues to be made in the key priority of decanting households living in the highest cost nightly paid Temporary Accommodation (TA) properties (B&B), into more affordable accommodation. The Council has also entered in a number of lease arrangements to achieve cost avoidance in comparison to more expensive B&B placements.
- 4.6.8 In 2024/25, i4B continued its street property acquisition programme and had a target to acquire 25 homes. i4B is a housing company wholly owned by Brent Council set up to acquire, letting, and manage a portfolio of affordable, good quality private rented sector (PRS) properties. Properties are let to homeless families at Local Housing Allowance (LHA) levels. This enables the Council to either prevent or discharge its homelessness duty and therefore reduce temporary accommodation costs whilst also ensuring families have a secure and responsible landlord. The rise in LHA rates has enabled i4B to increase its acquisition price caps. As of April 2025, 36 properties have been acquired, 28 have been let, 3 are in refurbishment and 5 have been handed over to Housing Lettings to secure suitable tenants. There are a further 4 properties that are in the i4B acquisition pipeline.
- 4.6.9 In addition, as of April 2025, 16 properties have been acquired under the Local Authority Housing Fund (LAHF) grant fund from the Ministry of Housing, Communities and Local Government (MHCLG) aiming to reduce local housing pressures, provide sustainable settled housing and support

local housing markets. A number of properties are also in conveyancing or awaiting valuation.

### **Communities and Partnerships**

- 4.6.10 Within the Communities and Partnerships service there is a £140k underspend, which is in line with expected in-year savings and the Quarter 3 projection. Savings were achieved by holding a number of positions within the service vacant throughout the year.

### **Private Housing Services**

- 4.6.11 Private Housing Services are reporting a net £116k underspend attributed to additional licensing income achieved as a result of expanding the licensing scheme. A proportion of the additional income generated in-year was also transferred to reserves in order to manage future years costs as licensing charges cover multiple years.

### **Corporate Director**

- 4.6.12 Within the Corporate Director budget there is a £138k underspend that is as a result of not spending some of the support budgets in full.

### **Supported Exempt Accommodation**

- 4.6.13 The supported exempt accommodation properties are leading to growing financial pressures on the Council and presented a new budgetary risk for 2024/25, leading to a £4m overspend in the year. This is because providers are not constrained by the Local Housing Allowance (LHA) caps like other landlords and are able to charge a higher rent once they justify that they are providing support. The amount of Housing Benefits subsidy is dependent on the Rent Officer decision and is awarded based on the claim related rent. This is a national challenge as there is a need for better regulation around the agreed criteria that a provider should meet to be considered as a Supported Exempt Accommodation provider and further clarity on what constitutes as minimal care would enable a universal approach when considering an individual's support needs. Historically, this has not been a significant budget pressure for the Council and has been managed corporately within the wider Housing Benefits budget.
- 4.6.14 A detailed review has taken place within the Adult Social Care and Single Homelessness Team to ensure providers can adequately fulfil the care and support duties required for Supported Exempt Accommodation. A dedicated working group has been set up within the Council and its work aims to minimise the opportunities for exploitative landlords to join the Supported Exempt Accommodation market by introducing a clear strategy on the Council's mechanisms to review landlords that enter this market and those already established. Reviews are also planned to be carried out to consider the individual's support care needs and to verify whether the provider is

providing the appropriate amount of care. In February 2025 a consultation was launched on the implementation of the Supported Exempt Accommodation Act. This consultation seeks views on the implementation of measures in the Supported Housing (Regulatory Oversight) Act 2023. It focuses on the detail of a licensing regime and National Supported Housing Standards and includes content on Housing Benefit. The Supported Housing (Regulatory Oversight) Act was introduced in 2022 and came into force on 29 August 2023. The Act introduces national standards for support and gives local housing authorities power to set up licensing schemes to manage the scale and distribution of supported accommodation and tackle poor quality supported housing. As Government consults on the standards and licensing and more details becomes known, further horizon scanning will continue to ensure the outputs of this work are aligned to the new requirements.

### **Savings and Slippages**

- 4.6.15 In additional to the £2.3m in-year savings target, a total of £1.5m of agreed savings were planned to be delivered from the department's budgets in 2024/25, including a £0.4m housing saving deferred from the previous financial year. All savings were achieved in full and delivered mainly by service transformations, restructures and digital projects.

## **5.0 Central items**

### **Collection Fund – Council Tax**

- 5.1 The budgeted net collectible amount for Council Tax (after exemptions, discounts and Council Tax support) was £216.3m in 2024/25. The actual net collectible amount as at 31 March 2025 was £215.5m, a decrease of £0.8m since April 2024. This is due to additional exemptions for student accommodation for which there is an up to 100% discount on the liability. After accounting adjustments for items such as impairment for doubtful debt, and write-offs, there is a cumulative Council Tax deficit on the Collection Fund of £10.7m (£1.2m surplus in 2023/24). Of this, Brent's share of the deficit is £8.2m (GLA £2.5m). The movement in the balance is made up of a £9.9m repayment of the estimated 2023/24 surplus from January 2023, which was significantly higher than the actual surplus, the decrease in the net collectable debit and an increase in the impairment for doubtful debt as a result of low collection rates compared to the budget. The Council holds a Collection Fund reserve for the purpose of smoothing out any surpluses/deficits and the deficit will be contained within the reserve.
- 5.2 The in-year collection rate was 91.2%, 1% lower than the amount achieved in 2023/24. Collection will continue beyond the end of the financial year, but a lower in-year collection target increases the pressure on the debt recovery team to collect more of that debt and achieve the 97.5% long-term collection

that has been assumed as a part of Brent's revenue budget. Evidence suggests that debt becomes much harder to collect after two years have passed, so the continued low in-year collection of Council Tax is a key risk to the Council's financial resilience in the medium term.

- 5.3 During the 2024/25 financial year, the budget for 2025/26 was set. As part of this, the Council calculated the taxbase for 2025/26. This included a reduced assumption of 97% long term collection due to the ongoing issues with collection. The deficit arising in 2024/25 as a result of the long term collection target having been set higher than the actual collection suggests is feasible, will be included in the estimate of the 2025/26 closing position, which will be repayable in 2026/27. As per the above, this deficit is expected to be contained within the Collection Fund reserve. The Council holds a Collection Fund reserve for the purpose of smoothing out any surpluses/deficits and it is expected that this deficit will be contained within the reserve.
- 5.4 Any budget gap arising from reduced expectations for collection will have to be met either from reserves in the short term or from additional budget savings. The Council has already committed to a challenging programme of savings across 2025/26, with further savings of £30m to be delivered between 2026/27 and 2028/29 and the reserves have been depleted in recent years due to high inflation and demographic pressures. Ongoing low collection of Council Tax may result in a permanent reduction in resources for the Council through a further reduction in the taxbase used for budgeting purposes.
- 5.5 With this in mind and for the need for significant improvement, an external review of Council Tax collection was commissioned during 2024/25. The review was identified what is possible within the service and to assess how much effort/cost is required to deliver change compared to potential savings and service benefits. This is currently being reviewed internally. Additional capacity has been provided within the service, meaning that the numbers of reminder notices and summons will go out in higher numbers in order to maximise collection.

### **Collection Fund – Business Rates**

- 5.6 The budgeted net collectible amounts for Business Rates (NNDR) for 2024/25 was £140.1m (after exemptions, reliefs and discounts). The actual net collectible amount as at 31 March 2025 decreased to £126.0m, a decrease of £14.1m since April 2024. This decrease is due to the following items:
- Higher than expected movements on the impairment for doubtful debt, because collection was lower than expected (£0.6m);
  - Higher than expected movements on the appeals provision, because the value of successful historic appeals exceeded the level of provision set aside (£2.8m);



- A reduction in the liabilities before reliefs are applied (£1.1m, of which £0.3m was for prior years);
  - An increase in reliefs funded through Section 31 grants (£4.0m); and
  - An increase in empty property relief (£5.6m, of which £2.8m was for prior years), which is an unfunded relief.
- 5.7 After accounting adjustments for items such as impairment for doubtful debt, and write-offs, there is a cumulative NNDR deficit on the Collection Fund of £6.6m (£9.0m surplus in 2023/24), of which Brent's share is £2.0m (GLA £2.4m, MHCLG £2.3m). The movement in the balance is made up of a £1.2m repayment of the estimated 2023/24 surplus from January 2023, the £14.1m decrease in the net collectable debit and a £0.3m reduction in Transitional Protection Payments due to the Collection Fund. The Council holds a Collection Fund reserve for the purpose of smoothing out any surpluses/deficits and it is expected that this deficit will be contained within the reserve.
- 5.8 The in-year collection rate was 93.4%, 0.2% higher than the amount achieved in 2023/24, but still below the 94% in-year target. Collection will continue beyond the end of the financial year with a long-term collection target of 98% based on historic data. Evidence suggests that debt becomes much harder to collect after two years have passed. Therefore, to achieve the long-term collection target, a marked improvement in the Council's collection of arrears must be seen quickly to make up for the lower expectations for in-year collection. It is also important for the Council to continue to make improvements to in-year collection, as this remains the best way of achieving the long-term target.
- 5.9 Included within the outstanding debt for 2024/25 are several large unpaid liabilities where work is ongoing to achieve collection in a timely manner. This includes multiple cases of suspected rates avoidance, for which legal advice is currently being sought. In some of these cases, the businesses are undergoing a change of use process, to change their properties to uses which would have a lower rateable value and are challenging their rates bills accordingly. The process for the Valuation Office Agency to investigate and resolve such cases is a process that takes time. However, the Council remains committed to pursuing all business rates liabilities and will take whatever actions are required to ensure that every business pays the business rates that they are liable for.

### **Virements**

- 5.10 The table below shows the virements which have been entered to adjust the budgets at Corporate Directorate level from November 2024 to the end of 2024/25. Cabinet are recommended to approve these virements.

	2024/25 In-Year Budget at 01.11.2024	In-year growth	Transfer of functions between services	Technical Adjustments	2024/25 Closing Budget
	£m	£m	£m	£m	£m
<b>Community, Health and Wellbeing</b>	156.5	3.9	0.0	0.0	160.4
<b>Children and Young People</b>	91.0	0.8	0.0	0.1	92.0
<b>Neighbourhoods and Regeneration</b>	35.4	0.6	0.0	0.0	36.0
<b>Partnerships, Housing and Resident Services</b>	39.1	1.4	0.0	(0.1)	40.4
<b>Law and Governance</b>	14.0	0.6	0.0	0.0	14.6
<b>Finance and Resources</b>	9.5	2.2	0.0	0.0	11.7
<b>Central Items</b>	(345.5)	(9.6)	0.0	0.0	(355.1)
<b>Total Budget</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

5.11 In-year growth items are budget movements from the Central Items budget to Departmental budgets which were not actioned at the start of the financial year. The table above includes the following in-year growth items added between November 2024 and the end of 2024/25:

- Funding from reserves for prior year payment from Community Health and Wellbeing (Adult Social Care) (£3.0m)
- Funding from reserves to Partnerships, Housing and Resident Services for expenditure on the Triple Value Impact programme (£0.3m)
- Permanent funding for recurring core operational capacity pressures in Finance and Resources (£1.6m)
- Allocation of the 2024/25 pay award to services (£0.7m to Community, Health and Wellbeing, £0.9m to Children and Young People, £0.6m to Neighbourhoods and Regeneration, £1.2m to Partnerships, Housing and Resident Services, £0.3m to Law and Governance and £0.2m to Finance and Resources)
- Funding from reserves for Change Programme salaries in Law and Governance (£0.3m)
- Temporary funding from the Borough Plan budget for salaries in Community, Health and Wellbeing (£0.01m)
- Funding from reserves to Finance and Resources for Insurance compensation payments (£0.4m)
- Funding from reserves to Community, Health and Wellbeing for the migration of social care software (£0.1m)

- 5.12 Transfers of functions between services are budget movements between Corporate Directorates, which occur when a department is moved from one service to the other. The virement ensures that the department and the related budget remain together. The table above includes the following transfer of functions between services items added between November 2024 and the end of 2024/25
- Transfer of Staff Networks Budget – Policy from Partnerships, Housing and Resident Services to Law and Governance (£0.02m)
- 5.13 Technical adjustments are budget movements resulting from events which are provided for in the MTFS, but only confirmed during the year (e.g. pay award), budget movements resulting from changes to processes (e.g. centralisation of budgets) or other budget movements between directorates resulting from changes to the Council's structure. The table above includes the following technical adjustment items added between November 2024 and the end of 2024/25:
- Correction of errors in virements in prior periods (£0.1m to Children and Young People, £0.1m from Partnerships, Housing and Resident Services)

## 6.0 Dedicated Schools Grant (DSG)

DSG Funding Blocks	Revised Budget	Outturn	Over/(Under) Spend
	£m	£m	£m
Schools Block	118.2	118.2	(0.1)
High Needs Block	77.4	79.5	2.1
Early Years Block	34.6	33.1	(1.5)
Central Block	2.1	2.0	(0.1)
<b>Total</b>	<b>232.4</b>	<b>232.8</b>	<b>0.4</b>

### Summary

- 6.1 The overall DSG deficit has increased from the brought forward balance of £13.2m to £13.6m at the end of 2024/25, including an in-year pressure of £0.4m. Despite surpluses against the Schools Block (£0.055m), Early Years (EY) Block (£1.5m) and the Central Schools Services Block (£0.144m), these were offset by a pressure against the High Needs Block which saw a deficit of £2.1m.
- 6.2 The HN Block reported an overspend of £2.1m compared to £0.2m reported in Quarter 3. The main reason for the increase being the top-up funding for children placed in special schools and academies due to an increase in pupil numbers and average unit costs mainly from January 2025. There was an increase in the number of children requiring Education, Health and Care Plans (EHCPs) which was 3,892 as at March 2025 compared to 3,598 as at

March 2024, an increase of 8.2%. This led to increases in the top-up funding for in-borough mainstream academies and special schools, placements in independent day special schools and alternative education for children awaiting placements as well as the post-16 provision.

- 6.3 The Schools Block surplus was due to underspends against the delegated budgets held for contingencies and maternity and paternity cover.
- 6.4 The £1.5m under-spend against the EY Block is mainly driven from the additional funding from the Department for Education (DfE) to cover the increase in provision of free childcare for working parents from September 2024 to 30 hours. This allocation was provided based on an estimated take up of hours by working parents in Brent. However, take-up has been lower than predicted leading to underspends of £0.5m and £0.7m reported against the under 2- to 2-year-old and the 2-year-old working parent entitlements respectively.
- 6.5 The EY Block funding is based on headcounts at January census points. Therefore, there is a risk that the DfE may claw back some of the funding received in 2024/25 following confirmation of the final January 2025 census and a final in-year adjustment expected in July 2025. An allowance has been made for the potential clawback and the remaining surplus will offset the overall DSG in-year deficit.
- 6.6 The budgets held for central service also saw an underspend of £0.5m due to vacancies held throughout year and a reduction in spend towards the training offer. This budget included a contingency of £0.1m which was not utilised and contributed to the underspend.
- 6.7 The DSG deficit will be disclosed as an earmarked unusable reserve in line with DfE regulations (the School and Early Years Finance (England) Regulations 2023). The regulations make clear the requirement for any DSG deficit balance to be held within the local authority's overall DSG and carried forward to be funded from future year's funding and/or recovery plans agreed with the DfE. This also means that authorities cannot fund a deficit from the General Fund without the secretary of state's approval. The recent Spending Review confirmed this arrangement will be in place until the end of the 2027/28 financial year.
- 6.8 This is the final year of the DfE's Delivering Better Value (DBV) in SEND programme to provide dedicated support and funding to help local authorities reform their high needs systems. The Council received a grant of £1m grant funding allocated over two financial years i.e., 2023/24 and 2024/25 to deliver the actions in the Management Plan as well as cost benefits identified as part of the programme. The pilot has been successful with a plan to continue some of the workstreams that were developed with the DfE as part

of business-as-usual processes to continue to work towards reducing the overall deficit and to achieve a more sustainable High Needs Block budget in the future.

- 6.9 In 2024/25, maintained school balances decreased by £1.0m (£2.1m decrease last year) from £12.9m to £11.9m. This reduction in school balances is mainly attributable to reduced income linked to falling pupil numbers particularly withing the Primary phase. Of the 54 maintained schools, 27 increased their balances and 27 decreased their balances. Also included in this total are 8 schools in deficit and at the end of 2024/25, 2 schools that were previously in deficit recovered their deficit; however, 3 new schools have closed with deficit balances. The challenge remains that school budgets are under considerable pressure due to rising costs. In some cases, reduced funding levels have resulted from a reduction in the number of pupils on the school roll.

## **7.0 Housing Revenue Account (HRA)**

### **Summary**

- 7.1 Budgets for the Housing Management function are contained within the ring-fenced Housing Revenue Account (HRA), which had a balanced budget for 2024/25 made up of £65.8m of income matched by expenditure.
- 7.2 The HRA has outturned with a surplus of £2.9m for 2024/25, which will allow the HRA operating reserve to increase to £5.3m, which is above the target level of £3.4m.
- 7.3 The overall HRA outturn for the financial year 2024/25 is a result of a number of variances across services. An additional £4.3m in rental income was generated during the year as a result of new stock additions, contributing positively to the overall financial position. Leaseholder service charge income came in £1m above budgetary expectations, resulting in increased revenue from leaseholders. The allowance for debt impairment was increased by £0.7m to recognise the challenges in debt collection. This adjustment reflects current trends in arrears and collection rates.
- 7.4 There was a £4.2m overspend relating to responsive repairs, which was driven by an increase in demand for urgent maintenance and efforts to address a backlog of outstanding repair works, highlighting ongoing pressures on the repairs and maintenance budget. In order to ensure the HRA is prepared for upcoming financial obligations, a provision of £1.3m was set aside to cover anticipated future expenses.
- 7.5 Costs amounting to £1.7m that were originally capitalised and relate to schemes that were subsequently paused or abandoned, were reclassified

and charged to revenue. This change reflects the need to account for expenditure that no longer meets capitalisation criteria.

- 7.6 In addition, insurance costs rose by £0.6m during the year and costs associated with decants and tenant incentive payments were £0.3m higher than expected. A larger than planned volume of pest control interventions led to an additional £0.2m in costs above budgetary expectations.
- 7.7 A planned revenue contribution to capital of £4m was not required during the year, which provided some relief to the revenue budget and improved the in-year financial position.
- 7.8 Following a reassessment of costs and asset revaluation, £2.8m was released from a provision previously set aside for Granville remediation works.
- 7.9 Staffing costs within Property Services were £0.9m below budget. This underspend is largely attributed to staff vacancies and cost control measures introduced by the Council to manage overall expenditure.
- 7.10 Lastly, there was a £0.9m reduction in support services costs. This saving contributed to the overall efficiency of the fund and helped offset pressures in other areas of the budget.
- 7.11 Additional reserves totaling £2m have been created to manage the current risks around housing maximization strategies and new contract implementation.

## **8.0 Capital Programme**

- 8.1 The Council's Capital Programme is a bold and forward-looking five-year investment plan, with a total budget of £1039.0m for the period 2024/25 to 2028/29. This programme is funded through a blend of capital receipts, government grants, external contributions, earmarked reserves, and borrowing.
- 8.2 In 2024/25, the Council delivered £238.9m of capital expenditure against a revised budget of £283.9m, representing an overall budget variance of £45.0m and performance of 84% compared to revised budget. Due to the project-based and multi-year nature of capital expenditure, underspends in a year may be due to scheme costs slipping into future years or being accelerated into current year with no overall impact on the cost of the scheme compared to overall scheme budget. A net £28.5m of the overall variance relates to scheme costs that have slipped into 25/26.

Capital Board	Original Budget	Revised Budget	Outturn	FY Variance		
	£m	£m	£m	£m	£m	£m
				(Underspend)/ Overspend	(Slippage)/ Brought Forward	Variance Total
Corporate Landlord	14.2	13.7	11.6	0.0	(2.1)	(2.1)
Housing GF	59.8	81.6	71.0	(1.2)	(9.4)	(10.5)
Housing HRA	57.3	54.7	60.9	1.7	4.4	6.1
PRS I4B	46.3	0.0	0.0	0.0	0.0	0.0
Public Realm	23.8	25.4	18.1	(4.3)	(3.0)	(7.3)
Regeneration	64.7	45.9	34.6	(0.1)	(11.2)	(11.3)
Schools	24.7	28.7	22.1	(0.5)	(6.1)	(6.6)
South Kilburn	27.2	33.4	20.4	(12.1)	(0.9)	(13.0)
St Raphael's	0.3	0.5	0.2	0.0	(0.3)	(0.3)
<b>Total</b>	<b>318.3</b>	<b>283.9</b>	<b>238.9</b>	<b>(16.5)</b>	<b>(28.5)</b>	<b>(45.0)</b>

### Corporate Landlord

- 8.3 Corporate Landlord, which is made up of Retained Estates, Digital Strategy, ICT and Libraries, has a variance to budget of £2.1m made up of a slippage across a number of schemes.
- 8.4 The projected slippage is made up of £0.4m in Digital Strategy due to a change in priorities, which has led to the delivery of some projects being pushed back to the next financial year. The public sector decarbonisation scheme experienced slippage of £0.2m due to viability challenges with two workstreams. The retained estates project also experienced slippage of £0.6m and the ICT Investment fund has realigned project delivery timescales creating £0.7m slippage to 25/26.

### Housing General Fund

- 8.5 The Housing General Fund programme delivered an outturn of £71.0m, providing an overall variance to budget of £10.5m.
- 8.6 The variance is largely due to slippage relating to the Local Authority Housing Fund Programme to acquire 42 local properties for temporary accommodation and resettlement to reduce pressure on future revenue housing costs. This budget was approved by Full Council in February. Having successfully acquired 10 homes during 24/25 the remaining 32 homes will be acquired in 25/26.
- 8.7 The net £1.2m underspend is made up of a £1.9m underspend on the Brent Indian Community Centre development which has completed and delivered 29 affordable homes as well as a community facility. This is partially offset by

a £0.9m overspend on the Clock Cottage project, which will provide 13 supported living units. The contractor has completed an extensive suite of surveys to fully understand the condition of the building in order to propose and complete the refurbishment and these works are significantly greater in extent and cost than previously allowed for within the project and its budget. Officers are engaging with the GLA to increase the level of funding provided for this scheme to reduce the financial impact and a decision is expected during July 2025.

### **Housing HRA**

- 8.8 The Housing HRA reported an outturn of £60.9m against a budget of £54.7m, resulting in a budget variance of £6.1m.
- 8.9 This is primarily due to an accelerated spend of £15.5m to facilitate the expedited progress on the Claire Court Housing Development. However, this is partly offset by slippage of £5.4m for Five Tower Blocks Programme, £4.2 for the Alpertons Bus Garage and £1.1m for the Refurbishment of Granville Homes, owing to delayed procurement and project completion.
- 8.10 A reported net overspend of £1.7m is largely driven by a £3.9m overspend for Major Repairs & Maintenance, primarily due to increased costs associated with the energy efficiency works programme and a rise in void properties. These overspends are partially offset by £2.1m in underspends across various schemes, where several projects have now been completed and no additional expenditure is expected against the current budget.

### **PRS i4B and First Wave Housing**

- 8.11 The budget represents the drawdown of loan facility by i4B Holdings Ltd to continue their acquisition programme to deliver homes in the private rented sector. The company have been able to utilise existing funds drawn down to acquire properties within the year so there has been no call for new funding in 24/25. A budget has been allocated to 25/26 with future loan funding is expected contingent on them presenting a viable property acquisition programme.

### **St Raphael's**

- 8.12 The works at St Raphael's estate have consisted of improvements to pavements and roads whilst exploration to deliver future development continues. £0.3m has been slipped into 25/26.

### **Public Realm**

- 8.13 The Public Realm Board has delivered significant improvements throughout the year spending £18.1m during 24/25. One notable success was the



completion ahead of schedule of the reconstruction of Triangle and Wembley High Road, an important and complicated engineering project that addressed long-standing structural issues and reduced the need for costly reactive repairs. The overall budget variance for the Board was £7.3m, consisting of a net underspend of £4.3m and net slippage of £3.0m. The underspend was largely driven by £2.5m of unused contingency, as well as £1.5m on Streets & Parking, and £0.5m on Highways Management due to lower-than-expected expenditure on several large infrastructure projects.

- 8.14 The £3.0m slippage reflects £2.8m of accelerated spend on Footways due to significant progress to achieve early completion of works offset by £5.8m of slippage attributed to resource reprioritisation and procurement delays. For example, the carriageway surfacing programme experienced a delay of £1.465m due to difficulties in procuring consultants to conduct condition surveys. Discrepancies in the raw data extended the validation process, delaying the Cabinet report until the final quarter. Consequently, the 2024/25 programme was merged with the 2025/26 schedule and will be delivered during the summer months, which are optimal for this type of work. Full expenditure is expected by the end of September 2025. Similarly, £238k of slippage in the Structures programme resulted from delays in procuring consultancy services, which in turn postponed study and design work, leaving schemes unready for implementation within the financial year. Injection patching, a seasonal activity typically carried out between April and October, saw £212k of slippage. This was partly due to the use of a 2023/24 carry-forward during the early part of the year, contributing to the underspend carried into the current financial year. The renewal of road markings also experienced £88k of slippage, primarily due to weather dependency and issues with the contractor's subcontractor. However, the contractor has since acquired its own road marking vehicle and is now operating full-time in the borough, ensuring full delivery this year. The overall investment in footways (originally planned over four years (ending in 25/26) is ahead of schedule with all schemes expected to be completed by the end of September 2025 which is 6 months ahead of plan.

## **Regeneration**

- 8.15 The Regeneration Programme has an overall budget variance consisting of £0.1m underspend and £11.2m slippage. The Wembley Housing Zones scheme accounted for £6.6m of this slippage, largely due to delays in starting various phases of work, partly influenced by the timing of payment notices. The contribution of £1.6m to the delivery of Alperton Medical Centre has slipped due to contract queries between partners. The delivery of the Picture Palace project which is creating a community hub focused on cultural, educational and youth amenities, has been delayed to June 2025 which has resulted in slippage of £1.3m. The delivery of affordable workspace at Watkins Road was delayed with works starting in December 2024 resulting

in slippage of £0.4m. The development of a pedestrian and cycle bridge at Grand Union has experienced delays in appointing a planning consultant resulting in slippage of £0.5m.

### **Children, Young People and Community Development**

- 8.16 The Schools Board has been renamed during the year to better align with the projects being delivered to Children, Young People and Community Development. The board has an overall budget variance of £6.6m driven by £6.1m slippage and £0.5m underspend.
- 8.17 The net underspend position was a result of underspend against the Devolved Formula Capital works of £0.3m, the Schools Asset Management Programme of £0.1m and underspend against attributable overhead costs to deliver the programmes of £0.7m. There was an overspend within the inclusive environment project within the SEND expansion programme of £0.5m however this additional cost will be funded within the Basic Need Grant provided by the Department for Education.
- 8.18 The £6.1m slippage is predominately relating to the SEND programme. £5.6m slippage is because of a failed tender exercise for the Additional Resource Provision programme which delayed the start on site during the year. These works are now underway. A further £0.5m slippage relates to the Islamia School and Youth Zones projects, with spend anticipated in 25/26.

### **South Kilburn**

- 8.19 The South Kilburn regeneration programme will deliver over 2,400 new homes of which 50% will be affordable. To date, ten buildings have been delivered or are on site including a new medical centre, community halls and affordable workspace. Seven sites remain to be developed, including a new primary school building, an enhanced public realm, and open spaces. The underspend of £12.1m was due to the substantial mid-year remodel of the forecast to a Single Delivery Partner model for the sites yet to be delivered. The procurement for the partner will commence in 25/26.

### **Capital Financing**

- 8.20 The capital financing budget for 2024/25 was £27.8m inclusive of in year virements. The final debt management outturn position at 31 March 2025 was £41.5m. There was a drawdown of £13.7m from the Capital Financing Earmarked Reserve to fund the outturn variance. There was an increase in costs due to several factors including a review of soft loan accounting which had resulted in an in year charge to the Revenue Account. Investment income had also decreased in line with the reduction in the Bank of England Bank Rate during the year. Borrowing rates continued to remain elevated

during the 2024/25 financial year resulting in new loans being raised at an average rate of 4.8%.

The Council raised £170.0m in new loans and repaid back £84.2m of loans resulting in a net movement of £85.8m increase in the debt portfolio. The Council's cash balances held in its Money Market Funds (MMF) decreased from £90.6m at the start of the financial year to £47.3m, a change of 48%. The change in cash balances has been a result of the need to fund the Council's daily cashflow requirements including the funding of its capital programme in lieu of borrowing. The Council's average debt pool rate was 3.85% as at 31 March 2025, and return on cash investments was 4.53%.

### **Treasury Management Prudential Indicators**

- 8.21 In line with changes to the Prudential Code in 2021, the performance of the Council's treasury and capital activities against the approved prudential indicator for the year are now reported quarterly within these financial reports to members. Details of the performance against the indicators based on the latest information at the financial year end will be included in the Treasury Management Outturn Report.

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

- 9.1 There are no stakeholder and ward member consultation arising from this report.

### **10.0 Financial Considerations**

- 10.1 This report is about financial position in 2024/25 for the General Fund revenue budget, the Housing Revenue Account, the Dedicated Schools Grant and the Capital Programme. There are no direct financial considerations in agreeing the report.

### **11.0 Legal Considerations**

- 11.1 There are no legal considerations arising out of this report.

### **12.0 Equity, Diversity & Inclusion (EDI) Considerations**

- 12.1 There are no EDI considerations arising out of this report.

### **13.0 Climate Change and Environmental Considerations**

- 13.1 There are no climate change or environmental considerations arising out of this report.

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

14.1 There are no HR or property considerations arising out this report.

**15.0 Communication Considerations**

15.1 There are no direct communication considerations arising out of this report.

**Report sign off:**

***Minesh Patel***

Corporate Director of Finance and Resources

 <b>Brent</b>	<b>Resources &amp; Public Realm Scrutiny Committee</b> 16 July 2025 <b>Cabinet</b> 28 July 2025
	<b>Report from the Corporate Director, Finance and Resources</b>
	<b>Lead Member - Deputy Leader &amp; Cabinet Member for Finance and Resources (Councillor Mili Patel)</b>
<b>Quarter 1 Financial Forecast 2025/26</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>	Two: Appendix A: Savings Delivery Tracker Appendix B: Prudential Indicators
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Rav Jassar Deputy Director, Corporate and Financial Planning Email: <a href="mailto:Ravinder.Jassar@brent.gov.uk">Ravinder.Jassar@brent.gov.uk</a> Tel: 020 8937 1487  Amanda Healy Deputy Director, Investment and Infrastructure Email: <a href="mailto:Amanda.Healy@brent.gov.uk">Amanda.Healy@brent.gov.uk</a> Tel: 020 8937 5912

## 1.0 Executive Summary

- 1.1 This report sets out the financial forecast for the General Fund revenue budget, the Housing Revenue Account, the Dedicated Schools Grant and the Capital Programme, as at Quarter 1 2025/26.

- 1.2 The Council's revised General Fund revenue budget for 2025/26 is £431.4m. The forecast at Quarter 1 is an overall breakeven position, however there are a number of risks could impact this forecast that are being managed by services. These risks and uncertainties are set out below. The current budget also reflects £8.9m of savings agreed by Full Council in February 2025, the status of which are set out in Appendix A.
- 1.3 There are also potential budget pressures being reported within the Housing Revenue Account as a result of considerable savings being required following rent limitations imposed by central government in previous years and increased demand and costs associated with repairs. Further details are set out in section 11. The Dedicated Schools Grant is reporting a breakeven position however there remains a cumulative deficit of £13.6m that presents a significant risk. Further details are set out in section 10. There is significant risk within the delivery of the Capital Programme due to the complex nature of the projects within it which may result in slippage. The Quarter 1 forecast for the Capital Programme is currently being finalised and will be included in section 12 of the version of this report presented to PCG.
- 1.4 The tables below show the forecast position against budget for the General Fund, Dedicated Schools Grant, Housing Revenue Account and Capital Programme.

Table 1: 2025/26 Quarter 1 forecast for the General Fund

	Budget	Forecast	Overspend / (Underspend)
	£m	£m	£m
<b>Service Reform and Strategy</b>	180.5	180.5	0.0
<b>Children, Young People and Community Development</b>	95.6	95.6	0.0
<b>Neighbourhoods and Regeneration</b>	35.7	35.7	0.0
<b>Finance and Resources</b>	30.2	30.2	0.0
<b>Residents and Housing Services</b>	30.9	30.9	0.0
<b>Subtotal Service Area Budgets</b>	<b>372.9</b>	<b>372.9</b>	<b>0.0</b>
<b>Central Budgets</b>	<b>58.5</b>	<b>58.5</b>	<b>0.0</b>
<b>Total Budget Requirement</b>	<b>431.4</b>	<b>431.4</b>	<b>0.0</b>
<b>Funding</b>	<b>(431.4)</b>	<b>(431.4)</b>	<b>0.0</b>

<b>Grand Total General Fund Budgets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>DSG Funded Activity</b>	0.0	0.0	0.0
<b>Housing Revenue Account (HRA)</b>	0.0	0.0	0.0
<b>Net Total*</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0**</b>

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

Table 2: 2025/26 Quarter 1 forecast for the Dedicated Schools Grant

<b>DSG gross income and expenditure</b>			
	<b>Budget</b>	<b>Forecast</b>	<b>Overspend / (Underspend)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>DSG</b>			
<b>Income</b>	(252.0)	(252.0)	0.0
<b>Expenditure</b>	252.0	252.0	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Table 3: 2025/26 Quarter 1 forecast for the Housing Revenue Account

<b>HRA gross income and expenditure</b>			
	<b>Budget</b>	<b>Forecast</b>	<b>Overspend/ (Underspend)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>HRA</b>			
<b>Income</b>	(69.9)	(69.9)	0.0
<b>Expenditure</b>	69.9	69.9	0.0
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Table 4: 2025/26 Quarter 1 forecast for the Capital Programme

<b>Portfolio / Programme</b>	<b>Revised Budget 2025/26</b>	<b>Current Forecast</b>	<b>FY Variance</b>	
			<b>(Underspend)/ Overspend</b>	<b>(Slippage)/ Brought Forward</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Corporate Landlord	12.9	12.9	0.0	0.0
HCIB - GF	97.9	97.9	0.0	0.0
HCIB - HRA	39.7	39.7	0.0	0.0
Public Realm	25.0	25.0	0.0	0.0
Regeneration	119.5	119.5	0.0	0.0

CYP & Community Development	23.1	23.1	0.0	0.0
South Kilburn	25.0	25.0	0.0	0.0
St Raphael's	3.5	3.5	0.0	0.0
<b>Grand Total</b>	<b>346.6</b>	<b>346.6</b>	<b>0.0</b>	<b>0.0</b>

## Current Economic Environment

- 1.5 In the current and medium term, the economic environment is weak, with domestic output stagnating in the second half of 2024, and many people and organisations are still suffering from the cost-of-living crisis. The outlook has also become more uncertain due to upward pressure on defence spending and a tightening of global trade restrictions in recent months
- 1.6 Inflation has fallen from a peak of over 11% in 2022, to close to the Bank of England's 2% target since the middle of 2024. As of May 2025, the Bank forecasts that inflation will rise temporarily to 3.7% in 2025, partly because of higher energy prices, before falling back to the 2% target after that. As a result, interest rates remain high at 4.25%, having most recently been cut in May 2025, but are forecast to fall below 4% in 2026.
- 1.7 The residents of Brent face an equally challenging economic environment with the effects of the cost-of-living crisis exacerbated by levels of unemployment above national and London averages. After effects of the recent high level of inflation, and continuing high interest rates, combined with global instability, mean that the cost-of-living crisis is unlikely to end in the near future.

## Local Government Funding

- 1.8 The government's Autumn Statement and Local Government Finance Settlement provided figures in sufficient detail to enable effective resource planning for 2025/26. The settlement was the seventh annual one-year settlement for local government, ahead of the Spending Review that was delivered on 11 June 2025.
- 1.9 At the Spending Review, it was announced that Core Spending Power across England would increase by an average of 2.6% a year in real-terms between 2026/27 and 2028/29, assuming maximum council tax increases of 4.99% a year. There was some limited additional revenue funding for children's and adult social care, but overall the impact on current funding assumptions is still unclear.
- 1.10 The spending review was heavily constrained by economic reality, the relatively sluggish performance of the UK economy has limited the scope for movement, and at the same time, demographic pressures, especially an



ageing population, are increasing demands for services. In the medium term, the focus of the Spending Review was to increase capital funding, especially for Housing and Transport, with the goal of improving the UK economy.

- 1.11 The government has also committed to fundamental reform of local government financing from 2026/27, with particular focus on diverting resources to authorities that need them most and delivering the first reset of the business rates retention system since it was created in 2013. As part of these reforms, the government has stated its intention to deliver a multi-year funding settlement to local authorities for 2026/27. This will provide greater certainty within which to plan budgets for future years.
- 1.12 The government recognised in the Spending Review that funding alone will not address the challenges facing local government. To support long-term financial sustainability, a consultation on proposals to update and reform the funding system was announced on 20 June 2025. More detail on the Spending Review and Fair Funding Review 2.0 consultation are included in section five of the Medium Term Financial Outlook report.

### **Maintaining Financial Control**

- 1.13 Local government is facing the most challenging financial environment for many decades. Many councils are overspending and depleting their reserves, most are experiencing the adverse effects of a prolonged period of high inflation, high interest rates and significant increases in demand due to demographic changes. In 2025/26, the government has agreed to provide 30 Councils with support to manage financial pressures via the Exceptional Financial Support process (up from 19 in 2024/25), including 8 Councils for which support has been agreed for prior years. Many more authorities are in talks, allowing them to use capital resources (such as borrowing or selling assets) to pay for day to day spending. Concerns about future levels of government funding are widespread. Against this backdrop, Brent has maintained a strong position in terms of financial resilience and sustainability with a good track record of delivering savings and balancing the overall budget.
- 1.14 Despite the considerable efforts of the Council to manage its position, the operating environment and wider economic context continues to be volatile with small changes in demand disproportionately materialising in large financial pressures. These are particularly in Children's social care and Adult social care packages in terms of volumes and complexities, and temporary accommodation volumes, costs of provision and loss of Housing Benefit subsidy from central government. The Council is also dealing with the impact of rising costs due to the continued high level of provider inflationary pressures, and the impact of the cost-of-living crisis which also affects important income streams of the Council.

- 1.15 Since 2023, a number of immediate and medium-term actions have been taken to mitigate these pressures in order to maintain financial control over the current budget position. The Council has implemented a Budget Assurance Panel to provide additional oversight and scrutiny of its financial position, including in-year budget pressures and issues, mitigating actions and the delivery of agreed savings.
- 1.16 Given the pressures in 2024/25, in-year savings were required and £8.6m of one-off savings were identified, on top of the permanent savings agreed at Full Council. These measures included proactive vacancy management, directorate led targeted non-essential spending controls including agency and interim spend, alongside department led management action plans reflecting other actions being undertaken. A view will be taken during 2025/26 on whether similar additional in-year measures are required if the current forecast overspend worsens.
- 1.17 An update on the overall financial position over the medium-term is provided alongside this report in the Medium Term Financial Outlook report.

## **2.0 Recommendation(s)**

- 2.1 That Cabinet note the overall financial position and the actions being taken to manage the issues arising.
- 2.2 That Cabinet note the savings delivery tracker in Appendix A.
- 2.3 That Cabinet note the prudential indicators for treasury management in Appendix B.
- 2.4 That Cabinet approves the virements set out in section 9.18 of this report.
- 2.5 That Cabinet note the debt written off as set out in section 9.22
- 2.6 That Cabinet approve an uplift to the Capital Programme Budget of £851k following the successful grant award of UK Shared Prosperity Funding as set out in section 12.2 of this report.

## **3.0 Cabinet Member Foreword**

- 3.1 As we enter the 2025 to 2026 financial year, Brent Council continues to navigate a landscape of profound economic and social challenges. Although the first quarter sets out a breakeven forecast against our £431.4 million General Fund revenue budget, this is not without significant risk. This is a sobering reminder of the pressures we face, but it is also a testament to our unwavering commitment to protecting services for our residents.

- 3.2 The pressures are not abstract they are rooted in the lived experiences of our communities. In 2024 to 2025, we received 6,281 homelessness applications — including 3,538 from single individuals and 2,743 from families. While this represents a 14 per cent reduction from the previous year, the demand remains high, and the cost of temporary accommodation continues to rise. The number of households in bed and breakfast accommodation increased by 10 per cent in just one month, from 1,078 in February to 1,182 in April 2025.
- 3.3 We are not standing still. We have increased the Housing Needs and Support budget by £14 million this year, and our wholly owned housing company, i4B, continues to deliver affordable homes, with 15 new acquisitions planned for 2025 to 2026. We are also implementing a new model of resident support, backed by £1 million in recurring funding, to help households build long-term resilience.
- 3.4 Across the Council, we are delivering £8.9 million in agreed savings, with 91 per cent on track for delivery. We are investing in our people, our infrastructure and our future. We are also working across departments to deliver the Embrace Change programme, transforming how we support residents and manage public money.
- 3.5 But we must be honest about the risks. The cost of social care packages continues to rise, with a 7 per cent increase in service users and a 7 per cent increase in average weekly costs from 2024 to 2025. The pressures in children's placements, particularly in residential and secure settings, remain acute. Our collection rates for debt and Council Tax and Business Rates, while improving, still fall short of pre-pandemic levels.
- 3.6 We must continue to challenge ourselves, innovate and collaborate. Brent has never shied away from difficult choices and in the following financial quarters, we will continue to take whatever action is needed to retain this council's reputation for financial sustainability.

## Revenue Detail

### 4.0 Service Reform and Strategy

Table 5: 2025/26 Quarter 1 forecast for Service Reform and Strategy

Service Reform and Strategy	Budget (£m)	Forecast (£m)	Overspend / (Underspend) (£m)
Adult Social Care	122.4	122.4	0.0
Strategic Commissioning & Capacity Building	17.5	17.5	0.0
Public Health	26.1	26.1	0.0

Leisure	1.6	1.6	0.0
Integrated Care Partnerships	0.1	0.1	0.0
Communications Insight and Innovation	12.8	12.8	0.0
<b>Total</b>	<b>180.5</b>	<b>180.5</b>	<b>0.0</b>

## Summary

- 4.1 The Service Reform & Strategy department (SRS) budget for 2025/26 includes previously agreed savings of £4.7m. Growth funding has also been built into the budgets of £12.5m to account for assumptions around demographic and inflationary trends.
- 4.2 The Directorate at this early stage is currently forecast to breakeven by the end of the year however, a significant part of the department's budget funds demand led care packages. Risks and uncertainties against the budgets are detailed below which may impact on the forecast position going forward.

## Risks and uncertainties

### Adult Social Care, Strategic Commissioning & Capacity Building and Integrated Care Partnerships

- 4.3 There remains a number of risks and uncertainties which could impact on the budgets within the SRS department. These include the following:
- 4.4 Demand for social care services has been increasing as people live longer and as children transition into adult social care services. In the 2024/25 financial year, the number of service users grew from 4,172 to 4,476, an increase of 7%. At the end of May the number of users reached 4,505. If this pattern continues, the number of service users will reach 4,833. As well as a trend of increasing client numbers, there are pressures from increasing costs, with the average weekly cost also increasing by 7%. When setting the budgets for 2025/26, growth for both demographic and inflation were factored in. Any increases above the modelled growth could cause budget pressures and as such, the trends for both will be carefully monitored with focused attention on higher cost packages.
- 4.5 In addition to the trend of demographic and inflationary increases, complex cases cause significant financial strain. Complex cases tend to require more resources from care providers, this then comes at a higher cost to the Council, and whilst the average number of clients with complex cases remains relatively constant, the cost of these packages has been increasing. There was a 10% increase in cost in 2024/25 for these high-cost packages, with new packages also costing more than existing ones. Packages of care are being

reviewed to ensure that the level of care is appropriate for the clients, with exploration into alternative solutions also being made, whilst prioritising the wellbeing of the client.

- 4.6 Recruitment and retention of staff remains a risk nationally in the social care sector. The sector continues to be faced with high staff turnover and vacancy rates. The shortage of qualified staff can have detrimental effects on the care provided to adult service users and added stress on existing staff. The national shortage of care workers has changed the workforce model across social care leading to a reliance on agency staff that are more costly compared to permanent staff. Management continues to focus on agency to permanent conversions as part of its workforce planning strategy and to maintain stability for the clients. An internal realignment of staffing was undertaken to better align the structure to Brent's priorities.
- 4.7 Partnership working with the NHS is a key factor in management of finances within the social care sector, with linkages between the Council and NHS for Section 117 and Continuing Healthcare (CHC) clients. This relationship has seen significant improvement during the last year, and the continuation of this progress will be important to ensure that any financial pressures can be mitigated early on.
- 4.8 Of the £4.7m savings target, £1.3m is linked to technology-enabled care, telecare, and housing-related contracts. There is a risk of these savings not being delivered within the agreed timeframe, these will be closely monitored, and actions to mitigate the financial impact are being developed.

## **Public Health**

- 4.9 As of Quarter 1, the Public Health grant is forecast to break even, despite sustained inflationary pressures and rising costs in NHS-commissioned contracts under the national Agenda for Change framework. These financial pressures have been compounded year on year, as NHS pay awards have consistently exceeded the annual uplifts to the Public Health grant.
- 4.10 For 2025/26, the government has confirmed an increase in grant allocations to help address ongoing pay-related pressures arising from the 2024/25 NHS pay awards. While this uplift will help ease some of the strain, the council will also draw on its Public Health earmarked reserves to ensure the continued delivery of essential services. The allocation for 2025/26 also includes dedicated funding to support the expansion of supervised toothbrushing programmes. There is also a £3.5m planned use of the public health grant reserve in 2025/26.

- 4.11 Spending on targeted Public Health initiatives—funded through the Drug and Alcohol Treatment Recovery and Improvement Grant (DATRIG), Stop Smoking Grant, and Start for Life Grants—is progressing as planned and aligned with the outcomes set out in national guidance. The DATRIG, issued by the Department of Health and Social Care (DHSC), has replaced the previous Supplementary Substance Misuse Treatment and Recovery Grant (SSMTRG) and Rough Sleepers Drug and Alcohol Treatment Grant (RSDATG) which, in recent years, have enabled a significant expansion of local treatment services, resulting in improved outcomes.
- 4.12 While positive indications have been received regarding the continuation of DATRIG funding after 2025/26, formal confirmation has not yet been issued. In response, the service is proactively developing a contingency plan to utilise the Public Health reserve, if required, to ensure sustained delivery and protect progress achieved to date.

### **Leisure**

- 4.13 The leisure service is heavily reliant on income generation, making it vulnerable to financial pressures arising from fluctuating demand and unexpected cost increases. There is a risk to the budget due to the rising costs of operating and maintaining Bridge Park Community Leisure Centre (BPCLC), which continues to put significant pressure on the service budget. While there have been some increases in income from specific activities, these gains have not been sufficient to fully offset growing expenditure on staffing, cleaning, security, and repairs. A paper discussed at the Cabinet meeting held on the 16th of June, Cabinet agreed to proceed to close the BPCLC on the 31st of July 2025 which will partially mitigate any risks going forward.
- 4.14 Leisure services at Vale Farm Sports Centre are currently delivered under a Tri-Borough contract shared by Brent, Ealing, and Harrow councils. The council is currently engaged in an open procurement process, in collaboration with Harrow and Ealing, for the future provision of leisure services at Vale Farm. Evaluation of bids from prospective providers is underway, with the new contract expected to commence in March 2026.
- 4.15 Willesden Sports Centre continues to face significant financial pressures due to rising indexed unitary charges and increasing utility costs. The forecast assumes a full drawdown of the £0.4m smoothing reserve. The reserve is expected to be fully utilised within the current year. In response, the council is working closely with leisure providers to develop a sustainable delivery model that ensures the long-term affordability of the service.

### **Communications, Insight and Innovation**

- 4.16 For the Communications, Insight and Innovation service which includes Change and Customer Insight, Communications, Digital Strategy, and ICT Solutions (including Brent's funding for the Shared Technology Service), there are currently no significant risks to the budgets and savings delivery.
- 4.17 The service aims to manage any vacancies to support delivery of planned activities without disruption and ensuring efficiency improvements are achieved through process automation and contract renegotiations. The service also oversees The Drum, which has undergone a review this year to optimise its commercial income potential.

### **Savings and Slippages**

- 4.18 A savings target for 2025/26 of £4.7m is planned to be delivered across several services within the department including staffing reductions, income generation, technology enabled care and managing demand. There is a risk of slippage as mentioned above of c£1.3m and the department will work to manage any risk as stated earlier.

### **Summary of Key Assumptions**

- 4.19 Table 6 summarises the main assumptions made in the forecast which could have a significant impact if there are changes.

Table 6: Summary of key assumptions in forecast for Service Reform and Strategy

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
Increases to the cost of social care packages above what has been modelled, with client numbers remaining in line with what was modelled	A 1% increase over and above the modelled cost of care packages could result in a £0.7m pressure	A 1% decrease below the modelled cost of care packages will result in costs of £0.7m less than what was anticipated	The Council is working closely with the service providers and provides robust challenge of individual package costs based on evidence as part of placement reviews.
Increases to social care client numbers above what has been modelled, with package costs remaining in line with what was modelled	Additional budget pressures should there be clients beyond those modelled as part of the MTFS.	Client numbers falling below those modelled would reduce the cost to the Council.	The Council is working on developing PowerBI tools to allow for better monitoring of placements. Consistent monitoring and reporting will be

			made to facilitate early identification of pressures so mitigating actions can be taken.
Leisure - Utility costs to stay within the expected forecast	Additional pressure on the leisure reserves	Reduced pressure on the reserves	Service is monitoring activity and pricing to ensure are updated and reflected in a timely and accurate way.

## 5.0 Children, Young People and Community Development (CYPCD) (General Fund)

Table 7: 2025/26 Quarter 1 forecast for Children, Young People and Community Development

<b>CYP Department</b>	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Overspend (Underspend) (£m)</b>
Forward Planning, Performance & Partnerships	48.3	48.3	0.0
Inclusion	3.2	3.2	0.0
Setting and School Effectiveness	0.0	0.0	0.0
Virtual School	0.5	0.5	0.0
Early Help	5.2	5.2	0.0
Localities	13.4	13.4	0.0
LAC and Permanency	7.2	7.2	0.0
Children with Disabilities	11.3	11.3	0.0
Safeguarding and Quality Assurance	2.2	2.2	0.0
Community Development	1.4	1.4	0.0
Central Management	2.9	2.9	0.0
<b>TOTAL</b>	<b>95.6</b>	<b>95.6</b>	<b>0.0</b>

### Summary



- 5.1 At this early point in the financial year, the Q1 forecast is currently projecting a break-even position. However, as the year progresses, emerging pressures may arise within the CYP CD General Fund budget, primarily due to rising costs in placement services for children in care. This budget falls within the Forward Planning, Performance & Partnerships (FPPP) service.

### **Detailed Narrative**

- 5.2 The pressures within FPPP service are primarily driven by rising costs associate with residential and secure placements:

- While the number of Looked After Children (LAC) has declined overall, there has been a sharp rise in those entering care with complex needs, particularly since late 2024/25. By May 2025, 44 children were in residential care—nine more than the previous year’s average. Youth Justice data also indicates a higher-than-usual number of remand cases, with six young people in care at the start of 2025/26. The length of time of these placements is dependent on the speed of moving cases through the criminal justice system. Suitable accommodation for LAC has been in short supply, particularly in London, although benchmarked figures indicate Brent has relatively lower LAC numbers on average (307) compared to neighbouring boroughs averaging 339 in 2024.
- Residential and secure placements are experiencing significant pressures. However, these are being partially offset by projected underspends in other areas, including foster care and adoption due to reduced demand, along with reduced costs in supported accommodation, and additional income and contributions.
- Close scrutiny of children’s care plans takes place at Director level to ensure children remain in the most suitable setting relative to their assessed needs. Work continues with other West London authorities to improve local authority run residential home sufficiency, with Brent supporting the development of new provision across the sub-region which would be available for spot-purchase.
- A review of all residential placements is currently underway to confirm step-down plans for individual children, with an initial focus on the 16-17 cohort . A residential panel, chaired by the Director, meets monthly with front line practitioners to systematically review step down plans for children in residential placements, including scrutiny and time limits placed on any additional support that is in place such as ration of staff to child.
- The directorate continues to scrutinise all non-essential spend, holding vacancies where sustainable and ensuring continued progress is made on reducing agency staff costs.

## **Risks and Uncertainties**

- 5.3 The persistent overspend in high-cost residential and secure placements poses a major financial risk. While underspends may be identified later in the year through robust budget monitoring and achievement of further in-year savings, they cannot be guaranteed as an individual high cost residential or secure placement can cost over £0.5m per annum.
- 5.4 The in-house residential children's home that was originally planned to be operational from May 2025 and expected to contribute to the management of costs and placement sufficiency has been delayed to the second half of the calendar year due to processing delays from Ofsted as the regulator, which is being escalated within Ofsted to see if this can be expedited.
- 5.5 A Strategic Commissioning Group, chaired by the Corporate Director of CYP CD, aims to reduce costs through two primary initiatives: the expansion of in-house foster care provision and the enhancement of support for care leavers to promote independent living. The second initiative realised financial savings within the supported accommodation budgets. Risks are that care leavers are not able to access permanent accommodation in line with their independence plans as a result of an overall shortage of housing in the borough. Should this risk grow, progress made in reducing the cost of semi-independent accommodation will slow. The recruitment of foster carers did not significantly change during the 2024/25 financial year. Actions taken to improve outputs include increasing allowance rates to the West London average, providing a new support offer funded by the DfE and working collaboratively with West London boroughs on a fostering hub to streamline fostering enquiries and enhance marketing activity.
- 5.6 From April 2025, the Community Development department moved to the CYP directorate. Funding uncertainties exist within the Employment Skills and Enterprise service area due to confirmed reduction in GLA grants from September 2025 to fund staff. The service is undertaking a review of the available budget to identify measures to mitigate these potential pressures. A progress update and any potential in-year pressures will be provided in future reports.
- 5.7 Other risks exist within specific service areas such as the Setting and School Effectiveness (risk of not achieving historic income targets) and the Inclusion service (staff pressures to maintain Special Educational Needs assessment statutory deadlines).
- 5.8 The continued growth of children and young people with an Education, Health and Care Plans (EHCPs) may increase the pressure on some general fund services such as SEN Transport. Increase in demand exacerbated by rising prices on taxi routes and other pressures such as the effect of the London Living Wage and National Insurance increases, retender of the taxi routes, and an ageing fleet will place financial pressures on the budget. The Travel Assistance

Policy Implementation Plan (TAPIP) will be essential to manage transport costs in 2025/26. A set of Key Performance Indicators have been developed to monitor the success of the plan. The Children with Disabilities budget within the Localities service will also be impacted by an increase in EHCPs.

- 5.9 Disputes and delays in cost-sharing agreements with the Integrated Care Board (ICB) for complex care packages continue to pose a high risk, particularly when ICB engagement has not resulted in effective resolution in a number of cases.

### **Savings and Slippages**

- 5.10 The department has £2m of savings to deliver in 2025/26. Comprising: £0.751m from service reductions, £0.540m from increased income/contributions, £0.405m from restructuring, £0.290m from service transformation and £0.013m from Digital Transformation.
- 5.11 The service transformation saving of £0.290m, linked to the opening of the new in-house residential children's home, is currently at risk, as the home is now expected to open in the second half of the year. Additionally, £0.240m of the savings attributed to service reductions, focused on recommissioning services that support school readiness and educational outcomes is at risk. As of Quarter 1, the remaining savings are expected to be delivered as planned, with any potential slippage to be managed by the directorate.

### **Summary of Key Assumptions**

Table 8: Summary of key assumptions in forecast for Children, Young People and Community Development

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
LAC and Care Leaver placements forecast assumes numbers of 822 FTEs and unit costs reflect current trends.	An increase in the number of high cost residential or secure placements would place additional pressure on the budget. e.g., an increase by 4 placements in year could cause an additional pressure of £2m.	Increased step-down arrangements result in falling number of residential placements. A single stepdown from a residential placement to a semi-independent placement could reduce expenditure by c£0.2m in-year.	Ongoing review of packages for best outcomes and focus on stepdown arrangements to support children to transition from residential to foster and/or semi-independent placements. Supporting the transition of care leavers to their own tenancies, to improve outcomes and independence. Innovative support and partnering with Health for CYP Mental Health and Wellbeing, among other preventative measures.

Health contributions for CYP placements and Children with Disabilities (CWD) packages will be lower than the 2024/25 levels.	The spend will not be mitigated by these contributions in proportion to the overall demand.	It will assist in mitigating overall net spend.	Maximising joint funding approaches with health to ensure contributions to placement costs where applicable. Targeted activity across ICS to ensure consistency in Continuing Health Care funding.
Mix of social work staff and caseloads in the Localities and LAC & Permanency service to include the use of agency staff at a similar level than 2024/25.	If increases of 15% during the year, there could be up to £0.4m additional spend on agency social work staff to manage the pressure.	There would be a reduction in the use of agency staff and the reduced caseloads could be attractive to social workers seeking permanent roles.	Continued management action to monitor caseloads across the service and review and manage social work resources and incentives. New/more targeted recruitment campaign
Assume numbers of SEN clients requiring transport do not increase significantly and the take up of Travel Assistance is in line with expectations	An increase in the numbers would place additional pressure on the budget	Reduction of the expected overspend	Tracking and monitoring KPIs through SEN Transport Boards. Continuing contract monitoring

## 6.0 Neighbourhoods and Regeneration

Table 9: 2025/26 Quarter 1 forecast for Neighbourhoods and Regeneration

<b>Neighbourhoods and Regeneration</b>	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Overspend / (Underspend) (£m)</b>
<b>Public Realm</b>	25.0	25.0	0
<b>Inclusive Regeneration &amp; Climate Resilience</b>	2.3	2.3	0.0
<b>Property &amp; Assets</b>	8.4	8.4	0.0
<b>Total</b>	<b>35.7</b>	<b>35.7</b>	<b>0.0</b>

### Summary

- 6.1 Neighbourhoods and Regeneration Directorate are currently forecasting a breakeven position at Quarter 1.
- 6.2 The Parking service are forecasting a £1.0m underspend based on PCN issuance and current performance levels. This underspend is offset by a

£1.0m pressure in Waste leaving a break-even position overall for Public Realm.

### **Risks and uncertainties**

- 6.3 Within Inclusive Regeneration & Climate Resilience there are pressures on income generated by Building Control and Planning.
- 6.4 Building Control have been impacted in their ability to generate fee income by the reduced number of appointments on major developments, in part because of such developments not being progressed due to macro-economic factors. At the same time the service has also been affected by The Health and Safety Executive (HSE) high-rise building regulations that were introduced in October 2023, which meant a switch to a cost recovery basis for charging. In addition, almost all major project work is assigned to Local Authorities by the BSR (Building Safety Regulator) which has taken away the department's ability to bid for this work on the open market. Staff shortages are also impacting on the service's ability to compete for additional work. The department is working to mitigate the effect of these factors by reviewing recruitment practices, career pathways, increasing agency rates, and exploring a commissioning model.
- 6.5 Planning and Development services have been similarly affected as Building Control by the recent financial climate, with application and pre-application fee income has seen a decline in recent years. The current fees for 2025/26 are expected to be sufficient to prevent any pressures within the service in 2025/26.
- 6.6 Within Public Realm, Service Development and contracts performance are due to overspend by £1.0m in 2025/26. High inflation has led to higher than budgeted contract inflation in both the Veolia and Grounds Maintenance contracts, this combined with increased waste disposal costs with West London Waste Authority has contributed to this projected overspend. Close monitoring of recycling tonnage and market prices to ensure they align with the predicted figures for the contract continue for 2025/26. Targeted initiatives to reduce contamination levels in recycling collections to lower processing costs are underway. Education and campaigns around food recycling, promoting repair, reduce and reuse messages to help with reduction of general household waste is ongoing. Early indicators suggest these measures are having a positive impact, with cost improvements already evident in April and May 2025. The receipt of EPR (Extended Producer Responsibility) funding from the government in the autumn will further help to drive down costs from waste and deliver initiatives to improve our recycling efforts.
- 6.7 It was anticipated the new waste contract would face some pressure in the first few years, and as such an earmarked reserve was created to smooth any financial impacts between years. This reserve will be utilised in 2025/26

whilst the anticipated service improvements mentioned above become embedded.

- 6.8 Property and Assets are required to find new tenants to replace expired leases and vacant property to meet their income targets. The service is working to mitigate this risk by actively marketing these properties and working with agents where appropriate. There are also continuing pressures within Facilities Management due to the cost of overtime required on both Cleaning and Security services. The service is working to mitigate this and any underspends within Property and Assets will help reduce the pressure.
- 6.9 Based on the current forecasts of energy prices from the Council's energy supplier, which is based on the contracts they have already bought for future energy supply, Property & Assets are expecting energy costs to the Council to fall in 2025/26. The current estimate is an underspend of £0.4m, which will help reduce the anticipated overspend in Facilities Management.

### **Savings and Slippages**

- 6.10 Savings of £0.5m are expected for 2025/26 for Neighbourhoods and Regeneration. This main savings are expected from restructures across the department and increases in fees and charges within Waste.
- 6.11 At Quarter 1 the department is currently expecting that all savings will be delivered in-year.
- 6.12 The table below summaries the main assumptions made in the N&R forecast.

### **Summary of Key Assumptions**

Table 10: Summary of key assumptions in forecast for Neighbourhoods and Regeneration

<b>Key Assumption</b>	<b>Downside if worse</b>	<b>Upside if better</b>	<b>Mitigations</b>
That newly implemented in-year savings can be achieved. This also assumes that the service would otherwise have broken even.	If the savings are not achieved, it will put pressure on the Council's overall budget.	There are significant pressures on the Council's overall budget, so if further savings are achieved to will go towards alleviating this.	Work has already begun to achieve the savings. Some are straightforward, such as holding vacancies and therefore already achieved.

Building Control is able to mitigate pressure on its income generation.	In 24/54 the department reported a £530k overspend, without mitigation the same could occur	The department is able to generate more income providing additional revenue to the Council	Cases arriving through the BSR are being closely monitored to ensure accurate forecasting. A reserve was created in 2023/24 to mitigate pressures whilst a longer-term plan is implemented.
Recycling performance will improve and material prices for the recyclates will be in the forecast range.	The full reserve could be utilised and pressures spread into future years. There is a £560k difference between the central and worst case when modelling the cost of the recycle reprocessing budget.	If recycling improves it will reduce the cost of waste disposal, leading to a rebate on forecast charges. Based on prior years this could be up to £500k. The reserve balance is not fully used and is available to repurpose and utilise for other pressures.	The monthly data around tonnage, rejections and market prices for recycling are closely monitored. With ongoing work to improve recycling performance.
The waste contract has some variable elements which are paid for as used, for example winter maintenance. It is assumed that usage will be within the expected range.	This will create a financial pressure for the service, likely leading to an overspend.	The expected budget for this element would not be utilised. This could then be used to cover pressures elsewhere.	The service are aware of the costs of the variable elements. The volume is therefore closely monitored to ensure that the usage is appropriate.

## 7.0 Finance and Resources

Table 11: 2025/26 Quarter 1 forecast for Finance and Resources

<b>Finance and Resources</b>	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Overspend / (Underspend) (£m)</b>
<b>Finance Services</b>	<b>11.1</b>	<b>11.1</b>	<b>0.0</b>
<b>Organisational Assurance &amp; Resilience</b>	<b>4.4</b>	<b>4.4</b>	<b>0.0</b>
<b>Shared Technology Services</b>	0.0	0.0	0.0
<b>Human Resources &amp; Organisational Development</b>	4.2	4.2	0.0
<b>Legal Services</b>	4.7	4.7	0.0
<b>Democratic Services</b>	5.8	5.8	0.0
<b>Total</b>	<b>30.2</b>	<b>30.2</b>	<b>0.0</b>

### Summary

- 7.1 The Finance & Resources directorate is reporting a breakeven position at Q1.
- 7.2 Finance & Resources has expanded following the Senior Management restructure was implemented from April 2025. The department now incorporates the Directorates which previously formed Law & Governance - Human Resources & Organisational Development, Legal Services, and Democratic Services.
- 7.3 HR & Organisation Development and Legal Services have both undertaken a realignment of their budget to reflect recent staffing changes. Both services currently forecast a break-even position.
- 7.4 Organisational Assurance & Resilience experienced a pressure in 2024/25 within the Insurance Service. This was due to a change in the insurance offer for schools from the Government, meaning schools were able to utilise that offer rather than that of the Council. The service has been exploring other income sources and expects to be able to mitigate the pressure in 2025/26.
- 7.5 Shared Technology Services (STS) is expected to breakeven, the costs for Shared Technology Services are split between Brent, Southwark and Lewisham, so income is equal to expenditure for STS.

### Savings and Slippages



7.6 A total of £0.7m in savings was planned for Finance and Resources through staff reductions, service transformation, and income generation.

7.7 At Q1 all saving are expected to be achieved in 2025/26.

### **Risks & Uncertainties**

7.8 In recent years there has been a pressure in the Insurance service due to the changes to schools' insurance, but also the cost of insurance due to claims for injuries and vehicle damage relating to footways and highways. These types of claims have seen increases, so could lead to cost increases if not addressed.

7.9 Improved recruitment and the realignment of staff in Legal Services is expected to address previous cost pressures around the use of agency and specialist staff. This will be monitored to ensure that is operating as expected and pressures can be managed.

## **8.0 Residents and Housing Services**

Table 12: 2025/26 Quarter 1 forecast for Residents and Housing Services

<b>Residents and Housing Services</b>	<b>Budget (£m)</b>	<b>Forecast (£m)</b>	<b>Overspend /(Underspend) (£m)</b>
Housing Needs and Support	13.1	13.1	0.0
Housing Partnership and Tenant Engagement	2.6	2.6	0.0
Private Housing Services	0.4	0.4	0.0
Residents Services	14.7	14.7	0.0
Housing and Resident Services Corporate Director	0.1	0.1	0.0
<b>Total</b>	<b>30.9</b>	<b>30.9</b>	<b>0.0</b>

### **Summary**

8.1 The Residents and Housing Service department is currently forecasting a break-even position for the financial year 2025/26. However significant pressures continue to be experienced by this directorate, largely in the Housing Needs and Support service.

8.2 The Housing Needs and Support budget overspent by £15.3m in 2024/25 due to an extremely high level of demand for this service and a lack of affordable Private Rented Sector (PRS) offers. In 2025/26, with an additional £3.4m of funding allocated through the main Homelessness Prevention Grant and a £10.6m of growth built into the base budget, there is an increase of £14m in the service budget in comparison to the previous financial year to

deal with continuous pressures and demand. With a number of interventions and projects focusing on increasing the supply, it is anticipated that the service will be able to contain costs within the existing budget envelope. Projections and forecasts for 2025/26 are continuously under review, modelling the current demand and costs in comparison to projected trends and movements.

- 8.3 The department continues to take a number of actions to support Brent residents and businesses and mitigate the impact of the cost-of-living crisis.
- 8.4 The Household Support Fund (HSF) grant has been extended until 31 March 2026 to support residents through the cost-of-living crisis. Brent's allocation for the year is £4.9m, a decrease of £661k in comparison to the year before. It is anticipated that the grant will be fully utilised to continue to support households receiving free school meals, Care Leavers, Disabled households on Housing Benefits, Credit Union, Immigration advice, Debt advice, Employment support and external partners. An amount will also be allocated for reactive support where residents who are in hardship can apply for help and support.
- 8.5 In April 2024, a new model of support for Brent residents was developed for three years through the piloting of Cost-of-Living Outcome Based Review (OBR) projects and guided by a series of design principles. The approach has a single, joined-up model including the Community Wellbeing Programme aligned with the Resident Support Fund (RSF), to support residents to be more resilient in the longer term and aligns closely with strategic priorities and related projects. The RSF supports the Council's approach towards addressing key community needs through strategic funding and partnerships, ensuring impactful and sustainable support for residents. £1m of recurring funding has been allocated in the Medium Term Financial Strategy (MTFS) to support this model.
- 8.6 Other services within the department are also projecting to achieve a break-even position for the year. The 2025/26 budget has been set considering assumptions around future demographic changes, the impacts of the cost-of-living crisis and inflationary trends. It is based on these assumptions and current trends that the Residents and Housing Services department is forecasting to achieve a balanced financial position. However, there are risks and uncertainties that could impact on the year's final financial outturn position.

### **Risks and uncertainties**

- 8.7 Housing Needs and Support continues to represent the most significant area of within for the department. This is primarily driven by an exceptionally high and sustained level of demand for housing services and emergency

accommodation, a challenge that is experienced nationally but particularly acute within London. As at the end of 2024/25, the total demand for homeless support services in Brent stood at 6,281 households, comprising of 3,538 single individuals and 2,743 families. On average, this equates to approximately 121 new applications being submitted each week, underscoring the ongoing pressure on local homelessness services. While this level of demand reflects a 14% decrease compared to the 7,300 applications recorded during the 2023/24 period, the need for housing support and associated costs remain elevated. Despite the reduction in overall households, the volume of individuals and families requiring assistance continues to place considerable strain on resources, leading to sustained high costs for the provision of services. The total number of applications in 2025/26 is projected to reach approximately 6,862. This is in line with the amount received in 2024/25. Demand from families has remained stable, showing little to no change from previous levels. This divergence in demand patterns may have implications for resource allocation and budgeting, as family cases often require different levels and types of support compared to single-person applications. The new Renters Reform legislation comes into effect in October 2025 which means more landlords will be exiting the private rented sector market, and serving notices, resulting in a possible increase of homeless applications. Projections will be updated once more data becomes available on the impact of the legislation. In comparison to 2023/24, there was a reduction in applications which was predominantly driven by a decline in applications from single individuals.

- 8.8 London Councils conduct ongoing analysis and benchmarking against peer authorities to provide insight into the housing situation across the capital. Their latest findings indicate that housing pressures are escalating significantly beyond budgeted projections. Specifically, Councils' net deficits on homelessness service expenditures are forecasted to increase by at least £170m (18.9%) in 2025/26 compared to 2024/25. Brent, in particular, has experienced a considerable 15% rise in its deficit between the 2023/24 and 2024/25 financial years. In March 2025, the total monthly expenditure on temporary accommodation (TA) across London reached £196m, marking a significant 86% increase compared to the same month in the previous year. During this period, the number of households placed in temporary accommodation rose by 13%. .
- 8.9 Given that these challenges are experienced across London, the availability of Bed and Breakfast (B&B) and annexe accommodation is severely limited throughout the capital. This shortage of suitable accommodation is driving reliance on higher-cost providers and, in some cases, placements outside of Brent. Such arrangements not only increase financial pressures due to elevated accommodation costs but also impose additional burdens on families, including increased travel expenses for children attending schools in Brent.

- 8.10 The supply of settled TA properties, leased from private landlords and intended to transition families out of Bed and Breakfast (B&B) and annexe accommodation, has also declined. This reduction is primarily driven by a decrease in the procurement of new properties under Private Sector Leasing (PSL) schemes, coupled with landlords opting not to renew leases on existing properties upon expiration.
- 8.11 Findings from London Councils indicate that the PRS in London is being impacted by multiple factors contributing to a decline in the availability of rental properties. While demand for housing continues to rise, the overall supply across the market is contracting. Increased dependence on the PRS to accommodate lower-income households, combined with tightening housing benefit provisions, is further limiting affordability and availability of rental properties. Supply-side pressures such as changes in taxation, rising interest rates, and uncertainties surrounding future regulatory frameworks are notably constraining the supply of lower-end PRS properties. According to the Office for National Statistics covering April 2025 average private rents across the UK increased by 2.7% in the 12 months. Rent inflation was highest in London at 8.4%.
- 8.12 A targeted programme of work has been established to address and contain the projected overspend. Multiple workstreams have been initiated, focusing on improving the affordability of temporary accommodation and exploring new and alternative housing supply options. Council officers are proactively renegotiating contract prices and identifying alternative solutions to relocate some of the highest-cost cases, with the objective of reducing overall expenditure within the Housing Needs service. Officers continue to rigorously assess and manage homelessness applications to prevent or relieve demand where possible. In the 2024/25 financial year, 51% of homelessness approaches were successfully prevented or relieved.
- 8.13 In the 2025/26 financial year, i4B is continuing its street property acquisition programme with an initial target of acquiring 15 homes. i4B, a housing company wholly owned by Brent Council, was established to acquire, let, and manage a portfolio of affordable, high-quality PRS properties. These properties are leased to homeless families at Local Housing Allowance (LHA) rates, enabling the Council to prevent or discharge homelessness duties, thereby reducing reliance on temporary accommodation and associated costs while ensuring families have access to secure and responsible landlords. i4B remains self-financing, with the current portfolio generating annual savings in temporary accommodation costs. This self-financing portfolio generates annual savings exceeding £6m by reducing reliance on temporary accommodation. While new builds and acquisitions alone will not fully resolve the homelessness challenge, the Council is actively utilising its available resources and powers to expand housing

supply. Any additional supply secured through i4B will contribute to mitigating the risk of overspending and help manage future housing costs.

- 8.14 In addition, supported exempt accommodation properties continue to create financial pressures for the Council and represent a budgetary risk for 2025/26. Unlike other landlords, providers of supported exempt accommodation are not bound by Local Housing Allowance (LHA) caps and can charge higher rents once they demonstrate that support services are being provided. Housing Benefit subsidy levels depend on Rent Officer determinations, which are based on the rent claimed by providers. This issue reflects a national challenge, highlighting the need for clearer regulation regarding the criteria that providers must meet to qualify as Supported Exempt Accommodation. Greater clarity on what constitutes minimal care would enable a more consistent approach to assessing individual support needs across the sector. Historically, costs associated with supported exempt accommodation have not posed a significant budgetary pressure for the Council and have been managed within corporate central budgets. However, an overspend of £4m occurred in 2024/25 and this area of spend being carefully monitored.
- 8.15 A dedicated working group has been established within the Council with the objective of minimising opportunities for exploitative landlords to enter the Supported Exempt Accommodation market. The group has developed a clear strategy outlining the Council's processes for reviewing both new landlords seeking to join this market and those already operating within it. Senior managers have met with the providers with the greatest subsidy loss to the council to discuss options to reduce this loss. The reviews process will also assess individuals' support care needs and verify that providers are delivering the appropriate level of care. This strategy and reviews process should bring the cost of SEA under control and, in time, should lead to cost avoidance and/or savings. A consultation on the implementation of the Supported Exempt Accommodation Act was launched in February 2025 seeking views on plans to implement measures set out in the Supported Housing (Regulatory Oversight) Act 2023 and on the government's proposal to introduce a locally led licensing regime for supported housing across England, and new National Supported Housing Standards for the support provided. Brent Council submitted a substantial response to this outlining the Council's broad support for the Act and areas where it could go further. As the Government analyses the responses to the consultation on standards and licensing, the Council is proactively preparing to develop and implement the new licensing team. At the same time, the Council continues to make sure its activities and strategies remain aligned with emerging regulatory requirements.

## Savings and Slippages

- 8.16 A total of £0.8m in savings is planned to be delivered from the department's budgets in 2025/26. The main savings are expected from restructures, digital projects and income generation opportunities. The department is currently anticipating that all savings will be achieved in full.

## Summary of Key Assumptions

Table 13: Summary of key assumptions in forecast for Residents and Housing Services

Key Assumption	Downside if worse	Upside if better	Mitigations
The additional number of homeless people can be managed within the existing forecast.	Each person costs on average £397 per week to accommodate, therefore any further increases in demand would result in a circa £0.1m per quarter for every 20 people.	Faster progress on homeless pathways or any decrease in demand will reduce expenditure by £397 per week per person.	The service is focusing on moving homeless clients along the various pathways.  Various project workstreams are focusing on sourcing additional housing supply to alleviate some of the pressures.
Rent collection rates for the Housing Needs service will not fall below the anticipated level.	A 5% worsening in the collection rate will cost £1m per quarter	A 5% improvement in the collection rate will recover £1m.per quarter	Collection rates are being closely monitored and investigations into the drivers for the movements in the collection rates are ongoing.
Other inflation-linked costs can be contained within existing budgets.	A 3% increase in costs above budgetary assumptions could cost an additional £0.8m per annum	A 3% cost reduction in costs would result in a circa £0.8m saving for the year.	The department continues looking for best way to achieve value for money, utilising the most efficient procurement and service delivery options and negotiations.

## **9.0 Central items**

### **Collection Fund – Council Tax**

- 9.1 The net collectible amount for Council Tax for 2025/26 (after exemptions, discounts and Council Tax Support) as at 31 May 2025 is £239.4m. As at the end of May 2025, the amount collected was 19.3%, which is 0.1% higher than the amount collected in the same period in 2024/25, but 0.3% lower than the amount collected in the same period in 2023/24.
- 9.2 The service have set an in-year target for 2025/26 of 92.5% collection of Council Tax, which is an increase of 1.3% on the 91.2% achieved in 2024/25. Based on the collection in the year to date, a similar or lower level of collection on the current year liabilities can be expected at the end of 2025/26, compared to previous years, meaning that improvements are required to collection across the remainder of this financial year in order to meet this target.
- 9.3 Collection continues beyond the end of the financial year, but a lower in-year collection target increases the pressure on the debt recovery team to collect more of that debt and achieve the 97% long-term collection that has been assumed as a part of Brent's revenue budget. Evidence suggests that debt becomes much harder to collect after two years have passed, so the continued low in-year collection of Council Tax is a key risk to the Council's financial resilience in the medium term.
- 9.4 Any budget gap arising from reduced expectations for collection will have to be met either from reserves in the short term or from additional budget savings. The Council has already committed to a challenging programme of savings across 2025/26, with further savings of £30m to be delivered between 2026/27 and 2028/29 and the reserves have been depleted in recent years due to high inflation and demographic pressures. The Budget for 2025/26 approved by Full Council in February 2025, included a reduction in the assumed collection of Council Tax from 97.5% to 97%, but did not include any reductions in the growth in the taxbase. Ongoing low collection of Council Tax may result in a permanent reduction in resources for the Council through a further reduction in the taxbase used for budgeting purposes.
- 9.5 With this in mind and for the need for significant improvement, an external review of Council Tax collection was commissioned. The review was carried out by Liberata aiming to identify what is possible within the service and to assess how much effort/cost is required to deliver change compared to potential savings and service benefits. This is currently being reviewed internally. Additional capacity has been provided within the service, meaning

that the numbers of reminder notices and summons will go out in higher numbers in order to maximise collection.

- 9.6 At the meeting of Full Council on 27 February 2025, alongside the budget for 2025/26, an amended Council Tax Support (CTS) Scheme from 1 April 2025 was approved. This introduced a standard 35% minimum payment for working age households and applied a percentage reduction to each of the income bands.
- 9.7 The collection rate at 31 May 2025 for those on CTS of working age (17.26%) represents a good start, with 60% having made a payment toward the 2025/26 council tax. Until the end of May only soft reminders were issued, it is expected that those making a payment will increase with 6,000 formal reminders going out in June 2025.
- 9.8 To offset the impact of the changes on the recipients of CTS, a Hardship Fund was agreed as part of the 2025/26 budget, providing £1.5m of support, £0.4m of which was funded by the Greater London Authority (GLA). As of 31 May 2025, 739 applications have been received for support from this fund, but only 39 (5%) have been approved. This is mainly because through open banking and credit checks it can be seen that the level of council tax should be affordable. It is expected that the reminders in June will generate more applications in this area. It should also be noted that assessments have been done in an average of 9 days from receipt, so decisions are made in a timely manner.

### **Collection Fund – Business Rates**

- 9.9 The budgeted net collectable amount for Business Rates (NNDR) for 2025/26 is £149.8m (after exemptions, reliefs and discounts). This was based on the forecast used for the NNDR1 form in January 2025 and has increased by 6.9% from £140.1m in 2024/25. This increase is largely driven by the reduction in Retail, Hospitality and Leisure Relief from 75% to 40% from 1 April 2025.
- 9.10 The actual net collectible amount for NNDR as at 31 May 2025 is £147.5m, a reduction of £2.3m from the budget in January 2025. This is driven by additional empty properties and reductions in the gross rates payable by businesses. Further adjustments to this may occur during the year due to increases or reductions in the number of non-domestic properties and successful appeals against rateable values.
- 9.11 Any movement in the net collectible amount for NNDR does not directly affect the General Fund in the current financial year as the overall resources that the Council receives from the Business Rates retention system are determined in the Local Government Finance Settlement. However, where



the actual income to the Collection Fund is different to the budgeted amount, Brent's share of the resulting surplus or deficit estimated in January is distributed to or from the General Fund in the following financial year.

- 9.12 The reduction in business rates income resulting from the additional empty property relief is an unfunded relief, meaning that this will result in a deficit that will affect the 2026/27 budget. However, the Council holds a Collection Fund reserve for the purpose of smoothing out any surpluses/deficits on the Collection Fund. It is expected that this deficit will be contained within the available reserve.
- 9.13 As at 31 May 2025, the amount collected for NNDR was 17.8%, which is 0.5% higher than the amount collected in the same period in 2024/25 (0.5%) and 1% higher than the equivalent collection in 2023/24. This is an indication that collection of NNDR is continuing to recover from the effects of the Covid-19 pandemic, which had a significant impact on businesses in Brent. Collection in 2024/25 was 93.4%, which remains lower than before the pandemic, but the service is targeting a return to 94% in-year collection in 2025/26.
- 9.14 Based on historic data, the long term collection target for NNDR is 98%. Historically, collection of arrears becomes significantly more difficult with each year that passes after the debt has been raised. Therefore, to achieve the long-term collection target, a marked improvement in the Council's collection of arrears must be seen quickly to make up for the lower expectations for in-year collection. It is also important for the Council to continue to make improvements to in-year collection, as this remains the best way of achieving the long-term target.
- 9.15 Furthermore, there remain a number of factors present in the economy which could have a negative impact on the ability of businesses to pay their Business Rates, such as high interest rates, the increase to employer's national insurance contributions and the reduction in consumer spending power as a result of the ongoing cost-of-living crisis.
- 9.16 One key area of potential concern is the Retail, Hospitality and Leisure (RHL) industry, which was particularly affected by the Covid-19 pandemic. During the pandemic relief was provided to RHL businesses at 75% of the liability. In 2025/26, this relief has been reduced to 40% of the liability, more than doubling the amount of business rates these businesses must pay. The government has stated its intention to introduce two new multipliers from 2026/27, which will formalise the lower 40% relief as part of the business rates system. The impact of this change on the affected businesses is being monitored closely and further updates will be provided in future reports.

## Savings

- 9.17 The 2025/26 budget, agreed at Full Council on 27 February 2025, included an £8.9m savings target, of which £4.4m had been agreed in February 2024. Appendix A sets out the progress in delivery against this savings target and any mitigating actions. Of the savings for 2025/26, at quarter 1, 87% of these are on track to be fully delivered, which equates to delivering £7.7m of the £8.9m budgeted savings required.

## Virements

- 9.18 Table 14 shows the virements and adjustments which have been entered to adjust the budgets at Corporate Directorate level between the budget approved at Full Council in February 2025 and 30 April 2025. Cabinet are recommended to approve these virements.

Table 14: Virements and adjustments in 2025/26 budget between Full Council February 2025 and 30.04.2025

	2025/26 Budget agreed at Full Council 27 February 2025	In-year growth	Transfer of functions between services	Technical Adjustments	2025/26 In-Year Budget at 30.04.2025
	£m	£m	£m	£m	£m
<b>Service Reform and Strategy</b>	179.2	0.1	0.0	1.2	180.5
<b>Children, Young People and Community Development</b>	97.4	0.0	0.0	(1.8)	95.6
<b>Neighbourhoods and Regeneration</b>	34.0	0.4	0.0	1.3	35.7
<b>Finance and Resources</b>	29.2	0.0	0.4	0.7	30.3
<b>Residents and Housing Services</b>	30.4	0.0	(0.4)	0.9	30.9
<b>Central Items</b>	(370.2)	(0.5)	0.0	(2.3)	(373.0)
<b>Total Budget</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

- 9.19 In-year growth items are budget movements from the Central Items budget to Departmental budgets which were not actioned at the start of the financial year. The table above includes the following in-year growth items added in April 2025:

- Allocation of £0.1m to Service Reform and Strategy from the Borough Plan budget for the creation of a Head of Place Leadership position.

- Allocation of £0.4m to Neighbourhoods and Regeneration from the Borough Plan budget for initiatives led by the Climate Team.

9.20 Transfers of functions between services are budget movements between Corporate Directorates, which occur when a department is moved from one service to the other. The virement ensures that the department and the related budget remain together. The table above includes the following transfer of functions between services items added in April 2025:

- Realignment of the budget for the Revenue and Debt service for the transfer of the Debt Recovery team to Finance and Resources (£0.4m from Residents and Housing Services to Finance and Resources)

9.21 Technical adjustments are budget movements resulting from events which are provided for in the MTFS, but only confirmed during the year (e.g. pay award), budget movements resulting from changes to processes (e.g. centralisation of budgets) or other budget movements between directorates resulting from changes to the Council's structure. The table above includes the following technical adjustment items added between Full Council on 27 February 2025 and 30 April 2025:

- Adjustments within the budget load due to the Council restructure and allocation of growth previously allocated centrally, which were not included in the February Full Council budget (£0.4m to Service Reform and Strategy, £0.3m to Children, Young People and Community Development, £0.2m to Neighbourhoods and Regeneration, £0.9m to Residents and Housing Services, £0.4m to Finance and Resources, £2.2m from Central Items).
- Movements of cost centres between directorates between the February Full Council budget and 30 April 2025 (£0.7m to Service Reform and Strategy, £1.1m to Neighbourhoods and Regeneration, £0.3m to Finance and Resources and £2.2m from Children, Young People and Community Development)

### **Aged debt write off summary**

9.22 As part of the Council's routine financial management processes the Council routinely reviews outstanding debts to determine whether they remain recoverable. The debt balances relate to Council Tax, Business Rates (National Non-Domestic Rates), Housing Benefit Overpayments, and Sundry Debts. The write-off of uncollectable debts is a standard accounting practice that ensures the Council's financial records remain accurate and reflect realistic expectations of income recovery.

9.23 The aggregate total value of the debts subject to write off between 1 April 2024 and 31 March 2025 is £4.7m as set out in table 15:

Table 15: Write-offs by type of debt 1 April 2024 – 31 March 2025

1 April 2024 - 31 March 2025	
Debt Type	Write off Value
Business Rates (incl costs)	£0.482m
Council Tax (incl costs)	£3,470m
Housing Benefit Overpayments	£0.406m
Sundry Debt	£0.342m
<b>Total:</b>	
<b>£4.700m</b>	

- 9.24 All debts selected for write-off have been pursued for collection in line with the Council's Ethical Debt Recovery Policy. This means that all avenues have been pursued and exhausted before a debt is proposed for write-off. The subsequent write-off is then carried out in accordance with the Council's Write-Off Procedure.
- 9.25 The Council is committed to taking all appropriate and ethical recovery action necessary before considering a debt for write off. This includes issue of dunning notices at the start of the recovery process, telephone and email engagement, senior management dialogue with counterparts and, where necessary, legal service, court and enforcement agent action.
- 9.26 Despite our best endeavours, it is inevitable that a small percentage of debt will not be collected and will ultimately have to be written off. Writing off debt is standard practice and recommended as part of good budget management.
- 9.27 The impairment for doubtful debt is reviewed annually to ensure it accurately reflects the level of debt considered uncollectable. Amounts identified for write-off are accounted for within the bad debt provision held by the Revenue and Debt service. If debts that are no longer recoverable are not written off, they would continue to appear as outstanding, leading to an overstated accounts receivable balance and a misrepresentation of the impairment required. To maintain accurate financial reporting, once a debt is deemed irrecoverable, it should be formally written off and the impairment adjusted accordingly.

## 10.0 Dedicated Schools Grant (DSG)

Table 16: 2025/26 Quarter 1 forecast for Dedicated Schools Grant by block

Funding Blocks	Overall DSG Funding 2025/26	Forecast Expenditure	Overspend/ (Underspend)
	£m	£m	£m
Schools Block	127.5	127.5	0.0
High Needs Block	80.7	80.7	0.0
Early Years Block	41.4	41.4	0.0
Central Block	2.4	2.4	0.0
<b>Total DSG</b>	<b>252.0</b>	<b>252.0</b>	<b>0.0</b>

## Summary

- 10.1 There have been increases in the DSG funding blocks for 2025/26 and the overall DSG allocation for Brent is £432.4m. The Department for Education (DfE) has recovered £168.0m from the Schools Block and £9.7m from the High Needs Block. These are proportions of the funding to be transferred directly to academies by the DfE. In addition, £2.7m was recouped from the Schools Block for National Non-Domestic Rates (NNDR) to be paid directly to billing authorities on behalf of schools. This leaves a total allocation of £252.0m as reflected in the table above. The Schools Block also made a 0.5% contribution to the High Needs Block of £1.48m to support the pressures in this Block. At this stage, the DSG is currently reflecting a balanced in-year budget.
- 10.2 The cumulative DSG deficit brought forward from 2024/25 is £13.6m. This includes an in-year deficit of £0.4m achieved in 2024/25. The deficit has been disclosed as an earmarked unusable reserve in line with the School and Early Years Finance (England) Regulations 2024.
- 10.3 The Council continues to monitor its High Needs Block Deficit Recovery Management Plan, which outlines a series of long-term actions aimed at reducing the cumulative deficit. The plan is overseen by the Corporate Director of CYPCD and the Corporate Director of Finance who coordinates and monitor actions set against the Plan. The Plan is grouped into three themes: a) managing demand, b) increasing the sufficiency of local places and c) financial management adjustments. As at the end of quarter 4, 2024/25, cost avoidance against the three themes equated to £2.1m. A combination of these longer-term recovery actions and anticipated funding increases is expected to achieve a continued reduction in the deficit and new Key Performance Indicators will be agreed to continue to monitor progress in 2025/26.
- 10.4 Between 2022 and 2025, Brent took part in the DfE's Delivering Better Value in SEND (DBV) programme. The primary aim of this initiative was to identify both local and national opportunities to enhance outcomes for children and young people with special educational needs and disabilities (SEND) within existing budget constraints. Brent received a £1m grant to support reforms in the high needs system while improving efficiency. As part of the programme, four key workstreams were established, with quarterly progress reports submitted to the DfE. To date, these workstreams have resulted in cost avoidance amounting to £0.264m. Although the DBV programme officially concluded in March 2025,

some of its successful pilot projects, scheduled to run until September 2025, will be incorporated as business-as-usual practice.

## Risk and Uncertainties

- 10.5 There remains a risk that the number of children and young people with EHCPs will continue to grow without the HNB funding increasing in line with this growth. Over the years, this has created financial pressures with many authorities holding deficit balances. In addition, the continued impact of the cost-of-living crisis could see providers continuing to request high inflationary price increases.
- 10.6 The current Management Plan including the DBV benefits will not recover the deficit by 2026/27, and the mitigated deficit is at risk of increasing from £13.6m carried forward from 2024/25 to £20.3m by 2027/28. Mitigating actions totalling £4.925m in cost avoidance, including from the provision of additional in-borough SEND places, are planned for the current financial year 2025/26, aiming to deliver a break-even outturn for the period.
- 10.7 The statutory override set out in the School and Early Years Finance Regulations 2021, which allows local authority to exclude DSG deficits from their broader financial accounts, preventing them from impacting Council's General Fund reserves, was initially scheduled to conclude at the end of 2022/23 financial year. However, recognising the financial challenges faced by local authorities in managing DSG deficits, the government extended the arrangement for an additional three financial years, ending in March 2026. The government has confirmed a further extension of the statutory override to end of March 2028. This protection ensures that overspending in the high needs block does not create immediate financial pressure on local budgets, allowing authorities more time to address structural funding challenges.

## 11.0 Housing Revenue Account (HRA)

Table 17: 2025/26 Quarter 1 forecast for Housing Revenue Account

<b>HRA gross income and expenditure</b>			
	<b>Budget</b>	<b>Forecast</b>	<b>Overspend/ (Underspend)</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>HRA</b>			
<b>Income</b>	(69.9)	(69.9)	<b>0.0</b>
<b>Expenditure</b>	69.9	69.9	<b>0.0</b>
<b>Total</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## **Summary**

- 11.1 Budgets for the Housing Management function are contained within the ring-fenced Housing Revenue Account (HRA), which has a balanced budget for 2025/26 made up of £69.9m of income matched by expenditure.
- 11.2 The HRA is currently forecasting a break-even position. However, it continues to face significant risks and financial pressures in the current fiscal environment.

## **Risks and uncertainties**

- 11.3 The ongoing high inflationary environment and high interest rates are exerting a pressure on both operational and capital costs. Inflation is driving up the price of materials and labour associated with repairs and maintenance, while higher borrowing costs increase the expense of financing new build and improvement programmes.
- 11.4 The HRA is also contending with elevated demand for repairs and maintenance services. A large volume of complex repairs, as well as increased instances of issues such as damp and mould, are placing substantial strain on budgeted resources. This heightened requirement for responsive maintenance is expected to continue throughout the year, potentially leading to cost pressures beyond original estimates.
- 11.5 Further adding to budgetary uncertainty is the recent implementation of new contracts for repairs and maintenance services. As these contracts are still in the early stages of embedding, there remains a level of unpredictability around actual costs and service delivery efficiencies, which could impact expenditure forecasts.
- 11.6 Further pressures stem from the capital programme, where insufficient government funding has been allocated to meet key environmental priorities and statutory requirements, including carbon reduction initiatives and fire safety requirements for housing stock. The lack of adequate financial support to address these priorities places additional strain on the HRA's capital resources, complicating efforts to invest in sustainable and energy-efficient improvements while balancing other essential investment needs.
- 11.7 In addition, the financial and operational risks associated with adding 428 properties to the housing portfolio within the financial year must be acknowledged. A portfolio growth can strain existing management and maintenance resources, potentially leading to increased operational costs and challenges in delivering consistent service quality. Effective planning and resource allocation are critical to mitigating these risks and ensuring that portfolio expansion supports long-term financial sustainability.

- 11.8 Effective management of rent debt levels is also crucial to maintaining the HRA's overall financial health. Rising rent arrears could increase the risk of bad debt provisions, which directly impact revenue streams and the Council's ability to fund essential services and maintenance. Persistent or growing rent debt can strain financial planning and necessitate higher bad debt write-offs, thereby affecting the HRA's budgetary position. Consequently, robust ethical debt recovery processes and proactive tenant engagement are essential to minimising rent arrears and safeguarding the financial stability of the housing service.
- 11.9 In April 2025, the Council has also self-referred to the Regulator of Social Housing due to breaches in building safety compliance. Investigations revealed that a number of fire safety actions were incorrectly marked as completed and there were inconsistencies in asbestos management, water safety, and smoke and carbon monoxide detector data. This led the Regulator to request additional performance information, culminating in a regulatory judgement of C3 issued on 28 May 2025. This represents a significant risk to the HRA and financial pressures associated with addressing the identified compliance issues. Specialists are currently assessing the situation and developing a recovery plan, with anticipated costs yet to be detailed, however comparable local authorities have incurred costs of around £2.3m in similar circumstances. Additionally, the Council faces financial risks from potential reductions or cessation of grant funding for housing developments while operating under regulatory notice, until full compliance is demonstrated.
- 11.10 While the authority's reserves currently stand at the target level of 5% of total turnover, this figure remains relatively low compared to the Council's peers. This comparatively smaller reserve base presents a financial risk, limiting the Council's capacity to respond effectively to unforeseen financial pressures or emergencies. Strengthening reserve levels will be important to enhance financial resilience and ensure greater flexibility in managing future budgetary challenges.
- 11.11 These risks are being continuously monitored and reflected in the HRA Business Plan and the Council's Medium Term Financial Strategy (MTFS).

## **12.0 Capital Programme**

- 12.1 As at Quarter 1, the Capital Programme is reporting a nil variance against the revised budget of £346.6m. It is recognised the forecast position across the programme is still being refined as part of ongoing programme monitoring and review. Each Board continues to assess its portfolio, with key risks including delivery timelines, market conditions, and funding dependencies. These are being actively managed through regular oversight and



adjustments to ensure the programme remains aligned with strategic priorities and delivery expectations.

Table 18: 2025/26 Quarter 1 forecast for the Capital Programme

Portfolio / Programme	Revised Budget 2025/26	Current Forecast	FY Variance	
			(Underspend)/ Overspend	(Slippage)/ Brought Forward
	£m	£m	£m	£m
Corporate Landlord	12.9	12.9	0.0	0.0
HCIB - GF	97.9	97.9	0.0	0.0
HCIB - HRA	39.7	39.7	0.0	0.0
Public Realm	25.0	25.0	0.0	0.0
Regeneration	119.5	119.5	0.0	0.0
CYP & Community Development	23.1	23.1	0.0	0.0
South Kilburn	25.0	25.0	0.0	0.0
St Raphael's	3.5	3.5	0.0	0.0
<b>Grand Total</b>	<b>346.6</b>	<b>346.6</b>	<b>0.0</b>	<b>0.0</b>

### Budget Additions

- 12.2 The Council has secured £851k in capital funding through the one-year extension to the UK Shared Prosperity Fund (UKSPF) following a successful grant application. The funding will support a range of community and place-based infrastructure projects to be delivered by March 2026, as well as proposals to support local businesses and people and skills. A budget uplift to the existing project of £851k is required.

### Risks and Uncertainties – Housing

- 12.3 The Council's Affordable Housing Programme continues to face significant risks and uncertainties across both General Fund and Housing Revenue Account schemes. The most pressing challenge is the financial viability of new-build schemes, driven by rising construction costs, high interest rates, and changes to grant funding conditions. The viability of future schemes is further constrained by the requirement to deliver homes at Social Rent levels, which generates significantly lower income than London Affordable Rent, and by the limited availability of additional GLA grant funding. While the June 2025 Spending Review announced a £39bn national package for affordable housing, delivery in London will be managed through the GLA, and no specific allocations or criteria have yet been confirmed.

### Risks and Uncertainties – Corporate Landlord

- 12.4 The Corporate Landlord Board is responsible for overseeing the strategic management and investment in the council's operational property portfolio,

ensuring that buildings are safe, compliant, and fit for purpose. It supports service delivery by maintaining and improving the council's estate, aligning capital projects with priorities such as health and safety, energy efficiency, accessibility, and long-term sustainability. The Board operates in a challenging environment shaped by inflationary pressures in the construction sector, increased demand for energy-efficient upgrades, and the need to modernise ageing assets. Dependencies on external funding, planning approvals, and stakeholder engagement including with tenants and leaseholders introduce further uncertainty for future schemes.

### **Risks and Uncertainties – Regeneration**

- 12.5 The Regeneration programme plays a vital role in delivering new homes, infrastructure, and community assets that support inclusive growth and long-term sustainability. This does however present a number of challenges. Several projects are navigating complex planning, legal, and funding landscapes. The council is actively working with partners to review delivery options and ensure that schemes remain aligned with community needs and financial sustainability for all planned projects. Land acquisition and infrastructure dependencies also present delivery risks, particularly in projects involving third-party landowners or statutory undertakers. The council is engaging early and constructively with stakeholders to secure the necessary agreements and maintain momentum.

### **Risks and Uncertainties – South Kilburn**

- 12.6 The South Kilburn regeneration programme continues to deliver significant investment in new homes, infrastructure, and community facilities. However, the scale and complexity of the programme mean that a number of risks and uncertainties remain. A key area of focus is the transition to a Single Delivery Partner (SDP) model, which is intended to streamline delivery and improve coordination across future phases. As the procurement process progresses throughout 25/26 there will be significant budget adjustments to align with the updated programme.

### **Risks and Uncertainties – Children, Young People and Community Development**

- 12.7 The Schools Board oversees the planning, delivery, and monitoring of capital investment in Brent's school estate, including projects that support the expansion of school places, improvements to existing facilities, and the development of specialist provision such as SEND (Special Educational Needs and Disabilities) infrastructure. Its work ensures that educational environments across the borough are safe, inclusive, and fit for future learning needs. In the Special Educational Needs and Disabilities (SEND) programme, the London Road scheme is progressing well but is dependent on timely completion of utility works. The council is actively engaging with suppliers to minimise any risk of delay. Other SEND expansion projects are being reviewed to ensure they align with the borough's long-term strategy for

specialist provision, with alternative options being explored where necessary.

### **Risks and Uncertainties – Public Realm**

- 12.8 The Public Realm programme continues to deliver improvements to Brent's parks, green spaces, and community infrastructure, supporting the council's wider goals for health, wellbeing, and environmental sustainability. The programme also faces broader risks associated with inflation, supply chain pressures, and the availability of specialist contractors, which may impact on project costs and timelines. The council is mitigating these risks through early procurement planning, value engineering, and contingency management. As the council continues to invest in inclusive and climate-resilient public spaces, the need to balance community expectations, funding constraints, and long-term maintenance requirements remains a key consideration. Ensuring that projects deliver lasting value and align with Brent's environmental and social priorities will be central to the programme's success.

### **Treasury Management Prudential Indicators**

- 12.9 In line with changes to the Prudential Code in 2021, the performance of the Council's treasury and capital activities against the approved prudential indicator for the year are now reported quarterly within these financial reports to members. Details of the performance against the indicators in the first quarter of the financial year and compliance with the limits are provided in Appendix B.

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

- 13.1 There are no stakeholder and ward member consultation arising from this report.

### **14.0 Financial Considerations**

- 14.1 This report sets out the financial forecast for the General Fund revenue budget, the Housing Revenue Account, the Dedicated Schools Grant and the Capital Programme, as at Quarter 1 2025/26. Financial implications of agreeing to this report are included within the forecasts provided.

### **15.0 Legal Considerations**

- 15.1 The law requires that the council must plan to balance its spending plans against resources to avoid a deficit occurring in any year. Members need to be reasonably satisfied that expenditure is being contained within budget and that the savings for the financial year will be achieved, to ensure that income and expenditure balance (Section 28 Local Government Act 2003: the

council's Financial Regulation 2.3 Revenue Budget Monitoring, Forecasting and Overspends).

**16.0 Equity, Diversity & Inclusion (EDI) Considerations**

16.1 There are no EDI considerations arising out of this report.

**17.0 Climate Change and Environmental Considerations**

17.1 There are no climate change or environmental considerations arising out of this report.

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

18.1 There are no HR or property considerations arising out this report.

**19.0 Communication Considerations**

19.1 There are no direct communication considerations arising out of this report.

**Report sign off:**

***Minesh Patel***

Corporate Director, Finance and Resources

## Appendix A - MTFs Savings Delivery Tracker 2025/26

Department	Reference	Category	Description	2025/26 (£000)	RAG Status	Comments / Mitigating Actions
Service Reform and Strategy	2024-25 CHW01	Service Transformation	Enabling residents to self-manage their health and well-being, including preventing and reducing the need for care and support through technology so they can stay independent and well in their homes and communities	350	Amber	Deployment of new technology is scheduled for October 2025 and May 2026 respectively. Unlikely to contribute to the Technology enabled care savings in 2025/26. Mitigating actions to manage this include offsetting the pressures against underspends elsewhere in the budget, e.g. direct payment clawbacks.
Service Reform and Strategy	2024-25 CHW02	Service Transformation	Managing demand and complexity of support to 23/24 with a consistent prevention and reablement offer and a focus on Care Act statutory responsibilities including integrated market management	365	Green	Savings on track to be delivered.
Service Reform and Strategy	2024-25 CHW03	Service Transformation	Reducing expenditure in mental health and learning disability including transitions so Brent benchmarks in the middle quartile with comparator authorities	275	Green	Savings on track to be delivered.
Service Reform and Strategy	2025-26 CHW01	Service Transformation	Developing a wider range of day opportunities with partners and communities and reducing building based provision	500	Green	Savings on track to be delivered.
Service Reform and Strategy	2025-26 CHW02	Reduction in provision	Reduction of contract value at 3 year break point for Homeless and ex-offenders	500	Green	Savings on track to be delivered.
Service Reform and Strategy	2025-26 CHW03	Service Transformation	Commitment to reducing staffing cost across the Care, Health and Wellbeing Directorate	300	Green	Savings on track to be delivered.

Service Reform and Strategy	2024-25 RS01A	Digital	Based on 3 complex and 5 simple processes per year across all former Resident Services departments (focusing on transactional services) with efficiencies cashed through reduction in posts and/or increase in income.	49	Green	Savings on track to be delivered.
Service Reform and Strategy	2024-25 RS02	Digital	Reduction in business support posts through alignment of support functions across former Resident Services directorate, combined with improved forms and integration with back-office systems.	95	Green	Savings on track to be delivered.
Service Reform and Strategy	CHW01 25-26	Service Transformation	Offer reablement service to a wider range of customers, supporting them to remain independent and reduce their reliance on long-term care services.	800	Green	Savings on track to be delivered.
Service Reform and Strategy	CHW02 25-26	Service Transformation	Expand the Shared Lives programme to be able to provide additional respite capacity for individuals with learning disabilities and reduce reliance on residential respite placements.	200	Green	Savings on track to be delivered.
Service Reform and Strategy	CHW03 25-26	Digital	Modernise Adult Social Care Approach to Assessment and Review.	200	Green	Savings on track to be delivered.
Service Reform and Strategy	CHW04 25-26	Income generation	Implementation of Telecare Service Charges.	500	Amber	Planned work to begin in August 2025, a mitigation plan is being developed for the slippage of the savings. There has been a delay in implementing charges for self-funders of telecare services due to the need to contact all current users ahead of the upcoming national digital switchover in October 2025, there are concerns about potential disruptions to some telecare devices. Service users to be contacted to confirm device compatibility before introducing any charges. It is anticipated that, following this review, there may be a natural reduction in telecare service usage which will mitigate slippage

Service Reform and Strategy	PHRS01 25-26	Restructure	Staffing efficiencies and contract spend within the Shared Technology service	200	Green	Savings on track to be delivered.
Service Reform and Strategy	PHRS02 25-26	Restructure	Staffing efficiencies within the Communications, Insight and Innovation department	316	Green	Savings on track to be delivered.
Service Reform and Strategy	PHRS03 25-26	Income generation	Increasing commercial income generated from The Drum.	100	Green	Savings on track to be delivered.
Service Reform and Strategy	PHRS07 25- 26A	Restructure	Staffing efficiencies within the Communities and Partnerships Department	4	Green	Savings on track to be delivered.
Service Reform and Strategy	LG02 25-26	Procurement	Reduction In Car Club costs.	50	Green	Savings on track to be delivered.
<b>Subtotal</b>				<b>4,804</b>		
Children, Young People and Community Development	2024-25 RS01B	Digital	Based on 3 complex and 5 simple processes per year across all former Resident Services departments (focusing on transactional services) with efficiencies cashed through reduction in posts and/or increase in income.	13	Green	Savings on track to be delivered.
Children, Young People and Community Development	2025-26 CYP01	Reduction in provision	Review the Willow Nursery delivery model to ensure the provision is sustainable without funding from the General Fund	250	Green	Savings on track to be delivered.

Children, Young People and Community Development	2025-26 CYP02	Service transformation	Reduction in the placement budget for Looked After Children through operating a new residential children's home in Brent	290	Amber	The care home has not opened as planned due to processing delays with Ofsted. To offset this, we are reducing costs in current residential placements and support costs in other placements.
Children, Young People and Community Development	2025-26 CYP03	Restructure	Reduction in management capacity within Early Help and Localities, through service realignment. This will entail a restructure and HR consultation. This will result in fewer handoffs for families and a more seamless step up and step down. Equivalent of up to 6 FTE. Review will also consider replacement of some social work posts with business support replacements where safe to do so.	330	Green	Savings on track to be delivered.
Children, Young People and Community Development	2025-26 CYP04	Income generation	The proposal is that the Ade Adepitan Short Break Centre could generate further income by selling additional respite bed nights to other local authorities. Income generation. Current income target is £140k. Ensure centre capacity is managed effectively to allow an increase of bed nights sold by an additional 52 nights per annum.	40	Green	Savings on track to be delivered.
Children, Young People and Community Development	2025-26 CYP05	Reduction in provision	To reduce the Family Wellbeing Centre (FWC) support service contract by 10% Contract currently operated by Barnardo's that provides a range of support services for families from the FWCs including general advice and parenting support. Contract expires in November 2024.	64	Green	Savings on track to be delivered.
Children, Young People and Community Development	2025-26 CYP06	Income generation	Reduce general fund contribution to commissioned services that support children's school readiness and health and wellbeing through a joint commissioning approach within the ICP.	500	Green	Savings on track to be delivered.



Children, Young People and Community Development	CYP01 25-26	Reduction in provision	LAC and Permanency/FPPP: Reduction in weekend use of the Gordon Brown Centre for care leavers as part of promoting independence work by 50% from £160k to £80k annually	80	Green	Savings on track to be delivered.
Children, Young People and Community Development	CYP02 25-26	Reduction in provision	FPPP: Reduction in discretionary spend of when supporting children and families.	300	Green	Savings on track to be delivered.
Children, Young People and Community Development	CYP03 25-26	Reduction in provision	Inclusion/Brent Virtual School: Cease the Safe Base Brent offer, which is a Mental Health and Wellbeing support service for care leavers attending higher education.	57	Green	Savings on track to be delivered.
Children, Young People and Community Development	PHRS07 25-26B	Restructure	Staffing efficiencies within the Communities and Partnerships Department.	63	Green	Savings on track to be delivered.
<b>Subtotal</b>				<b>1,987</b>		
Residents and Housing Services	2024-25 RS01D	Digital	Based on 3 complex and 5 simple processes per year across all former Resident Services departments (focusing on transactional services) with	55	Green	Savings on track to be delivered.

			efficiencies cashed through reduction in posts and/or increase in income			
Residents and Housing Services	2024-25 RS06	Restructure	Libraries and Heritage realignment of managerial responsibilities and posts. The restructure will focus on maximising income generation and delivering savings in 2025/26.	48	Green	Savings on track to be delivered.
Residents and Housing Services	2024-25 RS08	Digital	To not recruit to vacant posts / move to digital – self-service / reduction in usage of Resilience Contract	33	Green	Savings on track to be delivered.
Residents and Housing Services	2024-25 RS09	Digital	Reduction in Benefit Assessment processing costs due to impact of Universal Credit (UC)	61	Green	Savings on track to be delivered.
Residents and Housing Services	PHRS04 25-26	Restructure	Achieving management efficiencies across Revenue and Debt, Customer Services and Assessments and Brent Community Hubs.	375	Green	Savings on track to be delivered.
Residents and Housing Services	PHRS05 25-26	Restructure	Achieving management efficiencies within Libraries, Arts and Heritage.	50	Green	Savings on track to be delivered.
Residents and Housing Services	PHRS06 25-26	Income generation	Increased income across Mortuary & Bereavement Operations (including Cemeteries) and Registration and Nationality.	184	Green	Savings on track to be delivered.
<b>Subtotal</b>				<b>806</b>		
Neighbourhoods and Regeneration	2024-25 RS01C	Digital	Based on 3 complex and 5 simple processes per year across all former Resident Services departments (focusing on transactional services) with efficiencies cashed through reduction in posts and/or increase in income.	33	Green	Saving on track to be delivered.

Neighbourhoods and Regeneration	2024-25 RS02	Digital	Reduction in business support posts through alignment of support functions across Resident Services, combined with improved forms and integration with back-office systems	27	Green	Saving on track to be delivered.
Neighbourhoods and Regeneration	NR01 25-26	Income generation	Increase charge for bulky waste collection from £40 to £55.	30	Green	Charges have been implemented
Neighbourhoods and Regeneration	NR02 25-26	Income generation	Increase garden waste annual subscription from £65 to £69.	55	Green	Charges have been implemented
Neighbourhoods and Regeneration	NR03 25-26	Income generation	Increase to existing, or introduction of new, charges for additional and replacement waste containers (residual, recycling, food).	105	Green	Saving on track to be delivered.
Neighbourhoods and Regeneration	NR04 25-26	Reduction in provision	Stop subscription for Recyclopedia.	6	Green	Saving on track to be delivered.
Neighbourhoods and Regeneration	NR05 25-26	Restructure	Transformation restructures across public realm, regeneration and strategic housing.	250	Green	This has been achieved through voluntary redundancies in 24/25

Neighbourhoods and Regeneration	PHRS07 25-26C	Restructure	Staffing efficiencies within the Communities and Partnerships Department.	8	Green	Saving on track to be delivered.
<b>Subtotal</b>				<b>514</b>		
Finance and Resources	2025-26 G01	Reduction in provision	There is scope to reduce the amount of administrative support provided within Executive and Member services.	60	Green	Saving on track to be delivered.
Finance and Resources	2025-26 G02	Reduction in provision	Currently Legal Services has three traditional graduate level trainee solicitor posts. It is proposed to reduce this to one post. As trainees are a valuable source of recruits to qualified posts, it is proposed to over time convert two existing Legal Assistant posts to solicitor apprentice posts. These require a lower level of qualification, and the Apprenticeship Levy can be used to fund the qualification element of the training.	45	Green	Saving on track to be delivered.
Finance and Resources	2025-26 G03	Income generation	Income from these sources has increased, for example through more schools buying into the services available from the Governance Department and work undertaken in relation to developments.	24	Green	Saving on track to be delivered.
Finance and Resources	2025-26 G04	Reduction in provision	It is proposed to reduce the health and safety team by one post to reflect lower demand due to changes in the way training on Health and Safety is delivered and to the type of incidents in which the central team are required to be involved. Change in approach to schools inspections.	57	Green	Saving on track to be delivered.

Finance and Resources	2025-26 G05	Service transformation	A review has identified several underutilised resources across the Governance department and ceasing to subscribe to these will enable savings to be made.	16	Green	Saving on track to be delivered.
Finance and Resources	2024-25 RS08	Digital	To not recruit to vacant posts / move to digital – self-service / reduction in usage of Resilience Contract	33	Green	Saving on track to be delivered.
Finance and Resources	FR01 25-26	Restructure	Transformation restructures across Finance and Resources	260	Green	Saving on track to be delivered.
Finance and Resources	LG01 25-26	Reduction in provision	Reduction in Members Allowances budget.	50	Green	Saving on track to be delivered.
Finance and Resources	LG03 25-26	Procurement	Outsource Occupational Health Service	100	Green	Saving on track to be delivered.
Finance and Resources	LG04 25-26	Reduction in provision	Deletion of two Trainee positions in Legal Services	87	Green	Saving on track to be delivered.
Finance and Resources	LG05 25-26	Income generation	Increase in income – Legal Services Property and planning.	13	Green	Saving on track to be delivered.
<b>Subtotal</b>				<b>744</b>		
<b>Overall total</b>				<b>8,855</b>		

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## **Appendix B –Quarter One 2025/26 Prudential Indicators**

### **Legislative Update**

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

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

The Code required the Prudential Indicators (which are approved as part of the Council's Treasury Management Strategy) to be reported quarterly (from semi-annually) as part of the financial updates and will be a recurring addition to the quarterly financial reports.

### **Prudential Indicators**

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

Prudential indicators have been calculated using the capital programme data as at quarter one of 2025/26.

<b>Capital Expenditure &amp; Financing at Q1 2025/26 (£m)</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>Total 2025/26-2029/30</b>
	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	
Corporate Landlord	13.0	36.1	24.3	3.7	4.5	<b>81.6</b>
Housing GF	97.7	36.5	2.8	0.0	0.0	<b>137.0</b>
Schools	23.0	28.6	5.8	5.3	0.0	<b>62.7</b>
Regeneration	119.4	39.5	26.1	14.1	0.0	<b>199.2</b>
Public Realm	25.0	4.7	1.6	6.2	0.2	<b>37.7</b>
South Kilburn	25.1	20.2	16.9	7.6	1.2	<b>70.9</b>
St Raphael's	3.5	3.9	12.5	0.0	0.0	<b>19.8</b>
HRA	39.8	86.6	28.0	13.9	11.1	<b>179.4</b>
<b>Total Capital Expenditure</b>	<b>346.4</b>	<b>256.0</b>	<b>118.0</b>	<b>50.8</b>	<b>17.0</b>	<b>788.3</b>
<b>Financed By:</b>						
Grants	33.2	32.9	7.1	5.7	2.0	<b>80.9</b>
Section 106	13.8	29.6	19.1	11.9	0.0	<b>74.4</b>
Capital Receipts	36.3	29.9	35.4	2.7	1.2	<b>105.5</b>
Earmarked Reserves	0.9	0.9	0.9	0.8	0.0	<b>3.5</b>
Major Repairs Reserve	11.1	0.0	0.0	0.0	0.0	<b>11.1</b>
Revenue Contributions	0.6	0.6	0.6	0.6	0.6	<b>3.0</b>
Borrowing	250.5	162.1	54.9	29.1	13.2	<b>509.9</b>
<b>Total Capital Financing</b>	<b>346.4</b>	<b>256.0</b>	<b>118.0</b>	<b>50.8</b>	<b>17.0</b>	<b>788.3</b>

### **(a) Capital Financing Requirement (CFR)**

The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement. This is the amount of the Capital Programme that is funded by borrowing. The Council's maximum external borrowing requirement for 2025/26 is shown in the table below. The indicator is set to ensure that the level of proposed capital expenditure remains within sustainable limits and to consider the impact on Council tax and in the case of the HRA, housing rent levels.



CFR Movement at Q1 2025/26 (£m)	2025/26	2026/27	2027/28	2028/29	2029/30
	Estimated	Estimated	Estimated	Estimated	Estimated
<b>Opening CFR</b>	<b>1,357.2</b>	<b>1,579.9</b>	<b>1,712.6</b>	<b>1,737.6</b>	<b>1,738.1</b>
Capital Expenditure	346.4	256.0	118.0	50.8	17.0
External Resources	(47.0)	(62.5)	(26.2)	(17.6)	(2.0)
Internal Resources	(48.9)	(31.4)	(36.9)	(4.1)	(1.8)
MRP	(26.8)	(28.3)	(28.7)	(27.3)	(26.2)
Capital Loans Repaid	(1.0)	(1.1)	(1.3)	(1.4)	(1.5)
Use of Capital Receipts	0.0	0.0	0.0	0.0	0.0
Accounting Adjustments	0.0	0.0	0.0	0.0	0.0
<b>Closing CFR</b>	<b>1,579.9</b>	<b>1,712.6</b>	<b>1,737.6</b>	<b>1,738.1</b>	<b>1,723.6</b>

External resources consist of grants and Developer contributions. Internal resources consist of use of reserves, capital receipts and revenue contributions.

## **(b) Gross Debt and the Capital Financing Requirement**

To ensure that over the medium term, debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence. The table below shows that the Council expects to comply with this recommendation during 2025/26.

Gross Debt & the Capital Financing Requirement at Q1 2025/26 (£m)	2025/26	2026/27	2027/28	2028/29	2029/30
	Estimated	Estimated	Estimated	Estimated	Estimated
External Loans	1,220.0	1,311.6	1,321.0	1,313.4	1,289.1
PFI & Leases	28.5	24.7	22.7	20.4	17.0
<b>Total External Debt Liabilities</b>	<b>1,248.5</b>	<b>1,336.2</b>	<b>1,343.7</b>	<b>1,333.8</b>	<b>1,306.1</b>
<b>Internal Borrowing</b>	<b>331.4</b>	<b>376.4</b>	<b>393.9</b>	<b>404.3</b>	<b>417.5</b>
<b>Capital Financing Requirement</b>	<b>1,579.9</b>	<b>1,712.6</b>	<b>1,737.6</b>	<b>1,738.1</b>	<b>1,723.6</b>

## **(c) Liability Benchmark**

The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or long-term investor in the future, and so shape its strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund

its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

<b>Liability Benchmark at Q1 2025/26 (£m)</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
CFR	1,579.9	1,712.6	1,737.6	1,738.1	1,723.6
LOBO Loans	24.5	15.0	5.0	5.0	5.0
Non LOBO Loans	801.8	745.1	715.4	685.7	656.0
Balance Sheet Resources	(688.2)	(687.2)	(686.2)	(685.2)	(684.2)
Net Loan Requirement	806.3	740.1	700.4	670.7	641.0
Plus Liquidity Allowance	20.0	20.0	20.0	20.0	20.0
Liability Benchmark	826.3	760.1	720.4	690.7	661.0

#### **(d) Authorised limit and Operational Boundary for External Debt**

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

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

The Authorised Limit for External Debt is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

<b>Authorised Limit at Q1 2025/26 (£m)</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
Authorised Limit	1,800.0	1,900.0	1,900.0	1,900.0	1,900.0
Operational Boundary	1,600.0	1,700.0	1,700.0	1,700.0	1,700.0

The Corporate Director for Finance and Resources confirms that there were no breaches to the Authorised Limit and the Operational Boundary during Quarter One of 2025/26 .

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

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

Upper Limits on one-year revenue impact of a 1% movement in interest rates on Maturing Debt at Q1 2025/26 (£m)	2025/26	2025/26
	Approved Limit	Actual
Upper limit on one-year revenue impact of a 1% rise in interest rates	5.0	0.5
Compliance with limits:		Yes
Upper limit on one-year revenue impact of a 1% fall in interest rates	5.0	(0.5)
Compliance with limits:		Yes

**(f) Maturity Structure of Fixed Rate Borrowing**

This indicator is to limit large concentrations of fixed rate debt needing to be replaced at times of uncertainty over interest rates. The Council uses the option date as the maturity date for its LOBO loans. Loans based on existing debt portfolio as at the reported period.

Maturity Structure of Fixed Rate Borrowing at Q1 2025/26	Upper Limit	Lower limit	2025/26	2025/26	2025/26	2025/26	2025/26
			Actual Borrowing 31.06.2025	Actual Borrowing 31.06.2025	Forecast Borrowing at 31.03.2026	Forecast Borrowing at 31.03.2026	Compliance with limits
	%	%	£m	%	£m	%	
Under 12 months	40	0	117.4	12.40%	66.2	8.00%	Yes
12 months & within 24 months	40	0	66.2	7.00%	39.7	4.80%	Yes
24 months and within 5 years	40	0	73.7	7.80%	59.4	7.20%	Yes
5 years and within 10 years	60	0	128.4	13.60%	136	16.50%	Yes
10 years and within 20 years	75	0	142.5	15.10%	109.3	13.20%	Yes
20 years and within 30 years	75	0	133.5	14.10%	150.7	18.20%	Yes
30 years and within 40 years	75	0	177.1	18.80%	159.9	19.40%	Yes
Over 40 years	75	0	105	11.10%	105	12.70%	Yes
<b>Total</b>			<b>943.7</b>	<b>100.00%</b>	<b>826.3</b>	<b>100.00%</b>	

### (g) Ratio of Financing Costs to Net Revenue Stream

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

Financing Costs to Net Revenue Stream at Q1 2025/26	Limit	Forecast	Forecast	Forecast	Forecast	Forecast
	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30
Financing Costs (Interest & MRP) (£m)	35.0	40.5	46.1	46.2	46.7	46.5
Net Revenue Stream (£m)	431.4	431.4	448.7	465.8	483.8	483.8
Proportion of net revenue stream (%)	8.1%	9.4%	10.3%	9.9%	9.7%	9.6%

Financing costs can be further broken down as follows.

Capital Financing Costs at Q1 2025/26 (£m)	2025/26	2026/27	2027/28	2028/29	2029/30
	Estimated	Estimated	Estimated	Estimated	Estimated
Total Gross External Debt Interest	51.5	57.5	59.9	60.1	59.6
Total Interest Payable & Expenses	53.3	58.7	61.0	61.3	60.8
Total Interest Receivable	(29.9)	(32.0)	(35.9)	(37.4)	(38.0)
Net Interest	23.4	26.7	25.2	23.9	22.8
MRP (Excluding PFI)	17.1	19.4	21.1	22.8	23.7
<b>Total Interest &amp; MRP</b>	<b>40.5</b>	<b>46.1</b>	<b>46.2</b>	<b>46.7</b>	<b>46.5</b>
Revenue Contributions to Capital Programme	8.6	3.5	3.5	3.5	3.5
<b>Total Capital Financing Costs</b>	<b>49.1</b>	<b>49.6</b>	<b>49.7</b>	<b>50.2</b>	<b>50.0</b>

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

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

Upper Limit for Total Principal Sums invested over 364 Days at Q1 2025/26 (£m)	2025/26	2025/26
	Approved	Actual
Upper Limit for Total Principal Sums Invested Over 364 Days	50.0	0.0

### (i) Security

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

Credit Risk Indicator at Q1 2025/26	2025/26	2025/26
	Approved	Actual
Portfolio average credit rating	A	A+

### (j) Liquidity

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

Liquidity Risk Indicator at Q1 2025/26 (£m)	2025/26	2025/26
	Approved	Actual
Total cash available within 3 months	20.0	42.5

### (k) Investment Forecast

This indicator demonstrates the Council's investment exposure broken down by category for Treasury and non-treasury investments. Non-Treasury investments are directed under the Council's Investment Strategy 2025/26, whilst treasury investments are managed under the Treasury Management Strategy 2025/26.

<b>Total Investment Exposure Indicator at Q1 2025/26 (£m)</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
Treasury management cash investments	20.0	20.0	20.0	20.0	20.0
Service investments	323.4	322.2	321.0	319.7	318.3
Commercial investments: Property	0.0	0.0	0.0	0.0	0.0
<b>Total Investments</b>	<b>343.4</b>	<b>342.2</b>	<b>341.0</b>	<b>339.7</b>	<b>338.3</b>
Commitments to lend	50.0	50.0	50.0	0.0	0.0
<b>Total Exposure</b>	<b>393.4</b>	<b>392.2</b>	<b>391.0</b>	<b>339.7</b>	<b>338.3</b>

Service investments are further broken down in the table below.

<b>Loans &amp; Investments for service purposes: Category of borrower at Q1 2025/26 (£m)</b>	<b>2025/26</b>	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>
	<b>Approved Limit</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>	<b>Estimated</b>
I4B Subsidiary Loans	500.0	222.4	222.4	222.4	222.4	222.4
I4B Subsidiary Equity		36.4	36.4	36.4	36.4	36.4
FWH Subsidiary Loans		33.4	32.9	32.5	32.0	31.5
Local Businesses	10.0	0.0	0.0	0.0	0.0	0.0
Schools, Academies and Colleges	55.0	17.4	17.1	16.8	16.5	16.2
West London Waste Authority	20.0	13.9	13.5	13.0	12.4	11.8
Local Charities	10.0	0	0	0	0	0
Housing Associations	50.0	0	0	0	0	0
Local Residents	5.0	0	0	0	0	0
<b>Total</b>	<b>650.0</b>	<b>323.4</b>	<b>322.2</b>	<b>321.0</b>	<b>319.7</b>	<b>318.3</b>

## (I) Investment Funding

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

Investments Funded by Borrowing at Q1 2025/26 (£m)	2025/26	2026/27	2027/28	2027/28	2028/29	2029/30
	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated
I4B Loans	222.4	222.4	222.4	222.4	222.4	222.4
I4B Equity	36.4	36.4	36.4	36.4	36.4	36.4
First Wave Housing (FWH)	33.4	32.9	32.5	32.5	32.0	31.5
<b>Total Service investments</b>	<b>292.1</b>	<b>291.7</b>	<b>291.2</b>	<b>291.2</b>	<b>290.8</b>	<b>290.3</b>
<b>Total Funded by Borrowing</b>	<b>292.1</b>	<b>291.7</b>	<b>291.2</b>	<b>291.2</b>	<b>290.8</b>	<b>290.3</b>

### (m) Investment Rate of Return

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


Investments net rate of return at Q1 2025/26	2025/26	2025/26	2026/27	2027/28	2028/29	2029/30
	Limit	Estimated	Estimated	Estimated	Estimated	Estimated
Treasury management investments	3.94%	3.94%	3.75%	3.75%	3.75%	3.75%
Service investments	2.6%	2.6%	2.6%	2.6%	2.6%	2.6%

### (n) Other Investment Indicators

Other investment indicators	2025/26	2026/27	2027/28	2028/29	2029/30
	Estimated	Estimated	Estimated	Estimated	Estimated
External Debt (Loans)	1,220.0	1,311.6	1,321.0	1,313.4	1,289.1
Net Service Expenditure	431.4	448.7	465.8	483.8	483.8
Debt to net service expenditure ratio	2.8	2.9	2.8	2.7	2.7

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	<b>Resources &amp; Public Realm Scrutiny Committee</b> 16 July 2025  <b>Cabinet</b> 28 July 2025
	<b>Report from the Corporate Director, Finance and Resources</b>
	<b>Lead Member - Deputy Leader, Cabinet Member for Finance and Resources (Councillor Mili Patel)</b>
<b>Medium Term Financial Outlook</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>	N/A
<b>Background Papers:</b>	N/A
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Rav Jassar Deputy Director, Corporate and Financial Planning Email: <a href="mailto:Ravinder.Jassar@brent.gov.uk">Ravinder.Jassar@brent.gov.uk</a> Tel: 020 8937 1487  Amanda Healy Deputy Director, Investment and Infrastructure Email: <a href="mailto:amanda.healy@brent.gov.uk">amanda.healy@brent.gov.uk</a> Tel: 020 8937 5912

## 1.0 Executive Summary

- 3.1 This report sets out the overall financial position facing the Council and highlights the significant risks, issues and uncertainties with regards to the Council's Medium Term Financial Strategy (MTFS). It also sets out the proposed budget setting strategy for 2026/27, which is the Council's minimum legal duty in respect of local authority budget setting, in order to maximise the period of consultation with residents, businesses and other key stakeholders.

3.1 This report is structured as follows:

- Recommendations for Cabinet to approve
- Cabinet Member Foreword
- Economic context
- Local Government funding reforms
- Medium Term Financial Strategy update
- Proposed revenue budget setting process for 2026/27
- Capital programme
- Housing Revenue Account
- Schools and Dedicated Schools Grant (DSG)
- Financial Resilience

## **2.0 Recommendation(s)**

That Cabinet:

- 2.1 Note the contents of the report and the potential financial impact on the Council's Medium Term Financial Strategy
- 2.2 Note the summary of the Spending Review and Local Government Funding reform consultations, as set out in section five of this report.
- 2.3 Agree the budget setting process for 2026/27, including the approach to consultation and scrutiny, as set out in section seven of this report.
- 2.4 Note and agree the proposed 2024/25 capital budget carry forwards and capital virements for 2025/26 as set out in section eight of this report.
- 2.5 Note the financial position with regards to the Housing Revenue Account, as set out in section nine of this report; and
- 2.6 Note the financial position with regards to Schools and the Dedicated Schools Grant, as set out in section ten of this report.

### **3.0 Cabinet Member Foreword**

- 3.1 This Medium-Term Financial Outlook sets out the stark reality facing Brent and councils across the country. The cost-of-living crisis is far from over, and while inflation may be easing, its legacy upon household budgets, on service demand and on our financial resilience; remains both deep and enduring. The national funding system continues to prioritise funding away from London, and the long promised reforms are still on the horizon.
- 3.2 We are preparing for the future with honesty and ambition, recognising that a £30 million budget gap over the next three years will require clear choices, innovation and discipline. We are not waiting for the next crisis but planning for it, ensuring that through the Embrace Change programme we transform how we deliver services, support residents and manage resources to meet the challenges ahead.
- 3.3 The pressures we face are real and intensifying. In adult social care, the number of service users increased by 7 per cent in 2024 to 2025, with average weekly costs also rising by 7 per cent, while in children's services the number of children in residential care grew by nine in just one year, with the cost of a single high needs placement now exceeding £500,000 annually. In housing, we are contending with a perfect storm of rising demand, declining supply and escalating costs, with the average private rent in London having risen by 8.4 per cent in the year to April 2025, and the number of households in temporary accommodation continuing to grow.
- 3.4 We are responding with action and focus. The Housing Needs and Support budget has been increased by £14 million, and we are investing in additional housing supply through i4B and the Local Authority Housing Fund while implementing a new model of resident support, underpinned by £1 million of recurring funding.
- 3.5 Nevertheless, we cannot meet these challenges alone. While we welcome the government's commitment to a multi-year funding settlement and announcements in the Fair Funding Review, it is clear that without a fundamental rethink of how the sector is funded, councils like Brent will continue to face impossible and unsustainable choices.
- 3.6 This report is not just a financial plan but our blueprint for survival, shaped by our values and driven by our determination to stand up for the people of Brent. We will continue to fight for a fairer future, for our residents, our communities and for local government as a whole.

### **4.0 Economic Context**

- 4.1 In the current and medium term, the economic environment is weak, with domestic output stagnating in the second half of 2024, and many people and organisations still suffering from the cost-of-living crisis. The outlook has also become more uncertain due to upward pressure on defence spending and a tightening of global trade restrictions in recent months.

- 4.2 Inflation has fallen from a peak of over 11% in 2022, to close to the Bank of England's 2% target since the middle of 2024. The Bank forecasts that inflation will rise temporarily to 3.7% in 2025 (3.4% at May 2025), partly because of higher energy prices, before falling back to the 2% target after that. As a result, interest rates remain relatively high at 4.25%, having most recently been cut in May 2025, but are forecast to fall below 4% in 2026.
- 4.3 The residents of Brent face an equally challenging economic environment with the effects of the cost-of-living crisis exacerbated by levels of unemployment above national and London averages. After effects of the recent high level of inflation, and continuing high interest rates, combined with global instability, mean that the cost-of-living crisis is unlikely to end in the near future.

## **5.0 Local Government Funding Reforms**

### **Spending Review 2025**

- 5.1 The government's Autumn Statement and Local Government Finance Settlement provided figures in sufficient detail to enable effective resource planning for 2025/26. The settlement was the seventh annual one-year settlement for local government, ahead of Spending Review 2025 that was delivered on 11 June 2025, setting out the departmental budgets for the three year period from 2026/27 to 2028/29.
- 5.2 At the Spending Review, it was announced that Core Spending Power across England would increase by an average of 2.6% a year in real-terms between 2026/27 and 2028/29, assuming maximum council tax increases of 4.99% a year. There was some limited additional revenue funding for children's and adult social care, but overall the impact on current funding assumptions is still unclear.
- 5.3 The spending review was heavily constrained by economic reality, the relatively sluggish performance of the UK economy has limited the scope for movement, and at the same time, demographic pressures, especially an ageing population, are increasing demands for services. In the medium term, the focus of the Spending Review was to increase capital funding, especially for Housing and Transport, with the goal of improving the UK economy.
- 5.4 The government has also committed to fundamental reform of local government financing from 2026/27, with particular focus on diverting resources to authorities that need them most and delivering the first reset of the business rates retention system since it was created in 2013. As part of these reforms, the government has confirmed its intention to deliver a multi-year funding settlement to local authorities for 2026/27. This will provide greater certainty within which to plan budgets for future years.
- 5.5 The Spending Review also confirmed an extension to the Dedicated Schools Grant Statutory Override, which allows councils to exclude DSG deficits from their balance sheets, until the end of 2027/28. At 31 March 2025, the DSG deficit for Brent was £13.6m, meaning that the ending of the Statutory Override in 2026 represented a key immediate risk to the Council's MTFS. However, this move has only delayed the need for a permanent solution to the Special Educational Needs and Disabilities (SEND) crisis, with total deficits across

England now exceeding £3bn and the new deadline being within the anticipated multi-year settlement period.

- 5.6 To make the system more inclusive and improve outcomes for all children and young people, the government will reform the current SEND system. Details of the government's intended approach to SEND reform will be set out in a Schools white paper in the autumn. The Council will review the implications of the proposed reforms for the MTFs and a further update will be provided to Cabinet in the 2026/27 draft budget in the autumn.

### **Fair Funding Review 2.0**

- 5.7 The government recognised in the Spending Review that funding alone will not address the challenges facing local government. To support long-term financial sustainability, a consultation on proposals to update and reform the funding system, The Fair Funding Review 2.0, (FFR) was announced on 20 June 2025.
- 5.8 The FFR consultation sets out the seven principles behind the funding reforms:
- Simplicity
  - Transparency
  - Dynamism
  - Sustainability
  - Robustness
  - Stability
  - Accountability
- 5.9 The Government proposes to calculate updated local authority funding allocations by bringing together an updated assessment of relative need, an adjustment for the relative ability of authorities to generate Council Tax income and transitional arrangements across the three year settlement to ensure that authorities are able to plan sufficiently for the changes.
- 5.10 The consultation document includes details of all proposed formulae, the results of the relative need calculations at a local level for each of the formulae, as well as the results of the whole-council relative need assessment which is achieved by combining formula scores in line with the relative size of expenditure on various services. The consultation does not provide information of how much funding is within scope of this assessment. There are seven formulae proposed – adult social care, children's social care, foundation formula, fire and rescue, highways maintenance, home-to-school transport and temporary accommodation.
- 5.11 The consultation also assesses the relative differences in cost of providing the same unit of service through area cost adjustments. These adjustments measure differences between 'labour' costs (e.g. wage differences, travel times) and 'rates' costs (e.g. premises costs).
- 5.12 The Government is considering using projections for residential population, council tax base and council tax level growth within the distribution methodology. For population, latest Office for National Statistics (ONS)

projections would be used and the Government would apply judgement in terms of forecast future council tax level change and taxbase growth.

- 5.13 The Government is proposing a three-year phased transition period. The Government intends to protect a 'vast majority' of councils through a cash flat (0%) funding floor which would assume full use of council tax flexibilities. However, some councils (i.e. those whose current share of funding is the furthest from the new share and are therefore facing largest losses) will need bespoke arrangements, suggesting they will not receive 0% floor protection. The consultation signals that requests for further council tax flexibility will continue to be assessed on a case-by-case basis, rather than a blanket relaxation of the referendum policy.
- 5.14 The Government is also proposing to simplify existing Settlement grant funding within the Revenue Support Grant and to consolidate smaller grants within wider service areas into single consolidated grants, distributed according to bespoke distributions for those grants. The four consolidated grants proposed in the consultation are:
- **Homelessness and Rough Sleeping Grant** – This will bring together funding for all homelessness and rough sleeping revenue funding, except for temporary accommodation funding, which will be rolled into RSG;
  - **Public Health Grant** – This will consolidate the existing Public Health Grant with other service-specific grants related to Public Health activities;
  - **Crisis and Resilience Grant** – This will consolidate the existing Household Support Fund and Discretionary Housing Payment Grants into a single fund to enable local authorities to build the financial resilience of their communities and assist those facing financial crisis;
  - **Children, Families and Youth Grant** – This will consolidate the Children's Social Care Prevention Grant and the Children and Families Grant, alongside further investment in children's social care reform.
- 5.15 Specifically, the Government proposes to end the New Homes Bonus (£1.9m for Brent in 2025/26) in its current form and roll this funding back into the Revenue Support Grant (RSG), as well as rolling in the social care funding (Local Better Care Grant, Social Care Grant and the Market Sustainability and Improvement Fund), which was a total of £56.7m of funding for Brent in 2025/26. Whilst the future of the Recovery Grant (£5.8m for Brent in 2025/26) is not discussed in the consultation, the ministerial foreword states that this was a *"one-off grant to sustain councils with historical low tax bases and higher levels of deprivation, through to the upcoming multi-year settlement"*. Therefore, it is expected that this grant will also be rolled into the settlement to be distributed in line with the revised needs assessment.
- 5.16 While adult social care grants will be consolidated into the settlement, the Government is considering including a bespoke 'notional' line within the funding allocation to indicate how much of the settlement is deemed to be allocated for adult social care, including the adult social care council tax precept. If this notional amount was to be included, this would reduce the flexibility of local authorities to allocate the available funding according to local need. However, in practice, demand for adult social care is rising at a faster rate than funding,

meaning it is likely that the Council would exceed such a notional amount when allocating funding to adult social care within the new settlement.

- 5.17 At this stage there are serious concerns about the Children and Young People's Services formula that was developed by the Department for Education. A modified version of this formula is now being used to determine the funding local authorities receive. Based on current modelling, London boroughs' collective funding share could be reduced by £1.5 billion (or 27%) due to changes in the children's formula. At this state it is difficult to understand how children's services needs would have shifted so significantly as to warrant this significant shift in funding. This is the single biggest impact to London boroughs' funding in the government's funding reform proposal
- 5.18 It is important that DfE and MHCLHG allow time for the formula to be properly scrutinised and examined by the local government sector and explain the rationale behind any changes
- 5.19 Officers will work to assess the implications of the reforms for Brent Council's budget and MTFs. The consultation did not provide detailed models or provisional allocations at local authority level, so at the time of dispatch of this report, it is not possible to determine the specific impacts of the reforms for Brent, pending the development of tools by partner organisations that will assist with the modelling.
- 5.20 The FFR consultation will last for 8 weeks until 15 August 2025. Brent Council will comprehensively review all relevant aspects of the consultation and provide a detailed response to support the Government in developing a multi-year settlement from 2026/27 in line with the objectives set out in the consultation documents. This work will inform the development of the draft budget for 2026/27, which will be presented to Cabinet in the autumn, in advance of the first multi-year local government finance settlement to be delivered by the Government before the end of the year.

### **Reset of the Business Rates Retention System (BRRS)**

- 5.21 The current Business Rates Retention System (BRRS) was introduced in April 2013 with two core principles: firstly, to reward local growth with the retention of a portion of growth in business rates, and secondly, to ensure that core funding reflected relative need for each authority. Each authority was assigned a Baseline Funding Level (BFL), which determined how much of its relative funding need was to be met through retained business rates income. This was then compared to a measure of their individual ability to raise business rates, the Business Rates Baseline (BRB).
- 5.22 Where a local authority raises more in business rates income than their assessed level of need (their BRB was higher than their BFL), they would be required to pay a tariff of the additional income. Conversely, if an authority's BRB was lower than their BFL, they would receive a top-up. Under the current BRRS, Brent receives a top-up.
- 5.23 The tariffs and top-ups were fixed in real-terms until the point of the next reset of the BRRS, which meant that local authorities would retain any growth in business rates income above their BFL. The original intention was for the BRRS to be reset in 2020, but instead the current system has lasted for a further six years beyond this period, with changes only made to reflect the impact of the

business rates revaluations in 2017 and 2023. This means that additional income has been accrued by authorities with greater ability to raise business rates income, regardless of the relative needs of those authorities.

- 5.24 Therefore, the Government has been clear that resetting the BRRS in 2026/27, alongside the FFR is crucial to the aim of ensuring that funding is targeted to where it is needed most and restoring the balance between aligning funding with need and rewarding business rates growth. The reset of BRRS will also coincide with the next revaluation of business rates in April 2026.
- 5.25 At the reset, each authority will receive a new BRB and BFL. The new BFLs will be based on the updated assessment of need in the FFR. This will also reset whether each authority pays a tariff, or receives a top-up, which authorities are required to pay a levy on growth (currently tariff authorities) and when authorities would receive a safety net payment (currently when income from business rates falls below 92.5% of their BFL). The Government intends to deliver a full reset from 2026/27, meaning that all growth accumulated to date is potentially subject to redistribution. Any growth accumulated after the 2026/27 reset will be retained until the next reset thereafter, which continues to reward authorities for local business rates growth, subject to the payment of a levy where applicable.
- 5.26 The Government proposes that further periodic resets should coincide with multi-year settlements and business rates revaluations, whether this be at three or six year intervals. This means that the next reset is likely to be in either 2029/30, or 2032/33. The Government will confirm the timing of the reset by the end of the multi-year settlement period, providing certainty to local authorities in planning for the impacts of this reset.
- 5.27 In the FFR consultation, the Government proposed to temporarily increase the safety net threshold, which exists to limit the losses that local authorities incur if their business rates income falls below their baseline. Safety net payments are paid from levies collected on business rates growth generated by authorities whose BRB is above their BFL. Brent does not pay a levy under the current business rates retention system. In recent years, more levies have been collected than have been paid out in safety net payments, with the resulting surplus being distributed across all local authorities. Brent has been receiving c.£0.7m per annum in additional unbudgeted income through this system. The increase in the safety net threshold to protect authorities who see losses in income as a result of the changes, is likely to require a higher call on the levy account. It is therefore highly likely that Brent will not continue to receive this income.
- 5.28 The Government is also considering whether to continue with pooling arrangements from 2026/27 in light of the proposed changes to the BRRS. Future resets on a shorter cycle would limit the opportunity for business rates growth to be accrued that provides the financial incentive to pool. The suggested three-year transition period would potentially provide some benefit in the early part of the multi-year settlement, but the Government may be minded to remove pooling at the start of the new settlement in order to ensure simplicity in the new system. Brent is currently forecast to receive £3.7m in 2025/26 from pooling, so the removal of pooling is a risk to the Council's MTFS.



## **Modernising and improving the administration of Council Tax**

- 5.29 On 20 June 2025, Government launched a further consultation until 12 September 2025, seeking views on the administration of Council Tax, including how Council Tax is billed and how payments are collected and enforced. The consultation does not seek views on fundamental reform of the Council Tax system.
- 5.30 The consultation includes some firm proposals and broader calls for evidence. Following consultation, the Government intends to work with stakeholders to develop guidance on collection and enforcement processes and clarify responsibilities and expectations for both councils and taxpayers. The areas included are:
- Changing the default billing from 10-months to 12-months
  - Removal of the requirement to separate the social care precept on the bill and provide more information on the spending of council tax
  - Considering whether the Government can do anything to remove barriers to effectively challenging Council Tax bandings
  - Changes to collection arrangements to ensure households are 'free from concerns of disproportionate enforcement action'
  - As with the FFR consultation, officers will work to assess the impact of the proposals for Brent and gather evidence that could be submitted to assist with the Government's work in this area. A full response to the consultation will be prepared and a further update will be provided to Cabinet later in the year.

## **6.0 Medium Term Financial Strategy Update**

- 6.1 Sections four and five of this report have set out the challenging economic context within which Brent Council is operating and the evolving landscape of local government finance that makes financial planning in both the short-term (setting the 2026/27 budget) and the medium-term (ensuring a balanced budget over the Medium Term Financial Strategy period) more difficult than in most financial years.
- 6.2 The Fair Funding Review and reset of the Business Rates Retention System in 2026/27, on which the Government is currently consulting, will have profound implications for the future of how local government is funded and the relationship between central and local government. At this time, the precise details of what this means for Brent Council are not known, but officers are committed to fully understanding those impacts and supporting the Government to develop a new local government funding system that is fit for purpose and that enables all local authorities, including Brent, to sustainably provide the services that their residents rely upon.
- 6.3 The confirmation that the 2026/27 local government finance settlement, expected in late 2025 will be the first multi-year settlement for local government in a decade is a welcome development. Taken together with the proposed transitional arrangements to be included in the funding reforms, this will enable

Brent Council to plan more effectively over the full MTFS period, knowing how much funding will be available to support the Council's needs and priorities.

- 6.4 However, the timing of the settlement also presents an immediate challenge to Brent Council as the work on developing the 2026/27 budget has already begun. Section seven sets out the proposed process for developing this budget. As in previous years, a draft budget will be brought to Cabinet in autumn 2025, following the creation of new savings proposals to close the budget gap for 2026/27 to 2028/29 outlined in the report to Council in February 2025.
- 6.5 This approach is necessary to ensure that Brent Council can meet its statutory duty to balance its budget for 2026/27. If enough detail on the allocation of funding for 2026/27 becomes available between now and the draft budget to suggest that the budget gap is different to that previously identified, then the Council will adjust the draft budget to account for these changes. However, the detailed funding allocations are not usually released until the provisional settlement, which the Council considers to be too late to have sufficient time to make major changes to the 2026/27 budget.
- 6.6 Therefore, it is possible that the provisional settlement for 2026/27 will deliver a surplus of funding for the Council's budget, relative to the prudent assumptions outlined in this report. If this is the outcome of the settlement, then the Council will use the additional funding to replenish the Council's reserves which have been severely depleted in recent years. This would allow the Council to rebuild its financial resilience after several difficult years and plan for 2027/28 and beyond with greater confidence.
- 6.7 It is also possible that the funding reforms will lead to a settlement for Brent that results in a widening of the budget gap. The Council has set prudent assumptions, which reduces the risk of this outcome, but if this does happen, Brent will use the existing reserves to the extent that this is possible. Beyond this, further savings would be required, both in 2026/27 to close the gap and in future years to provide for replenishing the reserves in order to ensure the continued financial resilience of the Council.
- 6.8 This section provides an update on the MTFS position based on the current assumptions contained in the MTFS, which have not been adjusted for the recent Spending Review and funding reform announcements in line with the approach outlined above. The section is structured as follows:
- Current MTFS position
  - Funding assumptions
  - Service specific pressures, risks and mitigations
  - Corporate Peer Challenge
  - The Embrace Change Portfolio
  - Contribution to Borough Plan objectives

#### **Current MTFS position**

- 6.9 The aim of the MTFS is to ensure a long term, stable and sustainable financial position that will allow the Council to achieve its strategic objectives. It reflects

the impact of central government funding decisions and the national and local economic context. It also provides a robust financial framework to support achievement of the Council's overall objectives and delivery of services.

- 6.10 In February 2025, the Council was able to produce a balanced budget for 2025/26 based on a package of agreed savings, including amending the Council's Council Tax Support Scheme, which provides support with Council Tax bills for vulnerable residents, to require a greater contribution from all residents. This package of savings takes the total savings since 2010 to £238m (55% of the net revenue budget for 2025/26).
- 6.11 Alongside developing the budget, the MTFS was extended to cover the three-year period from 2026/27 to 2028/29. At the time this was expected to cover a three-year local government finance settlement from 2026/27. Whilst the exact length of the confirmed multi-year settlement has not yet been determined, it is likely that the settlement will be for this three-year period, in line with the period covered by the Spending Review.
- 6.12 Table 1 shows the budget gap for 2026/27 to 2028/29 included in the February 2025 budget report.

Table 1: Budget gap 2026/27 to 2028/29 (February 2025)

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)
In year budget gap	9.3	9.3	9.4
Cumulative budget gap	9.3	18.6	28.0

- 6.13 The Financial Outturn 2024-25 report, which is on the agenda for this meeting, shows that the General Fund outturn position for 2024/25 improved by £2.5m from the Quarter 3 forecast, but there was an overspend of £15.5m, driven by the significant ongoing pressures in the provision of homelessness services, temporary accommodation and supported exempt accommodation.
- 6.14 Since the Covid-19 pandemic, demand for homelessness services and temporary accommodation have increased rapidly, at the same time that the cost of securing accommodation has also increased sharply. Whilst the 2025/26 budget included growth to increase the service budget to cover these pressures, a continuation of the trend would result in the gap increasing again. With inflation currently above 3% and housing costs rising above inflation, such an outcome is not unlikely to occur. Therefore, the budget gap at July 2025 is increased to £30m, split evenly across the MTFS period, resulting in a savings target of £10m per annum (Table 2). The proposed approach to developing these savings is set out later in this report.

Table 2: Budget gap 2026/27 to 2028/29 (July 2025)

	2026/27 (£m)	2027/28 (£m)	2028/29 (£m)
In year budget gap	10.0	10.0	10.0
Cumulative budget gap	10.0	20.0	30.0

- 6.15 The report to Full Council in February also stated the Council's ambition to extend the MTFS further to five years once the Government has completed the funding reforms. It is expected that sufficient detail will not be available to achieve this aim until after the multi-year provisional local government finance settlement in late 2025. An update on progress towards this aim will be included in the 2026/27 budget report to Full Council in February 2026, with a view to providing a full five-year MTFS forecast from the July 2026 update to Cabinet.
- 6.16 It is important that the refreshed MTFS closely aligns with the Borough Plan for which it is the funding statement. It should also be closely linked to individual service plans for which it provides the funding sources and the Capital Strategy, which is key to sustaining the Council's services and investment in future improvements.

### **Funding assumptions**

- 6.17 The following sections set out the current funding assumptions underpinning the budget gap in Table 2. At this time the impact on Brent of the local government funding reforms discussed in Section five are not known, but where possible commentary is provided on what was included in the Government's announcements and consultations to date.

### ***Council Tax***

- 6.18 Council Tax is one of the most significant sources of funding for the Council, making up £178.4m (or 41.4%) of total core funding in 2025/26. In 2025/26, the referendum threshold limit (excluding the Greater London Authority (GLA) share) was set at 5%, including 2% for the Adult Social Care Precept.
- 6.19 As set out when the 2025/26 budget was agreed, there was an implicit assumption from the Ministry of Housing Communities and Local Government, built into future funding settlements, that all local authorities would increase council tax by up to the referendum limit. As the increase would permanently increase the council tax income, it would also reduce the significant funding pressures in 2025/26 and beyond, and support the unprecedented pressures within social care and homelessness. In addition, the GLA precept, which makes up around 23% of the overall Council Tax bill and is subject to their own decision making, was increased by 4.0% in 2025/26 to provide additional funding for services including the Metropolitan police and Transport for London.

- 6.20 The spending review confirmed that the referendum threshold would remain unchanged at 5% pa inclusive of a 2% adult social care precept. Therefore, the MTFS assumption for a 4.99% pa increase in Council Tax from 2026/27 to 2028/29 is unchanged and it is assumed that Brent will bring forward the budgets for these years on the basis of such an increase in Council Tax. This will take the Brent share of a Band D Council Tax charge to c.£1,900 in 2028/29 (£1,642.77 in 2025/26). The GLA share of the Council Tax will be subject to a separate referendum limit that was not confirmed in the Spending Review.
- 6.21 The decision on whether to increase Council Tax is a decision for Full Council at the time of setting the budget for each financial year. However, if the Council Tax is not increased by 4.99% per annum over the MTFS period, the budget gap identified in Table 2 will increase, requiring further savings to offset the loss of funding. Further savings may be required in future years to address the permanent loss of funding relative to the Government's assumed level of Council Tax included in the local government finance settlement.
- 6.22 Brent Council and the GLA recognise that substantial rises in Council Tax cause difficulties for some households and the Collection Fund continues to fund a Council Tax Support scheme for households who are financially vulnerable. In 2025/26 around £26m is being provided to around 23,000 households. In addition, the Council has created a £1.5m Council Tax Support Hardship Fund, supported by £0.4m from the GLA to support vulnerable residents through the transition to the new Council Tax Support Scheme from 1 April 2025. Furthermore, the Resident Support Fund has made available £1m of additional funds for residents who are having difficulty as a result of the cost-of-living crisis.
- 6.23 The Council's ability to generate Council Tax income to support local services is only partially driven by the Government's decisions on the level of the Council Tax charge. Another significant contributing factor, which the Council has a limited ability to control is the tax base, which is set for budget setting purposes each year by General Purposes Committee (usually in December of the preceding financial year). There are multiple variables that affect the tax base, with varying degrees of control that Brent Council can exercise over them:
- Number of dwellings in the borough
  - Discounts and exemptions applied to bills
  - Council Tax Support
  - Long-term collection rate
- 6.24 The largest single factor affecting the tax base is the number of dwellings in the borough. In 2025/26, in the absence of any discounts and exemptions, the Council would receive an additional £1m of funding for every 609 properties added to the Council Tax list, providing a strong incentive to increase the number of dwellings.
- 6.25 The Government calculated the Council Tax included in Brent's Core Spending Power in the 2025/26 Local Government Finance Settlement on the basis of the average annual growth in the tax base between 2020/21 and 2024/25. Table 3 shows this calculation.

Table 3: Growth in Brent's Council Tax base 2020/21 to 2024/25

Year	Tax base in preceding financial year	Tax base in current financial year	Increase in tax base	% Increase in tax base
2020/21	96,639	97,605	966	1.0%
2021/22	97,605	98,450	845	0.9%
2022/23	98,450	98,730	280	0.3%
2023/24	98,730	101,187	2,457	2.5%
2024/25	101,187	103,577	2,390	2.4%
			<b>Average</b>	<b>1.4%</b>

- 6.26 The MTFS is currently assuming average tax base growth of 1.7% pa (additional 0.3% or c.£0.5m pa) based on recent trends, the ongoing regeneration of the borough, including sites such as Wembley Park, and the commitments made in the Borough Plan and Local Plan to deliver thousands of new homes in the borough to meet identified housing need as a result of expected population growth.
- 6.27 It is possible that external factors present in the economy, e.g. high interest rates and low economic growth will weigh down on housebuilding in Brent, but recent Government policy announcements on housing targets and proposed changes to planning legislation, increase the likelihood of further tax base growth above the recent average, which was partly dampened down due to the effects of the COVID-19 pandemic.
- 6.28 In 2025/26, the growth in the tax base was 4.9%. However, this included the effect of the amendments to the Council Tax Support Scheme, with the growth in the underlying tax base being 1.3%, just below the 5-year average to 2024/25.
- 6.29 Also included in the tax base calculations are some mandatory discounts and exemptions and Council Tax Support for pension age claimants, which reduce the tax base. For example, where only one person who is not disregarded for Council Tax purposes is resident in a property, the individual is eligible to claim a 25% Single Person Discount (SPD). The SPD and other mandatory discounts and exemptions are created as a result of Government policy and their application is controlled by legislation. Brent cannot control these factors directly, but must take them into account when producing tax base forecasts.
- 6.30 There are also discretionary schemes, such as the second homes premium (increase) and Council Tax Support for working age claimants, on which the decision to apply the schemes is taken by Brent Council. Where such schemes are amended, as was the case with the Council Tax Support Scheme in April 2025, the decision is taken separately by Full Council, with the implications then feeding into future tax base calculations.
- 6.31 The final element of the tax base calculation is the long-term collection rate. This calculation makes an assumption about the amount of the overall Council Tax liability that the Collection Fund expects to collect in the long-term, with the

remaining income set aside as an impairment for doubtful debt. For 2025/26, this long-term collection rate assumption was reduced to 97.0% (97.5% in 2024/25), resulting in an immediate reduction in available resources for the 2025/26 budget of £0.9m.

- 6.32 This decision was based on a downward trend in Council Tax collection rates that has been seen since the COVID-19 pandemic. Further discussion of the low collection rates and the actions being undertaken to reverse this trend and return the collection rates to a sustainable level can be found in the Financial Outturn 2024-25 and Quarter 1 Financial Forecast 2025/26 reports which accompany this report.
- 6.33 It is crucial that the Council makes an accurate assessment now of the amount of the Council Tax income that can be collected, while ensuring that the Council attempts to collect what is due. Any income that must be written off over the amount that was set aside in the impairment will have to be repaid from future revenue budgets. Therefore, if the Council's efforts during 2025/26 to improve the collection of Council Tax are not successful, it may be necessary to reduce the long-term collection rate further in 2026/27. Each reduction of 0.1% in the target collection rate will result in a further reduction of resources of c.£0.2m.
- 6.34 A full forecast of the Council Tax base to cover the MTFS period and the anticipated multi-year settlement will be developed over the summer and reported to Cabinet in the draft 2026/27 budget in November. This will include a proposed draft tax base for 2026/27 to be agreed at General Purposes Committee in December 2025/January 2026.

### ***Business Rates***

- 6.35 Section five set out the Government's proposed approach to the reset of the Business Rates Retention System (BRRS) in 2026/27, the first reset of that system since 2013.
- 6.36 The current MTFS assumptions in relation to BRRS are a simple assumption of CPI inflationary increases (2% pa) on the Baseline Funding Level and the Section 31 Grants, in line with how the current BRRS system has operated in recent years.
- 6.37 Work on developing a full forecast of business rates income, including the impact of changes to reliefs and the difference between the actual business rates income that is collectable and the amount assumed by Government in the Local Government Finance Settlement, has been on hold pending the full business rates reset in 2025/26, which will reset the baselines. Once the reset is complete, a full forecast will be incorporated into the MTFS to ensure that the Council can understand what is impacting its income from Business Rates under the new BRRS and what resources will be available in the medium-term.
- 6.38 Two particular areas of the current BRRS represent a risk for the MTFS ahead of the 2026/27 budget:
- Pooling – the Fair Funding Review suggested that pooling is unlikely to continue. Brent is currently forecast to receive £3.7m in 2025/26. Some of this income may be returned to Brent through the levy account surplus, if increased levy payments lead to a surplus on the levy account to be

redistributed to all local authorities. However, the FFR also proposed increasing the safety net threshold, which would potentially lead to the use of the extra levy payments to fund the additional safety net payments.

- **Growth** – Since the current BRRS was created in 2013, Brent has benefitted from growth in its NNDR income above the baseline assumed by Government, from developments such as the London Designer Outlet in Wembley Park, which have increased the tax base. The new BRRS will redistribute such growth as part of the new baselines to ensure funding is allocated according to need. Brent may receive a relative share of this funding back, but the exact proportion will not be known until the Provisional Local Government Finance Settlement in late 2025. Any growth generated after the reset of the BRRS is expected to be retained locally once again, so the incentive to drive growth in the borough will remain.

### **Government Grants**

- 6.39 Revenue Support Grant (RSG), of which Brent received £31.4m in 2025/26 is currently forecast to increase by CPI inflation of 2% pa. The proposals in the Fair Funding Review (Section Five) to roll in multiple grants into RSG mean that the amount of RSG received by Brent is likely to increase significantly in 2026/27, but how much of this will be new funding is uncertain at this time.
- 6.40 The MTFS also includes a number of specific grants. The current assumptions and a commentary on the future of these grants following the Spending Review and FFR consultations is set out in Table 4. In all cases, the amount of grant that is expected to be received following the funding reforms will not be known until the Provisional Local Government Finance Settlement in late 2025.

Table 4: MTFS Specific Grants

<b>Grant</b>	<b>2025/26 Amount (£m)</b>	<b>Current MTFS Assumption</b>	<b>Fair Funding Review Proposal</b>
Social Care Grant	34.3	CPI inflation (2% pa)	Consolidated into RSG – with a possible ‘notional’ value of social care funding included in the settlement
Market Sustainability and Improvement Fund	5.9	No increase	Consolidated into RSG – with a possible ‘notional’ value of social care funding included in the settlement.
Local Authority Better Care Grant	16.5	No increase	Continued as a separate grant, with pooling



			arrangements with the Better Care Fund. To be funded on an ongoing basis through a top-slice of the RSG allocations for authorities with social care responsibilities.
Children's Social Care Prevention Grant	1.4	No increase	Consolidated into the new Children, Families and Youth Grant.
Recovery Grant	5.8	No increase	Not explicitly confirmed, but labelled as a "one-off" measure that was part of the transition to new funding allocations, so this grant is likely to be consolidated into RSG and redistributed according to the new relative needs formulae in 2026/27.
Employer National Insurance Contributions Grant	2.9	No increase	Not mentioned in the report. Based on treatment of other grants and the principles of the reforms, it is most likely to be consolidated with other small grants into RSG. However, the risk remains that this funding was a "one-off" grant despite the ongoing cost of the increase to the National

			Insurance contributions.
New Homes Bonus	1.9	Removed from 2026/27	For the first time, Government has confirmed that NHB in its current form will be removed from 2026/27. This was previously funded from a top-slice of RSG, so it will be returned to RSG to be redistributed according to relative need in the new system.
Public Health	26.0	CPI inflation (2% pa)	Consolidated with other service-specific grants to create a wider Public Health Grant.
Discretionary Housing Payments	1.6	No increase	Consolidated with the Household Support Fund to form the Crisis and Resilience Grant. This grant will be a long-term replacement within the settlement for the temporary HSF and DHP schemes funded outside of the settlement.
Other small grants	2.0	No increase	In line with the principle of simplicity, these are likely to be consolidated into RSG or one of the 4 new consolidated grants

6.41 As set out in Section five, the FFR proposes the creation of four new consolidated grants to simplify the funding arrangements where it is not appropriate to consolidate the funding into RSG. In addition to the consolidations detailed above, the Government has proposed the following, which would bring more grants within the settlement and the scope of the MTFS:

- Homelessness and Rough Sleeping Grant – This will bring together funding for all homelessness and rough sleeping revenue funding, except for temporary accommodation funding, which will be rolled into RSG;
- Children, Families and Youth Grant – This will consolidate the Children's Social Care Prevention Grant and the Children and Families Grant, alongside further investment in children's social care reform.

### **Service specific pressures, risks and mitigations**

6.42 The following sections set out the specific pressures, risks and mitigations for each of the main service Directorates.

#### ***Service Reform and Strategy***

6.43 The adult social care sector continues to face significant and interconnected risks that affect the quality, accessibility, and sustainability of services. These challenges are particularly acute as local authorities operate within increasingly constrained financial environments. Key risks include demographic and inflationary pressures, workforce instability, and rising service demand.

6.44 Brent has experienced a 6% increase in adult social care service users, comparing 4,266 in May 2024 to 4,505 in May 2025. Weekly home care hours also increased by 10%, from 24,099 to 26,574 hours over the same period. This growth is driven by an ageing population, a rise in long-term health conditions, and increasing mental health needs. A growing number of individuals are presenting with multiple and complex conditions, resulting in higher-cost care packages.

6.45 Rising inflation is impacting the cost of care, particularly for new and spot placements. Providers are seeking to recover increased operational costs, which places additional pressure on council budgets. Brent commissioners are actively reviewing placement fee increase requests to ensure service continuity and maintain care quality.

6.46 To manage within existing resources, Brent is implementing innovative approaches, including the use of technology to streamline operations and improve care delivery. The council continues to prioritise alternatives to residential and nursing care, such as supported living, extra care, and home-based care, in line with its Market Sustainability Plan.

6.47 Brent works closely with other councils in the West London Alliance to manage care home costs. This includes setting regional price bands and negotiating annual rates for residential and nursing care. Information sharing across boroughs supports more effective commissioning and cost control.

6.48 The sector continues to face national shortages in care staff, with high turnover and vacancy rates. The UK Government's immigration policy changes

announced in May 2025 are expected to further restrict overseas recruitment, impacting both care providers and the recruitment of permanent social workers. The reliance on agency staff to fill vacancies increases financial pressure and can affect the continuity and quality of care. Unfilled positions also place additional strain on existing staff.

- 6.49 To address these challenges, Brent continues to invest in workforce development through the Adult Social Care Skills Academy and is a signatory to the London ADASS Memorandum of Understanding, which aims to reduce agency costs and promote workforce stability across the capital.
- 6.50 The 2025/26 Better Care Fund (BCF) pooled budget between Brent Council and the North-West London Integrated Care Board (ICB) is £56.1m, representing a 1.3% increase from 2024/25. However, due to national NHS reforms and cost-saving measures, the NWL ICB has reduced its additional contribution to the Brent BCF by 50%, from £1.2m to £0.6m. While this reduction is not expected to significantly impact key BCF outcomes, it will be closely monitored through regular reporting to the Health and Wellbeing Board.
- 6.51 The NHS and Local Authority minimum contributions to the BCF have continued as planned, with the total allocation increasing from £28.8m in 2024/25 to £29.2m in 2025/26.
- 6.52 The June 2025 Spending Review announced a new transformation fund to support preventative care and community partnerships. Funding includes: £15m in 2025/26, £40m in 2026/27 and £45m in 2027/28. The methodology for distribution is yet to be confirmed.
- 6.53 By 2028/29, up to £4 billion in additional funding will be made available for adult social care through the BCF. This includes an annual uplift to the NHS minimum contribution, projected at approximately 3% per year, assuming alignment with real-term NHS funding increases.
- 6.54 The department also manages the ring-fenced Public Health grant of £26.1m and the allocation for 2025/26 increased by 6%. The allocation includes an uplift for the additional recurrent pay pressures due to the 2024/25 NHS pay awards and includes additional funding for supervised toothbrushing. Levels of need for several public health services, most notably sexual health services, are increasing because of demographic changes and increased levels of infection. These challenges are also compounded by widening health inequalities.
- 6.55 The Office for Health Improvement and Disparities (OHID) have made additional time limited funds available to local authorities through bidding or allocation rounds for specific purposes. The grant conditions on these additional funds are more prescriptive than for the main grant and such grants have allowed significant investment particularly in drug and alcohol services. In 2025/26 the Council will receive an additional £2.5m for non-recurrent grants namely Drug and Alcohol Treatment Recovery and Improvement Grant (£1.4m), Family Hubs and Start for Life (£0.8m), and the local stop smoking services and support grant (£0.3m).
- 6.56 The Leisure Service remains reliant on income generation, which is essential to offset rising operational costs—particularly those driven by increasing energy prices. Over recent years, these utility costs have significantly impacted the financial sustainability of leisure operations.

- 6.57 The Willesden Sports Centre within the service is operating under a Private Finance Initiative (PFI) agreement set to expire in 2031 and continues to face substantial financial pressures. These are primarily due to rising indexed unitary charges and high utility expenses. To manage short-term cash flow fluctuations, the council had previously established a smoothing reserve. However, it is now anticipated that the remaining £0.4m balance of this reserve will be fully drawn down in 2025/26.
- 6.58 The council is actively working with leisure providers to develop a sustainable delivery model, and this includes exploring new income generation opportunities to reduce the financial burden on the council. The financial pressures for the future years have also been estimated in the Medium-Term Financial Strategy (MTFS) to ensure proactive planning and resource allocation.

### ***Children, Young People and Community Development (CYPCD)***

- 6.59 The financial outlook for the CYPCD directorate's budget continues to be impacted by the volatility and unpredictability of placement costs for Looked After Children (LAC), particularly those with complex needs requiring residential care or secure accommodation. This remains a significant financial risk for the medium term.
- 6.60 A key challenge for the authority is the limited availability of suitable placements, particularly for high-needs and remanded young people. This supply shortage continues to drive up provider fees. Costs for individual high-need placements can exceed £0.5m per annum, with the most expensive residential placement recorded in 2024/25 costing £16k per week. These costs reflect not only the complexity of needs but also ongoing market conditions.
- 6.61 The overall LAC position is low, with a further reduction in the overall number of LAC in Brent compared to neighbouring boroughs during 2024/25 (see Table 5). Early indications for the first quarter of 2025/26 suggest numbers will increase in 2025 with an increase already seen in the first quarter of the year. The reliance on high-cost placements, combined with a limited supply of affordable alternatives, continues to exert sustained pressure on the budget. Sustained efforts will be critical to ensure children are placed in more suitable and cost-effective settings wherever possible, while maintaining high standards of care and safeguarding, in line with the Sufficiency Strategy for LAC children and Care Leavers as per "The Best Start in Life". (One of the five priority areas of the Borough plan).

Table 5: Comparison of numbers of LAC in Brent to statistical neighbours  
2021-2024

<b>Number of LAC</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Brent	289	341	319	307
Statistical Neighbours	325	347	358	339

- 6.62 In addition, broader market factors such as increases to employer National Insurance contributions and the London Living Wage are expected to increase

pressure on provider fees, potentially impacting unit costs over the medium term.

- 6.63 Another emerging pressure relates to young people on remand. At the beginning of 2025/26, six young people were placed in secure remand, five of whom were linked to the same serious incident. This represents significant financial risks. While the number of remand cases fluctuates and is inherently difficult to forecast, current volumes are notably higher than typical levels and will require close monitoring.
- 6.64 The opening of the Council's in-house residential children's home, which is intended to help alleviate placement pressures and reduce reliance on high-cost external provision as part of the LAC and Care leavers sufficiency strategy ("The Best Start in Life"), has been delayed. Originally scheduled to become operational in April 2025, the revised timeline now anticipates opening in the second quarter of the 2025/26 financial year. This delay which impacts the anticipated savings within the budgets held for placements is primarily due to processing delays with Ofsted and the service continues to monitor progress with the department. Once operational, the new home is expected to provide more stable and cost-effective placement options for some children with complex needs, supporting the broader strategic objective of developing sustainable local provision.
- 6.65 The two workstreams introduced in 2024/25 by the Placements Commissioning Board, led by the Corporate Director of CYPCD to reduce spend, have delivered different degrees of success:
- **The introduction of a new and competitive package for in-house carers** has not yet resulted in an increase in the number of carers. However, this has not placed pressure on Independent Fostering Agency (IFA) budgets, largely due to a reduction in the overall number of LAC. The groundwork laid through this initiative is expected to strengthen future recruitment as the offer becomes more established. As part of the Borough plan, the Council is committed to promote the retention of in-house foster carers and more Brent Children living with a Brent foster carer. ("Best Start for Life": Continue to develop meaningful and consistent parental/carers engagement).
  - **Promoting greater independence** has yielded clear financial and service delivery benefits. The service has successfully reduced the unit cost of supported accommodation placements by ensuring that care leavers claim Housing Benefit where eligible, with deductions made at source from providers. This streamlined financial approach contributed to the savings achieved in the last financial year and is expected to support further cost reductions going forward. This contributed towards one of the department's priorities, to achieve income generation aligned with services priorities. ("Supporting and Enabling Services of the Council's Borough plan).
- 6.66 Looking ahead, further substantial savings are anticipated through continued partnership working with Housing, particularly in securing sustainable move-on accommodation for care leavers. However, this area also presents a significant risk. The ongoing housing crisis in the borough creates challenges in identifying

affordable and suitable accommodation, which could limit the pace and impact of planned cost reductions. To mitigate this, the service is working closely with the housing department to explore innovative housing solutions, including access to social housing pathways and improved commissioning of semi-independent placements. Additionally, there is a focus on enhancing transition planning earlier in the care journey to reduce delays in step-down arrangements and ensure care leavers can move on safely and sustainably.

- 6.67 Workforce development is a key priority of the CYP service plan in order to support the five priority areas of the Borough plan. Recruiting and retaining skilled, experienced social workers continues to be a national challenge, often resulting in a dependence on more costly agency staff. However, proactive management within the directorate has led to a notable reduction in agency staffing costs during 2024/25. For instance, at the start of the financial year in April 2024, the weekly expenditure on agency staff was £119k, with an estimated 95 agency workers. By the end of February 2025, this had decreased to approximately £67k per week, with the average number of agency staff falling to 52. Sustained monitoring and management efforts will be crucial in 2025/26 to maintain this positive progress.
- 6.68 The transfer of Brent Transport Services to CYP CD, combined with growing demand and rising costs linked to inflation, the London Living Wage and employer National Insurance increases, poses further financial strain on the budgets. The successful implementation of the Travel Assistance Policy Implementation Plan (TAPIP) will be critical in 2025/26 to manage this budget. In addition to that, one of the priorities of the Borough Plan is “A Cleaner, Greener Future” and this policy will be key to achieve more sustainable methods of transport used by SEND children and young people in Brent.

### ***Neighbourhoods and Regeneration***

- 6.69 Within Public Realm there is expected change in the coming years due to the impact of changes to national waste policy. These policy changes will link with Brent’s Borough Plan priority of ‘A Cleaner, Greener Future’. In order to comply with these policies Brent will target improving the recycling rate and reducing waste contamination; which will in turn assist to achieve a cleaner borough, and a climate friendly, sustainable borough.
- 6.70 The first of these national waste policies to be implemented is the Extended Producer Responsibility for packaging. From 2025, some organisations and businesses will have to pay a fee for the packaging they supply to or import into the UK market. In the first year (2025/26) Local Authorities will receive a basic payment based on publicly available and existing data and data about tonnages, operations and unit costs gathered from a representative sample of LAs across the UK. From the second year (2026/27) the basic payment and any adjustments will be based on data Local Authorities submit to the Scheme Administrator.
- 6.71 Brent will use the funding to maximise recycling and drive down packaging waste. This will be done by refining key services to improve participation, reduce contamination and reach locations within the Borough currently underserved. In order to see the benefits within Brent we will have to see an

improvement in recycling performance. Without this there is the risk that the funding provided in future years will not be sufficient and create a cost pressure.

- 6.72 Simpler Recycling regulations were introduced under the Environment Act 2021 and will come into force on 31 March 2026 for household waste. The reforms are designed to streamline collections and make recycling easier. Brent is largely in compliance with the reforms in terms of the required collections, but work is ongoing to improve compliance and influence behaviour change.
- 6.73 Looking further ahead there are additional changes for which we await detail on both the specific requirements and funding that would be available to ensure compliance.
- 6.74 The Deposit Return Scheme which is now planned to be introduced in Q2 of 2027/28. This will require a deposit to be paid for certain recyclable containers, which will be repaid when the empty container is returned. This is likely to change the volume and composition of the materials collected by the council, and therefore likely to affect collections and the funding mechanism.
- 6.75 The UK Emissions Trading Scheme (UK ETS) is expanding to include energy from waste (EfW) facilities starting in 2028. This is likely to have a significant impact to Brent and the other partners of the West London Waste Authority due to the way that waste is currently disposed.
- 6.76 Alongside this the Waste service have been operating under new contractual arrangements since 2023/24, which has led to some challenges for the service around increased waste tonnages, recycling compliance and recycle material prices. As the contract progresses there is better understanding of the issues, and which require improvement through targeted campaigns.
- 6.77 Initiatives to reduce contamination levels in recycling collections to lower processing costs are underway in 2025/26. Education and campaigns around food recycling, promoting repair, reduce and reuse messages to help with reduction of general household waste is ongoing. Early indicators suggest these measures are having a positive impact, which is hoped to continue and alleviate budget pressures going forward.
- 6.78 Within Neighbourhoods & Regeneration, Inclusive Regeneration and Climate Resilience depend heavily on commercial planning income and related items, such as building control. The changes in recent years within Building Control operation have resulted in a loss of market share due to almost all major project work now being assigned to Local Authorities through the BSR (Building Safety Regulator). This restricts the Council from bidding on further work and therefore reduces the potential income able to be generated. Referrals from the BSR in the last year have been much lower, and this is likely to stay consistent for future years. The increase in Planning application fee charges in December 2023 has helped, in the short term, to mitigate some of the loss of income for the Department but this continues to be closely monitored.

### ***Residents and Housing Services***

- 6.79 The Residents and Housing Services department continues to experience significant pressures predominately attributable to the high level of demand on housing services. The Housing Needs and Support budget experienced a



substantial overspend of £15.3m in the 2024/25 financial year. This was primarily driven by an exceptionally high and sustained level of demand for homelessness services, compounded by a persistent shortage of affordable Private Rented Sector (PRS) accommodation. In response, the 2025/26 budget was increased to close the budget gap, incorporating £3.4m in additional funding through the main Homelessness Prevention Grant. This enhancement in funding aims to support the department in managing the ongoing pressures and escalating costs associated with providing temporary and emergency accommodation, while continuing to deliver vital homelessness prevention and support services. Multiple projects and interventions focused on increasing housing supply have been developed, and officers are proactively working to contain costs within the expanded budget envelope. Projections and financial forecasts are under continuous review, incorporating the latest data on service demand and cost trends to ensure the budget remains responsive to emerging pressures.

- 6.80 The department has also been proactive in mitigating the impacts of the ongoing cost-of-living crisis on Brent residents and businesses. The Household Support Fund (HSF) grant has been extended through 31 March 2026, providing additional resources to assist vulnerable households. Brent's allocation for this period reflects a £600k decrease compared to the previous year and is earmarked for households receiving free school meals, Care Leavers, Disabled households on Housing Benefits, Credit Union, Immigration advice, Debt advice, Employment support and external partners . A portion of the grant is reserved for reactive support, enabling timely assistance to residents experiencing acute hardship.
- 6.81 In April 2024, a new model of support for Brent residents was developed for three years through the piloting of Cost-of-Living Outcome Based Review (OBR) projects and guided by a series of design principles. The approach has a single, joined-up model including the Community Wellbeing Programme aligned with the Resident Support Fund (RSF), to support residents to be more resilient in the longer term and aligns closely with strategic priorities and related projects. The RSF supports the Council's approach towards addressing key community needs through strategic funding and partnerships, ensuring impactful and sustainable support for residents. £1m of recurring funding has been allocated in the Medium Term Financial Strategy (MTFS) to support this model.
- 6.82 Housing Needs and Support remains the most significant financial pressure within the department. As of the end of 2024/25, Brent received 6,281 homelessness support applications, including 3,538 from single individuals and 2,743 from families. This volume equates to approximately 121 new applications per week, underscoring the sustained and intense demand for housing services.
- 6.83 Ongoing benchmarking and analysis conducted by London Councils reinforce the scale of housing pressures faced across the capital. Their latest data projects a 18.9% increase in net deficits related to homelessness services in 2025/26 compared to 2024/25, far exceeding budgeted assumptions. Brent has experienced a 15% rise in its homelessness service deficit between 2023/24 and 2024/25. The total monthly expenditure on temporary accommodation

across London rose by over 86% year-on-year as of March 2025, with the number of households placed in temporary accommodation increasing by 10.2%. These figures illustrate both the scale of the challenge and the pressure on temporary accommodation budgets.

- 6.84 The availability of suitable B&B and Annex accommodation remains severely constrained throughout London, forcing councils to rely on higher-cost accommodation providers and placements outside their own boroughs. Such arrangements increase financial pressures through elevated accommodation costs and impose additional social and logistical burdens on families, including travel expenses related to children attending schools in Brent. The supply of settled temporary accommodation properties, especially those leased under Private Sector Leasing (PSL) schemes, has declined due to reduced procurement of new properties and landlords' reluctance to renew leases upon expiry. This decline further exacerbates the challenge of moving families out of costly emergency accommodation into more stable housing.
- 6.85 Multiple factors are driving the contraction in PRS availability across London. Demand for housing continues to outstrip supply, while affordability is squeezed by tighter housing benefit restrictions and cost pressures affecting landlords. Changes in taxation, rising interest rates, and uncertainty about future regulatory frameworks are particularly impacting the supply of lower-cost rental properties. The Office for National Statistics reported that average private rents increased by 2.7% UK-wide in the year to April 2025, with London experiencing the highest inflation at 8.4%, further complicating efforts to secure affordable housing options.
- 6.86 The Council has implemented a targeted programme of work encompassing multiple workstreams aimed at improving the affordability of temporary accommodation and exploring new and alternative housing supply options. Officers are engaged in renegotiating contract prices and identifying opportunities to relocate some of the highest-cost cases to more cost-effective solutions. The department continues to rigorously assess homelessness applications to prevent or relieve demand where possible; in 2024/25, 51% of approaches were successfully prevented or relieved.
- 6.87 In the 2025/26 financial year, i4B is continuing its street property acquisition programme with an initial target of acquiring 15 homes. i4B, a housing company wholly owned by Brent Council, was established to acquire, let, and manage a portfolio of affordable, high-quality PRS properties. This self-financing portfolio generates annual savings exceeding £6m by reducing reliance on temporary accommodation. These properties are leased to homeless families at Local Housing Allowance (LHA) rates, enabling the Council to prevent or discharge homelessness duties, thereby reducing reliance on temporary accommodation and associated costs while ensuring families have access to secure and responsible landlords. i4B remains self-financing, with the current portfolio generating annual savings in temporary accommodation costs. While new builds and acquisitions alone will not fully resolve the homelessness challenge, the Council is actively utilising its available resources and powers to expand housing supply. Any additional supply secured through i4B will contribute to mitigating the risk of overspending and help manage future housing costs.

- 6.88 Supported exempt accommodation presents an additional financial and budgetary risk. Providers in this sector are not bound by LHA caps and may charge higher rents by demonstrating the provision of support services. Housing Benefit subsidy levels are determined by Rent Officer assessments of claimed rents, creating a challenge in managing costs. This issue reflects a national concern, highlighting the need for clearer regulatory frameworks and consistent criteria to define supported exempt accommodation and assess minimal care requirements. Historically managed within central corporate budgets, this area saw a £4m overspend in 2024/25 and remains under close scrutiny.
- 6.89 To address these challenges, the Council has established a dedicated working group focused on reducing opportunities for exploitative landlords in the supported exempt accommodation market. The group is developing a clear strategy for reviewing both new and existing landlords and verifying the adequacy of care provision. In February 2025, a government consultation on the implementation of the Supported Housing (Regulatory Oversight) Act 2023 was launched. This legislation introduces national standards and a locally led licensing regime for supported housing, aiming to improve quality and oversight. The Council continues horizon scanning to ensure alignment with emerging regulatory requirements and to inform future operational and financial planning.
- 6.90 As part of the recent Spending Review, the government has announced that £100m is going to be provided towards early interventions focusing on preventing homelessness, including £87m from the Transformation Fund in 2026/27 and 2027/28. Precise allocations have not been announced, however based on previous methodologies used for homelessness grant allocations, this could mean an additional c£2m for Brent.
- 6.91 The government has also set out plans to end the use of hotels to hold asylum seekers by 2029, which may shift the responsibility to local authorities and create further pressures for the Housing Needs budget. Councils are legally obligated to provide housing for individuals once their asylum claims are processed, resulting in additional temporary accommodation placement costs. This is in an environment of existing financial strains due to rising homelessness and limited housing stock.
- 6.92 The above overview outlines the key financial risks, pressures, and mitigation strategies associated with the Housing Needs and Support service within the Medium Term Financial Strategy, providing a picture of the challenges faced and the Council's proactive response to manage demand, control costs, and protect service delivery.
- 6.93 While Housing Needs and Support remains the most significant area of financial pressure within the department, other services across the Residents and Housing directorate, though not without challenges, are currently managing within their allocated budget envelopes. These services continue to experience pressures linked to inflationary increases, rising service demand, and wider socio-economic conditions. However, robust budget monitoring arrangements are in place, supported by regular horizon scanning to identify emerging risks early. Where financial pressures are identified, appropriate mitigating actions

are developed and implemented in a timely manner to maintain financial sustainability and ensure the continued delivery of core services.

- 6.94 As part of the Spending Review it was announced that the government is to allocate £842m per year across England over the Spending Review period to transform the Housing Support Fund (HSF) and Discretionary Housing Payments (DHP) into the Crisis and Resilience Fund (CRF). The HSF is valued at £742m for local authorities and total DHP is £100m in 2025/26. Therefore, there is no increase in overall funding in the CRF from 2026/27, compared to the existing schemes.
- 6.95 At Brent, the 2025/26 allocation from the HSF is £4.9m (0.7% of total funding) and for DHP is £1.6m (1.6% of total funding). No detail was provided as part of the Spending Review on the methodology for allocating the funding within the CRF. This creates further uncertainty because the CRF may be distributed in a different way to the current distributions of the HSF and DHP and there is a risk that funding for Brent may be reduced. For example, if the CRF is distributed using the same formula as the HSF, Brent would receive £5.6m, an overall reduction in funding of £0.9m (14%).
- 6.96 The Council's housing needs and support services are closely aligned with its broader financial strategies and budget monitoring through a focus on prevention, sustainability, and long-term cost efficiency. The priority to create more affordable and accessible housing directly supports efforts to reduce reliance on expensive temporary accommodation, which continues to be a significant budget pressure. By investing in social housing, early interventions and prevention, the Council aims to stabilise housing supply and reduce emergency housing costs over time. In addition, the Council's commitment to tackling poverty and improving health outcomes supports targeted interventions that reduce homelessness risk and associated costs, enabling more effective budget forecasting and monitoring. These priorities ensure that resources are allocated where they have the greatest impact, supporting both fiscal responsibility and social outcomes.
- 6.97 The department's use of the HSF and the Cost-of-Living OBR model directly support Brent's financial strategy by focusing on early intervention and long-term cost reduction. These initiatives align with the "Prosperity and Stability" priority by targeting support to vulnerable households, helping to prevent homelessness and reduce demand for costly temporary accommodation. The £1m recurring funding in the MTFS reflects a strategic investment in resilience-focused services, while the earmarked and reactive elements of the HSF enable flexible, responsive budget management. This integrated approach supports effective budget monitoring, ensuring resources are used efficiently and aligned with Brent's wider priorities.

### **Corporate Peer Challenge**

- 6.98 Brent invited the Local Government Association (LGA) to undertake a Corporate Peer Challenge (CPC) in January 2025.
- 6.99 A CPC is a highly valued improvement and assurance tool that is delivered by the sector for the sector. It is available, at no cost, to all English councils wherever they are on the improvement spectrum and involves a diverse team

of experienced peers comprising senior local government councillors and officers.

6.100 The peer team undertake a review of key finance, performance and governance information and then spend up to four days at the council to provide robust, strategic, and credible challenge and support.

6.101 We have developed an action plan in response to the CPC's recommendations, which serves as a whole organisation product, where all staff will work together to deliver the recommendations. Delivery of the action plan is the collective responsibility of all council officers, with lead officers owning specific actions and milestones. The LGA will return to Brent in November 2025 for a progress review visit, including opportunities for council officers and Members to share successes and challenges with peers, and fully review progress against the CPC recommendations.

6.102 Some of the recommendations are as follows:

- **Breaking down Silos**: requires collaborative behaviours with a genuine sense of curiosity which needs to be modelled by the CMT, Senior Leadership Team (SLT) and all managers to effectively break down silos;
- **Change and Transformation Programme**: involves advancing the change and transformation programme (see below) and developing evidence-based business cases that deliver the spending reductions;
- **Addressing the temporary accommodation crisis**: this recommendation will require the whole-organisational ownership and a collective response to tackle both the immediate pressures and the underlying systemic issues arising as a result of the crisis;
- **Voluntary and Community Sector (VCS)** consider a refresh of the Compact/partnership strategy to align shared priorities and values;
- **Shared vision for the future of Brent**: work with partners across the public sector, VCS and private sector to co-create a shared, medium- to long term vision for Brent that goes beyond the council's immediate priorities;
- **Community and Tenant Engagement**: refresh the council's approach to community engagement by conducting a comprehensive review of all existing engagement methods;
- **Housing allocations and waiting list**: review and update the council's Housing Allocations Policy and undertake a re-registration exercise for households on the waiting list to obtain an accurate, up-to-date picture of housing needs across Brent;
- **Adults and Children's Services**: seize the opportunity for service transformation within both Adults and Children's services, leveraging the current position of below average overspends;
- **EDI**: refresh the council's Equity, Diversity and Inclusion (EDI) priorities to ensure that activity is aligned with cultural competency/appropriateness and improving outcomes for residents.

Ensure that there is a broader focus on EDI across all underrepresented groups.

- 6.103 Further recommendations have been highlighted in the action plan and financial recommendations have been set out below.
- 6.104 Progress is being made towards delivering the actions set out in the action plan. Full details of the action plan can be found as Appendix B to Agenda Item 10 of the Cabinet meeting of 7 April 2025.
- 6.105 The Corporate Peer Challenge also found that Brent has a strong record of financial stewardship, demonstrated through the successful delivery of savings and effective financial controls. However, rising demand pressures – particularly in temporary accommodation and social care – have made delivering balanced budgets increasingly challenging. Large overspends experienced over the last three years have been managed through the use of reserves, but this approach has led to a significant depletion of general fund reserve levels in recent years. As a result, the council is now exposed to a higher degree of risk, with external auditors highlighting this as a significant financial weakness.
- 6.106 Therefore, there are three financial actions agreed as part of the Corporate Peer Challenge:
- To develop a long-term financial strategy that aligns with the Council's corporate priorities and the embrace change programme;
  - To rebuild reserves to a sustainable level; and
  - To enhance its organisation grip on issues such as debt recovery and council tax collection rates.

### **The Embrace Change Portfolio**

- 6.107 The Embrace Change Portfolio is designed to harness our strengths, focus our ambitions, and ensure that as an organisation we improve and evolve to tackle current and emerging challenges in meeting the needs of our local communities. The Portfolio is structured into change programmes, change projects, and enablers, underpinned by a number of principles. At the heart, we are developing a culture that enables us to work much more collaboratively with each other, with partners, and, crucially, with our residents, establishing a real sense of place. There are six change programmes:
- Radical Place Leadership;
  - Capacity and Capability Building;
  - Resident Experience;
  - Adult Social Care Transformation;
  - Early Help and Children's Social Care;
  - Preventing Homelessness.
- 6.108 There are three cross cutting change enablers that support or help to deliver each Programme:
- Organisational Culture and People Strategy;

- Digital, Data and Insight;
- Property and Assets.

6.109 The challenge of delivering the savings required over the next three years to close the budget gap set out at the start of this section is always a difficult task. In the context of the £238m savings delivered since 2010, this challenge is even more significant.

6.110 The Embrace Change Portfolio is therefore a key component of the Council's response to this challenge and delivering the actions agreed following the Corporate Peer Challenge. The CPC recommended that breaking down silos should be a priority action and the Council is committed to doing this by taking a different approach than in previous years to developing the savings. The programme is fundamental in contributing to the Council's Medium Term Financial Strategy by enabling transformation, enhancing service efficiency, and supporting more sustainable and accountable financial management across the organisation.

### **Contribution to Borough Plan objectives**

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

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

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

6.113 As is customary during the budget setting process, the MTFS will need to ensure it provides a framework to enable and support the delivery of these programmes. The CPC action plan and the ongoing Embrace Change Portfolio outlined above are further opportunities for the Council to enhance the work in this area by aligning any improvements identified with Borough Plan priorities. By doing this, the Council will achieve the overarching objective of Moving Brent Forward Together, whilst balancing the budget for 2026/27 and ensuring financial sustainability over the medium term.

## **7.0 Proposed revenue budget setting process for 2026/27**

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

1. Draft budget for 2026/27 and new savings proposals are presented to Cabinet in November 2025.
2. The proposals, together with any changes made by Cabinet, will form the basis of consultation between November 2025 and February 2026 with residents, businesses and other key stakeholders;
3. The Budget Scrutiny Task Group will review the budget proposals and report accordingly;
4. The General Purposes Committee will review the calculation of the Council Tax base in December 2025; and
5. After the statutory processes of consultation, scrutiny and equalities have concluded, a draft budget will be presented to Cabinet to recommend a final budget and Council Tax to the February 2026 Council meeting.

## 8.0 Capital programme

8.1 In 2024/25 the Council spent £238.9m of the £283.9m approved budget outlined in Table 6.

Table 6 – 2024/25 Final Outturn Position							
Portfolio / Programme	Budget as at Feb 2025	Budget Changes since Feb 2025	Final Budget 2024/25	Outturn	Over / (Under) Spend to Budget	Over / (Under) spend split	
						2024/25 Slippage C/FWD	Underspend for Repurpose and Removal
	£m	£m	£m	£m	£m	£m	£m
Corporate Landlord	13.5	0.2	13.7	11.6	(2.1)	(2.1)	(0.0)
HCIB - GF	75.6	6.0	81.6	71.0	(10.5)	(9.4)	(1.2)
HCIB - HRA	54.7	0.0	54.7	60.9	6.1	4.4	1.7
Public Realm	24.9	0.5	25.4	18.1	(7.3)	(3.0)	(4.3)
Regeneration	45.6	0.3	45.9	34.6	(11.3)	(11.2)	(0.1)
CYP & Community Development	28.3	0.4	28.7	22.1	(6.6)	(6.1)	(0.5)
South Kilburn	33.4	0.0	33.4	20.4	(13.0)	(0.9)	(12.1)
St Raphael's	0.5	0.0	0.5	0.2	(0.3)	(0.3)	0.0
<b>Grand Total</b>	<b>276.5</b>	<b>7.4</b>	<b>283.9</b>	<b>238.9</b>	<b>(45.0)</b>	<b>(28.5)</b>	<b>(16.5)</b>



- 8.2 The 2024/25 outturn position was lower to the revised budget by £45.0m. Further details on the outturn position are contained within the Financial Outturn Report for 2024/25. It is proposed that the slippage, accelerated spend and overspends are adjusted in 2025/26 removing any underspends that are no longer required for their original purpose. This amounts to a £2.4m reduction to the proposed 2025/26 budget.
- 8.3 Table 7 below set outs virements and reprofiled budgets from 2025/26 to 2029/30 with the rationale for adjustments provided further below.

<b>Table 7 - Budget Adjustments Breakdown 2025/26 to 2029/30</b>						
	<b>2025/26</b>	<b>2026/27</b>	<b>2027/28</b>	<b>2028/29</b>	<b>2029/30</b>	<b>Total</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
<b>2024/25 Brought Forward</b>	(2.4)					(2.4)
<b>Additional New Budget</b>						
Barham Park Refurbishment	0.3					0.3
Roy Smith House	0.6					0.6
Neasden Civic Partnership Programme	1.7	5.9	2.8			10.5
DfT Highways Maintenance	0.8					0.8
Footways Reconstruction	3.3					3.3
Welsh Harp Post 16 Centre		2.5				2.5
Public Realm Attributable Costs	0.5					0.5
<b>Removals</b>						
Clock Cottage	(1.0)	0.1				(0.9)
<b>Reprofiling (in 2024/25)</b>						
Family Wellbeing Centre – Phase 3	0.1					0.1
Kilburn Library Development	0.2					0.2
Church End	(3.0)					(3.0)
Fulton Road	(1.3)	(1.7)				(3.0)
<b>Total</b>	<b>(0.3)</b>	<b>6.8</b>	<b>2.8</b>	<b>0.0</b>	<b>0.0</b>	<b>9.3</b>

- 8.4 The budget adjustments set out in Table 3 above include:

#### 8.5 Additional New Budget

- £0.3m approved by Barham Park Trust for asset enhancement works.
- £0.6m approved for works to fit out commercial space at Roy Smith House.
- £10.5m approved as part of the Neasden Civic Partnership Programme to deliver public realm, community programming and highways improvements
- £0.8m following additional funding received from the Department for Transport for the carriageways works programme.
- £3.3m approved following confirmation of the footways reconstruction programme into 2025/26.
- £2.5m approved for the Welsh Harp Post 16 Centre. This project is no longer being delivered as a split-site provision hence the need for enhancements to the original proposals for the Welsh Harp development. This is being funded through High Needs Capital Grant.
- £0.5m additional attributable costs for the delivery of Public Realm schemes.

#### 8.6 Budget removal

- Removal of £0.9m budget relating to the Clock Cottage development.

#### 8.7 Budget re-profiling undertaken post budget approved in February 2025

- Reprofiting of the Phase 3 Family Wellbeing Centre works and Kilburn Library works.
- Reprofiting of the Church End project by £3m into 2024/25 from 2025/26 following updated delivery timescales.
- Reprofiting of Fulton Road by £3m into 2024/25 from 2025/26 and 2026/27 following the earlier completion expected for the delivery of homes.
- Minor reprofiling of budgets within Corporate Landlord Board totalling £0.01m in line with updated project timescales.

8.8 The revised budget position for 2025/26 to 2029/30 is summarised in Table 8 below.

<b>Table 8 - Capital Programme Revised Budget 2025/26 – 2029/30</b>						
<b>Board</b>	<b>2025/26 Revised Budget  £m</b>	<b>2026/27 Approved Budget  £m</b>	<b>2027/28 Approved Budget  £m</b>	<b>2028/29 Approved Budget  £m</b>	<b>2029/30 Approved Budget  £m</b>	<b>Total 2025/26 to 2029/30 £m</b>
Corporate Landlord	12.9	36.1	24.3	3.7	4.5	<b>81.5</b>
HCIB - GF	97.8	29.1	2.8	0.0	0.0	<b>129.7</b>
HCIB - HRA	39.6	94.1	28.0	13.9	11.1	<b>186.7</b>
Public Realm	25.0	4.7	1.6	6.2	0.2	<b>37.7</b>
Regeneration	119.4	39.5	26.1	14.1	0.0	<b>199.1</b>
CYP & Community Development	23.0	29.1	5.8	5.3	0.0	<b>63.2</b>
South Kilburn	25.1	20.2	16.9	7.6	1.2	<b>71.0</b>
St Raphael's	3.5	3.9	12.5	0.0	0.0	<b>19.9</b>
<b>Total</b>	<b>346.3</b>	<b>256.7</b>	<b>118.0</b>	<b>50.8</b>	<b>17.0</b>	<b>788.8</b>
<b>Approved Feb 25</b>	346.6	249.9	115.2	50.8	17.0	<b>779.5</b>
<b>Budget Adjustments</b>	(0.3)	6.8	2.8	0.0	0.0	<b>9.3</b>

### **Capital Pipeline**

- 8.9 The current programme includes £600.5m across 21 pipeline schemes. The capital pipeline is a list of potential future investment projects identified by each of the sub-boards. In evaluating the investment pipeline proposals several factors are considered. These include statutory requirements, demonstrable linkages to corporate priorities, with the ability for proposals to generate revenue savings and, to a slightly lesser extent, their potential to generate future capital receipts or other financial returns.
- 8.10 Schemes will be brought forward once further refined and subject to detailed business cases, they will be promoted to the main programme following Cabinet approval where necessary.

### **9.0 Housing Revenue Account**

- 9.1 The Housing Revenue Account (HRA) is a ring-fenced account which contains the income and expenditure relating to the Council's landlord duties in respect of approximately 12,000 dwellings including those held by leaseholders.
- 9.2 The HRA budget is set each year in the context of the 30-year business plan. The business plan is reviewed annually allowing for horizon scanning and the identification and mitigation of risks in the short, medium and long term. Early identification of risks enables planning and implementation of mitigations to ensure the HRA can continue to remain financially secure and deliver on its commitments to provide safe, secure and decent housing.
- 9.3 After four consecutive years of rent reductions, between 2016/17 and 2019/20, the Government set out its rent policy, which originally allowed rent levels to be increased by CPI plus 1% for the next five years starting from April 2020.

However, in light of exceptional inflation levels, government had amended its rent setting policy for 2023/24 to introduce a 7% rent rise limitation, compared to 11.1% if CPI plus 1% was applied. This was estimated to equate to a circa £2m reduction in income in that year. Furthermore, rent increases in 2023/24 did not only affect that financial year, but also have an impact on future rent levels. Any rent increases below inflation means that the base for a rent increase in the following year is also lower and so on for future years. As part of the recent Spending Review, the government has announced that there will be a 10-year social housing rent settlement increasing at CPI+1% annually, and the government will soon launch a consultation on implementing social rent convergence.

- 9.4 Whilst the 10-year social housing rent settlement helps to provide some certainty over the future rent setting policy, current assumptions incorporated into the HRA, the 30-year Business Plan already includes rent increases at this rate over the life of the business plan and therefore accounted for within financial planning assumptions.
- 9.5 The rent convergence is a principle aimed at aligning social housing rents and ensuring that social housing tenants in similar properties within an area pay similar rents. This policy, which was originally implemented in 2002 and later abandoned in 2015, aimed to bring all social housing rents in line with a "formula rent" over time. The "formula rent" is a benchmark rent calculated using a formula that considers factors like property value, local earnings, and the number of bedrooms. Currently, there can be a considerable difference between a social rent and a "formula rent" due to a number of factors. When the UK government originally introduced rent restructuring, existing social rents were not immediately raised to formula rent levels to avoid rent shocks for tenants. Rent convergence was originally intended to happen over several years, but when the government ended it, it was not fully completed, especially in areas where rent convergence was delayed or halted, and some social rents have remained below formula rent. In 2015, a 1% annual rent reduction policy was introduced for four years, further widening the gap between actual social rents and formula rents. In high-value areas, the formula rent could yield higher rents, but existing social rents may still be lower due to historical rent levels. At Brent, if we were to inflate all our social housing rent to formula rent tomorrow, it would mean an additional £3.7m per annum in rental income. The reintroduction of rent convergence could help to mitigate some of the financial challenges currently facing the HRAs. This could help to provide a more sustainable financial model for social housing and address the impact of the rent cap.
- 9.6 For 2025/26, the government allowed rent rises in line with previous rent policies of CPI+1%. The average rent currently sits at £149.44 per week, an increase of 2.7% when compared to the previous year. This represented a £1.6m increase in investment. The HRA had to re-profile service delivery such as the capital programme and achieve considerable savings in order to close the gap between the rental income raised and the increased cost of delivering the service as a result of high inflation and rent limitations in previous years.
- 9.7 HRA rent setting needs to be considered in the context of the ring-fence and the 30-year business plan. Based on Bank of England inflation forecasts of

2.5%, if the Council applies the CPI+1% rent policy for 2026/27 this would result in an average rent per week of £149.45 and give the potential to raise an additional £2m in income, with a cumulative effect of an additional £60m investment in the HRA over a 30-year period.

- 9.8 The HRA continues to face a complex range of financial and operational pressures, influenced by macroeconomic conditions and sector-specific developments. The sustained high inflationary environment, coupled with elevated interest rates, is exerting significant pressure on both revenue and capital budgets. Inflation is driving up the cost of materials, labour, and essential services, particularly within repairs and maintenance functions, while the cost of borrowing to fund new build and capital improvement programmes remains high.
- 9.9 A notable risk arises from the increased volume and complexity of responsive repairs, particularly related to damp, mould, and disrepair cases. These trends have placed a significant strain on available resources and are expected to continue, with the potential to exceed budgeted allocations. The recent implementation of new repairs and maintenance contracts adds a further layer of uncertainty, as these arrangements are still being embedded. The full cost implications and long-term efficiencies associated with these contracts remain under review.
- 9.10 Capital programme delivery is further constrained by the absence of sufficient government funding to meet statutory and strategic priorities, particularly around carbon reduction, fire safety, and energy efficiency. This funding gap complicates the Council's ability to address both compliance-driven and strategic improvement works, requiring a careful balancing of limited capital resources.
- 9.11 Additional risks are associated with the planned addition of new homes to the housing portfolio in the near future. While expansion supports strategic objectives, it also increases operational complexity and resource demands, potentially leading to higher costs and service delivery risks unless carefully managed.
- 9.12 The Council's recent self-referral to the Regulator of Social Housing for non-compliance with building safety requirements has introduced further financial risk. The regulatory judgement of C3, issued in May 2025, necessitates the development and delivery of a recovery plan to address compliance breaches related to fire safety, asbestos, water safety, and monitoring systems. The full cost of this work is yet to be confirmed.
- 9.13 Although the Council's HRA reserve level currently meets the target threshold of 5% of turnover, this remains below the average of comparable local authorities, limiting flexibility to manage unanticipated cost pressures. This modest reserve position highlights the need for continued fiscal prudence, strengthened risk management, and the careful prioritisation of future investments.
- 9.14 The government's recent response to the consultation on reforming Right to Buy (RTB) receipts introduces several implications for the HRA. Most notably, newly built social and affordable housing will be exempt from RTB for 35 years, which is expected to support longer-term retention of stock within the HRA and

reduce RTB-related sales income volatility. The indefinite extension of the temporary rule permitting 100% of replacement housing to be funded from RTB receipts beyond the original March 2026 deadline provides greater financial flexibility and certainty for capital investment planning within the HRA. Additionally, from 2026/27 onwards, Councils will be allowed to combine grant funding with RTB receipts for the delivery of social and affordable homes, potentially increasing overall funding capacity and enhancing development viability. The extension of RTB receipts usage to Arm's Length Management Organizations (ALMOs) will further broaden opportunities for affordable housing investment across different management structures. Finally, the planned increase in the RTB receipt spending timeframe from five to ten years starting 2027/28 will help to alleviate immediate financial pressure on councils, allowing for more strategic and phased investment decisions within the HRA.

- 9.15 The overall financial outlook for the HRA remains uncertain. Continued inflation, volatile interest rates, and increased service demands, particularly in repairs, may drive higher-than-anticipated expenditure. These pressures are being managed within the framework of the HRA Business Plan and MTFS through targeted efficiency savings, cost control measures, and continuous monitoring. However, the scale and complexity of the challenges underscore the need for cautious planning, ongoing review, and proactive mitigation strategies to safeguard the long-term sustainability of the HRA.

## **10.0 Schools and Dedicated Schools Grant (DSG)**

- 10.1 At the end of 2024/25, the total school reserves balance decreased by £1m, marking an improvement compared to the previous year's reduction of £1.9m in 2023/24. While the pace of reserve depletion has slowed, schools continue to face financial pressures driven by rising staffing costs, increasing Special Educational Needs and Disabilities (SEND) demands, and inflationary increases in supplies and services, limiting schools' ability to build reserves.
- 10.2 At the end of the financial year 2024/25, eight schools were in deficit, compared to seven schools in the previous year. These schools will require licenced deficit agreements alongside recovery plans to restore financial stability. Of the seven schools that were in deficit last year, two have successfully returned to a positive reserves position, while three additional schools that previously maintained positive reserves have now fallen into deficit.
- 10.3 Brent has been experiencing a decline in pupil numbers in some planning areas, particularly in primary schools, due to factors such as falling birth rates and the rising cost-of-living. This trend has led to excess school places in some parts of the borough, prompting the local authority to take measures such as reducing Published Admission Numbers (PAN), merging schools, and repurposing spare capacity for Special Educational Needs and Disabilities (SEND) provision. Schools experiencing falling rolls would require financial efficiency measures including robust budget monitoring and adjustments to resources.
- 10.4 The DSG ended the 2024/25 financial year with an in-year deficit of £0.4m, increasing the cumulative deficit from £13.2m in 2023/24 to £13.6m. This shortfall was primarily driven by a £2.1m overspend on the High Needs block, reflecting ongoing pressures in SEND provision. However, this was partially

offset by a £1.5m underspend in Early Years block, alongside £0.1m underspend in both the schools block and Central School Services block. The Early Years underspend resulted from lower than expected take up of funded early education entitlements, which presents a potential risk, as the Department for Education (DfE) may claw back funding following its final in-year adjustment exercise in July 2025. To mitigate this risk, the surplus within Early Years block has been held in reserves, ensuring financial stability in the event of a funding reduction in the future.

- 10.5 The deficit balance is held in an earmarked reserve and has been carried forward to 2025/26. Brent has a Deficit Recovery Management Plan in place with longer-term actions to recover the deficit and regular updates on progress presented at Schools Forum. A combination of longer-term recovery actions includes managing demand by applying a graduated approach to reduce the need for an Education, Health and Care Plan (EHCP), improving sufficiency of places by establishing more SEND provision in the borough, improved financial management and anticipated government funding increases which will help to reduce the deficit. The risk also remains that the number of EHCPs will continue to rise. The trend in Table 9 shows that the number of children with EHCPs continued to grow, albeit at a reduced rate based on published data.

Table 9: Annual increase in EHCPs 2020-2025

Brent EHCPs as per SEN2 Return	Jan-20	Jan-21	Jan-22	Jan-23	Jan-24	Jan-25
Number of EHCPs	2426	2784	2938	3251	3500	3795
Brent % Increase	12%	15%	6%	11%	8%	8%
National % Increase	10%	10%	10%	9%	11%	TBC pending publication

- 10.6 As a result of the DSG being in deficit, Brent participated in the Department for Education's Delivering Better Value (DBV) in Special Educational Needs and Disabilities (SEND) programme, which supported local authorities in managing their deficits.
- 10.7 All agreed actions from the Diagnostic Phase (Stage 1) and Implementation Phase (Stage 2) of the programme have been delivered on time, meeting expectations and achieving measurable benefits against agreed KPIs.
- 10.8 Despite the programme's success, Brent continues to face an in-year overspend on its High Needs Block (HNB), largely due to insufficient funding uplifts related to rising demand and complexity of need.
- 10.9 The statutory override set out in the School and Early Years Finance Regulations 2021, which allows local authority to exclude DSG deficits from their broader financial accounts, preventing them from impacting Council's General Fund reserves, was initially scheduled to conclude at the end of the 2022/23 financial year. However, recognising the financial challenges faced by

local authorities in managing DSG deficits, the government extended the arrangement for an additional three financial years, ending in March 2026.

- 10.10 The government confirmed in the Spending Review, that there will be a further extension of the statutory override to the end of March 2028. This protection ensures that overspending in the high needs block does not create immediate financial pressure on local budgets, allowing authorities more time to address structural funding challenges. Local authorities are actively pressing the government to write off all of the DSG deficits which are forecasted to reach £5bn by the end 2025/26 to relieve financial pressures on councils.

## **11.0 Financial Resilience**

- 11.1 As detailed throughout this report and the accompanying Financial Outturn 2024-25 and Quarter 1 Financial Forecast 2025-26 reports, Brent Council is facing unprecedented financial challenges driven by funding not keeping pace with growing service demands and wider economic pressures.
- 11.2 To assess how well the Council can manage these ongoing risks, the Council's Internal Audit team undertook a review using elements of the CIPFA Financial Management model. The review focused on three key areas of financial resilience:
- Adequacy of reserves
  - Effectiveness of the Medium-Term Financial Strategy and quality of underlying assumptions
  - Capacity to withstand financial shocks
- 11.3 The overarching aim was to evaluate the Council's ability to maintain robust financial health in a volatile environment. The review comprised two parts: a self-assessment by the Finance team against CIPFA criteria and a workshop to validate and refine those insights.
- 11.4 On adequacy of reserves, the review found that the planned increase in the level of useable reserves in 2024/25 would provide a greater capacity to meet a one-off overspend or non-major financial shock, but that if the overspend experienced in 2024/25 continued, would result in the Council utilising all of its remaining useable reserves during 2026/27.
- 11.5 The review also found that the Council benefits from a transparent and methodical approach to classifying its reserves, with earmarked funds allocated for specific future commitments, such as Private Finance Initiative (PFI) contracts, and a comprehensive annual review of how these reserves are utilised.
- 11.6 On the Effectiveness of the MTFs, the review found the following:
- The limited use of the Zero-Based Budgeting (ZBB) approach potentially limits the extent to which the Council can precisely allocate resources and prioritise expenditure given current financial constraints
  - Expanding scenario and sensitivity analyses to combine multiple variables could further strengthen the Council's readiness for fluctuations in demand or funding levels



- I4B (the Council's wholly owned housing company) helps reduce reliance on expensive temporary accommodation, delivering estimated annual savings of around £5 million and aligning with the Council's goal of providing stable housing for vulnerable residents. There remains an inherent risk that a sharp fall in property values could leave I4B unable to repay all outstanding debt. Fluctuations in rent collection, particularly among tenants receiving universal credit, could also affect I4B's liquidity and require further Council intervention. The Council is aware of and continues to monitor this risk closely.
- The Council has a total borrowing of about £860 million, mostly from long-term Public Works Loan Board facilities, which reduces near-term refinancing risk. This level of debt sits within the mid-range of other comparable authorities.
- Additionally, although Lender Option Borrower Option (LOBO) loans are being reduced, there remains a possibility that creditors may impose higher rates if they exercise their options, requiring the Council to repay or refinance at short notice. Maintaining close oversight of the Council's investments and borrowing and exploring ways to further reduce overall borrowing levels where feasible, will help ensure that the Council remains financially resilient and able to respond to any unanticipated challenges.

11.7 On the Capacity to Withstand Financial Shock, the review found the following:

- The Council demonstrates a solid foundation for managing financial shocks, supported by a systematic risk management framework and clearly documented risk registers at both corporate and departmental levels.
- The Council's use of risk-based budget monitoring enables it to focus closely on high-risk services, such as adult and children's social care, where spending pressures are most acute. Additionally, annual financial resilience assessments strengthen accountability and communication regarding potential threats to long-term stability.
- The Council's Finance/MTFS Risk Register requires more frequent updates and closer integration with the budget-setting process, to ensure it remains a relevant tool for prompt mitigation strategies.
- The pressures in temporary accommodation continue to expose the Council to overspends.
- Short-term funding settlements from central government complicate efforts to plan investments over a longer horizon. The recent Spending Review and FFR consultations have confirmed that from 2026/27 the Government will deliver a multi-year settlement.
- Current debt collection rates in certain areas require improvement.
- Although it has started to rebuild its reserve levels the Council's Housing Revenue Account balance is still relatively low at £2.4m. This needs to be closely monitored due to the emerging risks around housing, for example, damp and mould and repairs and maintenance, which could result in

additional costs, capital and revenue being incurred and result in the HRA moving into a deficit position.

- By refining contingency plans, monitoring policies, and debt recovery processes, the Council can further strengthen its financial resilience and protect core service delivery.

11.8 The review identified a number of areas for further consideration, including:

- As planned, continue to increase the level of useable reserves to offer better protection against financial shocks.
- Consider introducing Zero-Based Budgeting in targeted service areas to help identify true cost drivers and enable more precise resource allocation and prioritisation, even with limited staff and financial resources.
- Expand scenario and contingency planning that captures multiple variables simultaneously and also review the current level of reporting to members on the scenarios considered and potential impacts.
- Update the Finance/MTFS Risk Register more regularly, using it as a live tool to track emerging risks and inform prompt interventions.
- The Council should ensure it continues to maintain a balanced approach to debt management. Consider reducing overall borrowing levels in the medium to longer term, where possible and commercially viable to do so, to improve the Council's medium and longer term financial sustainability.
- Continuously review the monitoring regime in place to track savings ensuring that there is a clear plan of action in place if a discrepancy does occur between target and actual savings being achieved.
- Maintain the ongoing monitoring and review of the business plan for i4B to ensure informed decision making and financial sustainability including approaches for managing the debt repayments due to the Council.
- Continue to review the current debt collection strategy to ensure that includes clear targets, performance monitoring, and escalation procedures. Consider investing in specialist training, additional resources or systems to enhance collection rates.
- Consider the integration of the development of climate action plans into the financial budgeting process to help identify any funding gaps and prioritisation of key initiatives to support the delivery of the Council's sustainability goals.
- Continue to monitor the Housing Revenue Account and 30 year plan closely to ensure that it remains sustainable and retains sufficient balances to meet an unexpected overspend or financial shock.

11.9 The review concluded with the following statement: "The Council has demonstrated a structured approach to financial management, evidenced by established modelling practices, clear reserve categorisation, and alignment of budgets with strategic objectives. However, continued pressures in key services, as well as external funding uncertainties, highlight the need to increase reserves and consider the areas set out in this report to further strengthen the Council's ability to respond to a financial shock".

11.10 As part of the Council's ongoing work on developing the Medium Term Financial Strategy and conducting an annual Financial Resilience assessment, officers will respond to the findings of the review and provide an update to Cabinet on progress alongside the 2026/27 draft budget in November 2025.

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

12.1 The detailed approach to the statutory consultation process for the setting of the 2026/27 budget will be set out as part of the draft budget report to be presented to Cabinet in November 2025.

## **13.0 Financial Considerations**

13.1 The financial implications are set out throughout the report.

## **14.0 Legal Considerations**

14.1 Standing Order 19 sets out the process that applies within the Council for developing budget and capital proposals for 2026/27. There is a duty to consult representatives of non-domestic ratepayers on the Council's expenditure plans before each annual budget under Section 65 of the Local Government Finance Act 1992. The council also has a general duty to consult representatives of council tax payers, service users and others under Section 3 (2) Local Government Act 1999.

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

15.1 There are no EDI considerations arising out of this report.

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

16.1 There are no climate change and environmental considerations arising out of this report.

## **17.0 Communication Considerations**


17.1 There are no communication considerations arising out of this report.

### **Report sign off:**

***Minesh Patel***

Corporate Director, Finance and Resources

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	<b>Resources and Public Realm Scrutiny Committee</b> 16 July 2025
	<b>Report from the Deputy Director, Democratic and Corporate Governance</b>
<b>Scrutiny Recommendations Tracker</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not Applicable
<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>	Appendix A: Scrutiny Recommendations Tracker
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Jason Sigba, Strategy Lead – Scrutiny, Democratic & Corporate Governance <a href="mailto:Jason.Sigba@brent.gov.uk">Jason.Sigba@brent.gov.uk</a>  Amira Nassr, Deputy Director, Democratic & Corporate Governance, Finance & Resources <a href="mailto:Amira.Nassr@brent.gov.uk">Amira.Nassr@brent.gov.uk</a>

## 1.0 Executive Summary

- 1.1 The purpose of this report is to present the Scrutiny Recommendations Tracker to the Resources and Public Realm Scrutiny Committee for consideration.

## 2.0 Recommendation(s)

- 2.1 That the progress of any previous recommendations, suggestions for improvement, and information requests of the committee be noted (Appendix A).

## 3.0 Detail

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

- 3.1.1 Borough Plan 2023-2027 – all strategic priorities.

## **3.2 Background**

- 3.2.1 In accordance with Part 4 of the Brent Council Constitution (Standing Orders of Committees), Brent Council scrutiny committees may make recommendations to the Full Council or the Cabinet with respect to any functions which are the responsibility of the Executive, or of any functions which are not the responsibility of the Executive, or on matters which affect the borough or its inhabitants.
- 3.2.2 The Resources and Public Realm Scrutiny Committee may not make executive decisions. Scrutiny recommendations therefore require consideration and decision by the appropriate decision maker; the Cabinet or Full Council for policy and budgetary decisions.
- 3.2.3 The Scrutiny Recommendations Tracker provides a summary of any scrutiny recommendations made to Cabinet/Full Council/external stakeholders and implementation progress. It also includes suggestions for improvement and information requests to council departments/external stakeholders, as captured in the minutes of the committee meetings.
- 3.2.4 Recommendations, suggestions for improvement, and information requests are removed from the tracker when they have either been actioned or rejected.

## **4.0 Procedure for Recommendations from Scrutiny Committees**

- 4.1 Where scrutiny committees make recommendations to the Cabinet, these will be referred to the Cabinet (and/or relevant cabinet member/s) requesting an Executive Response. If relevant, the item will be published on the Council's Forward Plan.
- 4.2 Regarding recommendations to Full Council (e.g. in the case of policy and budgetary decisions), the same process will be followed, where a report containing the scrutiny recommendations will then be forwarded to Full Council alongside the Cabinet's responses to those recommendations.
- 4.3 Where scrutiny committees have powers under their terms of reference to make reports or recommendations to external decision makers (e.g. NHS bodies), the relevant external decision maker shall be notified in writing, providing them with a copy of the respective Committee's report and recommendations, and requesting a response.
- 4.4 Once responses are received, they will be added to the Recommendations Tracker for review and consideration.

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

- 5.1 None for the purposes of this report.

## **6.0 Financial Considerations**

6.1 There are no financial considerations for the purposes of this report.

## **7.0 Legal Considerations**

7.1 Section 9F, Part 1A of the Local Government Act 2000, *Overview and scrutiny committees: functions*, requires that Executive arrangements by a local authority must ensure that its overview and scrutiny committees have the power to make reports or recommendations to the authority or the executive with respect to the discharge of any functions which are or are not the responsibility of the executive, or on matters which affect the Authority's area or the inhabitants of that area.

7.2 Section 9FE, *Duty of authority or executive to respond to overview and scrutiny committee*, requires that the authority or executive;-  
(a) consider the report or recommendations,  
(b) respond to the overview and scrutiny committee indicating what (if any) action the authority, or the executive, proposes to take,  
(c) if the overview and scrutiny committee has published the report or recommendations, publish the response, within two months beginning with the date on which the authority or executive received the report or recommendations.

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

8.1 There are no EDI considerations for the purposes of this report.

## **9.0 Climate Change and Environmental Considerations**

9.1 There are no climate change and environmental considerations for the purposes of this report.

## **10.0 Communication Considerations**

10.1 There are no communication considerations for the purposes of this report.

### **Report sign off:**

**Amira Nassr**

Deputy Director, Democratic and  
Corporate Governance

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## Appendix A

### Resources and Public Realm Scrutiny Committee (RPRSC) Recommendations Tracker 2024/25

The Recommendations Tracker is a standing item on committee agendas, and documents the progress of scrutiny recommendations, suggestions for improvement, and information requests made by the Resources and Public Realm Scrutiny Committee at its public meetings and as part of task and finish group reviews. Scrutiny recommendations, suggestions for improvement, and information requests will not be removed from the tracker until full responses have been provided to the committee by either the Cabinet, Full Council, council departments, and/or external partners.

#### Suggestions for improvement from RPRSC to Council departments/partners

Meeting date and agenda item	Suggestion for improvement	Council Department/External Partner	Response / Status
27 Feb 2024 – <b>Draft Property Strategy</b>	Upon completion, sight the Committee on the draft Corporate Social Benefits Assessment Methodology for feedback.	<del>Tanveer Ghani – Director, Property &amp; Assets, Finance &amp; Resources</del>  Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<p><b>Response received on 12/04/24:</b></p> <p>The council is currently reviewing its social value approach at an organisational level and the property strategy will fit into the wider organisational approach to community wealth building and social value. This ensures consistency and enables the property strategy to align with broader council objectives. The development of the assessment methodology itself falls outside of the Property and Assets Team's direct remit, consequently, at this stage we do not have immediate access to the specific details of the methodology. However, once the approach becomes clearer, we will get back in contact with further information about who can consider the recommendation.</p> <p><b>Updated response received on 01/11/2024:</b></p> <p>A review of the council's social value approach is now in progression and linked into the strategic change programme. This includes a review of the council's current Social Value Policy and a refresh of the council's priorities for social value contributions to ensure they maximise the opportunity to align supplier contributions to areas of most impact. Additional enabling areas of work are also being developed including a social value charter and redesign of the council's social value method statement. This will include specific consideration of property and assets with link to this strategy. Opportunities are</p>

			<p>also being identified through which pilot activity can be implemented to test application of social value in respect of property and assets. For example, this maybe through consideration of rent incentivisation schemes. A working group linked to the Change Programme will provide ongoing oversight.</p> <p><i>Awaiting further response.</i></p>
	Upon completion, publish the final Corporate Social Benefits Assessment Methodology for the benefit of residents, businesses, and community organisations.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
28 Jan 2025 - <b>Safer Brent Partnership (SBP) Annual Report 2024</b>	Develop an effective Communication and Engagement Plan for community safety projects that ensures consistent messaging about available support, promotes varied communication methods, and strengthens engagement practices with local communities.	Kibibi Octave – Director, Community Development, Children, Young People & Resident Community Development	<i>Forward Plan circulated to committee by email on 08/07/2025.</i>
	Explore alternative solutions, such as employment pathways, partnership initiatives, and funding opportunities for both the council, and voluntary and community sector groups, to more effectively address the health, social, and rehabilitative needs of older, high-risk offenders.	Kibibi Octave – Director, Community Development, Children, Young People & Resident Community Development	<p><b>Response received on 14/04/25:</b></p> <p>Brent Employment Services Team ran a successful pilot, Bright Futures, in 2019-20 commissioned with the Forward Trust which had some success in tackling the complex support needs of this group. It was funded by the Department for Work and Pensions (DWP). Following that no funding has been available to repeat the provision, though there is a template/model for delivery and evaluation learnings from the previous programme should funding be made available. Officers will explore the recommendation with the DWP District Operations Manager at meeting on 28 April 2025 and report back to the committee.</p> <p><b>Updated response received on 10/06/25:</b></p> <p>There are currently 2 rehabilitation and employment support programmes in Brent funded by the DWP to support ex-offenders. These are with PLIAS resettlement and Not Going Back. In addition, there is the programme –</p>

			Working Chance which specifically focuses on supporting woman with convictions into employment. The Brent Works team already work in partnership with PLIAS and we will further build relations with the other organisations to ensure Brent residents can have clear referral pathways for specialist support to support the needs of older and high risk offenders.
25 Feb 2025 - <b>Commissioning, Procurement, Community Wealth-Building, and Social Value</b>	Engage residents in understanding community wealth building and social value, highlighting their key roles in council activities, particularly in procurement and commissioning.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Revise the official council report template to include dedicated sections for Community Wealth Building and Social Value Considerations, ensuring these factors are assessed and reported in all council reports where relevant.	Amira Nassr– Deputy Director, Democratic & Corporate Governance, Finance & Resources	<b>Response received on 11/06/2025:</b>  This will be revisited in April 2026 once the procurement and social value policies have been formally adopted.
	Explore how credit unions and the promotion of their services can be embedded within Community Wealth Building initiatives to strengthen financial inclusion, enhance local economic resilience, and provide greater support for residents.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Develop a robust, systematic approach to reviewing service contracts that enables transparent, evidence-based decisions on preferred forms of delivery (e.g., in-house, outsourced, or hybrid), guided by defined criteria, detailed cost-benefit analysis, and internal capability assessments.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Promote and support the long-term sustainability of voluntary and	Rhodri Rowlands –	<i>Awaiting response.</i>

	charity sector (VCS) organisations in the council's revised commissioning and procurement frameworks, where legally permissible. This should include a focus on removing and/or reducing barriers to VCS organisations participating in council tender activities.	Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	
	Subject to risk analysis, explore additional joint procurement opportunities with neighbouring boroughs to leverage collective buying power, share best practices, and support local suppliers across multiple boroughs.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Continue to adopt and embed across all procurement and social value activity sustainability commitments, including fair trade and efforts to combat climate change.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Explore including clauses in all future procurement tenders requiring suppliers to demonstrate proactive steps to ensure transparency, compliance, and accountability in operations. This should include a commitment to respecting and upholding workers' rights to join trade unions, where applicable.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Where legally permissible, acknowledge and incorporate external financial contributions secured by VCS organisations that	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building &	<i>Awaiting response.</i>

	are linked to the tender into procurement evaluations, ensuring these funds are recognised as part of social value and community wealth building.	Engagement, Service Reform & Strategy	
	Explore integrating factors such as organisations whose staff pay council tax and those paying business rates within the borough into the social value and community wealth building criteria for procurement evaluations, where legally permissible.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Where practicable, ensure procurement contracts include tailored social value commitments, encouraging bidders to shift from 'in-kind agreements' to direct investments in existing or planned council-led initiatives that deliver tangible benefits to local communities.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Strengthen collaboration between suppliers and Brent Works and Employment Services Team to actively facilitate the targeted recruitment of local and underrepresented residents into job opportunities created through procurement.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy  Kibibi Octave – Director, Community Development, Children, Young People & Community Development	<i>Awaiting response.</i>
	Develop a publicly accessible contract performance dashboard to track and report on key metrics,	Rhodri Rowlands – Director, Strategic Commissioning,	<i>Awaiting response.</i>

	including social value commitments, ensuring transparency and clear accountability for contract outcomes.	Capacity Building & Engagement, Service Reform & Strategy	
23 April 2025 – <b>Build Quality in Brent</b>	Where appropriate, encourage contractors for council build projects/schemes to use Brent's building control services.	Tanveer Ghani – Director, Property & Assets, Neighbourhoods & Regeneration	<b>Response received on 07/07/25:</b>  Council officers ensure that contractors invited to bid for Council-build projects secure a quote from Brent's Building Control for Building Control Services as part of their tender submission.
	Conduct a survey to identify which council-owned buildings may fall within the scope of the Building Safety Act 2022 and/or the Defective Premises Act 1972 in relation to relevant defects, and assess whether there is potential for legal recourse.	Tanveer Ghani – Director, Property & Assets, Neighbourhoods & Regeneration	<b>Response received on 07/07/25:</b>  Officers have identified two projects (Housing and Education) that may fall within the scope of the Building Safety Act 2022 and/or the Defective Premises Act 1972. Work is being undertaken to assess if/where they may be potential for legal recourse.  A further update will be provided by 9 January 2026.
	Undertake a sampling review to assess design changes from the planning stage through to practical completion, and determine whether these changes have impacted build quality.	Tanveer Ghani – Director, Property & Assets, Neighbourhoods & Regeneration	<b>Response received on 07/07/25:</b>  Officers propose to undertake a sampling of three projects, one from each the following areas: <ul style="list-style-type: none"><li>• Education</li><li>• Housing</li><li>• Regeneration</li></ul> A further update will be provided by 9 January 2026.
	Where appropriate, engage with Waste and Recycling colleagues and relevant contractors (e.g. Veolia) during the design phase of upcoming council-led projects/schemes to ensure that requirements—such as adequate bin storage—are incorporated into the design specifications and	Tanveer Ghani – Director, Property & Assets, Neighbourhoods & Regeneration	<b>Response received on 07/07/25:</b>  Brent's Employers Requirements for new-build housing schemes will be updated to incorporate the learning from previous schemes to avoid such issues from re-occurring.

	included in the standard sign-off process.		
23 April 2025 – <b>Complaints Annual Report 2023/24</b>	Explore arrangements with third-party providers that enable the council to recover costs incurred from compensation paid out as a result of complaints related to their services	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Response to be provided by 8 August 2025.</i>
	Representatives from Wates and senior officers from Residents and Housing Services attend the committee meeting on 16 July 2025 to address questions related to the Housing Management Complaints Annual Report 2023/24.	Amira Nassr – Deputy Director, Democratic & Corporate Governance, Finance & Resources  Spencer Randolph – Director, Property & Assets, Neighbourhoods & Regeneration	<b>Response received on 30/04/25:</b>  Wates and council officers will attend committee meeting on 16 July 2025.

#### Information requests from RPRSC to Council departments/partners

Meeting date and agenda item	Information requests	Council Department/External Partner	Responses / Status
4 Sept 2024 – <b>Delivery of Affordable Housing by i4B Holdings Ltd and</b>	Provide Asset Management Strategy upon completion.	<del>Alice Lester – Corporate Director, Neighbourhoods &amp; Regeneration</del>  Sadie East – Director, Communications, Insight & Innovation,	<b>Response received on 07/10/24:</b>  This will be presented to the i4B/FWH Board meeting on Thursday 28 <sup>th</sup> November and, dependent on any feedback from directors and further work required, will be available to share with the committee in December 2024.  <del>Updated response received on 14/02/25:</del>

First Wave Housing Ltd (FWH)		Service Reform & Strategy	<p><del>The draft strategy was presented at the December i4B/FWH Board meeting. The Board have requested more detailed financial analysis which is to be implemented into the business plan. The strategy is expected to return to the Board in February/ March 2025 for approval.</del></p> <p><b>Updated response received on 15/04/25:</b></p> <p>The draft strategy was presented at the December i4B/FWH Board meeting. The Board has requested more detailed financial analysis. The strategy is expected to return to the Board in early summer 2025 for approval.</p> <p><i>Awaiting further response.</i></p>
	Provide a breakdown of the expected costs associated with enhancing energy performance and retrofitting the i4B/First Wave Housing stock.	<p><del>Alice Lester – Corporate Director, Neighbourhoods &amp; Regeneration</del></p> <p>Sadie East – Director, Communications, Insight &amp; Innovation, Service Reform &amp; Strategy</p>	<p><b>Response received on 07/10/24:</b></p> <p>This information will be included in the asset management strategy, which will be presented to the i4B/FWH Board meeting on Thursday 28<sup>th</sup> November and, dependent on any feedback from directors and further work required, will be available to share with the committee in December 2024.</p> <p><b>Updated response received on 14/02/25:</b></p> <p><del>The draft strategy was presented at the December i4B/FWH Board meeting. The Board have requested more detailed financial analysis which is to be implemented into the business plan. The strategy is expected to return to the Board in February/ March 2025 for approval.</del></p> <p><b>Updated response received on 15/04/25:</b></p> <p>The draft strategy was presented at the December i4B/FWH Board meeting. The Board has requested more detailed financial analysis. The strategy is expected to return to the Board in early summer 2025 for approval.</p> <p><i>Awaiting further response.</i></p>




5 Nov 2024 - <b>Quarter 2 Financial Forecast 2024/25</b>	Submit a progress report in six months on the efforts of the 'Supported Exempt Accommodation' Working Group, highlighting ongoing and completed projects, as well as the associated impacts, including cost benefits to the council.	Laurence Coaker – Director, Housing Needs & Support, Resident & Housing Services	<i>Report circulated to committee by email on 08/06/25.</i>
	Provide an update in six months on the implementation of the Supported Housing (Regulatory Oversight) Act 2023, highlighting its impact in enhancing quality standards and achieving cost savings in Supported Exempt Accommodation.	Laurence Coaker – Director, Housing Needs & Support, Resident & Housing Services	<i>Report circulated to committee by email on 08/06/25.</i>
	Provide a progress update in six months on the debt recovery improvement initiatives and strategies in place to enhance collection rates across all debt types. This update should include a detailed overview of Council Tax collection, and an assessment of the Council Tax Support Scheme reduction, including an evaluation of the effectiveness of measures to mitigate the impact on affected residents.	Ravinder Jassar – Deputy Director, Corporate & Financial Planning, Finance & Resources	<i>Progress update circulated to committee by email on 08/07/2025.</i>
28 Jan 2024 - <b>Safer Brent Partnership Annual</b>	Provide a copy of the Safer Brent Community Safety Action Plan 2024-2026.	Kibibi Octave – Director, Community Development, Children, Young People & Resident Community Development	<i>Action Plan circulated to committee by email on 09/06/25.</i>

<b>Report 2024</b>	Provide comprehensive data on the effectiveness of closure orders in reducing anti-social behaviour and crime.	Kibibi Octave – Director, Community Development, Children, Young People & Resident Community Development	<i>Response circulated to committee by email on 09/06/25.</i>
25 Feb 2025 – <b>Quarter 3 Financial Forecast 2024/25</b>	Provide a detailed breakdown of business rates income received over the last three years, categorised by organisation type.	Ravinder Jassar – Deputy Director, Corporate & Financial Planning, Finance & Resources	<i>Response circulated to committee by email on 08/06/25.</i>
	Provide a detailed breakdown of compensation payments made, categorised by claim type, along with the associated legal fees incurred over the past five years.	Darren Armstrong – Deputy Director, Organisational Assurance & Resilience, Finance & Resources	<i>Awaiting response.</i>
25 Feb 2025 - <b>Commissioning, Procurement, Community Wealth-Building, and Social Value</b>	Provide a detailed breakdown of commissioned services income received over the last three years, categorised by organisation type.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
	Provide a detailed breakdown of funding allocated to externally commissioned services, distinguishing between organisation types—private companies (small and medium-sized enterprises (SMEs) and large enterprises/corporations), VCS organisations, and social enterprises—while also indicating whether each organisation is local or non-local.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>

	Provide details, including examples, of how the council supports local SMEs in its procurement process.	Rhodri Rowlands – Director, Strategic Commissioning, Capacity Building & Engagement, Service Reform & Strategy	<i>Awaiting response.</i>
25 Feb 2025 – <b>Emerging Employment Strategy 2025-2030</b>	Provide an update on the Roy Smith House initiative after its reopening, measuring its effectiveness in addressing the challenges outlined in the Stonebridge Outcome Based Review (OBR) and reviewing the outcomes of the council's Market Rent Reduction Framework.	Sadie East – Director, Communications, Insight & Innovation, Service Reform & Strategy	<p><b>Response received on 14/04/25:</b></p> <p>The commercial unit at Roy Smith House is part of the test of the council's new Market Rent Reduction Framework, which is designed to allow local voluntary and community sector (VCS) organisations to have a reduced rent for council assets where they can demonstrate delivery of significant community value from their proposed use of the asset.</p> <p>Three bids were received for Roy Smith House from VCS organisations and were evaluated in March 2025. All bidders have been notified of the outcome of their bids and the comparative merits of their bid in comparison to the highest scoring bid.</p> <p>Officers are due to meet with the highest scoring bidder later this month to understand their proposal in more detail and discuss/agree heads of terms for a new lease.</p> <p>The organisation with the highest scoring bid demonstrated a proven track record of delivering community value and positive outcomes for residents, including opportunities to build confidence, skills and become more employable.</p> <p>Pending the outcome of negotiations, agreed deliverables will be included as a Schedule in the lease to be monitored by the lead service.</p>

			<p>The commercial unit at Roy Smith House is currently empty and in need of fit-out works. A procurement exercise to appoint a provider to complete the fit-out works is currently live. The works are anticipated to complete in Summer 2025, which is the earliest the highest scoring bidder would be able to move in to the unit and begin delivering their proposed service.</p> <p><i>Awaiting further response.</i></p>
	Share data on the number and types of roles secured through training at the Green Skills Centre, facilitated by the partnership between the Council and the College of North West London.	Kibibi Octave – Director, Community Development, Children, Young People & Resident Community Development	<p><b>Response received on 14/04/25:</b></p> <p>We have asked the college for a response and await a return on this data.</p> <p><i>Awaiting further response.</i></p>
23 April 2025 – <b>Build Quality in Brent</b>	Share examples that demonstrate how feedback on build quality issues has led to tangible improvements in design and processes, helping to enhance build quality in subsequent projects or schemes.	Tanveer Ghani – Director, Property & Assets, Neighbourhoods & Regeneration	<p><b>Response received on 07/07/25:</b></p> <p>Officers will collate examples from different schemes where we have either self-delivered or acquired from the open market and share with RPRSC to demonstrate how feedback / lessons learned have been incorporated into future projects/schemes.</p> <p>A further update will be provided by 9 January 2026.</p>

	<b>Resources and Public Realm Scrutiny Committee</b> 16 July 2025
	<b>Report from the Deputy Director, Democratic and Corporate Governance</b>
<b>Resources and Public Realm Scrutiny Committee Work Programme 2025/26.</b>	

<b>Wards Affected:</b>	All
<b>Key or Non-Key Decision:</b>	Not Applicable
<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>	Appendix A – Resources and Public Realm Scrutiny Committee Work Programme 2025/26
<b>Background Papers:</b>	None
<b>Contact Officer(s):</b> <small>(Name, Title, Contact Details)</small>	Jason Sigba, Strategy Lead – Scrutiny, Democratic & Corporate Governance <a href="mailto:Jason.Sigba@brent.gov.uk">Jason.Sigba@brent.gov.uk</a>  Amira Nassr, Deputy Director, Democratic & Corporate Governance, Finance & Resources <a href="mailto:Amira.Nassr@brent.gov.uk">Amira.Nassr@brent.gov.uk</a>

## 1.0 Executive Summary

1.1.1 To present the Committee's work programme for 2025/26.

## 2.0 Recommendation(s)

2.1 That the Committee's work programme (set out in Appendix A) be agreed.

## 3.0 Detail

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

3.1.1 Borough Plan 2023-2027 – all strategic priorities.

## 3.2 Background

3.2.1 The work programme outlines the items which the Resources and Public Realm Scrutiny Committee will consider during the municipal year.

3.2.2. The programme is in line with the remit of the Committee which is set out in the Council Constitution (under the Terms of Reference for scrutiny committees<sup>1</sup>):

*Corporate policy, partnerships and resources; Budget; Customer services; Commercial services; Planning policy; Environmental policy; Public realm; Employment and skills; IT; Recycling; Regeneration; Transport and highways; Community safety; Property; Emergency planning and business continuity.*

The Committee is also the Council's "crime and disorder committee" for the purposes of Section 19 of the Police & Justice Act 2006 and as such may review or scrutinise decisions made, or other action taken, in connection with the discharge of the crime and disorder functions by the responsible authorities (as defined by section 5 of the Crime and Disorder Act 1998) who make up the Safer Brent Partnership, in order to make reports or recommendations to Full Council.

3.2.3 At its annual work planning meeting, the Committee prioritised items for inclusion in its work programme, ensuring alignment with:

- The strategic priorities set out in the Borough Plan 2023-27
- Areas of local community concern
- Significant issues affecting a significant number of residents/wards
- High-profile national issues impacting the borough
- Emerging policies, strategies, and key decisions that would benefit from scrutiny input, or where there is strong interest from scrutiny to provide input

This method of prioritisation is in line with best practice<sup>2</sup>.

3.2.4 The work programme of a scrutiny committee is intended to be a flexible, living document that can adapt and change according to the needs of a committee. The 2025/26 work programme will therefore be regularly reviewed throughout the municipal year by the Committee and updated accordingly where necessary.

3.2.5 In addition to its programme of public meetings, the Committee will lead two task group reviews during the municipal year:

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<sup>1</sup> Brent Council Constitution, Part 4.

<https://democracy.brent.gov.uk/documents/s142996/Part%204%20May%202024%20Terms%20of%20Reference%20.pdf>

<sup>2</sup> The Good Scrutiny Guide (Centre for Public Scrutiny).

<https://www.cfqs.org.uk/wp-content/uploads/CfPS-Good-Scrutiny-Guide-v4-WEB-SINGLE-PAGES.pdf>

- [Kerbside Management Scrutiny Task Group](#) - This group will explore how kerbside space in Brent can be better used to support sustainable and inclusive travel, improve public spaces, and deliver equitable community and environmental benefits. Its findings and recommendations will be presented to the Resources and Public Realm Committee on 2 September 2025.
- **Budget Scrutiny Task Group** – Starting in Autumn 2025, this group will review the Council’s draft Budget for 2026/27. Its findings will be reported to the Resources and Public Realm Committee on 21 January 2026.

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

- 4.1 Non-executive members were involved in developing the work programme as part of their membership of the Committee.
- 4.2 In developing its work programme, the Committee held sessions with stakeholders such as cabinet members, corporate directors, the Audit and Standards Advisory Committee, and ward councillors to temperature check key priority areas, avoid work duplication, and most importantly confirm the work programme reflects matters of local community concern.

#### **5.0 Financial Considerations**

- 5.1 There are no financial considerations arising from this report. However, budget and financial implications are addressed in the ‘Financial Considerations’ section of any reports to the Committee, requested as part of its work programme.

#### **6.0 Legal Considerations**

- 6.1 There are no legal considerations arising from this report. However, legal implications are addressed in the ‘Legal Considerations’ section of any reports to the Committee, requested as part of its work programme.

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

- 7.1 There are no EDI considerations for the purposes of this report. However, EDI implications are addressed in the ‘EDI Considerations’ section of any reports to the Committee, requested as part of its work programme.

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

- 8.1 There are no climate change and environmental considerations for the purposes of this report. However, climate change and environmental implications are addressed in the ‘Climate Change and Environmental Considerations’ section of any reports to the Committee, requested as part of its work programme.

#### **9.0 Communication Considerations**

- 9.1 There are no communication considerations for the purposes of this report. However, communication implications are addressed in the 'Communication Considerations' section of any reports to the Committee, requested as part of its work programme.

**Report sign off:**

***Amira Nassr***

Deputy Director, Democratic and  
Corporate Governance



## Appendix A

### Resources and Public Realm Scrutiny Committee Work Programme 2025/26

#### 16 July 2025

Agenda Item	Cabinet Member/Non-Executive Member	Corporate Director	External Organisations
Committee Work Programme 2025/26	Cllr Rita Conneely, Chair of Resources and Public Realm Committee	Minesh Patel, Corporate Director – Finance and Resources	
Recycling in Brent	Cllr Krupa Sheth, Cabinet Member for Public Realm and Enforcement	Alice Lester, Corporate Director – Neighbourhoods and Regeneration	
Budget 2025/26 Update: Medium Term Financial Outlook	Cllr Mili Patel, Deputy Leader and Cabinet Member for Finance and Resources	Minesh Patel, Corporate Director – Finance and Resources	

#### 2 September 2025

Agenda Item	Cabinet Member/Non-Executive Member	Corporate Director	External Organisations
Establishment of Budget Scrutiny Task Group	Cllr Rita Conneely, Chair of Resources and Public Realm Committee	Minesh Patel, Corporate Director – Finance and Resources	
Kerbside Management Scrutiny Task Group Findings	Cllr Mary Mitchell, Member of Resources and Public Realm Committee and Task Group Chair	Minesh Patel, Corporate Director – Finance and Resources	
Local Plan Review	Cllr Teo Benea, Cabinet Member for Regeneration, Planning and Property	Alice Lester, Corporate Director – Neighbourhoods and Regeneration	

#### 4 November 2025

<b>Agenda Item</b>	<b>Cabinet Member/Non-Executive Member</b>	<b>Corporate Director</b>	<b>External Organisations</b>
Budget 2025/26: In-Year Monitoring Update	Cllr Mili Patel, Deputy Leader and Cabinet Member for Finance and Resources	Minesh Patel, Corporate Director – Finance and Resources	
Social Value Policy	Cllr Jake Rubin, Cabinet Member for Climate Action and Community Power	Rachel Crossley, Corporate Director – Service Reform and Strategy	
Procurement Strategy	Cllr Jake Rubin, Cabinet Member for Climate Action and Community Power	Rachel Crossley, Corporate Director – Service Reform and Strategy	
Funding and Support for the Voluntary and Community Sector (VCS)	Cllr Jake Rubin, Cabinet Member for Climate Action and Community Power	Rachel Crossley, Corporate Director – Service Reform and Strategy	

#### 21 January 2026

<b>Agenda Item</b>	<b>Cabinet Member/Non-Executive Member</b>	<b>Corporate Director</b>	<b>External Organisations</b>
Budget Scrutiny Task Group Findings	Cllr Rita Conneely, Chair of Resources and Public Realm Committee	Minesh Patel, Corporate Director – Finance and Resources	
Safer Brent Partnership Report 2025/26	Cllr Harbi Farah, Cabinet Member for Safer Communities, Jobs and Skills	Nigel Chapman, Corporate Director – Children, Young People and Community Development	Metropolitan Police
Community Engagement and Consultation	Cllr Jake Rubin, Cabinet Member for Climate Action and Community Power	Rachel Crossley, Corporate Director – Service Reform and Strategy	

**24 February 2026**

<b>Agenda Item</b>	<b>Cabinet Member/Non-Executive Member</b>	<b>Corporate Director</b>	<b>External Organisations</b>
Budget 2025/26: In-Year Monitoring Update	Cllr Mili Patel, Deputy Leader and Cabinet Member for Finance and Resources	Minesh Patel, Corporate Director – Finance and Resources	
Complaints Annual Report 2024/25	Cllr Mili Patel, Deputy Leader and Cabinet Member for Finance and Resources	Minesh Patel, Corporate Director – Finance and Resources	
Littering and Fly Tipping	Cllr Krupa Sheth, Cabinet Member for Public Realm and Enforcement	Alice Lester, Corporate Director – Neighbourhoods and Regeneration	

**2 April 2026**

<b>Agenda Item</b>	<b>Cabinet Member/Non-Executive Member</b>	<b>Corporate Director</b>	<b>External Organisations</b>
Allotments Management	Cllr Krupa Sheth, Cabinet Member for Public Realm and Enforcement	Alice Lester, Corporate Director – Neighbourhoods and Regeneration	
Approach to tackling ASB across Brent	Cllr Harbi Farah, Cabinet Member for Safer Communities, Jobs and Skills	Nigel Chapman, Corporate Director – Children, Young People and Community Development	

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