



Cabinet

Monday 19 January 2026 at 10.00 am

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

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

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

Membership:

Lead Member Councillors:

Portfolio

| | |
|----------------------|--|
| M Butt (Chair) | Leader of the Council |
| M Patel (Vice-Chair) | Deputy Leader and Cabinet Member for Finance & Resources |
| Benea | Cabinet Member for Regeneration, Planning & Property |
| Donnelly-Jackson | Cabinet Member for Housing |
| Grahl | Cabinet Member for Children's Service, Education & Employment |
| Knight | Cabinet Member for Customer Experience, Resident Support and Culture |
| Moeen | Cabinet Member for Community Safety & Cohesion |
| Nerva | Cabinet Member for Adult Social Care, Public Health and Leisure |
| Rubin | Cabinet Member for Climate Action and Community Power |
| Krupa Sheth | Cabinet Member for Public Realm & Enforcement |

Please note the agenda has been republished to reflect the change in Cabinet membership and portfolios which came into effect on 13 January 2026.

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

For electronic copies of minutes and agendas please visit:

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Notes for Members - Declarations of Interest:

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

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

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

***Disclosable Pecuniary Interests:**

- (a) **Employment, etc.** - Any employment, office, trade, profession or vocation carried on for profit gain.
- (b) **Sponsorship** - Any payment or other financial benefit in respect of expenses in carrying out duties as a member, or of election; including from a trade union.
- (c) **Contracts** - Any current contract for goods, services or works, between the Councillors or their partner (or a body in which one has a beneficial interest) and the council.
- (d) **Land** - Any beneficial interest in land which is within the council's area.
- (e) **Licences** - Any licence to occupy land in the council's area for a month or longer.
- (f) **Corporate tenancies** - Any tenancy between the council and a body in which the Councillor or their partner have a beneficial interest.
- (g) **Securities** - Any beneficial interest in securities of a body which has a place of business or land in the council's area, if the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body or of any one class of its issued share capital.

****Personal Interests:**

The business relates to or affects:

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

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

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

or

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

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

Agenda

Introductions, if appropriate.

| Item | Page |
|------|------|
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|----------|------------------------------|--|
| 1 | Apologies for Absence | |
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| 2 | Declarations of Interest | |
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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.

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| 3 | Minutes of the Previous Meeting | 1 - 10 |
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To approve the minutes of the previous meeting held on Monday 8 December 2025 as a correct record.

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| 4 | Matters Arising (if any) | |
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To consider any matters arising from the minutes of the previous meeting.

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| 5 | Petitions (if any) | |
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To receive and consider any petitions for which notice has been provided under Standing Order 66.

Members are asked to note that there are currently no petition(s) due to be presented at the meeting.

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| 6 | Reference of item considered by Scrutiny Committees (if any) | |
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To consider any reports referred by either the Community Wellbeing or Resources & Public Realm Scrutiny Committees.

Chief Executive's reports

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| 7 | LGA Corporate Peer Challenge - Progress Review report | 11 - 50 |
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This report updates members on the LGA Corporate Peer Challenge (CPC) and outcome of a progress review visit undertaken by the peer review team in November 2025 providing an opportunity to feedback on progress made against the initial review recommendations. This report shares the process and outcome of the Progress Review.

Ward Affected: **Lead Member:** Leader of Council (Councillor

All Wards

Muhammed Butt)

Contact Officer: Sadie East, Director of Communications, Insight, and Innovation

Tel: 020 8937 1507

Email: sadie.east@brent.gov.uk

Finance & Resources reports

8 Q3 Financial Forecast 2025-26

51 - 124

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 3 2025-26.

Ward Affected:

All Wards

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

Contact Officer: Ravinder Jassar, Deputy Director Corporate and Financial Planning

Tel: 0208 937 1487

Email: ravinder.jassar@brent.gov.uk

9 Treasury Management Mid-Year Report 2025-26

125 - 158

This report updates Members on Treasury activity for the first half of the financial year 2025-26. The Local Government Act 2003 and the Local Authorities (Capital Financing and Accounting) Regulations 2003 require that regular reports be submitted to the relevant Council Committee detailing the Council's Treasury Management activities.

Members are asked to note that the report has also been subject to consideration and review by the Audit & Standards Advisory Committee on Wednesday 3 December 2025.

Ward Affected:

All Wards

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

Contact Officer: Oliver Simms, Head of Finance (Capital, Treasury and Commercial) Capital, Treasury & Commercial

Tel: 020 8937 3484

Email: Oliver.simms@brent.gov.uk

10 Proposal for Buckinghamshire Pension Fund to join London CIV

159 - 244

The purpose of this paper is to seek approval from the London Borough of Brent as a shareholder of London CIV to the admission of a new Partner Fund (Buckinghamshire) as a member of the London LGPS CIV Limited.

Ward Affected:

All Wards

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

Contact Officer: Sawan Shah, Head of Finance
(Pensions, Housing Companies)
Tel: 020 8937 1955
Email: sawan.shah@brent.gov.uk

Service Reform & Strategy reports

11 Brent Digital Roadmap 2026-28

245 - 280

Brent Council's current four-year digital strategy ends in April 2026. In the context of pressing financial challenges and the rapid pace of technological change this report outlines a two-year digital roadmap developed to set out the Council's ambitions for using digital to enable transformation and support delivery of savings from 2026-28.

The 2026-28 Brent Council Digital Roadmap also sets out the required investment to ensure the Council can continue to enable its Embrace Change Portfolio vision and deliver 2026-27 cross-cutting digital and resident experience savings (along with previously agreed business case savings) as well as to develop a pipeline of further digitally enabled savings for 2027-28 and beyond.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Climate Action and Community Power (Councillor Jake Rubin)

Contact Officer: Tony Afuwape, Head of Digital Transformation
Tel: 020 8937 2247
Email: Tony.Afuwape@brent.gov.uk

Children, Young People & Community Development and Neighbourhood & Regeneration reports

12 Phase II Capital Investment Programme for School Place Sufficiency for Children and Young People with SEND 281 - 296

This report details proposals to deliver additional SEND places within the borough designed to reduce the financial cost of SEND provision as well as provide more local specialist provision for Brent based young people with SEND and support the management of expenditure on the Council's Special Needs Transport budget, in accordance with strategic priorities set out in the School Place Planning Strategy 2024-28 (second refresh).

Ward Affected:
All Wards

Lead Member: Cabinet Member for Children's Services, Education & Employment (Councillor Gwen Grahl) and Cabinet Member for Regeneration, Planning & Property (Councillor Teo Benea)

Contact Officer: Neil Martin, Head of Capital Delivery
Tel: 020 8937 4203

Children, Young people & Community Development reports

13 Brent Council's School Admission Arrangements and Schemes of Co-ordination 2027/2028 297 - 332

This report seeks agreement to the proposed admission arrangements for Brent community schools and schemes of co-ordination for 2027-28 in accordance with statutory requirements with Admission authorities required to determine their admission arrangements by 28 February in the determination year.

Ward Affected:
All Wards

Lead Member: Cabinet Member for Children's Services, Education & Employment (Councillor Gwen Grahl)

Contact Officer: Michelle Gwyther, Head of Forward Planning, Performance and Partnerships

Tel: 020 8937 2499

Email: Michelle.gwyther@brent.gov.uk

Neighbourhoods & Regeneration reports

14 South Kilburn District Heat Network - Tender Outcome & Financial Model Report 333 - 368

This report seeks approval to enter preferred bidder stage for the design, build, operate and maintain (DBOM) contract for the South Kilburn District Heat Network ("the SKDHN") Main Contractor preferred bidder. The report summarises the procurement process undertaken along with the required financial modelling.

Ward Affected:
Kilburn

Lead Member: Cabinet Member for Climate Action and Community Power (Councillor Jake Rubin)

Contact Officer: Oliver Myers, Head of Environment Strategy & Climate Action

Tel: 020 8937 5323

Email: oliver.myers@brent.gov.uk

15 Exclusion of Press and Public

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

Agenda Item 10: Proposal for Buckinghamshire Pension Fund to join London CIV – Appendices 1 – 5 (Detailed Proposal, Business Case, LCIV Shareholder Agreement, Shareholder Resolution & LCIV Articles of Association)

These appendices have been classified as exempt

under Paragraph 3 of Part 1 Schedule 12A of the Local Government Act 1972, namely: “Information relating to the financial or business affairs of any particular person (including the authority holding that information)”

Agenda Item 14: South Kilburn District Heat Network – Tender Outcome & Financial Model Report – Appendix 1 (Name of contractors)

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

16 Any other urgent business

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

Date of the next meeting: Monday 9 February 2026



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

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LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 8 December 2025
at 10.00 am

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

1. **Apologies for Absence**

Apologies for absence were received from Councillor Rubin (Cabinet Member for Climate Action & Community Power) and Rachel Crossley (Corporate Director Service Reform & Strategy) with Ruth Du Plessis (Director of Public Health) attending as her representative.

2. **Declarations of Interest**

No declarations of interest were made during the meeting.

3. **Minutes of the Previous Meeting**

Cabinet **RESOLVED** that the minutes of the previous meeting held on Monday 17 November 2025 be approved as a correct record of the meeting.

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

None identified.

5. **Petitions (if any)**

There were no petitions presented at the meeting.

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

There were no items referred from either the Community Wellbeing or Resources & Public Realm Scrutiny Committees.

7. **Housing Management Property Services Performance Report Q1 & Q2 2025 (including Regulator of Social Housing Safety & Quality Standard) and progress update on referral to the Regulator of Social Housing**

Councillor Fleur Donnelly-Jackson (Cabinet Member for Housing) introduced a report from the Corporate Director of Housing and Resident Services providing a performance update against core areas of housing management property services that fell under the Regulator of Social Housing's Safety & Quality Standard as well as an update on the progress being made following the Council's self-referral to the Regulator of Social Housing.

In introducing the report, Councillor Donnelly-Jackson began by advising members of the way in which the report had been presented to offer a direct and honest assessment of the Council's performance against the Regulator of Social Housing's Safety and Quality Standard, reflecting on a period of challenge and change within Brent. In highlighting that the report had not sought to shy away from the historic failings identified, it was also felt important to recognise the focus demonstrated in relation to the process of recovery alongside the renewed commitment to accountability and better practice.

Referring to the refreshed regulatory standards outlined within the report, members noted the higher expectations now being placed on all social landlords in order to ensure that residents were not only provided with homes that were safe but also a responsive service. As such, it was felt the self-referral to the Regulator represented a significant step in terms of not only acknowledging where the Council had fallen short of those expectations but also in committing the authority to taking responsibility for improvement. As part of this process, the opportunity was taken to highlight the progress which had been made following the self-referral to appoint independent specialists to scrutinise systems and complete a forensic audit, which it was recognised had exposed gaps. As a result, governance had been strengthened; stock condition surveys accelerated with a tenant-centred improvement programme now also in the process of being delivered.

The transparent nature of the report was also recognised and acknowledged as key in seeking to rebuild trust given the impact of the previous issue identified on those tenants whose confidence had been undermined by the delays, inconsistent communication and assurance previously experienced. On this basis, the introduction of the Housing and Tenant Satisfaction Improvement Board and the tenant-led Housing Management Advisory Board were also welcomed in representing what was felt to be a cultural shift towards transparency, challenge and coproduction with Councillor Donnelly-Jackson also taking the opportunity to formally thank the independent chair of the newly established Advisory Board for their support.

Whilst also highlighting the wider national context in terms of this recovery work in relation to operational capacity pressures on the housing system, skills shortages, rising compliance costs and ageing stock (in terms of social housing provision) it was recognised that these should not be seen to detract or negate the need for local responsibility, with the Council (as social landlord) determined to become easier to contact, quicker to respond and clearer in terms of its communication style.

Taken together, the report was felt to demonstrate the scale of recovery work being undertaken which it was highlighted included not only the clearance of historic repair backlogs, tightening of safety checks, rebuilding of data integrity, strengthening of front-line visibility and expansion of specialist capacity but also work to ensure that the tenant voice was embedded in decision-making alongside the provision of clearer lines of accountability from frontline teams right through to senior leadership (including the newly established tier of senior management introduced to bring together compliance and service improvement activities).

In considering the report, members welcomed the direct nature of the assessment provided in relation to the issues identified around the management of assurance, compliance and performance across the service with the Council's self-referral to the Regulator of Social Housing felt to have demonstrated how seriously the need to take accountability and address the challenges identified had been taken, given the impact on tenants. Given the focus outlined within the report on the improvement plan established following the self-referral, members were pleased to note the progress being made in terms of the foundations laid for delivery of the improvements identified as required to restore expected standards and ensure tenants were provided not only with a safe home but also transparent, accountable and responsive service by the Council in its role as social landlord. In recognising the focus on the improvement work identified across each compliance stream, support was also expressed for the renewed focus in tackling housing repairs as well as the strong emphasis on addressing engagement with tenants in order to ensure they remained at the centre of the improvement programme.

Having noted the update also provided for the Community & Wellbeing Scrutiny Committee and ongoing commitment towards delivering the improvements identified as part of the wider approach towards transparency and accountability, Cabinet **RESOLVED:**

- (1) To note the performance update against core areas of housing management property services, as detailed within the report.
- (2) To note that the report only related to the Council's own housing stock and did not include performance for i4B or First Wave Housing properties, with performance on those portfolios reported to their respective boards.

8. Homelessness and Rough Sleeping Strategy 2026 - 2031

Councillor Fleur Donnelly-Jackson (Cabinet Member for Housing) introduced a report from the Corporate Director of Housing and Resident Services presenting the draft Homelessness and Rough Sleeping Strategy 2026-2031 for review, following public consultation, and seeking approval (as a result of the changes made in response) to the final strategy, which the Council was required to have in place for the start of the 2026 calendar year.

In introducing the report, Councillor Donnelly-Jackson began by acknowledging homelessness as one of the most significant social challenges currently faced. Referring to the specific challenges within Brent, members were advised of the continued pressures and impact on those affected with more than 170 households continuing to approach the Council as homeless each week and with over 2,400 households and 3,500 children currently placed in temporary accommodation.

Whilst proud that Brent continued to lead the way on housebuilding, with achievements highlighted in relation to the delivery of affordable homes, improved temporary accommodation standards, and major investment in prevention, the need to recognise the ongoing scale of the crisis was also identified not only in terms of those households directly impacted but also in relation to the pressures created as a result of the £30m annual cost of temporary accommodation faced by the Council.

In recognising the nature of the crisis as deep and complex, members were advised that the Strategy presented for review had not only sought to acknowledge the pressures identified but also, more importantly, outline a programme for action based around five priorities: understanding homelessness properly, preventing it earlier, increasing housing supply, improving temporary accommodation, and working in genuine partnership. Development of the Strategy was also felt to have been further strengthened through the process of consultation undertaken with residents, partners and people with lived experience who had challenged the Council to be clearer on accountability, tailored support and to be open about the limits of social housing. These voices (supported by welcomed input from Crisis and St Mungo's as part of the Homelessness Forum) were identified as crucial in helping to shape the actions identified around better measurement, improved data sharing, stronger face-to-face support, advocacy for national change and stronger help for people transitioning into new accommodation which had been included within the Strategy.

As a result, the Strategy had been designed to provide a clear commitment to delivery including a process for early intervention so fewer families reached crisis point and the equipping of frontline teams with clearer pathways and trauma-informed approaches. The Strategy also sought to expand the provision of tailored advice, recognising the challenges of settling into accommodation after homelessness, and to continue the improvement in temporary accommodation standards through Brent's leadership in the Setting the Standard scheme whilst also seeking to embed accountability in terms of measurable results, regular public reporting, lived-experience insight and deeper partnership working to help unlock supply and support.

In commending the Strategy, members recognised the significant nature of the challenge homelessness represented not only in Brent, but across London and the UK as a whole. The work undertaken to produce a clear strategy setting out how the Council could work with partners to not only seek to prevent people becoming homeless but also reduce the length of time households spent in temporary accommodation was therefore welcomed recognising not only the significant financial pressures being placed upon the Council as a result of the homelessness emergency but also the wider impact on those households impacted in terms of their physical and mental wellbeing, ability to access and retain employment, education and other life opportunities. As part of the approach outlined within the Strategy, members were therefore keen to highlight the joined up work focussed around addressing the impact on children and young people and Looked After Children and to develop wider partnership work alongside Housing Associations with reference also made to the importance of funding being provided through the Greater London Authority to continue supporting the delivery of additional affordable housing and temporary accommodation on a longer term basis.

In support of the commitments and approach outlined within the Strategy as a compassionate, evidence-based and determined plan for continuing to address the significant challenges in relation to tackling and seeking to prevent homelessness, Cabinet **RESOLVED** having reviewed the outcome of the public consultation process, to adopt the final version of the Homelessness and Rough Sleeping Strategy 2026 – 2031.

9. Corporate Performance update and Q2 reporting

In Councillor Rubin's (as Cabinet Member for Climate Change & Community Action) absence Councillor Muhammed Butt (as Leader of the Council) introduced a report from the Corporate Director of Service Reform & Strategy, which provided Cabinet with an update on progress in developing and embedding performance reporting and monitoring arrangements across the Council along with an overview of corporate performance in Quarter 2 2025-26.

In presenting the report, Cabinet noted that the performance monitoring update provided a detailed assessment against the full suite of Key Performance Indicators developed to monitor delivery of the desired outcomes and corporate priorities within the Borough Plan 2023-2027. In terms of a brief overview, members attention was drawn to the 60 Borough Plan key indicators included within the performance scorecard of which 52% had been identified as green (on or above target) demonstrating what was felt to represent progress and a strengthening performance culture designed to deliver real improvements for residents.

In recognising the efforts outlined within the report to focus on performance in the delivery of key services and priorities within the context of the wider financial and demand led challenges faced by services across the Council, specific reference was made to the positive performance achieved over the latest monitoring period in relation to a number of targets. These included the ongoing support being provided for residents through the Community Hubs, with not only more residents being able to access services but also 81% of enquiries identified as being resolved at the first point of contact as well as strong performance being delivered through Family Wellbeing Centres with 7,607 registered users in Q2 and a year-to-date total of 15,702. In addition, reference was made to performance across the borough's libraries with over 443,000 books being issued and over 600,000 visits reflecting their value as a well-utilised public resource.

Whilst keen to acknowledge the achievements outlined, it was also recognised that there were areas in which the need for improvement had been identified with the Council committed to addressing these challenges despite the financial pressures identified. This included work to streamline resident services and cut processing times through the simplification of administrative processes designed to make it easier for residents to access the support needed.

In considering the report, members welcomed the performance data provided as a means of providing a clear foundation for action and as a basis for the effective targeting of resources and focus for improvement of services. Highlighting the open and transparent nature of the report and opportunity provided to ensure work continued to be undertaken jointly by Cabinet Members with their relevant Corporate Directors in seeking to manage delivery of the highest standards of service, whilst also seeking to mitigate against the financial challenges and strategic risks identified as part of the overall approach towards supporting local residents and in support of the priorities within the Borough Plan, Cabinet **RESOLVED:**

- (1) To note the progress in developing and embedding enhanced arrangements for corporate performance reporting along with the Borough Plan 2025-26 performance reporting for Q2 as set out in section 3 and Appendix A of the report.

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

10. **Procurement of Integrated Treatment Recovery Wellbeing & Substance Misuse Service**

Councillor Nerva (Cabinet Member for Adult Social Care, Public Health & Leisure) introduced a report from the Corporate Director Service Reform & Strategy regarding the arrangements for reprocurring the contract to deliver the Integrated Treatment Recovery Wellbeing & Substance Misuse Service under the Provider Selection Regime

In presenting the report, Councillor Nerva began by reminding members of the critical role the Integrated Treatment Recovery Wellbeing & Substance Misuse Service played in relation to the Council's public health responsibilities and in terms of the impact on vulnerable residents in being able to access treatment and support through the service. In commending the recommended direct award of the contract to VIA, the opportunity was taken to remind members of the achievements they had delivered in relation to the current service being offered to residents in terms of tailored care plans, clinical assessments, one-to-one key working, support groups, and even weekend services at Cobbold Road, backed by a 24/7 helpline.

In assuring members that the performance of VIA as the existing provider of the service had been subject to continued review and performance. Monitoring details were also provided of the improved performance, including those achieved across key areas outlined within the 2021 National Drug Strategy: From Harm to Hope. These included reference to increasing the number of people in Structured Treatment and number of opiate and crack users entering local treatment alongside the delivery of no waiting times for residents and retention rates comparable to national benchmarks meaning residents with substance abuse issues were able to be provided with the support needed when required. Reference was also made to the achievement in Brent (delivered in partnership with VIA) in the micro-elimination of Hepatitis C in the local treatment population, one of only six boroughs nationally to have done so.

In highlighting the extensive nature of the existing and ongoing treatment and recovery offer available to Brent residents through VIA and how this was tailored according to individual health and social care needs, the opportunity was also taken to outline the basis on which the direct award had been recommended given the strong performance of the current service including partnership work being undertaken and wider alignment with the Council's Health & Wellbeing Strategy.

In recognising the value of support being provided through the service, members were keen in supporting the approach outlined to highlight not only the transformational health but wider social care and community benefits being delivered through the integrated Treatment and Recovery offer. Specific reference was made to the impact on families and also outreach work involving rough sleepers and links with wider community safety activity, recognising the way the service was already embedded in key partnership work. Whilst aware of the need

to ensure outreach work remained culturally appropriate in terms of any area-based approach, members were also keen to support the basis on which the direct award had been recommended with VIA assessed as delivering a well established and high-quality service as the existing provider and the approach also designed to reflect the current funding regime.

In support of the positive impact being delivered, Cabinet therefore **RESOLVED**:

- (1) To note that the Brent Integrated Treatment Recovery Wellbeing and Substance Misuse Service was currently provided to the Council by VIA Community Ltd.
- (2) To approve the direct award under the Provider Selection Regime of the Integrated Treatment Recovery Wellbeing and Substance Misuse Service to VIA Community Ltd for a period of three years.

11. **Procurement of secure cycle parking provision**

Councillor Krupa Sheth (Cabinet Member for Public Realm & Enforcement) introduced a report from the Corporate Director Neighbourhoods and Regeneration seeking approval to the proposed 2025-26 programme for the delivery of secure cycle parking (Bike Nests & Bike Hangers) across the borough and to proceed with tendering a new contract for the supply, installation, management and maintenance of all bike nests and hangers.

In introducing the report, Councillor Krupa Sheth advised members of the commitment outlined towards the new programme and expansion of secure cycle parking across the borough as a practical investment designed to support the provision of a cleaner, greener Brent which also reflected resident priorities and supported what was felt to be a genuine shift towards more sustainable modes of travel. In recognising that this modal shift could only be achieved through investment in the necessary infrastructure (including access to safe and secure cycle storage) members were advised that the programme had been designed to respond to that challenge through the recommended provision of £650,000 NCIL funding that would enable delivery shaped by community demand and contribute towards an overall investment package of £1.5m designed to build on the existing infrastructure of 150 bike hangers across the borough.

Taking the opportunity to highlight the wider community benefits of the scheme, members noted the role which the provision of secure cycle storage had not only in terms of improving safety and reducing theft (supporting community safety) but also in terms of supporting healthier lifestyles, provision of lower-cost and more sustainable travel options and helping the Council meet its climate ambitions all of which were directly linked to the Council's transport strategy and climate commitments and reflecting how Brent was continuing to lead on a practical basis on measures designed to make sustainable travel easier.

Members also noted how the proposals had been developed to complement the growth of school streets, expansion of EV charging, investment in neighbourhood improvements and Council's ongoing retrofit work which, taken together, it was felt also served to demonstrate local leadership on climate action.

In terms of the procurement process, members were advised that the proposed contract arrangements had been designed to support the installation, management and maintenance of the cycle parking provision over a five year period (with an option to extend) and would support delivery of at least 100 new units in 2025-26, focused on areas of highest demand and replacing ageing stock, where necessary. In noting the current cap on rental charges, assurance was also provided of the intention to maintain this rate under the tendering requirements for the new contract with the aim of keeping cycling affordable.

Whilst noting that demand for cycle storage provision would continue to exceed supply (with over 1,200 current live requests) members were advised the approach outlined had been designed to ensure the Council was able to continue responding to community demand, as funding became available with the investment identified as a further example of Brent leading the way in ensuring its infrastructure was able to keep pace with growth and technology and in seeking to create a lasting legacy of safer and healthier streets.

In commending and welcoming the joined up nature of the approach outlined within the report, members were keen to recognise the wider community benefits which it was felt increased access to secure cycle parking would provide not only in terms of encouraging a shift towards cycling as a more active and sustainable form of travel but also given the associated health and wellbeing benefits identified and contribution towards the borough's climate and environmental commitments and in seeking to reduce transport inequality. On this basis, having considered the report, Cabinet therefore **RESOLVED:**

- (1) To approve the procurement of a five-year contract with provisions to extend for two years (in yearly increments), for an estimated total value of £1,500,000 to supply and install bike hangars/nests, management, maintenance, cleaning.
- (2) To note that the contract would include the delivery of £650,000 of NCIL funding for 2025-26 to support the expansion of secure cycle parking across the borough, as approved at Cabinet on 8 September 2025.
- (3) To approve inviting tenders for the Secure Cycle Parking – Supply and Installation, Management, Maintenance and Cleaning Contract, on the basis of the pre-tender considerations set out in paragraph 4.9 of the report.
- (4) To approve officers evaluating the tenders referred to in paragraph (3) above on the basis of the evaluation criteria set out in paragraph 4.9 of the report.
- (5) To note that following the selection of the successful bidder, the matter will be referred to Cabinet for the award of the contract.
- (6) To note that approval was given to the Head of Healthy Streets and Parking at Cabinet on 19 May 2025 to apply grant and other funding secured to the project to enable further utilisation of the budget.
- (7) To note that the 2025/26 Secure Cycle Parking Programme included proposed site identification, consultation, and implementation plans.

12. Exclusion of Press and Public

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

13. **Any other urgent business**


There were no items of urgent business.

As this was the final meeting prior to the Christmas and New Year holiday period Councillor Muhammed Butt (as Leader of the Council) prior to ending proceedings took the opportunity to thank all members and officers for their support over the year and to wish everyone all the best for the festive season.

The meeting ended at 10:35am

COUNCILLOR MUHAMMED BUTT
Chair

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|  | Cabinet 19 January 2026 |
| | Report from the Chief Executive |
| | Lead Member - Leader of the Council (Councillor Muhammed Butt) |
| LGA Corporate Peer Challenge – Progress Review report | |
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| List of Appendices: | Two: Appendix A: Corporate Peer Challenge Progress Review Report Appendix B: Updated Brent Corporate Peer Challenge Action Plan |
| Background Papers: | None |
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1.0 Executive Summary

- 1.1. Brent's latest LGA Corporate Peer Challenge (CPC) took place in January 2025. As part of the process, the peer reviewers returned on the 26 November 2025 for a Progress Review which provides an opportunity for peers to understand and give feedback on progress made against the recommendations. This report shares the process and outcome of the Progress Review.

2.0 Recommendation(s)

Cabinet is recommended to:

- 2.1. Note the feedback and next steps emerging from the CPC Progress Review.
- 2.2 Note the Appendix B which sets out the updated Brent Corporate Peer Challenge Action Plan.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1. On behalf of Brent Council, I would like to begin by thanking the LGA Peer Team for returning to Brent and for the openness, challenge and honesty they have brought through this Progress Review. Their feedback is constructive but also clear eyed about the scale of the task we face, and I am grateful for the seriousness with which they have tested both our progress to date and our readiness for the next stage of change.
- 3.1.2. Over recent years, Brent has made real strides as an organisation. We have stabilised services through exceptionally difficult financial conditions, strengthened relationships between political and managerial leadership, and begun to put in place the foundations for longer term transformation across the council. In Housing Services, for example, we have strengthened the arrangements for securing the essential improvements in services that our residents deserve and have begun to address the growing pressures of temporary accommodation, one of the most acute challenges facing the borough and, indeed, London. We are continuing to prepare for regulatory scrutiny, while also striving to deliver as many new homes as our finances allow, recognising both the scale of need and the constraints we are operating within.
- 3.1.3. This Progress Review also underlines a harder truth. Good strategies, strong ideas and pilot programmes will never be enough on their own. We now have to turn ambition into action, consistently and at pace. We must show that Brent is a council not only for those at the edge of care or in crisis, vital though that will always be, but also for the many residents who rely on us to actively transform their neighbourhoods, town centres and public spaces; who judge our success by the visible change around them; and by whether we are improving everyday wellbeing.
- 3.1.4. We have demonstrated what ambition looks like in places such as Wembley Park, within the Old Oak and Park Royal Development Corporation (OPDC) area, and through long term regeneration in South Kilburn. These successes matter and will change lives.
- 3.1.5. For many of our residents, the importance of action is sharpened by their daily financial insecurity. A significant proportion of households are living pay

cheque to pay cheque, exposed to rising housing costs, energy bills and everyday living expenses. For these residents, the quality of place, access to opportunity and the condition of their local environment are not small concerns. They directly shape and impact wellbeing, security and life chances.

3.1.6. The Peer Team's encouragement to continue to sharpen our grip on change and to develop a clearer shared vision for Brent's future is therefore both timely and necessary.

3.1.7. This Progress Review is a reminder that the next phase of our journey must be about delivery at both pace and at scale. With the Peer Team's challenge, and with honesty about the work still to be done, we will continue to reshape the council so that we can build a better Brent for our residents of both today and tomorrow.

3.2 Progress Review scope and process

3.2.1. The Review is a check-in and follow up from the initial visit, seeking to ensure that the council is progressing the Peer Review Team's recommendations and enabling the team to provide feedback on that progress. The Review was conducted by most of the original Peer Review Team:

Peer Review Team

- Dr Lorraine O'Donnell, Chief Executive, City of Bradford Council
- Cllr Peter Marland, Leader, Milton Keynes City Council
- Clive Palfreyman, Strategic Director Finance (s151) and Governance, London Borough of Southwark
- Sonia Grewal, Chief Operating Officer, Swindon Borough Council
- Harry Parker, LGA Peer Challenge Manager

Review focus areas

1. Financial planning and management
 - a. Recommendation 1 - Medium-Term Financial Strategy (MTFS)
 - b. Recommendation 5 - Reserves
 - c. Recommendation 6 - Financial processes and organisational grip
2. Change and transformation
 - a. Recommendation 2 - Breaking down silos
 - b. Recommendation 3 - Change and transformation programme
 - c. Recommendation 8 - Shared vision for the future of Brent
3. Housing and temporary accommodation
 - a. Recommendation 4 - Temporary accommodation
 - b. Recommendation 10 - Housing allocations and waiting list
 - c. Preparation for the Regulator of Social Housing inspection
4. Partnerships and engagement
 - a. Recommendation 7 - Voluntary and community sector (VCS)

- b. Recommendation 9 - Community and tenant engagement
 - 5. People services
 - a. Recommendation 11 - Adults and children's services
 - 6. Equity, diversity and inclusion
 - a. Recommendation 12 - Equity, diversity and inclusion (EDI)
- 3.2.2. The Review took place over one day, 26 November 2025, and comprised of a series of meetings and focus groups, focused on the areas above, with senior officers and Lead Members.

3.3 Progress Review findings

- 3.3.1. Overall, the Peer Review Team praised the council's progress across the recommendations, highlighting:
- The positive, cohesive working relationship across the managerial and political leadership.
 - The progress in developing an organisational culture through our new values, People Strategy and refreshed staff networks.
 - The Radical Place Leadership programme and launch of the Integrated Neighbourhood Team in Harlesden.
 - The positive outcome of Brent's Local Area SEND Inspection.
 - Steps taken to improve Housing Services, including to address challenges around temporary accommodation demand and spend.
- 3.3.2. In addition to recognising our progress, the Team also identified further opportunities, particularly around change and transformation (i.e. the Embrace Change Portfolio managed by the Portfolio Management Office) and financial planning and management.

Embrace Change Portfolio

- 3.3.3. The Portfolio has seen some early successes - including the establishment of the Base (a new innovation hub) and the aforementioned launch of the Harlesden Integrated Neighbourhood Team – but it remains in its early stages, and the organisation is at a stage where it can build from the Portfolio's foundation and move towards delivery and realising benefits. To do this, we need to continue to develop and integrate a quantified savings pipeline, expand the dedicated Portfolio Management Office (PMO) resource and establish greater accountability across the Senior Leadership Team. These changes and improvements seek to supercharge the Portfolio, helping it to produce outcomes at greater pace and with clearer timescales.
- 3.3.4. In response and to supplement existing actions:
- The savings pipeline is being developed and aligned with the council's new cross-cutting savings approach.
 - We are in the process of reshaping the PMO through realignment of existing posts.

- We have included a new milestone within action 3 to train programme Sponsors and Senior Responsible Officers (SROs), helping to clarify roles and responsibilities.
- We will also align the Portfolio more closely with the Borough Plan, particularly any new priorities within the next Borough Plan which will be developed once a new administration begins in the new year.

Financial planning and management

- 3.3.5. While our new three-year Medium Term Financial Strategy (MTFS) is a positive development, the organisation should aspire to a longer-term five-year strategy. Additionally, the council needs to reduce its reliance on reserves to balance budgets and part of the solution remains the need to strengthen financial capability, ownership and literacy across all services.
- 3.3.6. In response and to supplement existing actions we opted for and are on track to adopt a three-year MTFS in February 2026 as this aligns with the three-year local government settlement. After this year's budget cycle, we will aspire to a longer term, rolling five-year MTFS as the new, upcoming local government funding formula is likely to remain in place for this duration. Once certainty has been established about longer term government funding we will be better placed to plan on a five-year cycle. We also recognise our budgetary and reserves position and have steps in place that are already outlined in the Action Plan.

Shared vision for the future of Brent

- 3.3.7. There's an opportunity to use a new Borough Plan to develop a shared place vision for Brent, with partners.
- 3.3.8. This idea is currently being scoped and explored ahead of the upcoming election and additional text has been added to action 8, milestone 2 around establishing a compelling Brent narrative as part of work to develop a new Borough Plan. To establish a compelling narrative and unique identity we will explore bringing in external expertise to develop and co-produce this with partners.

Housing services

- 3.3.9. The organisation's data around compliance needs to be more robust to understand and provide assurance around our improvement journey and while the approach and infrastructure tenant satisfaction has improved, actual satisfaction has declined in some areas. We recognise and agree that these are areas for improvement and, as captured in the action plan, we have now established the infrastructure to improve our services. We hope to realise some quick wins, supplemented by longer term change that improves our outcomes and reputation as a landlord.

Partnerships and engagement

- 3.3.10 We acknowledge the recommendations provided by the Peer Review Team regarding strengthening partnerships and community engagement. Work is already underway to address these areas. The council has established a new

VCS Steering Group to enhance collaboration with the Voluntary and Community Sector (VCS) and public sector partners, with a focus on co-production and shared outcomes. This group has delivered key initiatives, including the 'Shaping the Future of Brent's Voluntary and Community Sector' event, and is progressing discussions on a refreshed support offer for the VCS, coupled with the Integrated Neighbourhood Team pilot in Harlesden.

- 3.3.11 In relation to community and tenant engagement, the council has introduced an internal Community Engagement Network to review and improve engagement practices across the organisation. Work is ongoing to develop a comprehensive Community Engagement Framework, ensuring consistency and best practice and a review of the Council's approach to Brent Connects Forums is underway. The new Tenant and Leaseholder Engagement Strategy is being embedded, supported by the Housing Management Advisory Board, to strengthen tenant involvement and service responsiveness. We will continue to build on positive examples of co-production, particularly in Adult Social Care, and extend these approaches more widely across the council.

3.4 Next steps

- 3.4.1. The Progress Review marks the end of the CPC's formal process. In response to the findings and feedback from the Progress Review we have updated our CPC action plan, see appendix B. The CPC has proved invaluable in helping the council learn more about itself and how it can continue to develop and improve. We will now continue to focus on implementing the recommendations and strive to make to develop the organisation and deliver the best possible services for residents.

4.0 Stakeholder and ward member consultation and engagement

- 4.1. Throughout the entire CPC many stakeholders and partners have been engaged and updated through various communication channels. During the Progress Review the Review Team engaged with a range of internal stakeholders including Lead Members, Heads of Service, Directors and the Corporate Management Team.

5.0 Financial Considerations

- 5.1. The LGA Corporate Peer challenge review cost is met within the existing membership of the Local Government Association. Costs related to the preparation of the CPC were met within existing budgets.

6.0 Legal Considerations

- 6.1. The LGA recommends every member council undertaking a Corporate Peer Challenge at least once every five years, to support continuous improvement and assurance across the sector. In doing so the LGA recognises this assists councils in meeting their Best Value Duty, which is a statutory requirement contained within Part 1 of the Local Government Act 1999.

- 6.2 The LGA's CPC offer is effective and well recognised method of bringing together political and managerial leadership, through the use of member and officer peers, a peer challenge provides robust, strategic and credible challenge and support to councils. Peer challenge also enhances the capacity of the sector and helps to avoid insularity within councils.
- 6.3 Each CPC covers the five core elements listed below as well as any additional local areas of focus or specific challenges requested by the council:
- local priorities and outcomes
 - organisational and place leadership
 - governance and culture
 - financial planning and management
 - capacity for improvement.
- 6.4. The LGA is required to comply with the obligations under the Freedom of Information (FOI) Act 2000 and the Environmental Information Regulations (EIR) 2004.
- 6.5. If the LGA receive a request, it will inform the council and allow comment/consider the application of an exemption, as appropriate on the intended release. The final decision as to what information will be released resides with the LGA. Similarly, should the council receive a FOI or EIR request they should inform the LGA and allow comment, with the final decision resting with the council.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1. Equity, Diversity and Inclusion is one of the areas of focus and recommendation that emerged during the initial visit. The Progress Review examined our progress around this a deemed no further actions was necessary. We will continue to deliver the EDI recommendation as captured in the CPC action plan, attached as Appendix B.

8.0 Climate Change and Environmental Considerations

- 8.1. Brent's Climate and Ecological Emergency Strategy (2021-2030) and associated delivery plans were shared and discussed with the Peer Review team. Its recommendations relating to the council's climate work continue to be progressed within the CPC action plan, attached as Appendix B.

9.0 Communication Considerations

- 9.1. The findings of the CPC's progress review will be communicated to Brent staff following Cabinet approval. The update report will be made publicly available as part of the Cabinet agenda pack. The current Action Plan on Brent Council's website will be replaced with the updated version, attached as Appendix B.

Related documents for reference:

Report sign off:

Kim Wright
Chief Executive

LGA Corporate Peer Challenge – Progress Review

London Borough of Brent

Wednesday 26th November 2025

Feedback

Contents

| | | |
|----|-------------------------------------|----|
| 1. | Introduction | 3 |
| 2. | Summary of the approach..... | 3 |
| 3. | Progress Review - Feedback..... | 4 |
| 4. | Final thoughts and next steps | 19 |

1. Introduction

The council undertook an LGA Corporate Peer Challenge (CPC) during 14 – 17 January 2025 and promptly published the [full report](#) with an [action plan](#).

The Progress Review is an integral part of the CPC process. Taking place approximately ten months after the CPC, it is designed to provide space for the council's senior leadership to:

- Receive feedback from peers on the early progress made by the council against the CPC recommendations and the council's CPC Action Plan.
- Consider peers' reflections on any new opportunities or challenges that may have arisen since the peer team were 'onsite' including any further support needs.
- Discuss any early impact or learning from the progress made to date.

The LGA would like to thank the London Borough of Brent for their commitment to sector-led improvement. This Progress Review was the next step in an ongoing, relationship that the council has with LGA sector support.

2. Summary of the approach

The Progress Review at the London Borough of Brent took place (onsite) on 26th November 2025.

The Progress Review focussed on each of the recommendations from the CPC, under the following theme headings:

1. Financial planning and management

- a. Recommendation 1 - Medium-Term Financial Strategy (MTFS)
- b. Recommendation 5 – Reserves
- c. Recommendation 6 - Financial processes and organisational grip

2. Change and transformation

- a. Recommendation 2 - Breaking down silos
- b. Recommendation 3 - Change and transformation programme
- c. Recommendation 8 - Shared vision for the future of Brent

3. Housing and temporary accommodation

- a. Recommendation 4 - Temporary accommodation
- b. Recommendation 10 - Housing allocations and waiting list
- c. Preparation for the Regulator of Social Housing inspection

4. Partnerships and engagement

- a. Recommendation 7 - Voluntary and community sector (VCS)
- b. Recommendation 9 - Community and tenant engagement

5. People services

- a. Recommendation 11 - Adults and children's services

6. Equity, diversity and inclusion

- a. Recommendation 12 - Equity, diversity and inclusion (EDI)

For this Progress Review, a smaller peer team was involved than for the original CPC. The peers who returned for this Progress Review were:

- Dr Lorraine O'Donnell, Chief Executive, City of Bradford Council
- Cllr Peter Marland, Leader, Milton Keynes City Council
- Clive Palfreyman, Strategic Director Resources (s151), London Borough of Southwark
- Sonia Grewal, Chief Operating Officer, Swindon Borough Council
- Harry Parker, LGA Peer Challenge Manager

3. Progress Review - Feedback

The peer team found that Brent has made progress across most of the recommendations from the CPC, with evidence of clearer governance arrangements and strengthened organisational grip, particularly in relation to the transformation programme. Many of the work programmes are still maturing and remain at an early stage, particularly the significant programme to restore full housing compliance, the review of the housing allocations policy and the broader challenge of securing long term financial sustainability and the demonstration of this through an extended five-year Medium-Term Financial Strategy (MTFS).

3.1. Financial planning and management

Brent ended 2024/25 with an overspend of £15.5m, driven predominantly by significant pressures in temporary accommodation, with the Housing Needs and Support budget alone overspending by £15.3m. These pressures reflect a national challenge affecting many councils, particularly across London, rather than an issue unique to Brent. The overspend was met through the use of reserves, which has reduced the council's overall financial resilience. The annual auditor's report for 2024/25 identified some considerable risk, highlighting significant weaknesses in financial sustainability and housing compliance and tasked the council with a number of improvement recommendations relating to financial reporting and strategic asset management.

The council's in-year financial position for 2025/26 remains challenging, with a forecast overspend of £9.2m. Of this, £5m relates to Housing Needs and Support, despite the council providing £15m of budget growth, demonstrating the continuing very high demand for homelessness services. There are also significant emerging pressures within Adult Social Care that will require close monitoring and mitigations being developed. In addition, the Dedicated Schools Grant (DSG) is forecast to overspend by £2.7m in 2025/26, increasing the cumulative DSG deficit to £16.3m.

| No. | Original CPC Recommendation – Medium-Term Financial Strategy |
|-----|---|
| 1 | The council should develop a longer-term MTFS that is fully aligned with its corporate priorities and change and transformation programme. It is important that this is owned across the organisation. The peer team agrees with the immediate need to establish a five-year MTFS, it is essential to integrate the financial benefits of the planned change and transformation programme into this strategy. |

The council has strengthened its approach to medium-term financial planning and has, for the first time, introduced a three-year MTFS covering 2025/26 to 2028/29, moving beyond the two-year projections used previously. The MTFS sets out a projected budget gap of £10m each year, rising to a cumulative £30m by 2028/29.

The peer team continues to strongly encourage the council to develop a longer-term view through a five-year MTFS. It is positive that Brent has stated its intention to

move to this approach once there is greater clarity on future funding through the multi-year local government finance settlement and Fair Funding reforms, which should provide increased certainty over funding in the medium term. The council plans to develop a full five-year financial forecast as part of the July 2026 Cabinet finance update, and the peer team would also encourage consideration of an early outline of the longer-term position alongside the 2026/27 budget setting in February 2026.

| No. | Original CPC Recommendation – Reserves |
|-----|--|
| 5 | Given the depletion of the General Fund and Housing Revenue Account (HRA) reserves, a medium-term programme of restoring the balances to sustainable levels must be a priority. This should include internal communications outlining the reserves position and include explanation of what the ringfence requirements are of the council's Community Infrastructure Levy (CIL) and capital reserves. The council should also explore strategic approaches to utilising these CIL and capital reserves to deliver a net-positive impact on the council's revenue account position. |

Brent increased its budget stabilisation reserve by £5m going into 2025/26, which is a positive step. However, overall financial resilience remains constrained, as the council has continued to rely on reserves to balance the budget for the past two years. General Fund reserves now stand at around £20m, but this could reduce further if the projected (£9.2m) overspend as at Quarter 2 of 2025/26 is realised.

Looking ahead, the peer team supports the council's intention to develop a longer-term reserves strategy once the national funding position is clearer following the local government finance settlement and the implications of Fair Funding 2.0 are understood. Such a strategy should set out a clear and achievable roadmap for restoring reserves to a more sustainable level.

The council continues to hold strong levels of Community Infrastructure Levy (CIL) and Section 106 reserves. The peer team heard positive examples of recent work to more clearly align the CIL programme with the Borough Plan and the wider capital strategy. Recent Cabinet decisions have committed £19m of CIL funding to areas such as development related highways, CCTV and green spaces. The council is also

making the case nationally for greater flexibility in how CIL can be used, particularly to support pressures around housing, community safety and local environmental improvements.

An emerging high-risk area for the council is the Housing Revenue Account (HRA), which is already under significant pressure due to low reserve levels and multiple competing demands. HRA resources are increasingly stretched, and the costs associated with delivering the regulatory compliance improvements required following the self-referral to the Regulator of Social Housing (RSH) will place further strain on the account. These pressures sit alongside the council's continued ambition to deliver new social housing. Given the increasing pressure on the HRA, the peer team encourages the council to strengthen corporate awareness and ownership of the account across the organisation and to closely monitor the financial risk it is exposed to.

| No. | Original CPC Recommendation – Financial processes and organisational grip |
|-----|---|
| 6 | <p>The council should prioritise enhancing its financial processes to secure income, improve productivity and drive efficiencies. Key areas of focus include:</p> <ul style="list-style-type: none"> a) Improving debt recovery effectiveness. b) Increasing council tax collection rates. c) Optimising procurement and commissioning practices. d) Consistent approach to business case development to support the delivery of change and ensuring that the change and transformation programme quickly identifies savings proposals of sufficient assurance to incorporate in the MTFS e) Conducting detailed unit cost analysis and benchmarking to identify cost-saving opportunities. <p>To effectively address the financial gap, the council should also invest in improving financial awareness, literacy and ownership across the organisation, ensuring both members and officers are equipped with the necessary skills and knowledge and reducing the overreliance on the finance</p> |

function.

Since the CPC, the council has introduced corporate spending controls, including halting non-essential expenditure, tightening controls on recruitment and agency use and requiring directorate-level financial recovery plans. These measures have supported a tightened financial grip and helped the council avoid an estimated £8m of costs.

Improving the effectiveness of debt recovery was a key CPC recommendation, and the council has taken positive steps in response. Targeted investment in the debt recovery function has resulted in a £10.8m reduction in overall debt between April and September 2025, exceeding business case targets. This progress represents an important step forward, though it now needs to be expanded and applied consistently across all income streams. The council's 90-day Income and Debt Improvement Plan, introduced in August 2025, provides a platform to build on the progress made and embed a more consistent approach to income recovery.

While progress on wider debt reduction is encouraging, council tax collection remains below expectations. In-year collection stood at 43.2 per cent in August 2025, and the 2024/25 outturn of 91.2 per cent was slightly lower than the previous year. This reflects the absence of a fully co-ordinated, corporate approach to debt, underpinned by limitations in systems and data that prevent a single, integrated view of debt across the council. Addressing these underlying issues will be essential to improving collection performance, and the peer team welcomes the external review recently commissioned to support improvements in council tax collection.

Positive progress can be seen in the steps taken to strengthen the corporate procurement function. Following an external review earlier in 2025, Brent established a two-year Procurement Improvement Programme. The programme launched with five workstreams with the aim of strengthening compliance and improving contract management, with mandatory contract management training rolled out. This has been supported through the development of the council's first Annual Procurement Plan which is due to be considered by Cabinet in January 2026 to secure corporate oversight. A new Procurement Strategy and Social Value Policy are also in development. These are important foundations, and the next phase will be to

translate this work into tangible benefits, including cross-cutting efficiencies with a clear financial impact.

The council has introduced a new business case process as part of the 2026/27 budget cycle. External support was used to develop a standardised template, which has been used for all savings proposals for the forthcoming budget. The next step will be to embed this approach consistently across the organisation so that all major proposals are supported by clear, evidence-based business cases.

The peer team again heard that there remains an overreliance on the finance function, with further work needed to strengthen financial ownership, improve understanding of services and accountability among finance staff, budget managers and Cabinet members. Developing a more confident and informed approach to financial management across the organisation will be essential, particularly to ensure decision makers fully understand the wider impacts of budget decisions across directorates. The council would benefit from refreshing its organisational development offer so that officers and members have the financial skills and confidence to understand budgets and the services they support, manage budgets effectively and deliver the savings required by the MTFS.

3.2. Change and transformation

| No. | Original CPC Recommendation – Breaking down silos |
|-----|--|
| 2 | <p>The council is aware of the need to break down silos. The change and transformation programme rightly targets this issue, but the scale of the transition required should not be underestimated. Collaborative behaviours with a genuine sense of curiosity need to be modelled by the Corporate Management Team (CMT), Senior Leadership Team (SLT) and all managers.</p> <p>To effectively break down silos, the council needs to foster greater strategic collaboration across all departments, sharing the knowledge and expertise held within the organisation. Officers need to adopt more of a corporate mindset recognising that challenges in specific directorates are shared, council-wide responsibilities.</p> |

The council has taken steps to strengthen cross-council collaboration since the CPC, supported by the adoption of collaboration as one of the organisation's values and its inclusion as a category in staff and team awards. The introduction of the Innovation Hub, 'The Base', has also created a dedicated space for staff to work together across services, and the peer team heard positive feedback about the role this is playing. During the Progress Review, the peer team met a highly engaged Head of Service group who demonstrated a clear commitment to working collaboratively on strategic issues. The council should harness this energy to break down organisational silos and encourage officers to adopt a stronger corporate mindset to help tackle shared challenges.

The new organisational values and accompanying behavioural framework are in the process of being embedded and will be important in shaping the council's culture over time. Planned Staff Excellence Awards in 2026 and the relaunch of Directors' Commendations, aligned to the new values, provide additional opportunities to reinforce and celebrate collaborative behaviours across the organisation.

| No. | Original CPC Recommendation – Change and transformation programme |
|-----|---|
| 3 | <p>Recognise the urgency of advancing the change and transformation programme and develop evidence-based business cases that deliver the spending reductions required by the MTFS. To achieve this, the council should:</p> <ul style="list-style-type: none"> a) Quickly define and set the name, scope and contents of the change and transformation programme, and consistently communicate this across the organisation. Bolster communications supporting staff to understand, engage with and embrace the transformation journey. b) Develop SMART delivery plans for each element of the programme. Support these plans through the use of the programme management office (PMO) governance to oversee and co-ordinate their delivery. c) Accelerate the pace of delivery of the change and transformation programme by ensuring that it is owned and led by SLT with the required grip to ensure delivery. |

| | |
|--|--|
| | <ul style="list-style-type: none"> d) Establish the programme as a cross-council initiative, corporately owned by all directors, to foster collective accountability. e) Focus the organisational development programme on building the capabilities and behaviours required to deliver the change and transformation programme at pace and scale. f) Ensure the change and transformation programme is fully integrated with the council's digital transformation agenda and the operating model for customer services |
|--|--|

Brent's transformation activity has been brought together under the Embrace Change portfolio, a re-scoped programme that comprises six major strands of work supported by three cross-cutting enablers. Governance arrangements have been developed through the creation of a Corporate Programme Management Office (PMO), which co-ordinates project boards reporting into the Portfolio Board (primarily CMT representatives) and works with Senior Responsible Officers (SROs) to support oversight of delivery. The introduction of Objectives and Key Results (OKRs) for each project is a positive development, helping to track progress and highlight areas requiring attention.

At present, the PMO operates largely as an assurance function, and there is an opportunity for it to adopt a more active and strategic role in supporting delivery. The peer team encourages the council to consider strengthening PMO capacity so that it can provide broader programme leadership and drive greater consistency in project management practice.

A crucial factor in the success of the Embrace Change portfolio will be ensuring that ownership is genuinely held across the organisation. During the Progress Review, the peer team heard concerns that scrutiny and challenge at the SLT level can be passive, with a tendency to defer decision making to the Portfolio Board/CMT. The peer team felt it is important there is sufficient support and training for SROs in understanding their role and responsibilities in how best to drive the delivery of the programme. The council should consider whether the current organisational development offer in this area is sufficient.

While the council has made progress in establishing stronger foundations, the overall

pace of change has been slower than expected, with much of the effort to date focused on governance and process. Several programmes remain at an early stage, and the benefits and savings expected from the transformation are not yet fully quantified or incorporated into the MTFS. The challenge now is to accelerate delivery and move more decisively towards realising the benefits of transformation. A priority should be to develop a clearly defined and deliverable savings pipeline, integrated into the MTFS, supported by a stronger overarching narrative for the Embrace Change portfolio. The peer team found that clarity on the purpose and objectives of the transformation was not consistently understood across the organisation.

Digital, data and insight form one of the cross-cutting enablers, and the council has taken steps to better align its digital activity with the wider transformation programme. The peer team heard positive examples of digital opportunities being brought forward, including the use of voice agents, chatbots and AI tools such as Copilot and Magic Notes. To maximise the impact of this work and accelerate the pace of digital transformation, the council would benefit from a clear and prioritised implementation plan. The forthcoming digital transformation roadmap, due to be considered by Cabinet shortly, provides an opportunity to agree priorities and set out how digital investment will deliver efficiencies and support innovation across the organisation.

| No. | Original CPC Recommendation – Shared vision for the future of Brent |
|-----|--|
| 8 | 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. This vision should reflect a collective ambition for the borough, setting shared priorities and intended outcomes for both Brent residents and Brent as a place. |

Progress on developing a shared medium to long-term vision for Brent has been limited since the CPC, with the council intending to take this forward alongside the development of the next Borough Plan 2027 - 2031. Fieldwork for the new Resident Attitude Survey will begin in the new year and will provide useful insight to inform this process. The peer team continue to consider this is a key recommendation for Brent and encourages the council to prioritise this work, as it presents an important opportunity to build the Brent brand and a common purpose with partners. More work

is needed to articulate Brent's story and identity, including its unique strengths and what the Brent of 2035 and beyond should look like. The peer team would encourage the Cabinet, in particular, to carry out exercises to define an ambitious narrative and to work closely with officers to ensure it is clearly expressed both internally and externally.

3.3. Housing and temporary accommodation

In April 2025 the council made a self-referral to the RSH regarding significant concerns about fire safety and housing condition data. The RSH subsequently issued a C3 judgement for one of the Standards, indicating serious failings in meeting the Quality and Safety Standard and requiring substantial improvement. An independent audit commissioned by the council confirmed systemic issues across all major compliance areas and concluded that Brent did not have adequate assurance over building safety compliance.

In response, Brent developed a housing management improvement plan to address the failings identified. The peer team heard during the Progress Review that the council recognises the scale and seriousness of the challenge, and the self-referral has prompted a more focused corporate grip on housing compliance and the council's corporate landlord responsibilities. However, this remains a major and long-term area of risk that will require the continuation of the current unerring focus of senior leaders to deliver the level of improvement required.

Since the self-referral, the council has begun to make progress against its housing management improvement plan, although much of this work remains at an early stage. Good progress has been made in addressing all high-risk fire safety actions in high-rise blocks, and the council has accelerated its stock condition survey programme, with 35 per cent of homes due to be surveyed this year and full survey coverage targeted for March 2028. A significant programme is underway to rebuild the council's compliance data systems and asset register, which is due for completion by April 2026. Until this work is completed, the council acknowledges it cannot yet provide assurances on its compliance performance.

Brent has also established a new, independently chaired Housing Management Advisory Board, bringing together tenant and independent representatives to provide

external challenge and oversight of the improvement plan. Internally, the council has also created a Chief Executive-chaired housing and tenant satisfaction programme board to provide focus and co-ordination to workstreams designed to improve tenant experience. Tenant satisfaction remains an area for improvement, Brent's latest Tenant Satisfaction Measures show continued decline across several indicators, with overall satisfaction falling to 47.8 per cent (2024/25) from 51.4 per cent (2023/24) and performance on stage one complaints responded to on time reducing to 81.8 (2024/25) per cent from 97.5 per cent (2023/24).

| No. | Original CPC Recommendation – Temporary accommodation |
|-----|---|
| 4 | <p>Addressing the temporary accommodation crisis requires whole-organisational ownership and a collective response to tackle both the immediate pressures and the underlying systemic issues. The council should review all the levers it has to impact positively on this crisis. This may include:</p> <ul style="list-style-type: none"> a) Developing a dedicated Temporary Accommodation Improvement Plan reporting into a structured governance framework to co-ordinate actions across the council. b) Looking outwardly, as this is not a pressure unique to Brent, and working in collaboration with partners including other local councils. c) Build on initiatives that have already started e.g. 'Find a place you can afford.' d) Explore creative opportunities presented by the council's new build and acquisitions programme. |

The scale of temporary accommodation in Brent remains extremely high and continues to place significant pressure on the council. Around 2,400 households, including approximately 4,600 children, are currently living in temporary accommodation, representing almost one in ten households in the borough. Demand continues to rise, with a 10 per cent increase in placements since March 2025. Q2 performance data for 2025/26 shows 2,483 households in temporary accommodation, exceeding the target of 2,100. This sustained pressure has driven substantial overspends, with the service budget overspending by £15.3m in 2024/25,

and despite £15m growth in the current year's budget, the service is still forecast to overspend by £5m.

Since the CPC, the council has taken steps to strengthen its corporate response and secure ownership from across the organisation. The Preventing Homelessness Improvement Programme has been launched as one of the major strands of the Embrace Change portfolio, and the council has adopted a new Homelessness and Rough Sleeping Strategy for 2026 – 2031. Positively, the council has been looking outwardly and is active in pan-London conversations, with clear recognition that this crisis cannot be solved in isolation.

A variety of initiatives have been rolled out to reduce the demand on temporary accommodation, including a MHCLG compliant B&B elimination plan to reduce the use of costly nightly paid accommodation – which 208 households are currently living in. The 'Find a Place You Can Afford' campaign has continued with evidence of some success with 20 households assisted into private rented homes since August 2025. Alongside this, Brent has made considerable investment through its new build and acquisitions programme; 663 new homes are forecast for delivery in 2025/26 with 70 per cent being allocated to homeless households.

Brent has strengthened its governance and systems in managing temporary accommodation. These foundations are positive, and comparative data indicates that while overspends remain substantial, they are not increasing at the same rate as in some neighbouring boroughs. However, pressures remain acute and continued whole-council ownership, strong partnership working and further development of prevention interventions will be essential in the year ahead.

| No. | Original CPC Recommendation – Housing allocations and waiting list |
|-----|--|
| 10 | 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 |

Progress on reviewing and updating the Housing Allocations Policy has been delayed and this recommendation remains outstanding. A revised policy has been drafted which proposes removing Band D households from the housing register. Eligibility is already restricted to those in Bands A to C, as households in Band D are

not eligible to bid.

The council has taken the decision to delay statutory consultation and implementation until after the May 2026 elections. While the peer team understands the context for this decision, updating the policy remains an important step in ensuring the housing register provides an accurate and realistic picture of housing need in Brent.

The peer team was informed that a re-registration exercise for all households currently in Band D will commence in January 2026.

3.4. Partnerships and engagement

| No. | Original CPC Recommendation – Voluntary and community sector (VCS) |
|-----|---|
| 7 | Consider a refresh of the Compact with the VCS and health to strengthen collaboration and align priorities. A co-developed engagement strategy, building on the enthusiasm for the Radical Place Leadership approach, would provide a robust framework for fostering deeper partnerships. Additionally, the council should continue its efforts to engage with the full breadth of the VCS sector in Brent. |

The peer team heard about the positive steps that have been taken to strengthen the council's engagement with the voluntary and community sector (VCS). A new VCS Steering Group has been established, bringing together council, VCS and public sector partners as a forum for co-production and to strengthen relationships. The group has begun discussions on shaping a refreshed support offer for the VCS, addressing infrastructure needs and exploring opportunities to increase capacity. The council shared with the peer team its intention for the partnership to be more VCS-driven, a collaborative space which is focused on shared outcomes.

The steering group jointly delivered the 'Shaping the Future of Brent's Voluntary and Community Sector' consultancy event, which brought together over 90 representatives from VCS and partner organisations. This was an opportunity to connect Brent's broad and diverse VCS, celebrate its contribution and identify shared priorities and capacity challenges.

In July 2025 the council launched its first Integrated Neighbourhood Team pilot in the Harlesden Brent Connects area, bringing together colleagues from across council services and external partners, including health and the VCS. This pilot represents the first step in delivering the Radical Place Leadership vision through a neighbourhood-based operating model focused on collaboration, prevention and early intervention. While it is too early to draw firm conclusions about impact, the peer team was assured that the pilot is being closely monitored and evaluated, with the intention of using the learning to inform potential roll-out to other Brent Connects areas.

| No. | Original CPC Recommendation – Community and tenant engagement |
|-----|--|
| 9 | Refresh the council’s approach to community engagement by conducting a comprehensive review of all existing engagement methods. This review should ensure that all approaches are aligned and complement each other. There is also a need to embed the new Tenant and Leaseholder Engagement Strategy to enhance tenant involvement in shaping the service. The new Housing Management Advisory Board will have an important role in scrutinising the implementation of this. This strategy should consider areas for improving the service culture and responsiveness to tenants. |

The council introduced an internal Community Engagement Network in February 2025, bringing together officers from across the organisation to share practice, strengthen collaboration and promote a more co-ordinated approach to engaging with residents. The network is contributing to an ongoing review of community engagement activity across the council, and early mapping has highlighted wide variation in approaches. To make improvements, work is underway to develop a Community Engagement Framework that will bring together best practice guidance, practical tools and clearer corporate standards for community engagement.

Also, the council continues to gather feedback from Brent Connects forums to inform proposals on the future of place-based and democratic engagement. Learning from this will be taken to shape options on future local engagement arrangements with a paper due to be considered at the CMT shortly.

The peer team also heard positive examples of co-production, particularly within

Adult Social Care, where a dedicated co-production network brings together service users, carers and officers to inform policy development. The council should seek to build on this good practice by treating it as an exemplar and extending similar approaches more widely across the organisation.

3.5. People services

| No. | Original CPC Recommendation – Adults and Children's services |
|-----|---|
| 11 | Seize the opportunity for service transformation within both Adults and Children's services, leveraging the current position of below average overspends. |

The January 2025 inspection of Brent's Special Educational Needs and Disabilities (SEND) services found that children and young people with SEND generally experience positive outcomes, which is particularly noteworthy given the scale of pressures across London. Both Adults' and Children's transformation programmes are now embedded within the Embrace Change portfolio, with clearer governance arrangements and established OKRs to support delivery. The peer team also heard positive evidence of effective use of performance and cost benchmarking, alongside Brent's participation in regional alliances to share good practice and learning.

The council has begun to explore digital innovation within its people services, including the use of AI tools such as Copilot and Magic Notes. These initiatives have the potential to improve efficiency and staff experience. However, emerging in-year overspends, particularly within Adult Social Care, will require close monitoring and the development of mitigations.

3.6. Equity, diversity and inclusion (EDI)

| No. | Original CPC Recommendation – Equity, diversity and inclusion |
|-----|--|
| 12 | Refresh the council's 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. The council should also reset its relationship with the staff networks to maximise their contribution in shaping organisational strategy and outcomes. The CMT should play more of an active role in sponsoring and supporting these networks, demonstrating a genuine commitment to enhancing their visibility and influence. |
|--|--|

Staff networks were re-established in February 2025 following a refresh of their terms of reference, with two new networks launched – Multi Faith Network and Early Careers Network. The peer team heard that senior leadership visibility and accountability have been strengthened through refreshed sponsorship arrangements and more regular reporting to the EDI Board, helping to raise the profile and influence of the networks across the organisation.

Progress has been made in relation to racial equity. Anti-racism training has been rolled out to senior managers, with over 80 per cent having completed the programme to date. The next phase will be to embed this learning across the organisation and to measure its impact on behaviours and outcomes. Brent has refreshed its Black Community Action Plan for 2025 – 2033 and an Independent Advisory Steering Group, with external representation, has been established to oversee delivery of both organisational and community-facing actions. In addition, 17 staff Equity Champions have been appointed to support delivery and promote good practice across the council.

Positively, the council is taking action to broaden its EDI focus across disadvantaged groups and beyond the nine protected characteristics. Brent has recently adopted the socio-economic duty and care experience as a recognised protected characteristic. Plans are for both to be considered as part of the council's strengthened Equality Impact Assessments process which is undergoing a refresh.

4. Final thoughts and next steps

The LGA would like to thank the London Borough of Brent for undertaking an LGA CPC Progress Review.

We appreciate that senior managerial and political leadership will want to reflect on these findings and suggestions in order to determine how the organisation wishes to



take things forward.

Under the umbrella of LGA sector-led improvement, there is an ongoing offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this.

Mona Sehgal, London Principal Adviser, is the main point of contact between the authority and the LGA and their e-mail address is mona.sehgal@local.gov.uk.

Brent Corporate Peer Challenge Action Plan - January 2026 update

Page 39



Contents

| | | |
|----|---|---|
| 1 | Medium Term Financial Strategy | 3 |
| 2 | Breaking down Silos | 3 |
| 3 | Change and Transformation Programme | 4 |
| 4 | Addressing the temporary accommodation crisis | 5 |
| 5 | Reserves | 5 |
| 6 | Financial processes and organisational grip | 6 |
| 7 | VCS | 7 |
| 8 | Shared vision for the future of Brent | 7 |
| 9 | Community and Tenant Engagement | 8 |
| 10 | Housing allocations and waiting list | 9 |
| 11 | Adults and Children's Services | 9 |
| 12 | EDI | 9 |



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|--|---|--|
| KEY: Timeline Short term within 3 months/ ongoing work Medium term within 6 months Long term a year or over | Action status Action status of each milestone ■ Completed ■ Underway ■ Overdue ■ Planned (subject to the timeline) | >> Continued onto the next page. |
|--|---|--|

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|---|--|-----------------------------|----------------------|---------------|
| 1. Medium Term Financial Strategy The council should develop a longer-term MTFS that is fully aligned with its corporate priorities and change and transformation programme. It is important that this is owned across the organisation. The peer team agrees with the immediate need to establish a five-year MTFS, it is essential to integrate the financial benefits of the planned change and transformation programme into this strategy. | Milestone 1. Milestone 1: Future budget process to be launched in April 2025 across the council. | Minesh Patel/ Rav Jassar | Short term | Completed |
| | Milestone 2. First iteration of refreshed MTFS reported to Cabinet in July 2025. The Council's refreshed longer term MTFS will be informed by the council's local ambitions and strategies as well as the planned reforms of Local Government Finance due in the Spring/Summer of 2025. | Minesh Patel/ Rav Jassar | Short term | Completed |
| | We are introducing OKRs (Objectives and Key Results) within the Change Programmes and as part of this process we plan to: Review all savings proposals to ensure the financial impact of change programmes are reflected or captured as Key Results, including expected efficiencies. Align programme Objectives with financial goals such as cost reduction, income generation etc. We will also map savings proposals against change programmes to track and manage interdependencies and ensure finance leads sit on the change programme boards to oversee financial decisions. Progress of outcome delivery and financial impacts will be reported to the CLT Portfolio Board. | Evette McDonald | Medium term | Underway |
| 2. Breaking down Silos The council is aware of the need to break down silos. The change and transformation programme rightly targets this issue, but the scale of the transition required should not be underestimated. Collaborative behaviours with a genuine sense of curiosity need to be modelled by the CLT, Senior Leadership Team (SLT) and all managers. To effectively break down silos, the council needs to foster greater strategic collaboration across all departments, sharing the knowledge and expertise held within the organisation. Officers need to adopt more of a corporate mindset recognising that challenges in specific directorates are shared, council-wide responsibilities. | Milestone 1. Ensuring that managers are leading efforts to break down silos and foster a more collaborative environment across services. Key steps in this process include: SLT and SMG sessions. Staff engagement around change programme and new values. Cross-council work on strategic change portfolio initiatives. Ensuring that managers attend training to embed our new values, followed up by assessing impact on collaborative working. We are resetting the Change Portfolio to include Council wide transformation programmes, with cross cutting enablers. We will also encourage joint ownership and collaboration by Senior Responsible Officers (SROs) and Subject Matter Experts (SMEs) sitting on the same governance board enabling cross-functional decision making and shared accountability. >> | Musrat Zaman | Medium/ Long term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|--|--|--|--------------------|---------------|
| 2. Breaking down Silos (cont.) | Milestone 2. Develop a toolkit for SMG to hold and support conversation about change and directly work with teams to develop discussion and ideas. Feedback will be captured on what the organisation could do differently to improve the way we work and identify areas to make savings. | Evette McDonald | Medium term | Completed |
| 3. Change and Transformation Programme Recognise the urgency of advancing the change and transformation programme and develop evidence-based business cases that deliver the spending reductions required by the MTFS. To achieve this, the council should: a. Quickly define and set the name, scope and contents of the change and transformation programme, and consistently communicate this across the organisation. Bolster communications supporting staff to understand, engage with and embrace the transformation journey. b. Develop SMART delivery plans for each element of the programme. Support these plans through the use of the programme management office (PMO) governance to oversee and co-ordinate their delivery. c. Accelerate the pace of delivery of the change and transformation programme by ensuring that it is owned and led by SLT with the required grip to ensure delivery d. Establish the programme as a cross-council initiative, corporately owned by all directors, to foster collective accountability. e. Focus the organisational development programme on building the capabilities and behaviours required to deliver the change and transformation programme at pace and scale. f. Ensure the change and transformation programme is fully integrated with the council's digital transformation agenda and the operating model for customer services. | Milestone 1. The 'Change Programme' will be re-scoped in line with the specific suggestions within the recommendation, using the new Council value of "Embrace Change" as the portfolio name and increasing the breadth of the programmes contained into the portfolio. | Evette McDonald | Short term | Completed |
| | Milestone 2. The portfolio governance will also be refreshed to have programme boards reporting to CLT as the Portfolio Board. We will ensure the governance reflects new objectives, reduces bureaucracy, and ensures the right information flows to CLT at the right time. | Evette McDonald | Short/ Medium term | Completed |
| | As part of the refreshed portfolio, we will position OD as a cross-cutting enabler to ensure all programmes and transformation initiatives are supported by the necessary skills, culture, and structures for sustainable change. | Musrat Zaman | Medium term | Underway |
| | Milestone 3. Having digital and data as enablers to the portfolio will ensure that every programme is driven by technology, automation, and insights that support decision-making and better understanding of customer needs. | Evette McDonald/ Madeleine Leathley | Long term | Underway |
| | Milestone 4. Ensure Change Champions to have a stronger voice across the organisation, going forwards a representative will have a place on the internal SRO Board and Change Board. | Evette McDonald | Medium/ Long term | Completed |
| | Milestone 5. Establish greater accountability across the Senior Leadership Team by providing training for programme Sponsors and Senior Responsible Officers (SROs), helping to clarify roles and responsibilities | Evette McDonald | Long term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|--|---|-----------------------------|-------------|---------------|
| 4. Addressing the temporary accommodation crisis Addressing the temporary accommodation crisis requires whole-organisational ownership and a collective response to tackle both the immediate pressures and the underlying systemic issues. The council should review all the levers it has to impact positively on this crisis. This may include: a) Developing a dedicated Temporary Accommodation Improvement Plan reporting into a structured governance framework to co-ordinate actions across the council. b) Looking outwardly, as this is not a pressure unique to Brent, and working in collaboration with partners including other local councils. c) Build on initiatives that have already started e.g. 'Find a place you can afford.' d) Explore creative opportunities presented by the council's new build and acquisitions programme. | Milestone 1. Preventing Homelessness Project (including Temporary Accommodation Improvement) added to the Housing Transformation Programme, under the Embrace Change Portfolio. The Director of Housing Needs and Support is the SRO reporting into the SRO Delivery Board and Change Portfolio Board. | Laurence Coaker | Short term | Completed |
| | Milestone 2: Continue working with pan-London and sub-regional groups - as well as local and internal groups, such as the Brent Homelessness Forum - to tackle homelessness through collaboration and learning. | Laurence Coaker | Short term | Underway |
| | Milestone 3: Continue reviewing the Find A Place You Can Afford campaign to adapt to new opportunities and needs. We will also continue to encourage and give frontline officers the space to suggest new initiatives and ways of working within their teams. | Rob Mansfield | Medium term | Completed |
| | Milestone 4: Opportunities will continue to be explored through a project group to ensure that a proportion of new build properties and properties acquired through I4B are primarily being used to end the homeless duty, as well as having flexibility to be used as Temporary Accommodation for families with particular needs. | Laurence Coaker | Short term | Overdue |
| 5. Reserves Given the depletion of the General Fund and Housing Revenue Account (HRA) reserves, a medium-term programmer of restoring the balances to sustainable levels must be a priority. This should include internal communications outlining the reserves position and include explanation of what the ringfence requirements are of the council's Community Infrastructure Levy (CIL) and capital reserves. The council should also explore strategic approaches to utilising these CIL and capital reserves to deliver a net-positive impact on the council's revenue account position. | Milestone 1. The plan to rebuild reserves will be taken forward as part of the 2026/27 - 2028/29 budget setting process and refreshed MTF. The future budget launch in April 2025 will include 'financial sustainability' as a key requirement. | Minesh Patel/ Rav Jassar | Long term | Underway |
| | The review of CIL governance and strategic use will highlight the process to identify opportunities of how these funds can have a net positive impact to our revenue position. | Minesh Patel/ Rav Jassar | Long term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|---|--|----------------------------------|----------------------|---------------|
| <p>6. Financial processes and organisational grip</p> <p>The council should prioritise enhancing its financial processes to secure income, improve productivity and drive efficiencies. Key areas of focus include:</p> <ul style="list-style-type: none"> a. Improving debt recovery effectiveness. b. Increasing council tax collection rates. c. Optimising procurement and commissioning practices. d. Consistent approach to business case development to support the delivery of change and ensuring that the change and transformation programme quickly identifies savings proposals of sufficient assurance to incorporate in the MTFS. <p>e. Conducting detailed unit cost analysis and benchmarking to identify cost-saving opportunities.</p> <p>To effectively address the financial gap, the council should also invest in improving financial awareness, literacy and ownership across the organisation, ensuring both members and officers are equipped with the necessary skills and knowledge and reducing the overreliance on the finance function.</p> | <p>Milestone 1: A new business case was approved in January 2025 to invest in debt recovery and improve collection rates. The progress of this investment and impact on collection rates will be reported to Cabinet in future budget reports.</p> | Rav Jassar | Long term | Underway |
| | <p>Milestone 2: Develop and implement an improvement plan in response to an Independent Procurement Review – this includes optimising processes, structures and targeted savings initiatives.</p> | Rhodri Rowlands/ Melissa Sage | Medium/ Long term | Completed |
| | <p>Milestone 3: A consistent approach to business case development will be addressed as part of the 2026/27-2028/29 budget setting process. All savings and growth proposals will be subject to a business case process. Introduce gateway process for business cases to ensure projects are thoroughly evaluated, risks are mitigated, and investments are aligned with council priorities (and those that are not, stopped). This process will also be integrated into the change portfolio for savings proposals to be incorporated into the MTFS.</p> | Minesh Patel/ Rav Jassar | Long term | Underway |
| | <p>Milestone 4: Budget Challenge meetings are due to commence in April 2025 in the lead up the 2026/27 - 2028/29 budget setting process. As part of this process an assessment on financial literacy will be undertaken to ensure that appropriate training and tools can be deployed to support officers in managing and owning their budgets.</p> | Minesh Patel/ Rav Jassar | Medium term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|--|--|--|-----------------------|---------------|
| 7. VCS Consider a refresh of the Compact with the VCS and health to strengthen collaboration and align priorities. A co-developed engagement strategy, building on the enthusiasm for the Radical Place Leadership approach, would provide a robust framework for fostering deeper partnerships. Additionally, the council should continue its efforts to engage with the full breadth of the VCS sector in Brent. | Milestone 1: Co-create a refreshed Compact / Partnership Strategy (Participation & Partnerships) with the voluntary and community sector (VCS) and partners to align shared priorities, values, foster collaborative working and capacity building. | Rhodri Rowlands/ Agnieszka Spruds/ Veronica Christopher | Short term | Underway |
| | Milestone 2: Review and recommission, in partnership with VCS, a social infrastructure capacity building offer. | Rhodri Rowlands/ Veronica Christopher | Medium term | Underway |
| | Milestone 3: Use Commissioning Community of Practice to extend participation across VCS to develop new approaches to shared challenges. | Rhodri Rowlands | Medium/ Long term | Underway |
| | Milestone 4: Explore the opportunities to develop, grow, attract new social infrastructure in the borough. | Rhodri Rowlands/ Daniel Shurlock | Short/ Medium term | Underway |
| 8. 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. This vision should reflect a collective ambition for the borough, setting shared priorities and intended outcomes for both Brent residents and Brent as a place. | Milestone 1: Continue developing provisional vision/brand/Brent identity through existing Radical Place Leadership and Public Affairs activity. This includes recruiting a Strategic Change Comms lead to work with residents, partners, and Brent staff to communicate vision for Change Portfolio. | Rhodri Rowlands/ Dan Shurlock/ Will Holt/Evette McDonald | Medium/ Long term | Underway |
| | Milestone 2: Develop a new Borough Plan We agree that establishing a shared vision for Brent is a positive next step and aligns with organisational focus around Radical Place Leadership – we must work collaboratively with our partners and communities to establish localised support that will enable residents to live their best lives. The current Borough Plan spans 2023-27 so we will seek to adopt a shared vision approach once we initiate the process to establish new strategic ambitions. We will also use the development of the new Borough Plan as an opportunity to establish a new narrative, identity and USP. To deliver this will explore bringing in external expertise to develop and co-produce this with partners. | Tom Pickup/ Rob Mansfield | Long term | Underway |
| | Milestone 3: Establish a strategic culture approach Brent Culture Service has engaged a specialist consultant to map the existing assets of Brent's cultural and creative landscape in order to better understand Brent's existing and potential audiences and identify baseline data sets. This would help to then understand Brent's creative and visitor economy and inform the future strategic planning. | Colin Chester | Long term | Underway |


| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|--|--|---|----------------------|---------------|
| 9. Community and Tenant Engagement Refresh the council's approach to community engagement by conducting a comprehensive review of all existing engagement methods. This review should ensure that all approaches are aligned and complement each other. There is also a need to embed the new Tenant and Leaseholder Engagement Strategy to enhance tenant involvement in shaping the service. The new Housing Management Advisory Board will have an important role in scrutinising the implementation of this. This strategy should consider areas for improving the service culture and responsiveness to tenants. | Milestone 1: Undertake a rapid review, consolidation and alignment of the council's existing engagement methods. | Rhodri Rowlands/ Veronica Christopher | Long term | Underway |
| | Milestone 2: Launch an Engagement Network and develop a focused work programme, alignment of resource and supporting good practice toolkits. | Veronica Christopher | Long term | Underway |
| | Milestone 3: Co-develop, design and deliver a series of engagement pathfinders that test out new approaches that increase resident voice and influence. This includes proposing and testing the feasibility of alternative approaches to the Brent Connects forum. | Veronica Christopher/ Agnieszka Spruds | Medium/ Long term | Underway |
| | In line with linked work to build VCS capacity, explore new social infrastructure approaches and models that offer potential to attract additional funding, develop greater capacity and resilience across VCS and more effectively work with and alongside Council and partners on shared priorities, for example around Place Leadership work. | Rhodri Rowlands | Medium/ Long term | Underway |
| | From a housing perspective, this includes a focus on tenant engagement and innovating through Brent's new Housing Management Advisory Board. | Tom Cattermole/ Spencer Randolph | Long term | Underway |
| | Milestone 4: Relocate the Strategic Housing Partnerships and Engagement Service into the Housing Services Department so that engagement is better aligned to Housing engagement priorities and the requirements/expectations of the Regulator for Social Housing. | Tom Cattermole/ Spencer Randolph | Short term | Completed |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|--|--|-------------------------------------|-------------|---------------|
| 10. 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. | Milestone 1: Review current Allocations Scheme to identify updates required, including Statutory consultation with key stakeholders before the publication and implementation of the new Allocation Scheme including re-registration exercise for households on the housing register. | Tom Cattermole/ Laurence Coaker | Medium term | Overdue |
| 11. 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. | Milestone 1: Key Adults and Children's transformation programmes to be incorporated into the refreshed scope of the Change Portfolio (see rec 3). | Evette McDonald | Short term | Completed |
| | Milestone 2: Use medium term financial strategy work to develop business cases for wider transformation where financial pressures still exist, with a focus on prevention, integration across health and social care and demand management. Adult Social Care and Children, Families and Young People Departments have transformation programmes in place with project plans tracked through Directorate governance structures. Going forward, these will also be part of the Embrace Change Portfolio to ensure greater ownership and visibility at a Corporate Leadership level through the CLT Change Board. As part of the next budget process, referenced in recommendation 1, the council will look at opportunities to go further or faster in the transformation of adult social care and children, families and young people, including looking at where taking a test and learn approach within integrated neighbourhood teams can help identify the most effective preventative approaches, exploring further integration with health partners, using a community development approach with the VCS, as well as considering how best to deploy digital solutions to support residents more effectively and automate process where appropriate. | Claudia Brown/ Palvinder Kudhail | Long term | Underway |
| | | | | |
| 12. EDI Refresh the council's 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. The council should also reset its relationship with the staff networks to maximise their contribution in shaping organisational strategy and outcomes. The CLT should play more of an active role in sponsoring and supporting these networks, demonstrating a genuine commitment to enhancing their visibility and influence. | Milestone 1: Relaunch the staff networks including a reinvigorated role for CMT to sponsor and support the networks. | Musrat Zaman/Angela Chaudhry | Short term | Completed |
| | We will also provide directorates with comprehensive EDI insights through detailed narratives highlighting key data and specific areas where disparities exist between the directorate and the wider organisation. These tailored reports will help CLT understand their unique EDI landscape and provide opportunities for them to raise awareness of EDI matters both as sponsors and as leaders of their directorate. >> | Musrat Zaman/Angela Chaudhry | Short term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|-----------------|--|---|----------------------|---------------|
| 12. EDI (cont.) | <p>Milestone 2: Extend the council's leadership and drive around anti-racism across the borough and public sector.</p> <p>Across the borough there is activity underway that will help drive the anti-racism agenda, this includes:</p> <p>a. Becoming Brent – an 18+ month initiative aimed at understanding and documenting the impact of the British Empire on Brent, picking up themes of decolonisation and multiculturalism.</p> | Tom Pickup/ Sarah Milner-Barry/ Angela Chaudhry/ Colin Chester | Short/ Long term | Underway |
| | <p>b. Brent Schools' Race Equality Programme – a programme in collaboration with Leeds Beckett University that aims to embed anti-racist policies in schools, increase attainment among underperforming ethnic groups, and reduce exclusions.</p> | Louise Ishani | Long term | Underway |
| | <p>c. Anti-racism training will be delivered to the whole workforce.</p> | Angela Chaudhry | Long term | Underway |
| | <p>We are also in the process of refreshing our Black Community Action Plan (BCAP) which seeks to tackle the persistent disproportionality experienced by the Black community. This will be a significant next step in the council's broader anti-racism journey.</p> <p>Beyond this we will explore how we can establish a more structured approach to demonstrating leadership around anti-racism, while ensuring our approach across all protected characteristics is equitable (as aligned with milestone 4).</p> | Kibibi Octave | Long term | Underway |
| | <p>Milestone 3: Tailor policies and engagement to reflect the strengths and challenges of different communities, avoiding a one-size-fits-all model.</p> | Tom Pickup/ Sarah Milner-Barry/ Angela Chaudhry | Medium/ Long term | Underway |
| | <p>We will continue to engage with specific communities through existing forums, such as the Disability Forum, Pensioners Forum, Brent Youth Parliament, Brent Multi Faith Forum and Brent Care Journeys 2.0. But we want to use the insights from such forums and better equip services to understand our communities, particularly those that are new and emerging. To support this, we will develop 'community cards' that will capture data and insights around different communities that can be used to help tailor policies and engagement. Progress around this milestone will also link to our Radical Place Leadership activity which seeks to embed a more localised council delivery approach that is tailored to different communities and localities. >></p> | Sonya Kalyniak/ Veronica Christopher | Medium term | Underway |

| Recommendation | Key Milestones and Detail | Owner | Timeline | Action Status |
|-----------------|--|---|-------------|---------------|
| 12. EDI (cont.) | <p>Milestone 4: Apply the council's approach and progress around anti-racism to promoting equity across all protected characteristics.</p> <p>We are proud of our progress around anti-racism; although there is more to do, we recognise the framework and developments made around this can be applied to other protected groups. We are deep diving into respective characteristics, with a current focus around disability, to understand the evidence and insights around the challenges and disproportionality they experience. This will ensure that we identify and examine trends and gaps and address them accordingly. The EDI Board will also examine progress and activity across departments to understand what is underway and explore any challenges or gaps.</p> | Tom Pickup/ Sarah Milner-Barry/ Angela Chaudhry | Long term | Underway |
| | <p>We are also looking at disadvantaged groups beyond the nine protected characteristics. The council have recently adopted care experience as a recognised protected characteristic and exploring the adoption of the socio-economic duty. Both will be embedded within our practice, service delivery and in our Equality Impact Assessments as part of our upcoming refreshed approach.</p> | Tom Pickup/ Sarah Milner-Barry | Long term | Underway |
| | <p>We are also in the process of reviewing our approach to community cohesion and inclusion events i.e. how we mark and celebrate occasions centred around culture, identity, religion and faith. The new approach will focus on empowering our diverse communities, supporting them to mark and celebrate the occasions that matter to them.</p> | Tom Pickup | Medium term | Underway |
| | | | | |



| | |
|---|--|
|  | <p align="center">Cabinet 19 January 2026</p> |
| | <p align="center">Report from the Corporate Director, Finance and Resources</p> |
| | <p align="center">Lead Member - Deputy Leader, Cabinet Member for Finance and Resources (Councillor Mili Patel)</p> |
| <p>Quarter 3 Financial Forecast 2025-26</p> | |

| | |
|--|--|
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: (If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act) | Open |
| List of Appendices: | Two: Appendix A: Savings Delivery Tracker Appendix B: Prudential Indicators |
| Background Papers: | None |
| Contact Officer(s): (Name, Title, Contact Details) | <p>Rav Jassar Deputy Director, Corporate and Financial Planning Email: Ravinder.Jassar@brent.gov.uk Tel: 020 8937 1487</p> <p>Amanda Healy Deputy Director, Investment and Infrastructure Email: Amanda.Healy@brent.gov.uk Tel: 020 8937 5912</p> |

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 2 2025/26.
- 1.2 The Council's revised General Fund revenue budget for 2025/26 is £431.4m. The forecast at Quarter 3 is an overall overspend of £12.5m against the revenue budget, £4.8m overspend against the Dedicated Schools Grant and

£2.3m overspend on the Housing Revenue Account. The current budget also reflects £20.4m of savings agreed by Full Council in February 2025. Appendix A sets out the status of the Council wide savings.

- 1.3 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 3 forecast for the General Fund

| | Budget £m | Forecast £m | Overspend/ (Underspend) £m |
|---|----------------------|------------------------|---|
| Service Reform and Strategy | 182.1 | 190.2 | 8.1 |
| Children, Young People and Community Development | 97.2 | 99.3 | 2.1 |
| Neighbourhoods and Regeneration | 31.8 | 29.8 | (2.0) |
| Finance and Resources | 32.7 | 32.5 | (0.2) |
| Residents and Housing Services | 32.9 | 37.4 | 4.5 |
| Subtotal Service Area Budgets | 376.7 | 389.2 | 12.5 |
| Capital Financing | 38.6 | 38.6 | 0.0 |
| Central Budgets | 16.1 | 16.1 | 0.0 |
| Total Budget Requirement | 431.4 | 443.9 | 12.5 |
| Funding | (431.4) | (431.4) | 0.0 |
| Grand Total General Fund Budgets | 0.0 | 12.5 | 12.5 |
| DSG Funded Activity | 0.0 | 4.8 | 4.8 |
| Housing Revenue Account (HRA) | 0.0 | 2.3 | 2.3 |
| Net Total* | 0.0 | 19.6 | 19.6 |

*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 3 forecast for the Dedicated Schools Grant

| | Budget £m | Forecast £m | Overspend / (Underspend) £m |
|--------------------|--------------|----------------|-----------------------------------|
| DSG | | | |
| Income | (250.6) | (250.6) | 0.0 |
| Expenditure | 250.6 | 255.4 | 4.8 |
| Total | 0.0 | 4.8 | 4.8 |

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

| HRA gross income and expenditure | Budget £m | Forecast £m | Overspend/ (Underspend) £m |
|-------------------------------------|--------------|----------------|----------------------------------|
| HRA | | | |
| Income | (69.9) | (73.5) | (3.6) |
| Expenditure | 69.9 | 75.8 | 5.9 |
| Total | 0.0 | 2.3 | 2.3 |

Table 4: 2025/26 Quarter 3 forecast for the Capital Programme

| Portfolio / Programme | Original Budget 2025/26 | Revised Budget 2025/26 | Current Forecast | FY Variance | |
|--------------------------------|-------------------------------|------------------------------|---------------------|----------------------------|-----------------------------------|
| | | | | (Underspend)/ Overspend | (Slippage)/ Brought Forward |
| | £m | £m | £m | £m | £m |
| Corporate Landlord | 9.7 | 13.4 | 12.5 | (0.4) | (0.5) |
| Housing - GF | 114.1 | 115.9 | 112.8 | (2.1) | (0.9) |
| Housing - HRA | 50.4 | 27.6 | 26.7 | 3.5 | (4.4) |
| Public Realm | 17.8 | 34.9 | 31.1 | (0.3) | (3.5) |
| Regeneration | 106.5 | 84.2 | 82.0 | 0.1 | (2.3) |
| CYP & Community Development | 17.1 | 25.5 | 21.4 | 0.0 | (4.1) |
| South Kilburn | 28.0 | 26.9 | 20.0 | 0.0 | (6.9) |
| St Raphael's | 3.2 | 0.4 | 0.4 | 0.0 | 0.0 |
| Grand Total | 346.8 | 328.9 | 307.0 | 0.8 | (22.6) |

Current Economic Environment

- 1.4 In the current and medium term, the economic environment remains weak. Forecasts for growth in GDP for the UK in 2026 is expected to remain modest at 1.5%. This is similar to the forecast for 2025 (forecast growth 1.3%), which may not be sufficient to significantly help many of those people still suffering from the cost-of-living crisis.

- 1.5 Forecasts for CPI inflation in 2026 is expected to average 2.5% which is lower than the 2025 average of 3.5%. The high rate of inflation is driven by rising energy and food prices. Inflation is projected to return to near 2.0% by 2027.
- 1.6 In December 2025, the Bank of England's Monetary Policy Committee (MPC) voted to reduce the base rate to 3.75% from 4.00%. This was influenced by falling inflation, weaker labour market, and reduced fiscal uncertainty. The 2026 interest rate outlook is for a gradual easing towards 3.25 – 3.50% and for stabilisation at around 2.75 – 3.00% in 2027.
- 1.7 The UK unemployment rate is forecast to rise to near 5% in 2026 and is expected to remain elevated till 2027, up from its 2025 level of 4.5%. This projection is based on factors like decelerating economic growth and subdued hiring, though some recent data suggests the labour market is stabilising and the pace of job cuts may have slowed from earlier estimates.

Local Government Funding

- 1.8 In September 2025, Brent was awarded £1.5m as part of the new Pride in Place programme focused on improving public spaces, community spaces and high street and town centre regeneration.
- 1.9 During 2025/26, the government committed to fundamental reform of local government financing from 2026/27, with particular focus on diverting resources to authorities that need them most. As part of these reforms, the government delivered a multi-year funding settlement to local authorities for 2026/27 in December 2025 and enables greater certainty within which to plan budgets for future years.
- 1.10 To support long-term financial sustainability, a consultation on proposals to update and reform the funding system was carried out during the summer. Initial modelling of the proposed reforms suggested that resources were being diverted away from London and that London's needs were being underrepresented. A response to the consultation was submitted by Brent Council to central government in August.
- 1.11 On 26 November 2025, the Government published the response to the consultation alongside a Local Government Finance Policy Statement, which set out the Government's intended approach to reforming the funding system from 2026/27 and resetting the Business Retention system for the first time since 2013. This confirmed some changes to the technical details of the reforms as a result of the feedback the government received from respondents to the consultation, which included Brent Council. It also confirmed many of the key details previously announced, including that the 2026/27 settlement will cover the three years to 2028/29 and the Council Tax referendum principles being continued at the 2025/26 rate (2.99% + 2% for adult social care) throughout the settlement period.

- 1.12 The Government also confirmed that the Index of Multiple Deprivation (IMD) and Income Deprivation Affecting Children Index (IDACI) have been updated to include housing costs. These updated indices will be used in the calculation of relative need that will determine the allocation of funding between authorities in the multi-year settlement. As housing costs are a significant factor affecting incomes for people in Brent, it is expected that this change will have a positive impact on the outcome of the Fair Funding Review for Brent Council.
- 1.13 The Ministry of Housing, Communities and Local Government published their provisional Local Government Finance Settlement for 2026/27 – 2028/29 on the 17 December 2025. Brent's core spending power (a measure of the total resources available for local government, including Council Tax increases) will increase by 9.9% in 26/27 with a 7.7% increase in 27/28 and 7.3% in 2028/29. The final budget will be presented to Cabinet in the Budget and Council Tax report in February 2026, which will incorporate the changes to grants set out in the provisional funding settlement as well as the new burdens and additional costs expected next year.

Maintaining Financial Control

- 1.14 Local government has been 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 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. However, in 2024/25 the Council overspent its revenue budget by £14.9m and is forecast to overspend by a similar level in 2025/26.
- 1.15 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 subsidies 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.
- 1.16 Since the Quarter 2 forecast report was presented to Cabinet in October 2025, the financial position in the General Fund has worsened by £3.3m. This is due

to a £6m increase in the overspend for Service Reform & Strategy due to challenges in the delivery of savings and pressures arising from the cost of placements; a £0.1m decrease in the overspend for Children, Young People & Community Development and a £1.9m increase in the underspend for Neighbourhoods & Regeneration as a result of a comprehensive review of income by the Healthy Streets and Parking Service. In addition, a £500k Homelessness Prevention Grant Top-Up was unexpectedly announced in December, reducing the projected Residents and Housing Services pressure proportionately. The sections below set out the Council's strategy and actions to deal with these pressures for the remainder of the year.

- 1.17 The introduction of spending controls and the Budget Assurance Panel in 2023 helped to facilitate a better grip of the Council's financial position and stabilise in year overspends. This introduced a range of measures including proactive vacancy management, directorate led targeted non-essential spending control including agency and interim spend, alongside department led management action plans reflecting other actions being undertaken. These sensible, proactive and prudent measures are estimated to have led to cost avoidance of over £8m in 2024/25 and are providing more assurance over the Council's spending decisions.
- 1.18 While Brent is not currently in the financial situation of those Councils that have issued, or threatened to issue, a Section 114 notice (legally required when the council cannot balance its budget, unlike the NHS and other parts of the public sector, councils are not allowed to carry a deficit) all efforts must be focused on positively changing the financial position.
- 1.19 Given the current forecast overspend, these spending controls will continue throughout 2025/26. Since the Q2 forecast, these spending controls were enhanced. With the exception of maintaining health and safety, meeting a statutory requirement and fulfilling a contractual obligation, all other spending will be halted until further notice. In addition, controls on staff payments, recruitment and use of agency workers will be significantly enhanced. This change is to ensure decisions are made at the appropriate level with clear accountability. Further details of the spending controls being implemented by directorates are set out below.
- 1.20 Delivering these actions will be a significant challenge for the Council's services during the coming months, but this is considered to be a necessary step to ensure that the Council's budget can be returned to a sustainable position. Council officers and members will continue to work hard to minimise the impact on residents and provide the highest possible quality of service within the current resource constraints.

2.0 Recommendation(s)

That Cabinet

- 2.1 Note the overall financial position and the actions being taken to manage the issues arising.

- 2.2 Note the savings delivery tracker in Appendix A.
- 2.3 Note the prudential indicators for treasury management in Appendix B.
- 2.4 Approves the virements set out in section 9.19 of this report.
- 2.5 Approves the amendments to the capital budget as set out in paragraphs 12.3 and 12.4.
- 2.6 Delegates authority to the Corporate Director of Neighbourhoods and Regeneration to allocate Pride in Place Impact Fund budget to specific projects in line with the thematic areas linked to the Borough Plan set out in paragraph 12.3.

3.0 Cabinet Member Foreword

- 3.1 This Quarter 3 Financial Forecast sets out clearly the scale of the financial challenge facing the Council and the difficult context in which decisions continue to be taken. Like all local authorities across the country, Brent is managing sustained pressure from rising demand, high inflation, elevated interest rates and increasing complexity in statutory services. The General Fund is forecasting an overspend of £12.5 million, with the most significant pressures concentrated in housing and temporary accommodation, Adult Social Care, and Children and Young People's Services, where the Council has limited discretion and must respond to need as it presents.
- 3.2 These pressures are real and material. Temporary accommodation costs continue to rise as demand increases and housing supply remains constrained. Adult Social Care and Children's Services are experiencing higher than anticipated volumes and complexity, alongside sharp increases in placement and care package costs. Small changes in demand are translating into very large financial impacts, and the operating environment remains volatile.
- 3.3 Against this backdrop, it is important to recognise the Council's continued grip, resilience and ability to respond. Spending controls remain firmly in place and have been strengthened further during the year. The introduction of enhanced assurance, vacancy management and tighter controls on non-essential spend has helped stabilise the in year position and avoid far more severe outcomes, at a time when a growing number of councils nationally are requiring exceptional financial support.
- 3.4 There are also clear positives in this forecast. The capital programme continues to support delivery of homes, regeneration and infrastructure that will improve outcomes for residents and reduce longer term pressure on revenue budgets. Over £326 million of capital investment is forecast this year, including significant progress on new council homes, regeneration schemes and public realm improvements. Nearly 900 new

homes are expected to be added to the Council's housing portfolio over 2025 and 2026, helping to reduce reliance on expensive temporary accommodation over time

- 3.5 The Council has also secured £1.5 million through the Pride in Place Impact Fund, supporting visible improvements to public spaces, parks and high streets. This funding reflects our belief that even in a constrained financial environment, investing in neighbourhood pride, cleaner streets, safer parks and thriving town centres matters to residents and to the long-term health of the borough.
- 3.6 Alongside this, there are emerging positives in the medium-term outlook. The Government has confirmed a multiyear funding settlement from 2026/27, updated deprivation measures that better reflect housing costs, and reforms to local government finance that are expected to improve the alignment between need and funding. While uncertainty remains, this greater clarity provides a stronger foundation for future planning.
- 3.7 We are therefore walking a tightrope. On one side is our ambition to make our vision for Brent real, to invest in homes, places and communities, and to continue making the borough better. On the other hand, it is the unavoidable responsibility to fund statutory services, protect the most vulnerable residents and maintain financial control. This report demonstrates how the Council is holding that balance with discipline, realism and purpose in one of the most challenging periods local councils have ever faced.

4.0 Revenue Detail

Service Reform and Strategy

Table 5: 2025/26 Quarter 3 forecast for Service Reform and Strategy

| Service Reform and Strategy | Budget (£m) | Forecast (£m) | Overspend / (Underspend) (£m) |
|---|--------------|---------------|-------------------------------|
| Adult Social Care | 123.7 | 132.4 | 8.7 |
| Strategic Commissioning & Capacity Building | 16.7 | 16.4 | (0.3) |
| Public Health | 26.2 | 26.2 | 0.0 |
| Leisure | 1.8 | 2.1 | 0.3 |
| Integrated Care Partnerships | 0.2 | 0.2 | 0.0 |
| Communications Insight and Innovation | 12.8 | 12.5 | (0.3) |
| Change Programme | 0.7 | 0.5 | (0.3) |
| Total | 182.1 | 190.3 | 8.1 |

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 budget of £10.9m to account for assumptions around demographic changes and inflation on contracts and care packages.

- 4.2 The Directorate is forecast to overspend by £8.1m at Quarter 3. A number of financial pressures have arisen since the £2.1m overspend was reported in Quarter 2.
- 4.3 The £2.1m overspend reported at Q2 assumed that savings attributed to placement budgets (£4.3m) would be fully achieved. There have been significant challenges in meeting this target, where £2.5m of savings are at risk (£1.3m unachievable and £1.2m slippage).
- 4.4 Within the Q2 forecast, £0.8m was assumed to be achieved through the deployment of a costing tool intended to aid with open and transparent re-negotiation of placement costs. There was an assumption that the cost of some care packages would reduce as a result of this deployment. As the year has progressed, it has become apparent that the price that the Council has negotiated is already competitive and therefore no further savings can be achieved in this area.
- 4.5 The previous forecast also assumed £0.2m of income will be generated through charging for Telecare services. The full year savings target for this is £0.5m. However, initial analysis has shown that this will not bring in the income that was initially assumed. Whilst charging has not commenced, £0.1m savings have been achieved through the reduction of clients from 3,700 to 2,750.
- 4.6 In addition to challenges in delivering the savings, there have been pressures arising from the cost of placements. Growth of £10.9m was applied to the placements budget for 2025/26, which limited the uplifts that could be provided on existing packages. New placements are being priced at a value that far exceeds the current packages with some feedback from providers that this is to compensate for low uplifts. As the Council spot purchases residential and nursing placements, the providers have more power to charge at higher rates. In addition, recent increases in National Insurance, London Living Wage and the cost of new placements, have significantly increased the pressure on the social care placements. Care Analytics had estimated a £20m growth pressure when modelling National Insurance, demographics and inflation last year.
- 4.7 Supported Living care packages are showing a significant pressure of £7.8m, as the average cost per week is 20% more than previously modelled for inflation. This is due to clients requiring one to one or two to one care and having greater, complex needs.
- 4.8 Nursing Care Placement Packages show a pressure of £4.6m. There are 15 less clients than what had been anticipated. However, the cost has risen substantially. The average cost across nursing placements is 27% higher than modelled at the time of budget setting. Nursing Dementia is showing a 46% increase on average cost compared to previous assumptions.

- 4.9 Residential Placements contribute £2.6m to the overspend. There are 20 more clients, costing on average 27% more than last year, than had previously been anticipated.
- 4.10 Homecare shows a pressure of £3.7m. Since November 2024, homecare hours have increased by 3.8%.
- 4.11 A number of actions have been taken to manage the current pressures, which are set out below:
- Reviewing short-term placements that do not have a committed end date and ensuring all new short-term placements have an end date and are reviewed within eight weeks. Short term placements are defined as packages that are up to eight weeks and are generally more expensive than long term placements. Reviewing these short-term placements will reduce costs, either by re-purchasing on a long-term basis where appropriate or by ending the package of care where it is no longer needed. Client contributions can also be obtained from clients in long-term care, where financial assessed as needing to contribute to their care, but not from clients receiving short term care.
 - Reviewing the top ten highest cost care packages in each type of care. This will be reviewed to assess whether they are eligible for continuing health care and therefore funding should be received by the NHS. This review also serves as a data quality check to ensure that packages of care are recorded correctly in Mosaic (Adult Social Care's case management system) as focusing on the largest packages of care will bring the highest financial benefit if they are recorded correctly.
 - Reviewing cases where clients are receiving a Nursing care placement but there is no recorded contribution from the NHS for Funded Nursing Care. Funded Nursing Care is an agreement with the NHS whereby the Nursing element of a Nursing Care placement is paid for by the NHS, for which the standard rate is £254.06 per week.
 - Analysing Mental Health placements to review whether additional income can be received from the NHS as part of the Section 117 agreement. Section 117 joint funding refers to the duty shared by the NHS and local authorities to jointly fund and provide free aftercare services for individuals who have been receiving care under specific sections of the Mental Health Act 1983 and are leaving hospital.
 - Ensuring any funding allocated via Direct Payment but not being utilised is recouped from accounts to help reduce the overspend position currently forecast.
 - Continue to strengthen the role of the Quality Assurance Management panel, which is a panel set up to review new packages and uplifts to

existing packages, that has helped to reduce the number of packages and has generated £2.4m of cost avoidance.

- More focussed approach on providers where we are seeing disproportionate requests for additional support beyond core offer, to understand the reasons why and ensuring the most cost effective model to support residents are in place.

4.12 In light of the significant increase in the forecast overspend, accountability meetings have now been set up to track mitigations and actions so the overspend can be minimised as much as possible. It is anticipated that if the actions above are addressed, the forecast overspend could reduce by £0.5m, to £7.6m.

4.13 The Strategic Commissioning and Capacity Building directorate is forecast to underspend by £0.3m. Whilst the department is forecast to underspend, there is an estimated pressure of £0.7m. This pressure relates to Housing Related Support budgets, within which there was a planned savings target of £0.5m. It is very unlikely that any savings will materialise this year. A review of commissioned HRS services has been undertaken. This provided recommendations on both short-term and longer-term service enhancement and efficiency opportunities. Officers are working with providers to develop and implement short-term actions aimed at mitigating the pressure including looking at what can be done to reduce service use. The impact of this needs to be assessed and fully understood. A working group is in place to commence recommissioning of all services. It is anticipated that £0.5m will be made in 2026/7 by working closely with Housing on alternative delivery models and recommissioning of contracts.

Risks and uncertainties

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

4.14 In addition to the risks linked to packages explained above, there remains a number of other risks and uncertainties which could impact on the budgets within the SRS department.

4.15 Recruitment and retention of staff remain one of the most significant risks nationally within the social care sector. High turnover and vacancy rates continue to impact service delivery, placing additional strain on existing teams and creating challenges in maintaining continuity of care for vulnerable adults. Locally, the quality of applicants for adult social care roles has been a persistent issue. To address this, we have adopted a targeted recruitment approach. Over the past eight months, this strategy has delivered tangible results:

- 17 agency staff successfully converted to permanent roles, with three currently completing onboarding.

- A focused campaign through a recruitment agency to recruit 25 social workers, we have recruited twenty-five social workers through this process, and the contract has now ended.
- 4.16 Despite these successes, recruitment remains challenging. This reflects the wider national shortage of qualified care workers, which has fundamentally altered the workforce model across social care. As a result, there is an increased reliance on agency staff, which is significantly more costly than permanent appointments. While management is prioritising agency-to-permanent conversions to stabilise the workforce and reduce costs, some posts cannot be made permanent due to their funding source. A significant proportion of agency roles are funded by the Better Care Fund, and others by the Market Sustainability and Improvement Fund (MSIF) – both of which are temporary funding streams. Consequently, these posts cannot be converted to permanent positions at present.
- 4.17 As part of the long-term strategy, investment in developing talent internally is a priority. This year, the service have recruited 10 apprentices, who are currently progressing through their training. In addition, there are 8 Assessed and Supported Year in Employment (ASYE) social workers, and a significant number are already embedded within the service. Once qualified, these individuals will transition into permanent social work posts, strengthening the workforce and reducing reliance on external recruitment.

Overarching strategy remains clear:

- Target permanent recruitment for all posts where possible.
 - Retain high-performing agency staff to safeguard service quality.
 - Continue agency-to-permanent conversions as a priority, alongside proactive recruitment campaigns.
 - Grow our own talent pipeline through apprenticeships and ASYE placements.
- 4.18 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.

Public Health

- 4.19 As of Q3, the Public Health grant is forecast to break even, unchanged from the Q2 forecast, 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.
- 4.20 The public health grant amounts for the next three years were published on 17 December 2025, as part of the Provisional Local Government Financial

Settlement. There is an increase in the grant from £26,219,135 in 25/26 to £28,541,794 for Brent. In addition, the Drug and Alcohol Treatment and Recovery Improvement Grant, Individual Placement and Support Grant, the Local Stop Smoking Services and Support Grant, and the Swap to Stop scheme are continuing but as part of the core Public Health Grant. The public health grant remains ring-fenced with clear criteria determining its use.

- 4.21 Spend against ring-fenced Public Health grants, including the Drug and Alcohol Treatment Recovery and Improvement Grant (DATRIG), the Stop Smoking Grant and the Start for Life programme, remains on track and in line with national requirements. These grants continue to underpin targeted interventions and local population health initiatives. The position will be monitored closely given ongoing contractual inflation and demand pressures across commissioned services.

Leisure

- 4.22 Bridge Park Community Leisure Centre officially closed on 31 July 2025, following an extended period of community consultation. A £0.3m overspend has resulted from part-year running costs, unchanged from the Q2 forecast.

Communications, Insight and Innovation

- 4.23 The Communications, Insight and Innovation service, which includes Change and Customer Insight, Communications, Digital Strategy and ICT, is forecasting an underspend of £0.3m at Q3, representing an improvement from the breakeven position reported at Q2. The favorable movement reflects staffing underspends, proactive budget management and income overperformance.
- 4.24 The Change Programme is also forecasting an underspend of £0.3m, driven by reduced expenditure on corporate training and development.

Savings

- 4.25 The directorate has £4.7m of savings to deliver in 2025/26, of which £1.583m has been flagged as at risk. Savings at risk include Technology Enabled Care (£0.35m), a review of housing related support contracts (£0.5m), implementation of Telecare Service Charging (£0.5m) and managing demand at the front door, prevention and early intervention (£0.23).
- 4.26 As a result of the enhanced spending controls, the directorate has focused on holding vacancies where possible and continuing to reduce reliance on agency staff. In the last eight months, there have been seventeen staff conversions from agency to permanent, equating to approximately £0.2m of full year cost avoidance.

Summary of Key Assumptions

- 4.27 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

| Key Assumption | Downside if worse | Upside if better | Mitigations |
|--|--|---|---|
| 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 3 forecast for Children, Young People and Community Development

| CYPCD - General Fund | Budget (£m) | Forecast (£m) | Overspend / (Underspend) (£m) |
|---|------------------------|--------------------------|--|
| Central Management | 4.1 | 2.1 | (2.0) |
| Community Safety and Prevent | 1.8 | 1.9 | 0.1 |
| Communities and Partnerships | 0.2 | 0.3 | 0.1 |
| Employment Skills and Enterprise | (0.4) | (0.1) | 0.3 |
| Early Help | 4.7 | 4.7 | 0 |
| Looked After Children (LAC) and Permanency | 6.6 | 6.7 | 0.1 |
| Children With Disabilities | 14.8 | 14.6 | (0.2) |
| Safeguarding & Quality Assurance | 2.2 | 2.1 | (0.1) |
| Family Support & Child Protection | 9.5 | 9.9 | 0.4 |
| Forward Planning Performance and Partnerships | 50 | 52.3 | 2.3 |
| Inclusion | 3.2 | 4.0 | 0.8 |
| Setting and School Effectiveness | 0 | 0.3 | 0.3 |
| Virtual School | 0.5 | 0.5 | 0.0 |
| TOTAL | 97.2 | 99.3 | 2.1 |

Summary

- 5.1 The CYPCD directorate is reporting on a Q3 financial forecast position of £2.1m. This represents a £0.1m decrease from the Q2 reported position of £2.2m. The overall pressure is largely due to the cost of placing children in residential care with a significant increase seen in the past few months.

Placement pressures

- 5.2 The residential and secure placement budgets held within the FPPP service area continue to experience significant pressures totaling £3.9m. This projected overspend is being partially mitigated by projected underspend in other areas, including foster care and adoption, along with reduced costs of placements in supported accommodation, and additional income and contributions, resulting in a net projected overspend of £2.1m.
- 5.3 Youth Justice data also indicates a higher-than-usual number of secure remand cases, with six young people in care at the start of 2025/26 and this increased to seven as of mid-September as reported in Quarter 2. These were not anticipated at the time of the budget setting. The length of time of these placements is dependent on the speed of moving cases through the criminal justice system and beyond the local authority's control. The estimated cost of the secure placements is £1.3m.
- 5.4 While the number of LAC declined in the last year, there has been a sharp rise in children and young people entering care with complex needs, particularly since the end of spring 2025. This is reflected in the increase in residential placements with an average of 45 children in residential care in October 2025 – 15 more than the previous year. In addition, the average cost of residential placements has increased. Despite this, Brent has a significantly lower than average LAC rate of 40 per 10,000 children compared to the London average of 50 per 10,000 children. As of October, there were 307 LAC children in Brent. Identifying residential children's home placements can be very challenging despite comprehensive nationwide searches using both the Commissioning Alliance's direct purchasing vehicle framework as well as spot purchase providers. This means the local authority has limited negotiating power in relation to initial costs.
- 5.5 The FPPP Service has implemented measures to manage down placement costs including renegotiating costs as much as possible. The Director of Education, Partnerships and Strategy is leading a review of all residential placements to ensure there is timely progress and active management of actions to move children to the most appropriate setting, where appropriate and in line with their care plan.
- 5.6 Service areas across the CYPCD directorate are working collaboratively to plan successful step-downs from residential placements for young people when they are ready and there is a focus on reunification back home for looked after children where safe and appropriate.
- 5.7 In addition to the above, a Strategic Commissioning Group, chaired by the Corporate Director of CYPCD, 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 shortage of housing in the borough means, however, that care leavers cannot access permanent accommodation in line with their independence plans

which is impacting on progress to reduce the cost of semi-independent accommodation.

- 5.8 Actions taken to increase foster care provision include increasing allowance rates to the West London average, development of the Mockingbird programme, the use of an extended family model to provide a range of support and working collaboratively with West London boroughs on a fostering hub to streamline fostering enquiries and enhance marketing activity.
- 5.9 Lastly, work continues with other West London authorities to improve sufficiency of a residential home run by local authorities, with Brent supporting the development of new provision across the sub-region. Places will be made available to local authorities on a spot-purchasing basis.

Other service pressures

- 5.10 The Community Development area is forecasting an overall overspend of £0.5m, which includes a reported pressure of £0.3m against the budgets held for Employment Skills and Enterprise. This pressure has mainly arisen from a reduction in the Adults Skills Fund (ASF) grant funding from the Department for Education. There is an ongoing review to identify mitigations, including seeking additional external grant funding and managing spend.
- 5.11 LAC and Permanency's latest forecast is an overspend of £0.1m from legal fees and costs linked to the Contact team. There is no dedicated budget for legal costs and pressures in the Contact team have been partially mitigated by underspends in the client subsistence budgets and other miscellaneous budgets.
- 5.12 The CWD area is forecasting a net overspend of £0.2m. There are pressures of £0.4m mainly due to new clients requiring residential support and increased placement costs partially mitigated by a £0.2m underspend in salaries (vacant positions held in year) and reduced spending on client subsistence.
- 5.13 The Family Support and Child Protection service is currently reporting an overspend of £0.4m primarily stemming from the Multi Agency Safeguarding Hub (MASH) budget which reports an overspend of £0.3m, mainly attributable to staffing pressures including recruitment and retention costs. This pressure is expected to be mitigated by underspends against the wider social care budgets.
- 5.14 Inclusion is set to overspend by £0.8m. Staffing budget pressures in the Educational Psychology and 0-25 SENAS teams are driving an overspend of £0.6m as meeting statutory deadlines for Special Educational Needs assessments has required reliance on agency staff, who are more costly than permanent employees due to recruitment challenges. The forecast pressure for this area also includes £0.2m of undelivered savings against the reduction in contract for targeted services. The pressure in the area will be mitigated by forecast underspends within the central budgets held by the directorate.

- 5.15 The Setting and School Effectiveness service is reporting an overspend of £0.3m due to a shortfall of income against historic income targets applied to the Gordon Brown Short Break Centre. The service is assessing ways to reduce the impact of this pressure, including potential increases to fees and charges aligned with benchmarked rates.
- 5.16 The directorate remains focused on closely monitoring non-essential expenditures, strategically holding vacancies where sustainable and ensuring continued progress is made on reducing agency staff costs.

Examples of additional management actions by the directorate that have led to spend controls or cost avoidance in the last three months are:

- Agency worker spend continues to be scrutinised including ensuring that annual leave is taken before any extension is approved. Agency to permanent conversions continue to be progressed. There is an ongoing recruitment drive for permanent social workers and alongside that a recruitment programme for newly qualified social workers, that attract external funding.
- All requests for residential placements are approved by the Director Early Help and Social Care as a new control that has been introduced to ensure that all other options have been considered. In addition, the Residential Panel is now co-chaired by the Director of Education, Partnerships and Strategy and the Director of Early Help and Social Care to ensure focus on appropriate and timely step-down arrangements.
- Scrutiny of School Transport expenditure has increased through greater controls on decision-making through management tiers. The aim is to undertake targeted work in the new financial year in relation to eligibility for SEND transport for the 16-25 cohort.
- The directorate is also taking stock of licences and related contracts to understand whether cheaper alternatives can be procured.

Risks and Uncertainties

- 5.17 The persistent overspend on high-cost residential and secure placements poses a major financial risk. While mitigations 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.
- 5.18 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 further. This was initially due to a delay from Ofsted commencing the regulation process. However, a recent, unexpected incident which resulted in damage to the front of the property has added to the delayed opening as remedial capital works are required.

- 5.19 A recent restructuring has not fully mitigated the impact of the staffing pressures within the Employment and Skills service area. The 2024/25 academic year is the final year in which the GLA will fund delivery that exceeds 100% of the contracted allocation. From the 2025/26 academic year onward, any over-delivery of learning hours or outcomes will not be reimbursed, potentially resulting in unfunded delivery costs for the service.
- 5.20 Expenditure relating to ongoing judicial review cases and significant legal disbursements associated with age assessments for UASC. This remains a key risk, particularly with the arrival of eight new UASC in September 2025.
- 5.21 The continued growth in the number of children and young people with Education, Health and Care Plans (EHCPs) may increase the pressure on some general fund services, such as SEN Transport. Increase in demand is 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. Delivery of the Travel Assistance Policy Implementation Plan (TAPIP) is essential to manage transport costs in 2025/26. A set of Key Performance Indicators has been developed to monitor the success of the plan. The Children with Disabilities budget within the Localities service could also be impacted by an increase in EHCPs.
- 5.22 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. However, there was some positive engagement with the ICB during the last quarter. About half of the cases related to the accrued income for complex care cases during the 2024/25 financial year have been agreed with further discussions required to reach an agreement on outstanding cases, as well as the contributions for 2025/26.

Savings

- 5.23 The directorate has £2m in 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.
- 5.24 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 latter part of the financial year. The remaining MTFS savings are expected to be delivered as planned.

Summary of Key Assumptions

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

| Key Assumption | Downside if worse | Upside if better | Mitigations |
|---|---|---|--|
| LAC and Care Leaver placements forecast assumes numbers of 812 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 | There would be a reduction in the use of agency staff and the reduced caseloads could be attractive to social workers | Continued management action to monitor caseloads across the service and review and manage social work resources and incentives. New/more targeted recruitment campaign |

| | | | |
|---|--|-------------------------------------|--|
| | manage the pressure. | seeking permanent roles. | |
| 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 with both Harrow and internally as well as continuous contract monitoring |

6.0 Neighbourhoods and Regeneration

Table 9: 2025/26 Quarter 3 forecast for Neighbourhoods and Regeneration

| Neighbourhoods and Regeneration | Budget (£m) | Forecast (£m) | Overspend / (Underspend) (£m) |
|--|--------------------|----------------------|--------------------------------------|
| Public Realm | 21.2 | 19.4 | (1.8) |
| Inclusive Regeneration & Climate Action | 2.3 | 2.3 | 0.0 |
| Property & Assets | 8.3 | 8.1 | (0.2) |
| Total | 31.8 | 29.8 | (2.0) |

Summary

- 6.1 Neighbourhoods and Regeneration Directorate are currently forecasting a £2.0m underspend at Quarter 3. The breakdown of this underspend is noted below, with the impact of the spending controls noted in section 6.19.
- 6.2 Within Public Realm, the Parking service are forecasting a £2.5m overachievement of income based on PCN issuance and current performance levels. This position is partially offset within the Directorate, mainly by a £0.7m pressure in Waste, and other smaller pressures across the department. This leaves a £1.8m underspend position overall for Public Realm.
- 6.3 Property & Assets are forecasting a £0.2m underspend which comes from a £0.5m underspend within the Energy team, partially offset by a £0.4m pressure within Commercial Property.

Risks and uncertainties

- 6.4 Inclusive Regeneration & Climate Action continues to face income challenges within Building Control and Planning services.

- 6.5 Building Control's revenue generation has been impacted by a slowdown in major development appointments, largely driven by delays and cancellations linked to wider economic conditions. The introduction of new high-rise building regulations by the Health and Safety Executive (HSE) in October 2023 has also shifted the charging structure to a cost-recovery basis, reducing potential fee income. Furthermore, the Building Safety Regulator (BSR) now allocates most large-scale projects directly to Local Authorities, limiting opportunities for competitive bidding. Persistent staffing shortages add further pressure, restricting the team's ability to secure additional work.
- 6.6 The department is exploring mitigation strategies, and engagement sessions have been held with the Building Control team. In addition, a meeting with the Recruitment Team has taken place to progress a targeted campaign aimed at filling vacant posts and strengthening market position.
- 6.7 Planning and Development services are experiencing similar trends, with application and pre-application fee income declining in recent years due to the challenging financial climate. However, the revised fee structure for 2025/26 is expected to provide sufficient resilience to prevent financial pressures within the service during the year. In the future years, a fee increase is anticipated, and income generated by the Land Charges team is projected to provide sustainable financial support to the Planning and Development service.
- 6.8 Within Public Realm, Service Development & Contracts Performance Team are due to overspend by £0.7m in 2025/26. High inflation has led to higher contract inflation than was budgeted for in both the Veolia and Grounds Maintenance contracts. Property growth and increased waste disposal tonnage costs with West London Waste Authority adds to the overspend. Targeted initiatives to reduce contamination levels in recycling collections to lower processing costs are underway. Education and campaigns around food recycling continue, including a promotional piece in the Brent magazine, and further roll out of food waste collection to flats and communal properties hope to continue the trend of increased food waste tonnages.
- 6.9 A programme to retrofit recycling bins at communal blocks of flats is now also underway, and that focus through this will be to further improve recycling rates at these difficult to serve properties. Work is also ongoing in terms of managing behaviours and participation with respect to the blue sack service. This past quarter has seen the highest volume return of materials collected through this system, with an increase of approximate 60 tonnes of paper and card collected compared to previous quarter but the most important point to note is that contamination of blue sack tonnage is minimal at 9.2 tonnes compared to last year being 25 tonnes. By way of example, every tonne of food waste recycled saves £133 per tonne, every tonne of paper and card saves £85 per tonne, and every tonne of Mixed Recycling diverted saves £81 per tonne. This means the 1,345 tonne increase in paper and card recycling over the last 12 months has saved approximately £115k.
- 6.10 Messaging around recycling and reducing household general waste is ongoing. Across Q1&2 disposal costs have been over £350k less than was

estimated ahead of the start of the year, and it is hoped this trend will continue. 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. Work is ongoing to draw up a plan on how the funds could be utilised to boost our recycling rates and reduce our spend.

- 6.11 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, and this usage is reflected in the above forecast.
- 6.12 The improved position forecast reported by Healthy Streets and Parking Service is a result of a comprehensive review of income collected. The service regularly review the enforcement plan to ensure that locations and resources are optimally aligned for effective deployment. This includes the installation of new CCTV cameras as part of the School Streets expansion, the relocation of cameras from areas where compliance has improved, and the introduction of CCTV enforcement at yellow box junctions where it was not previously in place. There has also been an increase in parking contraventions during major events, prompting an enhanced event-day deployment strategy alongside a higher number of events this year. Additionally, late-night deployments in hotspot areas, particularly around Kingsbury, and improved deployment plans in areas with low compliance have further contributed to the uplift.
- 6.13 An underspend of £0.3m is forecast from Regulatory Services which has been generated from additional license fees and Pest Control income. An expansion of the pest control service with new contracts in place has allowed the service to generate additional income in 2025/26.
- 6.14 To achieve income targets, Commercial Property must continue attracting tenants to replace expired leases and fill vacant spaces. At present, the service is reporting an overspend of £0.4m. This decrease from Q2 is primarily driven by anticipated additional rental income and the expiry of rent-free periods. To continue to mitigate this, active marketing of available properties is underway, supported by collaboration with agents where necessary. Facilities Management remains under cost pressure, particularly from overtime in Cleaning and Security services, leading to a forecast overspend of £0.1m. Actions are being taken to manage these pressures, and any savings within Property & Assets will help offset the impact.
- 6.15 Current forecasts from the Council's energy supplier, based on secured contracts for future supply, indicate energy costs will fall in 2025/26. The latest estimate suggests an underspend of £0.5m within the Energy budget, which will help reduce the anticipated overspend in Facilities Management and Commercial Services. LASER purchases energy in advance through annual tranches starting each October, with monthly updates on procurement progress and price forecasts. Approximately 50% of next year's electricity and gas has already been secured, and current projections indicate a slight

reduction in prices compared to this year. Therefore, a similar position is expected for the next financial year.

Savings

- 6.16 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.
- 6.17 At Quarter 3 the department is currently expecting that all savings will be delivered in-year.
- 6.18 In light of the serious financial challenge that the Council is facing, the Directorate has been monitoring the impact of spending controls that have been implemented.
- Public Realm are holding vacancies in Regulatory Services and Neighbourhood Management, overtime is being restricted to only those areas that support income generation particularly parking enforcement income processing and pest control, and also events where the costs are recharged. Spend is being scrutinised more generally to ensure contractual spend is being challenged and non-essential spend is stopped. In order to offset some of these continued pressures, the Public Realm NCIL programme has been a focus. This involves a number of well-resourced projects thus relieving pressures on revenue budgets.
 - Within Property & Assets, there are no agency staff employed in the service as at the end of November 2025. The Property & Assets has also continued to look for all opportunities to claim external grants and has recently secured up to £7.3m of GLA safeguarding funding for the Clock Cottage and Watling Gardens new-build affordable housing schemes to reduce the demand on the Council's capital borrowing.
 - Inclusive Regeneration and Climate Action have continued to hold a number of posts vacant to maintain revenue savings. Other measures include reviewing subscriptions and contracts as they come up for renewal which have also resulted in some small savings.

Summary of Key Assumptions

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

| Key Assumption | Downside if worse | Upside if better | Mitigations |
|---|---|--|---|
| Building Control is able to mitigate pressure on its income generation. | In 24/25 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. A targeted recruitment plan is due to commence aimed at filling vacant posts and strengthening the market position. |
| 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 with targeted initiatives to reduce contamination levels in recycling collection. In addition, there are education and campaigns around food recycling. |
| 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 3 forecast for Finance and Resources

| Finance and Resources | Budget (£m) | Forecast (£m) | Overspend / (Underspend) (£m) |
|--|-------------|---------------|-------------------------------|
| Finance Services | 11.8 | 11.8 | 0.0 |
| Organisational Assurance & Resilience | 4.7 | 4.7 | 0.0 |
| Shared Technology Services | 0.0 | 0.0 | 0.0 |
| Human Resources & Organisational Development | 4.3 | 4.2 | (0.1) |
| Legal Services | 5.6 | 5.5 | (0.1) |
| Democratic Services | 6.3 | 6.3 | 0.0 |
| Total | 32.7 | 32.5 | (0.2) |

Summary

- 7.1 The Finance & Resources directorate is reporting a £0.2m underspend at Q3. This is an improved position from the Q2 breakeven forecast.
- 7.2 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.
- 7.3 Legal Services is reporting an underspend of £0.1m, primarily due to a reduction in the number of complex children's cases, leading to a reduction in expenditure on legal fees. The service has also benefited from the receipt of a settlement from an historical criminal case.
- 7.4 As part of the spending controls implemented by the department, the Legal team has successfully recruited to several positions previously covered by agency staff, and where possible, has also held a number of vacancies.
- 7.5 As a result of changes to the Legal structure, Chief Lawyers are closely reviewing and monitoring all income and expenditure within their individual teams. Any external legal work assigned to third parties is subject to scrutiny to ensure that internal expertise is not overlooked and that value for money is achieved. These measures have helped reduce overall costs within the Legal service.
- 7.6 The Human Resources & Organisational Development service is reporting an underspend of £0.1m. This is largely due to a review of the service structure, and the implementation of spending controls to scrutinise spend in the service.
- 7.7 Democratic Services is reporting a breakeven position at Q3. The Chief Executive's Office is reporting an underspend following a review of postage

arrangements. However, this is offset by a forecast overspend in the Complaints Service due to an increase in the number of complaints, which has required additional staffing support.

Savings

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

7.9 At Q3 all saving are expected to be achieved in 2025/26.

Risks & Uncertainties

7.10 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.

7.11 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 3 forecast for Residents and Housing Services

| Residents and Housing Services | Budget (£m) | Forecast (£m) | Overspend /(Underspend) (£m) |
|---|--------------------|----------------------|-------------------------------------|
| Housing Needs and Support | 14.0 | 18.5 | 4.5 |
| Quality Assurance and Resident Experience Service | 2.6 | 2.6 | 0.0 |
| Private Housing Services | 0.2 | 0.2 | 0.0 |
| Residents Services | 15.8 | 15.8 | 0.0 |
| Housing and Resident Services Corporate Director | 0.3 | 0.3 | 0.0 |
| Total | 32.9 | 37.4 | 4.5 |

Summary

8.1 The Residents and Housing Service department is currently forecasting a possible £4.5m overspend for the financial year 2025/26 as significant pressures continue to be experienced by this directorate, largely in the Housing Needs and Support service. This forecast represents a £500k improvement compared to the previous quarter, fully attributable to a top up

of the Homelessness Prevention Grant that was unexpectedly announced in December 2025.

- 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 funding allocated through the main Homelessness Prevention Grant and £12.6m of growth built into the base budget, there is an increase of £15m in the service budget in comparison to the previous financial year to deal with continuous pressures and demand. However, the demand continues to grow and the associated costs are high. Assuming the current monthly net expenditure continues at the same rate until the end of the year, total costs for the financial year could reach £18m, resulting in a £4.5m overspend. Whilst there are improvements, the costs continue to grow, the average net cost of a household in Stage 1 accommodation has increased further from £15k to £17k in comparison to Quarter 2 and the total number of people in temporary accommodation continues to increase.
- 8.3 The service is implementing several proactive interventions and projects aimed at increasing supply and identifying alternative arrangements for clients currently in the most expensive placements, in order to help mitigate financial pressures. However, it is important to note that the overall budgetary pressure from homelessness may not be significantly reduced by these potential savings, as they are not immediately cashable and must be considered against the backdrop of ongoing pressures and sustained demand for the service.

Demand

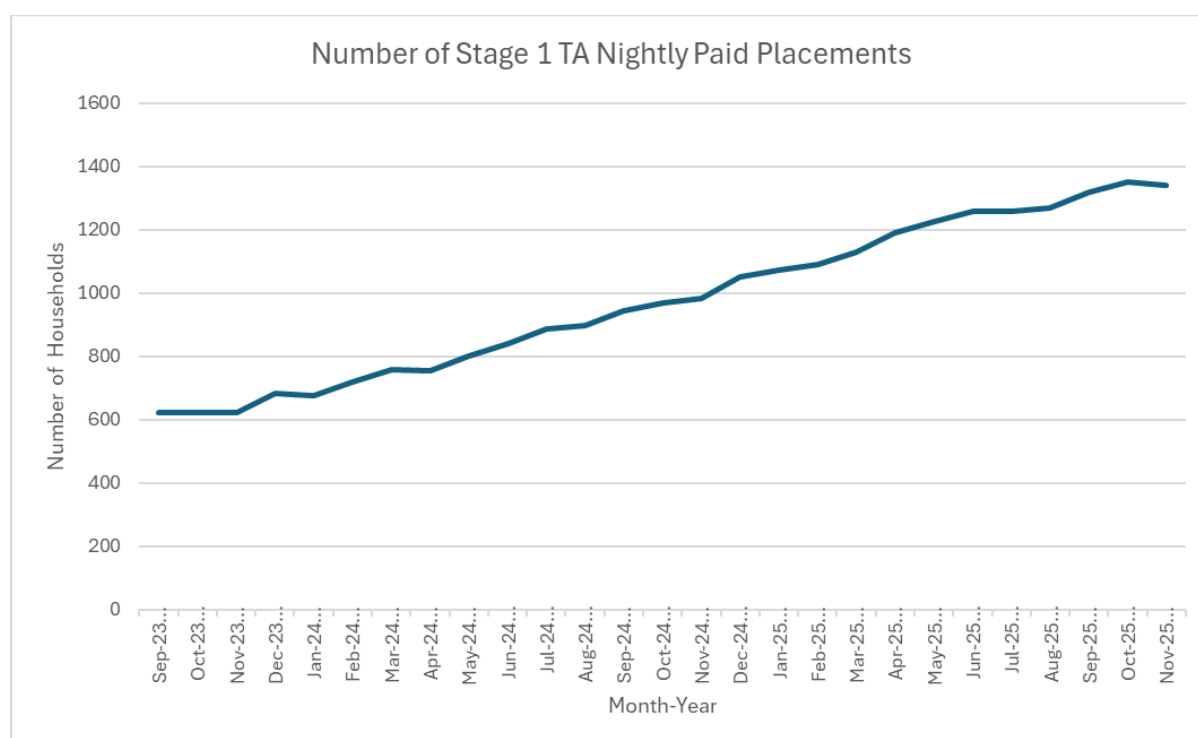
| Cost per Night (£)* | Number of Households as @13/04/2025 | Number of Households as @03/09/2025 | Number of Households as @28/11/2025 | % change (Apr-Nov) | % change (Sep-Nov) |
|---------------------|-------------------------------------|-------------------------------------|-------------------------------------|--------------------|--------------------|
| 300 | 0 | 0 | 0 | n/a | n/a |
| 250 | 0 | 0 | 0 | n/a | n/a |
| 225 | 0 | 0 | 0 | n/a | n/a |
| 180 - 200 | 0 | 0 | 0 | n/a | n/a |
| 150 - 175 | 64 | 52 | 28 | -56% | -46% |
| 100 - 149 | 168 | 206 | 184 | +10% | -11% |
| 70-99 | 205 | 304 | 411 | +100% | +35% |
| 50-69 | 403 | 417 | 431 | +7% | +3% |
| 35-49 | 265 | 228 | 204 | -23% | -11% |
| <35 | 77 | 73 | 59 | -23% | -19% |
| Total | 1,182 | 1,280 | 1,317 | +11% | +3% |

**To note that the table above illustrates the total cost per night for a household rather than the cost per room. The cheaper rooms are smaller rooms, normally only suitable for one or two*

people. Therefore, it is only smaller households that can be accommodated in one room, whereas the larger families, where a large proportion of the demand is, need to be provided with multiple rooms, leading to a higher nightly cost overall.

8.4 As illustrated above, the total number of households in nightly paid accommodation in the last week of November was 1,317, a 3% increase in comparison to the beginning of September and an 11% increase from April. Officers have ensured all households have been decanted from the most expensive £180 to £300 per night rooms and there has been a 46% decrease in the £150 - £175 per night group. However, there has been an increase in the use of rooms costing between £50 and £149 per night. In addition, the service is focusing on maximising spare capacity in the lower £35-£49 per night when the opportunity presents itself. Officers negotiate the price of individual rooms to get the best price possible and are maximising the use of the lower priced nightly paid accommodation, wherever possible.

8.5 There has been an overall increase of 11% (135 Households) in the use of nightly paid accommodation since the beginning of the financial year. While this represents a slower rate of growth compared to previous periods, the substantial increases seen in the previous financial years have resulted in a significantly high baseline of households in Stage 1 accommodation, along with increases in the nightly rate from current providers, which remains a concern. The slower rate of growth is a direct result of the recent influx of new build social housing during the summer months that has been available to allocate to homeless households.



8.6 The Council is expecting 892 new properties to be added to its portfolio during 2025/26 and 2026/27 as part of the capital programme. These are mostly HRA properties, some of which may house people in temporary accommodation,

depending on allocations, therefore alleviating pressures on this service. So far this year, of the 265 social housing allocations made to homeless households from the properties at Clearwater, Aneurin Bevan Court, and Fulton Road, 162 were direct offers targeting individuals in the most expensive forms of temporary accommodation. These households were prioritised based on their placement in higher priority bands (A and B), with the aim of reducing overall accommodation costs. The remaining 103 properties were allocated through Locata via the Choice-Based Lettings (CBL) system. These were offered to households who submitted bids and are in the highest priority banding, with allocations made in order of longest waiting time. The absence of mandatory auto-allocations for households in the highest priority bands within the Locata system continues to be a limiting factor in managing housing demand effectively. The options for implementing this approach are being explored. An annual cost saving of approximately £4.8m could be achieved on stage 1 accommodation as a result, a £1.5m part-year saving for 2025/26.

- 8.7 If the remaining social housing homes within the current pipeline are made available with an average occupancy of 3 months during the financial year and used to target the households in the most expensive forms of temporary accommodation, this could result in a cost avoidance of circa £1.9m in 2025/26. However, due to the increasing level of demand, the number of households in TA and the associated costs, there is a risk that this benefit could be counterbalanced.
- 8.8 In addition, if a household is moving out of a leased TA unit into the new council accommodation, then the void will be used to decant a family from Stage 1. However, if there is less than six months left on the lease, and the owner does not renew, which has been the case as more landlords are leaving the PRS market, a hand back will be required. Therefore, there is no void to use for a decant resulting in no cost avoidance.

New Supply of Temporary Accommodation & PRS

- 8.9 The increase in supply for new temporary accommodation is achieved by seeking new accommodation via acquisition or leasing.

Acquisitions

- 8.10 Two grant-funded programmes are currently supporting the delivery of temporary accommodation: the Local Authority Housing Fund (LAHF), which aims to deliver 35 units for temporary accommodation alongside 7 resettlement homes, and the Council Homes Acquisition Programme (CHAP). Acquisitions under the LAHF programme have been more viable, with an average grant offer of £226k per unit, compared to £95k under CHAP.
- 8.11 While 29 properties have been successfully acquired under the LAHF programme, the transition to bringing these homes into active use has progressed more slowly than anticipated. Following acquisition, some properties have remained vacant due to a combination of process-related delays and timing constraints associated with the utilisation of grant funding.

This has led to further pressures on temporary accommodation provision into 2025/26, as households remain in nightly paid accommodation awaiting move-on opportunities. To mitigate this going forward, the team are implementing strengthened reporting and monitoring arrangements and are reviewing end-to-end processes to support a timelier progression from acquisition to occupancy.

Leasing

- 8.12 Various leasing options continue to be assessed to secure cost-effective nightly paid placements. However, negotiations, assessments and evaluations require time. There are a number of options currently under consideration, however a sizeable impact is not anticipated to be achieved in the current financial year and is forecast to be more prominent in 2026/27. A lease deal with the Igar Hotel to provide 40 units (an increase of 5 units plus securing preferential cost) has now been completed. A number of other lease proposals are currently being considered. To help accelerate progress and strengthen commercial negotiations, Greenlight Commercial & Consulting have been engaged to support this workstream with a number of lease proposals in review. Greenlight also work to decant the top 100 most expensive nightly paid placements to cheaper accommodation. To date 33 moves have been achieved, achieving a cost reduction of circa £1,413 per night.

Private Rented Sector Acquisitions - I4B Holdings Ltd

- 8.13 I4B Holdings Ltd continue with an acquisitions programme and are on track to deliver 15 street property acquisitions to allow for discharge of duty to households from the housing waiting list into PRS. They regularly review the viability of new build/block purchases which could provide significant numbers of accommodation for the company. This route continues to provide steady investment in cost avoidance measures to mitigate our housing waiting list which currently saves the Council circa £6m per annum on stage 1 accommodation costs.

Risks and uncertainties

- 8.14 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. In 2024/25, the demand for homeless support services in Brent was for 7,285 households, comprising of 4,178 single individuals and 3,107 families. In 2025/26 the demand in Brent is currently for 6464 households, 3,937 single and 2,527 families. On average, this equates to approximately 170 new applications being submitted each week, underscoring the ongoing pressure on local homelessness services. This level of demand reflects a 21% increase compared to the 140 weekly applications recorded during the 2024/25 period, highlighting the need for housing support as associated costs remain elevated. The total number of applications in 2025/26

is projected to reach approximately 8,840. 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 Renters' Rights Act 2025 has now become law and whilst it is anticipated that some landlords will exit the private rented sector market, resulting in a possible increase of homeless applications, it is anticipated the new legislation will have an overall positive impact on homelessness demand. This is because the ban on Section 21 'no fault' evictions in the private rented sector, scheduled to be implemented on 1 May 2026 means that all new possession claims will have to proceed under Section 8 instead. Landlords will be able to serve a Section 8 notice for reasons such as rent arrears, anti-social behaviour, selling the property or where a close family member needs to move back in. However, there will need to be clear evidence to support the grounds, and the claim can still be contested by the tenant.

- 8.15 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%. New research estimates a £740m temporary accommodation shortfall across London, equivalent to £202 per household. The equivalent of 11% of the average household's council tax bill is now spent on temporary accommodation - equal to one in every nine council tax pounds spent. Further analysis shows boroughs now spending £5.5 million a day on homelessness.
- 8.16 Given that these challenges are experienced across London, the availability of Bed and Breakfast (B&B) and annex 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.
- 8.17 The supply of settled TA properties, leased from private landlords and intended to transition families out of Bed and Breakfast (B&B) and annex 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.

- 8.18 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 November 2025 average private rents across the UK increased by 5% in the 12 months. In London, rent inflation rose by 4.3%, with the average monthly rent in Brent reaching £1.9k.
- 8.19 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.
- 8.20 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.
- 8.21 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. Based on the most recent data available, the forecast overspend for 2025/26 is £2.1m.

- 8.22 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

- 8.23 A total of £0.9m 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.
- 8.24 In September 2025, the Council implemented enhanced spend controls to meet the financial challenges. Since then, 3 members of the Homelessness Services team have been replaced with permanent employees. Resident Services are in the process of converting 5 agency staff within the contact centre to permanent appointments. A number of vacancies are also being held across all services except where the role has a significant impact on statutory services or contributes to income collection, debt reduction or income generation. In addition, services are stopping all overtime and scrutinising any overtime requests. Overtime is only being used where there is a clear and compelling business case. Registration and Cemeteries have cancelled staff where possible working extra days as part time additional hours or weekend overwork where services not taken up by public.

- 8.25 Resident Services also postponed investment in the next stage of the culture strategy whilst the scope, costs and likely outputs are being reviewed. Registration Brochure renewal stopped saving circa £8k. Museum and culture teams routinely seek external funding to support additional activity in Brent. In October, Brent Museum and Archives was awarded a grant of £122k from Department for Culture, Media and Sport through Arts Council England's Museum Renewal Fund to improve museum collections. The team, working with Public Health, have also secured a £750k Arts Council England grant for a three-year programme aiming to increase arts engagement and improve health outcomes in Brent, with a particular focus on Black and Asian communities, people with SEND, and those experiencing health inequalities. Registration have offered the blossom suite an additional day per week through October and November to generate additional income. As a result of Central Middlesex Hospital closing their onsite mortuary, the Funeral Service has been able to generate a modest income through transfers to Ealing or Northwick Park.
- 8.26 Furthermore, Accommodation Services introduced a firmer approach to allocating compensations following complaints, including the option to direct all or part of compensation payments toward rent arrears where appropriate. The service are introducing new appraisal tools to strengthen accountability and maximise cost avoidance opportunities.

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 £326 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 £326 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 | A 5% worsening in the collection rate will cost | A 5% improvement in the | Collection rates are being closely monitored and |

| | | | |
|--|---|---|---|
| service will not fall below the anticipated level. | £0.3m per quarter | collection rate will recover £0.3m per quarter | 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 £1.2m per annum | A 3% cost reduction in costs would result in a circa £1.2m 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 30 November 2025 is £240.9m. As at the end of November 2025, the amount collected was 67.4%, which is 0.2% higher than the amount collected in the same period in 2024/25, and 1% 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 With this in mind and for the need for significant improvement, an external review of Council Tax collection has been completed. The review has identified areas within the service where changes can be delivered to achieve potential savings and benefits. The Council is currently developing internal improvement plans on the back of the review. Additional capacity has been provided within the service, meaning that the numbers of reminder notices and summons have been sent out in higher numbers in order to maximise collection.
- 9.4 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.

- 9.5 The collection rate as at 30 Nov 2025 for those on CTS of working age is 55.1%, with 76% having made a payment towards their 2025/26 council tax bill. The numbers making payment have increased month on month following the dispatch of soft reminders in May and 7,134 formal reminders sent out in June 2025. Of these, 3,671 with a value exceeding £2m have been issued with a summons as no payment has been received following the formal reminder. At the summons hearing on 14 August the Council obtained 3,564 liability orders. For cases where deductions from benefits (AOB) have been set up to reduce the balances, the collection will be very slow and likely means that these individuals will carry forward significant arrears into 2026/27.
- 9.6 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 30 Nov 2025, 1,659 applications have been received for support from this fund and 202 (12%) have been approved. The dispatch of recovery notices have generated more applications in this area. It should also be noted that assessments have been completed in an average of 9 days from receipt, so decisions are made in a timely manner.
- 9.7 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.
- 9.8 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.

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 30 November 2025 is £148.2m, an increase of £1.7m from the reported in Quarter 2. 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 of 30 November 2025, the amount collected for NNDR was 69.43%, which is an increase by 1.64% with the amount collected in the same period in 2024/25 (67.79%). Collection in 2024/25 was 93.4%, which remains lower than before the COVID-19 pandemic, but the service is targeting a return to 94.5% in-year collection in 2025/26. As of 30 November 2025, the collection is 0.73% up against the profiled target.
- 9.14 Collection performance is affected by large scale business rates assumed avoidance schemes amounting to £1.1m. The Home Office's recent decision to reject an application for change of use to a "place of religious worship" is a positive outcome in regards of recovery action options available to the Council. The decisions of other recent cases heard by the courts will also assist the Council in promptly identifying further attempts by agents in avoiding NNDR liability.
- 9.15 Based on historical 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.
- 9.16 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.

- 9.17 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

- 9.18 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 3, 81% of these are on track to be fully delivered (81% at quarter 2), which equates to delivering £7.2m of the £8.9m budgeted savings required. Since quarter 2, the number of savings which are not on target to be fully delivered has increased to 4, up 1 since Q2.

Virements

- 9.19 Table 14 shows the virements and adjustments which have been entered to adjust the budgets at Corporate Directorate level between 31 July 2025 and 31 October 2025. Cabinet are recommended to approve these virements.

Table 14: Virements and adjustments in 2025/26 budget between 31.07.2025 and 31.10.2025

| | 2025/26 In-Year Budget at 31.07.2025 | In-year growth | Transfer of functions between services | Technical Adjustments | 2025/26 In-Year Budget at 31.10.2025 |
|---|--------------------------------------|----------------|--|-----------------------|--------------------------------------|
| | £m | £m | £m | £m | £m |
| Service Reform and Strategy | 181.5 | 0.1 | (0.4) | 0.9 | 182.1 |
| Children, Young People and Community Development | 96.0 | 1.1 | 0.0 | 0.1 | 97.2 |
| Neighbourhoods and Regeneration | 35.4 | 0.0 | 0.0 | (3.6) | 31.8 |
| Finance and Resources | 31.7 | 0.4 | 0.1 | 0.6 | 32.7 |
| Residents and Housing Services | 31.1 | 0.3 | 0.3 | 1.2 | 32.9 |
| Capital Financing | 38.4 | 0.0 | 0.0 | 0.2 | 38.6 |
| Central Budgets | 17.3 | (1.9) | 0.0 | 0.7 | 16.1 |
| Core Funding | (431.4) | 0.0 | 0.0 | 0.0 | (431.4) |
| Total Budget | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

9.20 Since the Q2 report, Central Items (£375.7m at 31.07.2025) has been split into three sections for increased transparency of the budgets in Central Items:

- Capital Financing (£38.4m at 31.07.2025) is the budget for the costs of financing the Capital Programme.
- Core Funding (£431.4m) is the income budget representing the funding for the net revenue budget per Appendix A to the Budget and Council Tax report approved by Full Council in February 2025. This includes Council Tax, Business Rates, Revenue Support Grant and specific Government grants.
- Central Budgets (£17.3m at 31.07.2025) is the remaining income and expenditure budgets not attributable to specific service directorates.

9.21 In-year growth items are budget movements from the Central budgets 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 from August to October 2025:

- Permanent funding to reduce an income budget in the Service Reform and Strategy directorate (£0.1m).
- Permanent funding for historic pressures (£0.8m) and business case investment (£0.3m) on SEND transport in the Children, Young People and Community Development directorate.
- Permanent and temporary funding for salaries in the Finance and Resources and Residents and Housing Services directorates (£0.5m).
- Temporary funding for the NEC resilience contract in the Residents and Housing Services directorate (£0.2m)

9.22 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 from August to October 2025:

- Transfer of Resident Data Team salary budget from the Service Reform and Strategy directorate to Residents and Housing Services directorate (£0.4m).
- Transfer of staff budgets from Housing in the Residents and Housing Services directorate to Legal in the Finance and Resources directorate (£0.1m).

9.23 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 from August to October 2025:

- Permanent increase to salary budgets to reflect the 2025/26 Local Government pay award, net of the reduction in employer pension contributions (£1.0m to Service Reform and Strategy, £1.0m to Children, Young People and Community Development, £0.5m to Neighbourhoods and Regeneration, £0.6m to Residents and Housing Services, £0.6m to Finance and Resources).
- Transfer of three cost centres from the Children, Young People and Community Development directorate to the Residents and Housing Services directorate and realignment of salaries budgets (£0.9m).
- Permanent increase to PCN income budget in the Neighbourhoods and Regeneration directorate (£3.9m).

- Permanent transfer of budget from the Neighbourhoods and Regeneration directorate to fund capital financing (£0.2m).
- Temporary reductions to the Service Reform and Strategy directorate budget to adjust profile of funding for Triple Value Impact project (£0.1m).
- Reversal of temporary adjustment to the budget for Residents and Housing Services directorate (as per the Q2 report) for the expenditure budget in respect of the Greater London Authority's agreed £0.4m contribution to the 2025/26 Council Tax Hardship Fund, introduced to provide additional support with Council Tax bills following the changes to the Council Tax Support Scheme implemented on 1 April 2025. This is a technical adjustment to remove the increase to the service expenditure budget from Central Budgets as the income will be received by the service directly. The total budget for the 2025/26 Council Tax Support Hardship fund remains at £1.5m, including the GLA contribution.
- Temporary increase to salary budgets in Residents and Housing Services (£0.1m).

10.0 Dedicated Schools Grant (DSG)

Table 15: 2025/26 Quarter 3 forecast for Dedicated Schools Grant by block

| Funding Blocks | Overall DSG Funding 2025/26 | Forecast Expenditure | Overspend/ (Underspend) |
|-------------------|-----------------------------|----------------------|-------------------------|
| | £m | £m | £m |
| Schools Block | 126.0 | 126.0 | 0.0 |
| High Needs Block | 82.5 | 87.3 | 4.8 |
| Early Years Block | 39.7 | 39.7 | 0.0 |
| Central Block | 2.4 | 2.4 | 0.0 |
| Total DSG | 250.6 | 255.4 | 4.8 |

Summary

- 10.1 The DSG forecast for 2025/26 indicates a deficit of £4.8m against grant funds of £250.6m, a £2.1m increase compared to the Q2 forecast, primarily driven by pressures within the High Needs (HN) Block. The forecast assumes that the other Blocks will achieve a balanced budget by year end.
- 10.2 At the end of 2024/25 financial year, the cumulative deficit stood at £13.6m, driven by increasing demand for High Needs provision and pressures on top-up funding allocations. For 2025/26, the DSG budget is projected to close with a rise in the cumulative deficit, now forecast at £18.4m.

- 10.3 The overall DSG allocation reduced by £1.2m following an in-year adjustment by the DfE in July 2025. This adjustment includes a £0.5m increase in the HN Block funding, mainly to fund additional special free school places, and £1.7m reduction in the Early Years Block after the January 2025 census confirmed a decline in childcare hours compared to the January 2024 census data. The reduction in the Early Years Block funding was anticipated and accounted for in the budgets for this financial year. In response to the low take up of free childcare entitlements in Brent, the Local Authority is prioritising its Best Start in Life planning and the new Early Years strategy to boost and maximise uptake of the local offer.
- 10.4 Although the HN Block allocation increased by £5m in 2025/26 (£2.5m in 2024/25), the growth in EHCPs has continued at a similar pace to previous years. Between January 2025 and September 2025, there was a 7% (8% between January 2024 and January 2025) increase in children and young people with an EHCP, with number increasing from 3791 to 4050 over this period. This sustained demand continues to place significant pressure on the HN Block, driven by rising costs for independent, residential, out of borough placements and post 16 education, as well as the overall increase in EHCP related costs outstripping the growth in funding.

Forecast

- 10.5 The main elements of the forecast position are further detailed below:

| DSG High Needs Block forecast | 2025/26 Budget | 2025/26 Forecast | 2025/26 Variance |
|--|---------------------------|-----------------------------|-----------------------------|
| | £m | £m | £m |
| Place funding in Brent Special Schools and ARPS | 2.7 | 2.7 | 0.0 |
| Top up funding in Brent Mainstream, Special schools, and ARPs | 47.2 | 45.3 | (1.9) |
| Recoupment Income | (3.7) | (3.3) | 0.4 |
| Residential and Independent settings | 11.4 | 12.3 | 0.9 |
| Out of borough Top ups | 7.6 | 11.1 | 3.5 |
| Post 16 Top ups | 5.0 | 6.3 | 1.3 |
| Early Years Inclusion Fund | 1.1 | 1.1 | 0.0 |
| SEN Support Services including Education Otherwise/ Awaiting Placement | 10.7 | 11.4 | 0.7 |
| SEN Support | 0.5 | 0.3 | (0.2) |
| Total Expenditure: High Needs Block | 82.5 | 87.3 | 4.8 |

- 10.6 The £4.8m in year deficit against the HN Block is due to several factors. The forecast position is further detailed below:
- A pressure of £0.4m is reported due to a reduced forecast for recoupment income from other boroughs for children attending Brent school places.

An additional £0.9m pressure relates to education costs for children placed in independent and residential settings.

- ii. There is a £3.5m pressure against the cost of placing Brent children in out-of-borough schools and a further £1.3m pressure against the budgets held for post-16 top up funding.
 - iii. The pressure includes £121k from the introduction of a new ARP top up funding rate of £12,500 with effect from September 2025 as agreed by Schools forum in June 2025. The adjustments apply to payments from September 2025.
 - iv. SEN support services are forecasting a combined pressure of £0.5m, mainly driven by an increase in high-cost mental health placements in hospitals. These placements are outside the local authority's control, as commissioning powers rest with NHS. Additional pressure is also arising from the growing cost of educating pupils who have been permanently excluded from mainstream schools.
- 10.7 To mitigate these pressures, the council has a robust DSG deficit management plan, with a strong focus on managing demand, improving the sustainability of provision, and strengthening financial management to control the deficit. Alongside this, the outcome of the government's reforms to the SEND system is expected to address the level of deficits held by local authorities, as this is a national issue and not unique to Brent.
- 10.8 Local authorities have been allowed to hold high-needs deficits off their balance sheets under a statutory override, which ends on 31 March 2028. As part of the budget announced in November 2025, from 2028/29, the full cost of SEND provision will be funded centrally by government, rather than through local authority budgets and the Dedicated Schools Grant high-needs block. This aims to stop councils from accumulating further SEND debt. However, historic DSG deficits remain unresolved and the government has not committed to writing them off. The Council awaits the Government's Schools White Paper, which will include SEND reform and is expected in 2026.

Risk and Uncertainties

- 10.9 The number of children and young people with EHCPs continues to grow above forecast levels (in July 2025 the number reached 4000 for the first time) and currently 4050 as of end of September. The growth in ECHPs is a national and London wide trend whereby the number of children assessed as meeting the threshold for support continues to increase. Over the years, this has created financial pressures with many authorities holding deficit balances. In addition, the increase in wages due to changes in the employer's national insurance contributions could see independent providers continuing to request high inflationary price increases.
- 10.10 The statutory override set out in the School and Early Years Finance Regulations 2021, which allows local authorities to exclude DSG deficits from

their wider financial accounts, thereby preventing them from impacting the 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 a further three financial years, to March 2026, and has since confirmed an additional extension to March 2028. The latest budget announcement has also clarified that local authorities will not be required to recover DSG deficits from their General Fund budgets. This continued protection ensures that overspending in the High Needs Block does not create immediate financial pressure on local budgets, allowing authorities additional time to address underlying structural funding challenges.

- 10.11 Depending on the outcomes of the SEND reform, and in the wider context of the Fair Funding review, the Council will continue to develop and, where necessary, strengthen its deficit recovery plan to ensure it remains fit for purpose and responsive to changing circumstances.

11.0 Housing Revenue Account (HRA)

Table 16: 2025/26 Quarter 3 forecast for Housing Revenue Account

| HRA gross income and expenditure | | | |
|---|---------------|-----------------|------------------------------------|
| | Budget | Forecast | Overspend/ (Underspend) |
| | £m | £m | £m |
| HRA | | | |
| Income | (69.9) | (73.5) | (3.6) |
| Expenditure | 69.9 | 75.8 | 5.9 |
| Total | 0.0 | 2.3 | 2.3 |

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 £2.3m pressure for the 2024/25 financial year, before utilising reserves. This forecast represents a £0.3m reduction in the projected deficit when compared to the previous quarter. This is due to updating forecasts with the latest income trends, as well as expenditure commitments and projections. Mitigation measures are being implemented to address the shortfall, and reserves have been earmarked to cover the potential deficit at year-end if required. The fund continues to face significant risks and financial challenges in the prevailing fiscal environment.

Risks and uncertainties

- 11.3 The ongoing high inflationary environment and high interest rates are exerting 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. The interest charge for the year is forecast to be £1m higher than initially projected.

- 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, leading to cost pressures beyond original estimates. 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. The 2025/26 projected net overspend for the HRA is £2.3m. The repair and maintenance budget is forecast to be overspent by £5.6m due to elevated demand, plus a net £300k on other related housing expenditure. This is partly offset against higher than budgeted income of £3.6m due to new units coming on board. The costs of existing and new contracts are being scrutinised to ensure they are at competitive rates, with particular focus on exclusion works, so future expenditure can be managed within budget.
- 11.5 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.
- 11.6 In addition, the financial and operational risks associated with adding 428 properties to the housing portfolio within the financial year must be acknowledged. Growth in the portfolio 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. A £0.4m pressure on staffing budgets is projected for 2025/26 due to additional resources required to deal with lettings, maintenance and other administrative tasks, as well as additional project specific resources focusing on service improvements and efficiencies.
- 11.7 Effective management of rent debt levels is also crucial to maintaining the HRA's overall financial health. Rising rent arrears 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 strains financial planning and necessitate higher bad debt write-offs, thereby affecting the HRA's budgetary position. Consequently, debt recovery processes and proactive tenant engagement are essential to minimising rent

arrears and safeguarding the financial stability of the housing service. It is currently anticipated that the allowance for non-recovery of bad debt will need to increase by £0.9m more than initially projected. The service is exploring various options to mitigate this pressure, including deploying debt collection agencies and software to increase collection rates.

- 11.8 As a result of the Council's self-referral, the required remediation programme represents a significant risk to the HRA and results in financial pressures associated with addressing the identified compliance issues. Specialists have assessed the situation and developed a recovery plan, with anticipated costs yet to be detailed. However, it is projected that £1m will be spent on the remediation programme in 2025/26.
- 11.9 Other additional pressures on various budgets across the fund, such as decants, council tax charges, insurance and pest control are projected to result in a further £1.2m pressure in 2025/26.
- 11.10 An additional £3.6m in rental income beyond budgetary expectations is expected to be achieved in 2025/26, partially offsetting the budgetary pressures outlined above. As part of the Council's capital programme, 899 properties are coming on stream during 2025/26 and 2026/27, most of which are HRA properties. 428 new units have already been added to the HRA portfolio, generating additional rental income.
- 11.11 The 2025/26 budget had anticipated a £4m revenue contribution towards capital expenditure. However, due to the current financial pressures on the fund, this contribution is no longer projected to be made. While this may result in increased borrowing costs, it frees up £4m to help alleviate revenue budget pressures. Consequently, the overall projected deficit for the year is forecast to be £2.3m.
- 11.12 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.
- 11.13 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 the end of November, the Capital Programme is reporting a net slippage of £22.6m and a net overspend of £0.8m against the revised budget of £328.9m. 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 17: 2025/26 Quarter 3 forecast for the Capital Programme

| Portfolio / Programme | Original Budget 2025/26 | Revised Budget 2025/26 | Current Forecast | FY Variance | |
|-----------------------------|-------------------------|------------------------|------------------|----------------------------|--------------------------------|
| | | | | (Underspend)/ Overspend | (Slippage)/ Brought Forward |
| | £m | £m | £m | £m | £m |
| Corporate Landlord | 9.7 | 13.4 | 12.5 | (0.4) | (0.5) |
| Housing - GF | 114.1 | 115.9 | 112.8 | (2.1) | (0.9) |
| Housing - HRA | 50.4 | 27.6 | 26.7 | 3.5 | (4.4) |
| Public Realm | 17.8 | 34.9 | 31.1 | (0.3) | (3.5) |
| Regeneration | 106.5 | 84.2 | 82.0 | 0.1 | (2.3) |
| CYP & Community Development | 17.1 | 25.5 | 21.4 | 0.0 | (4.1) |
| South Kilburn | 28.0 | 26.9 | 20.0 | 0.0 | (6.9) |
| St Raphael's | 3.2 | 0.4 | 0.4 | 0.0 | 0.0 |
| Grand Total | 346.8 | 328.9 | 307.0 | 0.8 | (22.6) |

Budget Additions

12.2 The revised capital budget for 2025/26 of £328.9m includes new projects approved by Cabinet since Q2, including:

- £4.1m for a variety of NCIL funded capital schemes across multiple programmes, mostly in the Public Realm area.
- £3.2m for energy efficiency improvements at Oaks and Pharamond social housing properties funded by grant and Carbon Offset Fund.
- £11.7m for the Council Homes Acquisition Programme to acquire properties for temporary accommodation part-funded by GLA grant under the Housing General Fund.
- £0.9m for an alternative heating source at Willesden Green Library funded by grant and Carbon Offset Fund.

12.3 The Council has also been awarded £1.5m of Pride in Place Impact Fund Grant to fund improvements in public spaces, community spaces and high street and town centre revitalization. As a result, £0.5m has been added to the 2025/26 budget and £1.0m has been added to the 2026/27 budget. Following consultation with Cabinet members, priority thematic areas will include “Pride in Parks”, “Pride in High Streets” and “Don’t mess with Brent”.

- 12.4 The revised 2025/26 budget also includes the following changes:
- £0.3m increase in Corporate Landlord budget for new legal software funded by revenue reserves.
 - £2m virement from the Regeneration contingency to the South Kilburn budgets to cover both current and historic unpaid Council Tax and Service Charges from vacant properties that have been decanted awaiting demolition.
 - A further £2.8m virement from the Regeneration contingency to the South Kilburn budget over the next three years to enable a budget increase for the Carlton and Granville project to deliver community spaces and social homes following additional costs from project delays and disputes with the supplier.
- 12.5 Since Q2, £45.3m has been reprofiled from 2025/26 into future years' budgets, £2.7m has been removed as budget corrections to previously approved schemes and £0.8m has been removed for schemes not progressing.
- 12.6 As of the beginning of the 2025/26 financial year, the Strategic CIL fund held an opening balance of £156.9m. This entire amount has been allocated to planned infrastructure projects, with commitments categorised as follows. All funds have been earmarked, and no uncommitted balance remains available for new initiatives at this time.
- £94.1m: Formally commissioned by Cabinet; expenditure pending.
 - £8.1m: Approved at sub-board level; awaiting Cabinet agreement.
 - £54.7m: Provisionally allocated to prospective projects; subject to formal Cabinet approval.

Corporate Landlord

- 12.7 The Corporate Landlord Board is responsible for overseeing the strategic management and investment in the Civic Centre, Digital Strategy, Libraries and other Council properties. There is a forecast variance of (£0.9m), largely driven by forecast underspend of £0.5m on Grove Park Pavilion Nursery as the project is unlikely to proceed. The forecast also includes slippage of £0.3m on Roy Smith House refurbishments, which are on hold due to a recent water supply issue.

Housing

- 12.8 The Housing General Fund is forecasting a variance of £3.0m driven by an underspend of £2.8m on the Local Authority Housing Fund (LAHF) programme. The LAHF scheme is grant funding for the acquisition of local properties for temporary accommodation and resettlement. Despite the underspend, the project is on track to meet the 42-property target, with 29

properties purchased to date, and 13 in conveyancing. The forecast underspend has reduced significantly since Q2 (by £1.3m), as officers have changed strategy toward acquiring larger properties to provide temporary accommodation for higher need families. However, refurbishing the properties has taken longer than anticipated, meaning that the programme has not had as significant impact on 2025/26 temporary accommodation costs as expected. It is now anticipated that at least 14 properties will be ready to let before Christmas.

- 12.9 Brent's New Council Homes Programme is progressing well, with 418 affordable homes delivered so far in 2025/26. This financial year, 303 more units are expected: Clock Cottages, Pharamond, Watling Gardens and Alperton Bus Garages. As previously reported, most projects remain on budget apart from Clock Cottages, which is forecasting an overspend of £0.9m. The safeguarding bid for additional grant funding from the GLA was approved in November, so the overspend will not be financed by additional borrowing.
- 12.10 The programme slippage of £0.9m relates to Disabled Facilities and Empty Properties Grants. It is possible that the full budget will be spent this financial year as works tend to complete and closer to year end, but based on the current level of expenditure, officers are anticipating some slippage into 2026/27.
- 12.11 The Housing HRA programme is forecasting a variance of (£0.9m) caused by slippage of £4.4m on the Tower Blocks refurbishment programme related to Windmill Court, as the Major Repairs team are reviewing ways to increase the affordability of the project. The Kilburn Square Tower Block refurbishment project is forecasting an overspend of £3.8m. Officers are exploring value-engineering opportunities on the Windmill Court refurbishment as a way of mitigating the impact of this overspend.
- 12.12 As Brent's New Homes Programme reaches completion in 2026/27, officers are facing challenges in planning new development projects. The rising interest and construction costs combined with the current HRA budget position and slippage on housing schemes delaying anticipated rental income make further new build developments challenging from a viability perspective.

Regeneration

- 12.13 The Regeneration programme is delivering new homes, infrastructure and community assets designed to support inclusive growth and sustainability. Since Q2, budgets for Staples Corner Growth Area Infrastructure (£0.3m), Neasden Civic Partnerships Programme (£0.9m) and Wembley Housing Zones (£10.6m) have been reprofiled to future years in line with delivery plans resulting in a total revised budget of £84.2m for 2025/26. Wembley Housing Zones is still forecast to complete on time in September 2026.
- 12.14 The programme is currently forecasting slippage of £2.3m. This is made up of £0.6m on Mahogany Arts Capital Improvement works, £0.7m on Bridge Park

Regeneration as planned demolition was on hold until a listing decision was made and £0.6m on Alperton Medical Centre because of ongoing discussions between the developer and the NHS.

- 12.15 A key risk facing the Regeneration programme is delays on grant funded projects where grant conditions require completion by 31st March 2026. Officers are working to reduce delays and are in discussions with funding partners, but reductions in funding sources may lead to projects not being delivered to initial specifications or additional borrowing being incurred.

South Kilburn

- 12.16 The procurement process for the Single Delivery Partner (SDP) is progressing well, with three bidders shortlisted. A key element of this process is the incorporation of comprehensive contractual mitigations to address critical risks, including financial exposure, to ensure robust and secure delivery for Brent. The SDP model is intended to streamline delivery and improve co-ordination of the major regeneration programme. The move to a single delivery partner model has delayed some schemes in the programme, so officers have processed budget reprofiles totaling £5.8m to future years in line with anticipated delivery.
- 12.17 The South Kilburn programme is currently forecasting slippage of £6.9m. The majority of the slippage of £6.7m is projected against the South Kilburn Energy Network. Following the tender process, officers are reviewing the scheme to ensure affordability and working towards revising capital budgets.
- 12.18 The main risk to the South Kilburn programme is the adoption of the Single Delivery Partner model and the ongoing procurement. Officers have appointed external commercial advisers and are in ongoing discussions with the GLA to identify and mitigate risks arising from the new model.

Children, Young People and Community Development

- 12.19 The Children, Young People and Community Development programme is forecasting slippage of £4.1m. £2.5m relates to the Welsh Harp Post-16 Centre because construction will not start until 2026/27 with only design costs in 2025/26. There is slippage of £1.4m on the SEND Capital programme as one project has now become part of the DfE School Rebuilding Programme, which will involve a complete rebuild of the site.
- 12.20 The budget for Islamia Primary School has been removed for 2025/26 and future years as the project is not going ahead in its original form as Cabinet have agreed to relocate the school to the Gwenneth Rickus site.
- 12.21 A challenge for the CYP programme has been the identification of unforeseen ground and building conditions issues which were not factored into initial budgets, as reported at Q2. Officers continue to monitor the situation, and the SEND expansion projects are still forecast to remain within their overall budget allocations.

Public Realm

- 12.22 The Public Realm Board is designed to deliver improvements to community infrastructure in Brent, including roads, parks and CCTV. The budget for 2025/26 has reduced by £4.9m compared to Q2 because of the removal of the budget for the waste bins project not going ahead, and reprofiling for the Beresford Avenue / Mount Pleasant CPZ and Northwick Park Mortuary Schemes. This has been offset by an increase of £3.7m for new NCIL schemes approved by Cabinet in September.
- 12.23 The (£3.8m) variance in Public Realm is driven by £2.1m slippage on Safer Streets and Parking due to delays in obtaining TFL approvals. There is further £1.2m slippage on parks caused by changes in procurement law delaying the sports pitch improvement project tendering process, and health and safety issues delaying the Northwick Park Pavillion upgrade.
- 12.24 Most NCIL projects are currently forecasting to be delivered on time and to budget, but the habitat bank project is reporting £0.1m of slippage.
- 12.25 Public Realm continues to face the challenge of increasing expenditure during the latter part of the financial year following the in-year approval of NCIL and SCIL-funded projects. The large number of small projects within the programme can be difficult to forecast, especially as uncontrollable circumstances can impact delivery, such as poor weather conditions.

Treasury Management Prudential Indicators

- 12.26 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 second 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 of 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

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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 | There is a slippage against the delivery of this saving. Deployment of new technology is scheduled for October 2025 and May 2026 respectively. Mitigating actions to manage this would be to offset the pressures following reviews from 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 | 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 | 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 | 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 | Amber | A review is currently underway, however there is a risk that the savings will not be delivered in 2025/26. A mitigation plan is being developed but it is proving to be difficult to reduce activity away from the current contract. Alternative cost reductions are also being explored to mitigate the risk of this slippage. |
| Service Reform and Strategy | 2025-26 CHW03 | Service Transformation | Commitment to reducing staffing cost across the Care, Health and Wellbeing Directorate | 300 | Green | 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 | 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 | 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 | 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 | On track to be delivered. |
| Service Reform and Strategy | CHW03 25-26 | Digital | Modernise Adult Social Care Approach to Assessment and Review. | 200 | Green | On track to be delivered. |
| Service Reform and Strategy | CHW04 25-26 | Income generation | Implementation of Telecare Service Charges. | 500 | Amber | There has been a delay with the implementation of this programme. Charges are due to be introduced on the 1 st of October. The service are reducing costs elsewhere to help to mitigate the impact of this 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 25-26A | Restructure | Staffing efficiencies within the Communications, Insight and Innovation department | 251 | Green | 250k savings for SRS is on track to be delivered. £65k savings is for B05063 which is now under Finance & Resources. |
| 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 | This has been delivered. |
| Service Reform and Strategy | LG02 25-26 | Procurement | Reduction In Car Club costs. | 50 | Green | This is on track to be delivered but will need to be monitored to ensure the saving materialises. |
| Subtotal | | | | 4,739 | | |
| 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 | 500 | Green | Savings on track to be delivered. |

| | | | | | | |
|--|---------------|------------------------|---|--------------|-------|-----------------------------------|
| | | | commissioning approach within the ICP. | | | |
| 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. | 71 | Green | Savings on track to be delivered. |
| Subtotal | | | | 1,995 | | |
| 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 | 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 | On track to be delivered |
| Residents and Housing Services | 2024-25 RS08A | Digital | To not recruit to vacant posts / move to digital – self-service / reduction in usage of Resilience Contract | 33 | Green | 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 | 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 | On track to be delivered |
| Residents and Housing Services | PHRS05 25-26 | Restructure | Achieving management efficiencies within Libraries, Arts and Heritage. | 50 | Green | 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 | On track to be delivered |
| Subtotal | | | | 806 | | |
| 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 | 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 | 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 | On track to be delivered |
| Neighbourhoods and Regeneration | NR02 25-26 | Income generation | Increase garden waste annual subscription from £65 to £69. | 55 | Green | On track to be delivered |
| 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 | On track to be delivered |
| Neighbourhoods and Regeneration | NR04 25-26 | Reduction in provision | Stop subscription for Recyclopedia. | 6 | Green | On track to be delivered |
| Neighbourhoods and Regeneration | NR05 25-26 | Restructure | Transformation restructures across public realm, regeneration and strategic housing. | 250 | Green | On track to be delivered |

| Subtotal | | | | 506 | | |
|-----------------------|-------------|------------------------|--|-----|-------|--------------------------|
| 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 | 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 | 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 | 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 | 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 | On track to be delivered |

| | | | | | | |
|-----------------------|---------------|------------------------|---|--------------|-------|--------------------------|
| Finance and Resources | 2024-25 RS08B | Digital | To not recruit to vacant posts / move to digital – self-service / reduction in usage of Resilience Contract | 33 | Green | On track to be delivered |
| Finance and Resources | FR01 25-26 | Restructure | Transformation restructures across Finance and Resources | 260 | Green | On track to be delivered |
| Finance and Resources | LG01 25-26 | Reduction in provision | Reduction in Members Allowances budget. | 50 | Green | On track to be delivered |
| Finance and Resources | LG03 25-26 | Procurement | Outsource Occupational Health Service | 100 | Green | On track to be delivered |
| Finance and Resources | LG04 25-26 | Reduction in provision | Deletion of two Trainee positions in Legal Services | 87 | Green | On track to be delivered |
| Finance and Resources | LG05 25-26 | Income generation | Increase in income – Legal Services Property and planning. | 13 | Green | On track to be delivered |
| Finance and Resources | PHRS02 25-26A | Restructure | Staffing efficiencies within the Communications, Insight and Innovation department | 65 | Green | On track to be delivered |
| Subtotal | | | | 809 | | |
| Overall total | | | | 8,855 | | |

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Appendix B –Quarter Three 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 3 of 2025/26 (October 2025 position).

| Capital Expenditure & Financing at Q3 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total 2024/25-2029/30 |
|--|--------------|--------------|--------------|--------------|-------------|------------|-----------------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated | Totals |
| Corporate Landlord | 11.6 | 13.4 | 9.3 | 3.5 | 2.7 | 0.6 | 37.8 |
| Housing GF | 71.0 | 115.9 | 9.7 | 21.1 | 17.5 | 0.0 | 217.6 |
| Schools | 22.1 | 25.5 | 17.7 | 9.3 | 5.3 | 0.0 | 74.6 |
| Regeneration | 34.6 | 84.2 | 92.3 | 46.5 | 16.6 | 0.0 | 257.7 |
| Public Realm | 18.0 | 34.9 | 12.2 | 3.7 | 6.0 | 0.2 | 68.9 |
| South Kilburn | 20.4 | 26.9 | 31.8 | 23.2 | 7.6 | 1.2 | 102.3 |
| St Raphael's | 0.2 | 0.4 | 6.9 | 12.5 | 0.0 | 0.0 | 20.0 |
| HRA | 60.9 | 27.6 | 88.8 | 11.6 | 0.4 | 0.0 | 188.9 |
| Total Capital Expenditure | 238.8 | 328.9 | 268.7 | 131.4 | 56.1 | 2.0 | 967.8 |
| | | | | | | | |
| Financed By: | | | | | | | |
| Grants | 52.0 | 94.4 | 31.0 | 10.7 | 6.1 | 0.8 | 188.1 |
| Section 106 | 11.9 | 27.0 | 23.1 | 24.4 | 14.4 | 0.0 | 86.4 |
| Capital Receipts | 17.3 | 3.6 | 11.3 | 34.4 | 2.1 | 0.4 | 66.6 |
| Earmarked Reserves | 1.2 | 5.4 | 2.7 | 1.0 | 1.0 | 0.1 | 10.3 |
| Major Repairs Reserve | 16.6 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 16.6 |
| Revenue Contributions | 11.4 | 11.1 | 3.5 | 1.9 | 6.6 | 0.6 | 27.9 |
| Borrowing | 128.3 | 187.4 | 197.1 | 59.0 | 25.9 | 0.1 | 571.9 |
| Total Capital Financing | 238.8 | 328.9 | 268.7 | 131.4 | 56.1 | 2.0 | 967.8 |

(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

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

| CFR Movement at Q3 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| Opening CFR | 1,254.5 | 1,357.1 | 1,505.3 | 1,648.1 | 1,634.7 | 1,568.5 |
| Capital Expenditure | 238.8 | 328.9 | 268.7 | 131.4 | 56.1 | 2.0 |
| External Resources | (63.9) | (121.4) | (54.1) | (35.1) | (20.5) | (0.8) |
| Internal Resources | (46.5) | (20.1) | (17.5) | (37.3) | (9.7) | (1.1) |
| MRP | (24.9) | (39.2) | (54.3) | (72.4) | (92.1) | (112.4) |
| Capital Loans Repaid | (0.8) | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Use of Capital Receipts | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Accounting Adjustments | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Closing CFR | 1,357.1 | 1,505.3 | 1,648.1 | 1,634.7 | 1,568.5 | 1,456.2 |

*MRP includes PFI/Leases IFRS16 adoption.

(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 Q3 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| External Loans | 900.0 | 1,090.5 | 1,287.6 | 1,346.5 | 1,372.5 | 1,372.6 |
| PFI & Leases | 32.5 | 28.5 | 24.7 | 22.7 | 20.4 | 17.0 |
| Total External Debt Liabilities | 932.5 | 1,118.9 | 1,312.3 | 1,369.2 | 1,392.8 | 1,389.6 |
| Internal Borrowing | 424.6 | 386.4 | 335.8 | 265.5 | 175.6 | 66.6 |
| Capital Financing Requirement | 1,357.1 | 1,505.3 | 1,648.1 | 1,634.7 | 1,568.5 | 1,456.2 |

(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.

| Liability Benchmark at Q3 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|--------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| CFR | 1,357.1 | 1,505.3 | 1,648.1 | 1,634.7 | 1,568.5 | 1,456.2 |
| LOBO Loans | 59.5 | 5.0 | 24.5 | 0.0 | 10.0 | 10.0 |
| Non LOBO Loans | 840.5 | 1,085.5 | 1,263.1 | 1,346.5 | 1,362.5 | 1,362.6 |
| Balance Sheet Resources | (616.7) | (495.7) | (494.7) | (493.7) | (492.7) | (491.7) |
| Net Loan Requirement | 852.7 | 1,070.5 | 1,267.6 | 1,326.5 | 1,352.5 | 1,352.6 |
| Plus Liquidity Allowance | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Liability Benchmark | 872.7 | 1,090.5 | 1,287.6 | 1,346.5 | 1,372.5 | 1,372.6 |

(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.

| Authorised Limit at Q3 2025/26 (£m) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|-------------------------------------|---------|---------|---------|---------|---------|
| 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 Q3 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 Q3 2025/26 | Upper Limit | Lower limit | 2025/26 | 2025/26 | 2025/26 | 2025/26 | 2025/26 |
|--|-------------|-------------|-----------------------------|-----------------------------|----------------------------------|----------------------------------|------------------------|
| | | | Actual Borrowing 30.10.2025 | Actual Borrowing 30.10.2025 | Forecast Borrowing at 31.03.2026 | Forecast Borrowing at 31.03.2026 | Compliance with limits |
| | % | % | £m | % | £m | % | |
| Under 12 months | 40 | 0 | 100.0 | 10.0% | 80.0 | 8.02% | Yes |
| 12 months & within 24 months | 40 | 0 | 36.5 | 3.7% | 41.5 | 4.16% | Yes |

| | | | | | | | |
|------------------------------|----|---|--------------|---------------|--------------|----------------|-----|
| 24 months and within 5 years | 40 | 0 | 58.7 | 5.9% | 58.7 | 5.89% | Yes |
| 5 years and within 10 years | 60 | 0 | 129.5 | 13.0% | 128.5 | 12.89% | Yes |
| 10 years and within 20 years | 75 | 0 | 255.1 | 25.6% | 272.8 | 27.36% | Yes |
| 20 years and within 30 years | 75 | 0 | 156.8 | 15.8% | 156.8 | 15.72% | Yes |
| 30 years and within 40 years | 75 | 0 | 153.8 | 15.5% | 153.8 | 15.42% | Yes |
| Over 40 years | 75 | 0 | 105.0 | 10.5% | 105.0 | 10.53% | Yes |
| Total | | | 995.5 | 100.0% | 997.1 | 100.00% | |

(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 Q3 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 | 43.0 | 51.6 | 58.3 | 67.0 | 76.4 |
| Net Revenue Stream (£m) | 431.4 | 431.4 | 431.4 | 448.7 | 465.8 | 483.8 |
| Proportion of net revenue stream (%) | 8.11% | 9.97% | 11.96% | 12.99% | 14.39% | 15.79% |

Financing costs can be further broken down as follows.

| Capital Financing Costs at Q3 2025/26 (£m) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|-----------|-----------|-----------|-----------|-----------|
| | Estimated | Estimated | Estimated | Estimated | Estimated |
| Total Gross External Debt Interest | 28.2 | 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 | 25.1 | 23.9 | 22.8 |
| MRP (Excluding PFI) | 19.6 | 24.9 | 33.2 | 43.1 | 53.6 |
| Total Interest & MRP | 43.0 | 51.6 | 58.3 | 67.0 | 76.4 |
| Revenue Contributions to Capital Programme | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total Capital Financing Costs | 43.0 | 51.6 | 58.3 | 67.0 | 76.4 |

(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 Q3 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 Q3 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 Q3 2025/26 (£m) | 2025/26 | 2025/26 |
|---|----------|---------|
| | Approved | Actual |
| Total cash available within 3 months | 20.0 | 55.7 |

(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.

| Total Investment Exposure Indicator at Q3 2025/26 (£m) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|--------------|--------------|--------------|--------------|--------------|
| | Estimated | Estimated | Estimated | Estimated | Estimated |
| 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 |
| Total Investments | 343.4 | 342.2 | 341.0 | 339.7 | 338.3 |
| Commitments to lend | 50.0 | 50.0 | 50.0 | 0.0 | 0.0 |
| Total Exposure | 393.4 | 392.2 | 391.0 | 339.7 | 338.3 |

Service investments are further broken down in the table below.

| Loans & Investments for service purposes: Category of borrower at Q3 2025/26 (£m) | 2025/26 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|-----------------------|------------------|------------------|------------------|------------------|------------------|
| | Approved Limit | Estimated | Estimated | Estimated | Estimated | Estimated |
| 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 |
| Total | 650.0 | 323.4 | 322.2 | 321.0 | 319.7 | 318.3 |

(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 Q3 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 |
| Total Service investments | 292.1 | 291.7 | 291.2 | 291.2 | 290.8 | 290.3 |
| Total Funded by Borrowing | 292.1 | 291.7 | 291.2 | 291.2 | 290.8 | 290.3 |


(m) Investment Rate of Return

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

| Investments net rate of return at Q3 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 at Q3 2025/26 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---|-----------|-----------|-----------|-----------|-----------|
| | Estimated | Estimated | Estimated | Estimated | Estimated |
| External Debt (Loans) | 1,090.45 | 1,287.58 | 1,346.49 | 1,372.46 | 1,372.57 |
| Net Service Expenditure | 431.4 | 448.7 | 465.8 | 483.8 | 483.8 |
| Debt to net service expenditure ratio | 2.5 | 2.9 | 2.9 | 2.8 | 2.8 |

| | |
|---|---|
|  | Cabinet 19 January 2026 |
| | Report from the Corporate Director, Finance and Resources |
| | Lead Member - Deputy Leader & Cabinet Member for Finance & Resources (Councillor Mili Patel) |
| Treasury Management Mid-Year Report 2025-26 | |

| | |
|---|---|
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| List of Appendices: | Four: Appendix 1: Economic Commentary Appendix 2: Debt and Investments Portfolio Appendix 3: Average Rate vs Credit Risk Appendix 4: Prudential Indicators |
| Background Papers: | None |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Karima Mbarak, Senior Finance Analyst Capital, Treasury & Commercial 020 8937 1192 Email: karima.mbarak@brent.gov.uk Oliver Simms, Head of Finance (Capital, Treasury and Commercial) Capital, Treasury & Commercial 020 8937 3484 Email: Oliver.simms@brent.gov.uk |

1.0 Executive Summary

- 1.1 This report updates Members on Treasury activity for the first half of the financial year 2025/26 (quarters one and two). The Local Government Act 2003 and the Local Authorities (Capital Financing and Accounting) Regulations 2003 require that regular reports be submitted to the relevant Council Committee detailing the Council's treasury management activities.
- 1.2 This report updates Members on both the borrowing and investment decisions made by the Corporate Director, Finance and Resources under delegated authority in the context of prevailing economic conditions and considers the Council's Treasury Management performance. The Council can only borrow for capital investment, it cannot borrow to fund operational, day to day expenditure. The borrowing supports the Council's capital investment programmes for both Council Housing (HRA) and General Fund.
- 1.3 Key emerging points are as follows:
 - 1.3.1 The Council has complied with its Prudential Indicators as at quarter two of 2025/26 (also published as an appendix to the council's Q2 outturn report on 13 October 2025).
 - 1.3.2 Borrowing outstanding at 30 September 2025 was £951.2m and has increased from £900.0m at the beginning of the financial year, a change of £51.1m. The change in debt was due to a combination of new loans to fund the capital programme and repayment of loans - both short term and long term borrowing.
 - 1.3.3 Cash Investments at 30 September 2025 were £38.6m compared to £47.1m at the beginning of the financial year, a change of £7.1m. The change relates to the repayment of maturing debt and ongoing investment in the Council's capital programme.
 - 1.3.4 Forecast net interest costs for 2025/26 are £20.7m consisting of interest costs of £52.1m and interest income of £31.4m.
 - 1.3.5 The Council had generated interest income of £1.27m on cash investments as at 30 September 2025. This income reflects the Council's cash position and the current level of the Bank of England's Bank Rate. Bank Rate was maintained at 4% in September 2025.
 - 1.3.6 The economic environment remains highly volatile with sluggish economic growth and inflation remaining above the Bank of England's 2% target, peaking at 3.8% in August. The Bank of England cut interest rates from 4.5% to 4.0% with further cuts expected but these have not been fully reflected in rates, particularly long-term rates, available to local authorities because of the uncertain economic environment.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Note and comment on the overall financial performance up to quarter two of 2025/26 and note the Council has had complied with the prudential indicators as set by Council on 10 February 2025.
- 2.2 Approve the submission of the report to Cabinet for approval in accordance with the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice.

3.0 Detail

3.1 Cabinet Member Forward

- 3.1.1 This Treasury Management Mid-Year Report sets out clearly and transparently how Brent Council continues to steward public money carefully and responsibly in an exceptionally challenging financial environment. Treasury management is not technical for its own sake: it goes to the heart of our ability to invest in homes, infrastructure and services while protecting residents from unnecessary financial risk.
- 3.1.2 Throughout the first half of 2025 26, the Council has remained fully compliant with the CIPFA Treasury Management Code and government guidance. Our approach continues to be grounded in prudence, discipline and long-term sustainability. Security and liquidity are always prioritised and borrowing decisions are taken only to support our approved capital programme, never for speculative return.
- 3.1.3 I am particularly reassured that the Council's investment activity continues to reflect our values. In line with the CIPFA Treasury Management Code, the report outlines how officers consider environmental, social and governance factors when selecting counterparties, including alignment with initiatives such as the UN Principles for Responsible Investment, the UK Stewardship Code and the Net Zero Asset Managers Initiative. This ensures our cash balances are managed responsibly as well as prudently.
- 3.1.4 The report also highlights the reality of today's interest rate environment and the scale of the Council's borrowing position. Borrowing outstanding at 30 September 2025 was £951.2 million, an increase from £900.0 million at the beginning of the financial year. This reflects a net change of £51.1 million, driven by the need to fund the approved capital programme and manage maturing debt within the limits set by the Council's prudential indicators.
- 3.1.5 I am pleased that the Council has continued to take active steps to manage risk and secure better value for money. This includes paying down LOBO loans where options arise and refinancing them on more favourable terms.
- 3.1.6 Reducing exposure to these complex instruments is the right long-term decision, and officers will continue to keep the remaining portfolio under close review. At the same time, it remains a disappointment that the PWLB charges

a premium to Council's on the Government's cost of borrowing despite the certainty discount.

- 3.1.7 Taken together, this report demonstrates a balanced and responsible approach to treasury management. It shows how officers are navigating volatility, managing historic liabilities and supporting a significant capital programme while keeping risk under control and ensuring every decision represents careful stewardship of public money. I commend the report to the Cabinet and welcome the continued scrutiny and assurance it provides.
- 3.1.8 The regular reporting of treasury management activities assists Members in scrutinising officer decisions and monitor progress on the implementation of its borrowing and investment strategy as approved by Full Council.
- 3.1.9 The Council's treasury management activity is underpinned by Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), which requires authorities to produce annually Prudential Indicators and a Treasury Management Strategy Statement on the likely financing and investment activity.
- 3.1.10 The link to Council policies can be found here:

<https://www.brent.gov.uk/the-council-and-democracy/strategies-priorities-and-policies>

3.2 Background

- 3.2.1 The Council has borrowed money over the long-term period to support investment in the Council's infrastructure and invests cash balances held for short periods. It is therefore exposed to financial risks including the loss of invested funds and the revenue impact of high interest rates. The successful identification, monitoring and control of risk are central to the Council's treasury management strategy.
- 3.2.2 The Council has adopted the CIPFA Code which requires the Council to approve, as a minimum, treasury management reports twice per year as well as an annual strategy.
- 3.2.3 The 2021 Prudential Code includes a requirement for local authorities to provide a Capital Strategy, a summary document approved by full Council covering capital expenditure and financing, treasury management and non-treasury investments. The Council's Capital Strategy and Treasury Management Strategy, complying with CIPFA's requirement, was approved by full Council at a Budget and Council Tax Setting Council meeting on 10 February 2025.

3.3 Economic Background

- 3.3.1 Key points emerging for the first two quarters of 2025/26:

- 3.3.1.1 UK Inflation and Monetary Policy Response: Inflation remained persistently above the Bank of England's 2% target, with CPI peaking at 3.8% in August. In response to weakening economic growth, the Bank of England cut the Bank Rate twice during 2025/26 from 4.5% to 4.0% with further reductions expected in the year ahead as part of a cautious monetary easing cycle.
- 3.3.1.2 Economic Growth and Labour Market Softening: UK GDP growth slowed from 0.7% in Q1 to 0.3% in Q2, with zero growth recorded in July. Labour market indicators showed rising unemployment and falling vacancies, suggesting a cooling economy despite some resilience in employment rates.
- 3.3.1.3 Market Volatility and Gilt Yield Surge: Financial markets remained volatile, with UK gilt yields rising sharply particularly the 30-year yield, which reached its highest level in nearly 30 years amid fiscal concerns. Investor sentiment improved later in the period, but risk premiums remained elevated.
- 3.3.2 Appendix 1 provides a full economic commentary for the financial year.

3.4 W2Balance Sheet Summary

- 3.4.1 As at 30 September 2025, the Council had a net borrowing position of £911.2m arising from its revenue and capital income and expenditure. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR), while balance sheet resources are the underlying resources available for investment. These factors are summarised in Table 1 below.

Table 1- Balance Sheet Summary- CFR

| Balance Sheet Summary CFR | 31 Mar 25 | 30 Sep 25 |
|--|---------------|----------------|
| | Actual £m | Forecast £m |
| General Fund CFR | 1015.1 | 1144.1 |
| HRA CFR | 342.0 | 376.2 |
| Loan CFR | 1357.1 | 1520.4 |
| PFI & Lease Liabilities | 28.5 | 24.7 |
| Total CFR | 1385.6 | 1545.0 |
| External borrowing (Excluding accrued interest) | 900.0 | 1081.0 |
| Internal Borrowing (Loans CFR less external borrowing) | 457.1 | 439.4 |
| Less Usable Reserves | (496.7) | (495.7) |
| Less Working Capital | 7.7 | (36.4) |
| Investments (or new borrowing) | 47.3 | 20.0 |

- 3.4.2 The treasury management position at 30 September 2025 and the change during the first half of the year is shown in Table 2 below.

Table 2- Balance sheet summary – Treasury portfolio

| | 01-Apr-25 Actual £m | Movement | 30-Sep-25 Actual £m |
|--|------------------------------------|-----------------|------------------------------------|
| Short-term Borrowing | 70.0 | (5.0) | 65.0 |
| Long-term Borrowing | 830.0 | 56.1 | 886.2 |
| Total External Debt (excluding accrued interest) | 900.0 | 51.1 | 951.2 |
| Money Market Funds | 47.1 | (7.1) | 40.0 |
| Local Authority Cash Investments | 0.0 | 0.0 | 0.0 |
| Total Cash Investments | 47.1 | (7.1) | 40.0 |
| Net Debt | 852.9 | 58.2 | 911.2 |

3.4.3 Overall Borrowing has increased by £51.1m over the first two quarters of 2025/26 as new loans were taken out to fund the council's capital programme and existing loans were repaid. Further details are provided in Table 3.

3.4.4 Cash investments decreased by £7.1m in the first two quarters of 2025/26 as a result of repayment of debt and ongoing investment in the Council's capital programme.

3.4.5 Appendix 2 to this report outlines the full debt and investment portfolio as at 30 September 2025.

3.5 Borrowing

3.5.1 The council continues to prioritise security, liquidity and yield in this order when considering the full treasury portfolio. The main objective when borrowing is ensuring a balance between low interest costs and cost certainty over the duration for which the funds have been required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective. In 2025/26 the council has faced an increasingly high-interest rate environment, therefore monitoring interest rates regularly has become critical. The Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio.

3.5.2 CIPFA's 2021 Prudential Code is clear that local authorities must not borrow to invest primarily for financial return and that Councils should only make investment or spending decisions that are directly and primarily related to the functions of the Council.

3.5.3 The Council has complied with these requirements not invested in assets primarily for financial return or that are not primarily related to the functions of the Council. It has no plans to do so in future.

3.5.4 Gilt yields were volatile over the 6-month period and have reduced slightly between April and September 2024. Much of the downward pressure from

lower inflation figures was counteracted by upward pressure from positive economic data. Data from the US continues to impact global bond markets including UK gilt yields which PWLB loan rates are priced off.

- 3.5.5 The Council had a borrowing position of £900.0m as at 1 April 2025. This had increased to £951.2m as at 30 September 2025. Table 3 provides the breakdown of loan balances.

Table 3- breakdown of debt

| | 01-Apr-25 | New Loans | Repaid Loans | 30-Sep-25 |
|-------------------------------|--------------|--------------|---------------|--------------|
| Loan Type | £m | £m | £m | £m |
| PWLB | 675.5 | 80.0 | (13.9) | 741.7 |
| Private Placement | 95.0 | 0.0 | 0.0 | 95.0 |
| Local Authority | 70.0 | 25.0 | (30.0) | 65.0 |
| LOBO | 59.5 | 0.0 | (10.0) | 49.5 |
| Total Debt Outstanding | 900.0 | 105.0 | (53.9) | 951.2 |

- 3.5.6 The Council had raised £105m of new loans since the beginning of the financial year 2025/26. Of this £105m new loans, this includes £25m new loans from other local authorities with an average rate of 4.3% and £80m new PWLB loans with an average rate of 4.8% (includes a 0.2% certainty rate discount from the PWLB). These been driven by a combination of daily cashflow requirements, the council's internal borrowing position and the requirement to borrow to fund the Council's capital programme due to limited availability of other sources.
- 3.5.7 The 4.3% interest rate achieved on new inter authority loans is lower than achieved last year, reflecting reductions in short-term borrowing rates. Across the total debt portfolio (previous loans raised before April 2025 and new loans taken out post April 2025) loans from other local authorities have an average interest rate of 4.8% with an average duration of 364 days.
- 3.5.8 By 30 September 2025, the Council had repaid £53.4m of loans. These include loans from the PWLB (£13.9), LOBOs (£10.0m) and loans from other local authorities (£25.0m).
- 3.5.9 Overall, the total debt movement was a net increase of £51.2m.
- 3.6 **Loan Restructuring:** No loans were restructured during the first two quarters of 2025/26. The Council will continue to monitor and evaluate the opportunity to restructure existing loans as and when opportunities arise.
- 3.7 **LOBO Loans:** As at 30 September 2025 the Council was holding £49.5m of LOBO loans. Following a formal notice of change to interest rates in May 2025, the council decided to repay £10.2m (£10m loan principal and £213k loan interest) in relation to a LOBO loan with Dexia with an original maturity of May 2055. The original rate on the loan was 4.10% and proposed rate was 6.10%.

Following an options appraisal, the LOBO was refinanced and replaced by PWLB in May 2025 where the council borrowed £10m maturity loan at 4.87% which is lower than the proposed LOBO call rate and offered better value. As at 30 September 2025 the council has a further four option dates within 25/26 with the value of the loans totalling £25m The Council will continue to keep the LOBO portfolio under review and consider any opportunities that arise to repay or restructure to mitigate against interest rate risk.

- 3.8 **Forward Borrowing:** As at 30 September 2025, officers have arranged £29m of short-term loans from other local authorities to start in October and November 2025, with an average rate of 4.37%. The Council's cashflow forecast has identified a need to borrow cash to support forecasted cashflow activity. In line with proper cashflow monitoring and advice from the treasury advisors Arlingclose, the council has taken a little and often approach to forward borrowing in longer term space to mitigate against interest rate risk. The loans were also raised to avoid the capital market liquidity squeeze that is consistently observed in the months January-March, a period when Councils nationally borrow resulting in demand for cash outstripping supply causing short term loan rates to spike.

3.9 Maturity Profile of Debt

- 3.9.1 The forecast for 31 March 2026 is that the Council will have 77 loans spread over 50 years. The maturity profile allows the Council to spread the risk of high interest rates when debt matures in any one year.

Table 4 - Debt maturity profile

| Maturity Profile at 31 March 2026 (£m) | 2025/26 |
|---|----------------|
| <1 Year | 40.0 |
| 1-2 Years | 91.5 |
| 3-5 years | 5.0 |
| 5-10 Years | 123.9 |
| 10-15 Years | 111.9 |
| 15-20 Years | 163.3 |
| 20-25 Years | 96.9 |
| 25-30 Years | 53.8 |
| 30-35 Years | 159.9 |
| 35-40 Years | 0.0 |
| 40-45 Years | 5.0 |
| 45+ Years | 100.0 |
| Debt outstanding | 951.2 |

3.9.2 The maturity loan profile includes existing debt and forward starting loans as agreed at 30 September 2025 and excludes any planned future borrowing.

3.10 Interest Rates

3.10.1 For context, the changes in interest rates during the half year were as follows:

Table 5 - comparison of interest rates

| Interest Rate | 31-Mar-25 | 30-Sep-25 |
|---|-----------|-----------|
| Bank Rate | 4.50% | 4.00% |
| 1-year PWLB certainty rate, maturity loans | 4.82% | 4.58% |
| 5-year PWLB certainty rate, maturity loans | 4.94% | 4.95% |
| 10-year PWLB certainty rate, maturity loans | 5.38% | 5.53% |
| 20-year PWLB certainty rate, maturity loans | 5.88% | 6.14% |
| 50-year PWLB certainty rate, maturity loans | 5.63% | 5.98% |

3.11 Capital Financing Requirement

3.11.1 The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). This is the amount of the Capital Programme, past and present, that is funded by borrowing and has not been paid for by revenue or other resources.

3.11.2 Assuming that the Council's capital programme is delivered in line with the quarter two forecast, the Council's external borrowing is forecasted to be £1081.0m at 31 March 2026. This is within the Prudential Indicator for external borrowing. The forecasted loan CFR as at 31 March 2025 is expected to be £1520.4m, compared to an original forecast at the start of the year of £1,544.2m. The forecasted CFR can be split between the General Fund (£1,144m) and the HRA (£376.2m). The difference between the Loan CFR and external loans is internal borrowing. Internal borrowing occurs due to timing differences when capital expenditure that is meant to be financed through external debt is instead paid for through cash resources that are intended for other purposes. Cash is replenished at a later date. Internal borrowing at 31 March 2025 is expected to be £439.4m as shown in Table 6.

3.11.3 The General Fund CFR is forecasted to reduce by £18.6m following the application of Minimum Revenue Provision (MRP) charges and service loan repayments. MRP is discussed further below.

3.11.4 The expected movement in the Loan CFR of £163.2m between 1 April 2025 and 31 March 2026 is explained in Table 6.

Table 6 - Capital Financing Requirement

| Capital Financing Requirement (CFR) (£m) | 31 Mar 25 | 30 Sep 25 |
|---|------------------|------------------|
| | Actual | Forecast |
| General Fund | 1,015.1 | 1,144.1 |
| Housing Revenue Account | 342.0 | 376.2 |
| Loan CFR | 1,357.1 | 1,520.4 |
| Other Debt Liabilities | 28.5 | 24.7 |
| Total CFR | 1,385.6 | 1,545.0 |
| Less external Borrowing | (900.0) | (1,081.0) |
| Internal Borrowing | 457.1 | 439.4 |
| Council Approved Limits (Capital Strategy) | 2024/25 | 2025/26 |
| Approved Operational Boundary Limit | 1,500.0 | 1,600.0 |
| Approved Authorised Limit | 1,700.0 | 1,800.0 |

Table 7 - Movement in CFR

| | £m |
|---|----------------|
| Opening Loan CFR 1 April 2025 | 1,357.1 |
| Capital expenditure 2025/26 | 335.8 |
| Capital expenditure Financing | (153.0) |
| MRP | (18.6) |
| Service Loans Repaid | (1.0) |
| Closing Loan CFR 30 September 2025 | 1,520.4 |

3.12 Minimum Revenue Provision

- 3.12.1 The Minimum Revenue Provision (MRP) is the charge to revenue made in respect of paying off the principal sum of the borrowing undertaken to finance the capital programme. The statutory guidance provides options for calculating a charge that is considered prudent. The approach for this calculation is approved as part of the budget setting process each February by Full Council in the Minimum Revenue Provision Statement.
- 3.12.2 As at 30 September 2025, the 2025/26 forecasted MRP charge is expected to be £18.6m and consists of capital programme borrowings (historical supported borrowings and unsupported borrowings).
- 3.12.3 MRP will be continued to be kept under review throughout the financial year to ensure that the Council accounts for a prudent charge for the year.

3.13 Cost of Borrowing

- 3.13.1 Total net interest costs are forecast to be £20.7m (£17.5m in 2024/25), reflecting the high-interest rate environment and the cost of servicing loans required for servicing the Council's ambitious capital programme.

Table 8- Debt costs

| | 2024/25 | 2025/26 |
|------------------------------------|-------------|-------------|
| Capital Financing Costs at Q2 (£m) | Actual | Estimated |
| Total Gross External Debt Interest | 32.4 | 50.4 |
| Total Interest Payable & Expenses | 35.3 | 52.1 |
| Total Interest Receivable | (17.8) | (31.4) |
| Net Interest | 17.5 | 20.7 |
| MRP (Excluding PFI) | 13.7 | 18.6 |
| Total Interest & MRP | 31.2 | 39.3 |

- 3.13.2 The total capital financing cost forecast includes:

- 3.13.2.1 borrowing £182.8m of new loans (the council has taken out £105m new loans as illustrated in table 3) to fund the Council's capital programme borrowing need as well as to finance maturing debt at an assumed interest rate of 5.2%.

- 3.13.2.2 Interest on treasury cash investments with an average cash balance of £58.4m earning an assumed rate of 4.26%.

- 3.13.2.3 Expected interest on subsidiary loans related to I4B and First Wave Housing, two wholly owned Council companies, and service loan advances to Brent schools; the West London Waste Authority and Alperton Academy are also included in the forecast.

- 3.13.3 The forecast total interest of £20.7m is higher than the previous financial year due to a rise in UK Government Gilt rates that subsequently impact PWLB loan rates, thus making borrowing loans from the PWLB (and capital markets) more expensive. The Council's borrowing need has also increased since 2024/25 in line with approved plans to fund the borrowing requirement of the current capital programme and management of the depleting internal borrowing position. Furthermore, the Council has a rising MRP obligation that is associated with past borrowing decisions. The Council uses the annuity method to determine the MRP charge which is set out in the annual MRP policy approved by full cabinet each financial year, which results in a lower charge in the earlier period of the repayment schedule but increases over time.

3.14 Investment Activity

- 3.14.1 CIPFA published a revised Treasury Management in the Public Services Code of Practice and Cross-Sectoral Guidance Notes on 20th December 2021. These define treasury management investments as investments that arise from the organisation's cash flows or treasury risk management activity that ultimately represents balances that need to be invested until the cash is required for use in the course of business.
- 3.14.2 The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves. As at 30 September 2025, the Council was holding investment balances of £40.0m and had decreased from £47.1m, a change of £7.1m. The investment position is shown in table 8 below.

Table 9 - Treasury investment activity

| | 31 Mar 25 | Movement | 30 Sep 25 |
|--|-------------|--------------|-------------|
| | £m | £m | £m |
| Local Authority and DMADF Deposits | 0.0 | 0.0 | 0.0 |
| Money Market Funds | 47.1 | (7.1) | 40.0 |
| Total Cash Investments (Excluding accrued interest) | 47.1 | (7.1) | 40.0 |

- 3.14.3 The CIPFA Treasury Management Code requires local authorities to consider their counterparty policies considering environmental, social and governance (ESG) information. The Council has regard to funds who have signed up to ESG related initiatives, including the UN Principles for responsible investment, the UK Stewardship Code and the Net-Zero Asset Managers Initiative.
- 3.14.4 Both the CIPFA Code and government guidance require the Council to invest its funds prudently, and to have regard to the security and liquidity of its treasury investments before seeking the optimum rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income.
- 3.14.5 Investment interest rates on short-term cash holdings remain relatively high but lower than a year ago. As at 30 September 2025, the Council has achieved an average of 4.26% interest income from cash investment holdings, which compares to compares to 5.0% a year earlier. Appendix 2 summarises the council's portfolio as at 30 September 2025 and the average rates. In addition, Appendix 3 details the average rate earned on investments against credit risk exposure.
- 3.14.6 The Council needs to hold cash for day-to-day requirements so holds deposits in short term investments. These provide the Council with improved security through high credit ratings and liquidity through the accessibility function of redeeming funds on the same day.
- 3.14.7 The Council continues to be a long-term borrower and new treasury investments are therefore primarily made to manage day-to-day cash flows

using short-term low risk instruments. The existing portfolio of money market funds will be maintained to allow access to cash to fund daily cashflow outgoings.

3.14.8 The progression of risk and return metrics are shown in the extracts from Arlingclose quarterly investment benchmarking in the table 10 below.

Table 10 - Investment benchmarking

| | Credit Score | Credit Rating | Bail-in Exposure | Weighted Average Maturity (days) | Rate of Return |
|----------------------------|---------------------|----------------------|-------------------------|---|-----------------------|
| 31.03.2025 | 4.88 | A+ | 100% | 1 | 4.53% |
| 30.09.2025 | 4.88 | A+ | 100% | 1 | 4.08% |
| Similar Local Authorities* | 4.53 | A+ | 75% | 10 | 4.52% |
| All Local Authorities* | 4.38 | A+ | 62% | 11 | 4.47% |

*Arlingclose clients only

3.15 Non-Treasury Investment Activity

3.15.1 Investments that do not meet the definition of treasury management investments (i.e., management of surplus cash) are categorised as either for service purposes (made explicitly to further service objectives) and or for commercial purposes (made primarily for financial return). All non-Treasury investments are held for service purposes. They include equity stakes and loans to subsidiaries.

3.15.2 As at 30 September 2025 the Council held £252.1m of investments for service purposes:

- Equity in subsidiaries of £36.4m
- Loans to subsidiaries of £215.8m

3.15.3 I4B Holdings Limited is a company wholly owned by Brent Council that was incorporated on 16 December 2016. The primary purpose of the company is to deliver the housing options defined in the Temporary Accommodation Reform Plan. As at 30 September 2025, the Council had provided total investment of £218.7m in I4B (£218.7m in 2024/25), which is secured against the company's properties. The investment is split between £182.4m loans and £36.4m equity financing. Based on current loans, the Council is expected to receive £5.3m in interest for loans advanced to I4B by 31 March 2026.

3.15.4 The Council expects to issue a new relation to the Phase 3 loan facility to I4B in the latter half of 2025/26 consisting of £32m capital loan and £8m equity. This was formally approved by Cabinet on 5 February 2024 in the 2024/25 Budget and Council Tax paper, paragraph 2.12. The £32m capital loan increases the forecast interest income from loans to I4B to £6.6m by 31 March 2026.

3.15.5 First Wave Housing (FWH) is a registered provider of housing in Brent and is wholly owned by Brent Council. FWH was formally known as Brent Housing Partnership (BHP). The Council is expecting to receive £0.7m in interest by 31 March 2026 for loans to FWH and is expecting to receive capital repayment of £0.5m. As at 30 September 2025, there were outstanding loans to FWH of £33.4m (£33.8m in 2024/25), which are secured against the properties held within the company.

3.15.6 Loans to subsidiaries are expected to generate £7.3m of income for the Council in 2025/26 (£6.0m in 2024/25). This interest income covers the borrowing cost of investing in housing through wholly owned subsidiaries. These borrowing costs would be incurred by the Council regardless of the method through which the Council develops new housing; however, this is the vehicle of choice for such investments.

3.16 Treasury Management Training

3.16.1 The needs of the Council's treasury management staff for training in investment and debt management are kept under review. These are considered as part of the staff appraisal process and additionally when the responsibilities of individual members of staff change.

3.16.2 Training for Members is also kept under review and formal treasury training sessions are provided on an annual basis.

3.17 Compliance

3.17.1 The Corporate Director, Finance and Resources reports that all treasury management activities undertaken during the year complied fully with the CIPFA Code of Practice and the Council's approved Treasury Management Strategy.

3.17.2 Compliance with the approved prudential indicators, and in particular the authorised limit and operational boundary for external debt is demonstrated within Appendix 4 (Q2 September 2025/26 Prudential Indicators) as required by the 2021 CIPFA Treasury Management Code.

4 Stakeholder and Ward Member Consultation and Engagement

4.1 Given the nature of this report, there has been no stakeholder and ward member consultation and engagement.

5 Financial Considerations

5.1 The financial implications are noted in the report.

6 Legal Considerations

- 6.1 The Local Government Act 2003 and the Local Authorities (Capital Financing and Accounting) Regulations 2003 require the Council to 'have regard to' the Prudential Code and to set Prudential Indicators to ensure that the Council's capital investment plans are affordable, prudent, and sustainable. This requires that regular reports be submitted to the relevant Council Committee. Brent Council has adopted the CIPFA Code of Practice for Treasury Management in the Public Sector and operates its treasury management service in compliance with this code and as such, following consideration by Audit and Standards Advisory Committee (sent t, a report setting out the Council's Treasury Management activity and Treasury Management Strategy for the year should be submitted to Full Council for approval.

7 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 There are no equity, diversity and inclusion considerations arising from this report.

8 Climate Change and Environmental Considerations

- 8.1 As part of the Council's Treasury Management Strategy, the Council ensures an assessment is made with regards to environmental, social and governance (ESG) matters for the council's long-term investments.

9 Human Resources/Property Considerations (if appropriate)

- 9.1 There are no Human Resources/Property considerations arising from this report.

10 Communication Considerations

- 10.1 No additional communication strategies are required for this report.

Report sign off:

Minesh Patel

Corporate Director, Finance and Resources

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Appendix 1: Economic Commentary 2025/26

External Context

Economic background: The first quarter was dominated by the fallout from the US trade tariffs and their impact on equity and bond markets. The second quarter, still rife with uncertainty, saw equity markets making gains and a divergence in US and UK government bond yields, which had been moving relatively closely together.

From late June, amid a UK backdrop of economic uncertainty, concerns around the government's fiscal position and speculation around the autumn Budget, yields on medium and longer term gilts pushed higher, including the 30-year which hit its highest level for almost 30 years.

UK headline annual consumer price inflation (CPI) increased over the period, rising from 2.6% in March to 3.8% in August, still well above the Bank of England's 2% target. Core inflation also rose, from 3.4% to 3.6% over the same period, albeit the August reading was down from 3.8% the previous month. Services inflation also fell from July to August, to 4.7% from 5.0%.

The UK economy expanded by 0.7% in the first quarter of the calendar year and by 0.3% in the second quarter. In the final version of the Q2 2025 GDP report, annual growth was revised upwards to 1.4% y/y. However, monthly figures showed zero growth in July, in line with expectations, indicating a sluggish start to Q3.

Labour market data continued to soften throughout the period, with the unemployment rate rising and earnings growth easing, but probably not to an extent that would make the more hawkish MPC members comfortable with further rate cuts. In addition, the employment rate rose while the economic inactivity rate and number of vacancies fell.

The Bank of England's Monetary Policy Committee (MPC) cut Bank Rate from 4.5% to 4.25% in May and to 4.0% in August after an unprecedented second round of voting. The final 5-4 vote was for a 25bps cut, with the minority wanting no change. In September, seven MPC members voted to hold rates while two preferred a 25bps cut. The Committee's views still differ on whether the upside risks from inflation expectations and wage setting outweigh downside risks from weaker demand and growth.

The August Monetary Policy Report highlighted that after peaking in Q3 2025, inflation is projected to fall back to target by mid-2027, helped by increasing spare capacity in the economy and the ongoing effects from past tighter policy rates. GDP is expected to remain weak in the near-term while over the medium term outlook will be influenced by domestic and global developments.

Arlingclose, the authority's treasury adviser, maintained its central view that Bank Rate would be cut further as the BoE focused on weak GDP growth more than higher inflation. One more cut is currently expected during 2025/26, taking Bank Rate to 3.75%. The risks to the forecast are balanced in the near-term but weighted to the downside further out as weak consumer sentiment and business confidence and investment continue to constrain growth. There is also considerable uncertainty around the autumn Budget and the impact this will have on the outlook.

Against a backdrop of uncertain US trade policy and pressure from President Trump, the US Federal Reserve held interest rates steady for most of the period, before cutting the Fed Funds Rate to 4.00%-4.25% in September. Fed policymakers also published their new economic projections at the same time. These pointed to a 0.50% lower Fed Funds Rate by the end of 2025 and 0.25% lower in 2026, alongside GDP growth of 1.6% in 2025, inflation of 3%, and an unemployment rate of 4.5%.

The European Central Bank cut rates in June, reducing its main refinancing rate from 2.25% to 2.0%, before keeping it on hold through to the end of the period. New ECB projections predicted inflation averaging 2.1% in 2025, before falling below target in 2026, alongside improving GDP growth, for which the risks are deemed more balanced and the disinflationary process over.

Financial markets: After the sharp declines seen early in the period, sentiment in financial markets improved, but risky assets have generally remained volatile. Early in the period bond yields fell, but ongoing uncertainty, particularly in the UK, has seen medium and longer yields rise with bond investors requiring an increasingly higher return against the perceived elevated risk of UK plc. Since the sell-off in April, equity markets have gained back the previous declines, with investors continuing to remain bullish in the face of ongoing uncertainty.

Over the period, the 10-year UK benchmark gilt yield started at 4.65% and ended at 4.70%. However, these six months saw significant volatility with the 10-year yield hitting a low of 4.45% and a high of 4.82%. It was a broadly similar picture for the 20-year gilt which started at 5.18% and ended at 5.39% with a low and high of 5.10% and 5.55% respectively. The Sterling Overnight Rate (SONIA) averaged 4.19% over the six months to 30th September.

Credit review: Arlingclose maintained its recommended maximum unsecured duration limit on the majority of the banks on its counterparty list at 6 months. The other banks remain on 100 days.

Early in the period, Fitch upgraded NatWest Group and related entities to AA- from A+ and placed Clydesdale Bank's long-term A- rating on Rating Watch Positive. While Moody's downgraded the long term rating on the United States sovereign to Aa1 in May and also affirmed OP Corporate's rating at Aa3.

Then in the second quarter, Fitch upgraded Clydesdale Bank and also HSBC, downgraded Lancashire CC and Close Brothers while Moody's upgraded Transport for London, Allied Irish Banks, Bank of Ireland and Toronto-Dominion Bank.

After spiking in early April following the US trade tariff announcements, UK credit default swap prices have since generally trended downwards and ended the period at levels broadly in line with those in the first quarter of the calendar year and throughout most of 2024.

European banks' CDS prices has followed a fairly similar pattern to the UK, as have Singaporean and Australian lenders while Canadian bank CDS prices remain modestly elevated compared to earlier in 2025 and in 2024.

Overall, at the end of the period CDS prices for all banks on Arlingclose's counterparty list remained within limits deemed satisfactory for maintaining credit advice at current durations.

Financial market volatility is expected to remain a feature, at least in the near term and, credit default swap levels will be monitored for signs of ongoing credit stress. As ever, the institutions and durations on the Authority's counterparty list recommended by Arlingclose remain under constant review.

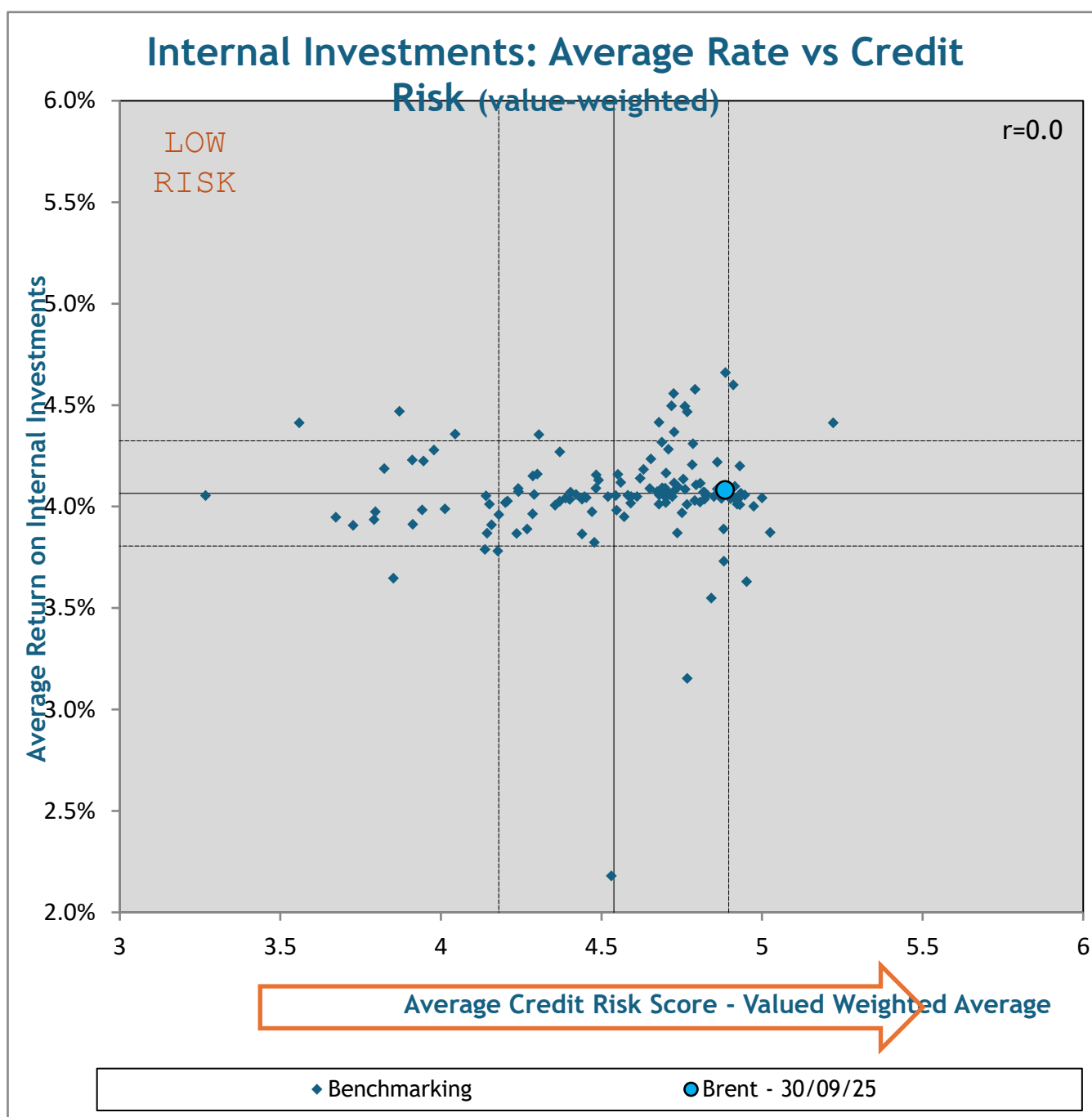
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Appendix 2 – Debt and Investment Portfolio September 2025.

| | Actual Portfolio as at 30 Sept 2025 (£m) | Average Rate as at 30 Sept 2025 (%) |
|---------------------------------------|--|---|
| External Borrowing: | | |
| PWLB Maturity Loans | 415.9 | 4.20% |
| PWLB Equal Instalment Principal Loans | 325.8 | |
| Fixed Rate Market Loans | 95.0 | 3.17% |
| LOBO Loans | 49.5 | |
| Short-term Loans | 65.0 | 4.82% |
| | | |
| Total External Debt | 951.2 | 4.06% |
| | | |
| Investments: | | |
| Money Market Funds | 40.0 | 4.26% |
| Total Investments | 40.0 | |
| Net Debt | 911.2 | |

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Appendix 3 Internal Investments: Average Rate vs Credit Risk as at 30/09/2025



The Council measures the financial performance of its treasury management activities against similar Council's through benchmarking provided by its Treasury Management Advisor, Arlingclose limited.

A credit rating of 4 is equivalent to credit score of AA-. The Council has a target rating of A which is a rating of 6. The current portfolio has a credit rating of A+ (Credit score 5) which exceeds our target rating.

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Appendix 4 –Quarter Two 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 2 of 2025/26 (August 2025).

| Capital Expenditure & Financing at Q2 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 | Total 2024/25-2027/28 |
|--|--------------|--------------|--------------|--------------|-------------|-------------|-----------------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated | Totals |
| Corporate Landlord | 11.6 | 11.0 | 35.1 | 23.3 | 2.7 | 0.6 | 81.0 |
| Housing GF | 71.0 | 99.4 | 10.0 | 21.1 | 17.5 | 0.0 | 201.5 |
| Schools | 22.1 | 23.1 | 12.7 | 12.1 | 3.0 | 0.0 | 70.0 |
| Regeneration | 34.6 | 102.3 | 46.2 | 27.6 | 19.0 | 0.0 | 210.8 |
| Public Realm | 18.0 | 34.9 | 9.6 | 2.0 | 6.8 | 0.2 | 64.5 |
| South Kilburn | 20.4 | 31.0 | 24.5 | 17.1 | 7.0 | 0.3 | 93.1 |
| St Raphael's | 0.2 | 0.4 | 3.1 | 12.5 | 3.9 | 0.0 | 16.2 |
| HRA | 60.9 | 33.7 | 18.6 | 28.0 | 13.9 | 11.1 | 141.1 |
| Total Capital Expenditure | 238.8 | 335.8 | 160.0 | 143.7 | 73.8 | 12.2 | 878.3 |
| Financed By: | | | | | | | |
| Grants | 52.0 | 75.0 | 23.7 | 9.1 | 5.7 | 0.6 | 172.5 |
| Section 106 | 11.9 | 46.4 | 29.2 | 21.2 | 14.4 | 0.0 | 113.9 |
| Capital Receipts | 17.3 | 6.3 | 9.8 | 7.8 | 2.1 | 0.4 | 33.9 |
| Earmarked Reserves | 1.2 | 5.3 | 2.4 | 1.0 | 0.9 | 0.0 | 9.4 |
| Major Repairs Reserve | 16.6 | 13.7 | 17.2 | 18.1 | 13.9 | 0.0 | 65.6 |
| Revenue Contributions | 11.4 | 6.3 | 3.8 | 0.6 | 0.6 | 0.0 | 22.3 |
| Borrowing | 128.3 | 182.8 | 73.9 | 85.9 | 36.2 | 11.2 | 460.8 |
| Total Capital Financing | 238.8 | 335.8 | 160.0 | 143.7 | 73.8 | 12.2 | 878.3 |

(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

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

| CFR Movement at Q2 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| Opening CFR | 1,254.5 | 1,357.1 | 1,520.4 | 1,573.4 | 1,639.5 | 1,657.1 |
| Capital Expenditure | 238.8 | 335.8 | 160.0 | 143.7 | 73.8 | 12.2 |
| External Resources | (63.9) | (121.4) | (52.9) | (30.3) | (20.1) | (0.6) |
| Internal Resources | (46.5) | (31.6) | (33.2) | (27.5) | (17.5) | (0.4) |
| MRP | (24.9) | (18.6) | (19.8) | (18.5) | (17.2) | (16.0) |
| Capital Loans Repaid | (0.9) | (1.0) | (1.1) | (1.3) | (1.4) | (1.5) |
| Closing CFR | 1,357.1 | 1,520.4 | 1,573.4 | 1,639.5 | 1,657.1 | 1,650.8 |

(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 Q2 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---|---------|-----------|-----------|-----------|-----------|-----------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| External Loans | 900.0 | 1,081.0 | 1,089.0 | 1,138.9 | 1,145.3 | 1,126.8 |
| PFI & Leases | 32.5 | 28.5 | 24.7 | 22.7 | 20.4 | 17.0 |
| Total External Debt Liabilities | 932.5 | 1,109.5 | 1,113.6 | 1,161.6 | 1,165.6 | 1,143.9 |
| Internal Borrowing | 424.6 | 410.9 | 459.8 | 477.9 | 491.5 | 506.9 |
| Capital Financing Requirement | 1,357.1 | 1,520.4 | 1,573.4 | 1,639.5 | 1,657.1 | 1,650.8 |

(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.

| Liability Benchmark at Q2 2025/26 (£m) | 2024/25 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | Actual | Estimated | Estimated | Estimated | Estimated | Estimated |
| CFR | 1,357.1 | 1,520.4 | 1,573.4 | 1,639.5 | 1,657.1 | 1,650.8 |
| LOBO Loans | 59.5 | 24.5 | 15.0 | 5.0 | 5.0 | 5.0 |
| Non LOBO Loans | 840.5 | 801.8 | 745.1 | 715.4 | 685.7 | 656.0 |
| Balance Sheet Resources | (616.7) | (615.7) | (614.7) | (613.7) | (612.7) | (611.7) |
| Net Loan Requirement | 852.7 | 806.3 | 740.1 | 700.4 | 670.7 | 641.0 |
| Plus Liquidity Allowance | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 | 20.0 |
| Liability Benchmark | 872.7 | 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.

| Authorised Limit at Q2 2025/26 (£m) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|----------------|----------------|----------------|----------------|----------------|
| 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 Q2 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 Q2 2025/26 | Upper Limit | Lower limit | 2025/26 | 2025/26 | 2025/26 | 2025/26 | 2025/26 |
|--|-------------|-------------|-----------------------------|-----------------------------|----------------------------------|----------------------------------|------------------------|
| | | | Actual Borrowing 31.08.2025 | Actual Borrowing 31.08.2025 | Forecast Borrowing at 31.03.2026 | Forecast Borrowing at 31.03.2026 | Compliance with limits |
| | % | % | £m | % | £m | % | |
| Under 12 months | 40 | 0 | 92.80 | 9.88% | 66.21 | 8.01% | Yes |
| 12 months & within 24 months | 40 | 0 | 48.70 | 5.19% | 39.71 | 4.81% | Yes |
| 24 months and within 5 years | 40 | 0 | 65.20 | 6.94% | 59.43 | 7.19% | Yes |
| 5 years and within 10 years | 60 | 0 | 275.10 | 29.30% | 136.05 | 16.46% | Yes |
| 10 years and within 20 years | 75 | 0 | 41.50 | 4.42% | 109.31 | 13.23% | Yes |
| 20 years and within 30 years | 75 | 0 | 150.70 | 16.05% | 150.69 | 18.24% | Yes |
| 30 years and within 40 years | 75 | 0 | 159.90 | 17.03% | 159.91 | 19.35% | Yes |
| Over 40 years | 75 | 0 | 105.00 | 11.18% | 105.00 | 12.71% | Yes |
| Total | | | 938.90 | 100.00% | 826.31 | 100.00% | |

(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 Q2 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 | 33.0 | 37.6 | 36.0 | 36.6 | 35.2 |
| Net Revenue Stream (£m) | 431.4 | 431.4 | 431.4 | 448.7 | 465.8 | 483.8 |
| Proportion of net revenue stream (%) | 8.11% | 7.65% | 8.72% | 8.02% | 7.86% | 7.28% |

Financing costs can be further broken down as follows.

| Capital Financing Costs at Q2 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 | 61.3 | 60.8 |
| | | | | | |
| Total Interest Receivable | -29.9 | -32 | -35.9 | -37.4 | -38 |
| Net Interest | 23.4 | 26.7 | 25.1 | 23.9 | 22.8 |
| MRP (Excluding PFI) | 9.6 | 10.9 | 10.9 | 12.7 | 12.4 |
| Total Interest & MRP | 33.0 | 37.6 | 36.0 | 36.6 | 35.2 |
| Revenue Contributions to Capital Programme | 8.6 | 3.5 | 3.5 | 3.5 | 3.5 |
| Total Capital Financing Costs | 41.6 | 41.1 | 39.5 | 40.1 | 38.7 |

(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 Q2 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 Q2 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 Q2 2025/26 (£m) | 2025/26 | 2025/26 |
|--|----------|---------|
| | Approved | Actual |
| Total cash available within 3 months | 20.0 | 49.9 |

(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.

| Total Investment Exposure Indicator at Q2 2025/26 (£m) | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|--|--------------|--------------|--------------|--------------|--------------|
| | Estimated | Estimated | Estimated | Estimated | Estimated |
| 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 |
| Total Investments | 343.4 | 342.2 | 341.0 | 339.7 | 338.3 |
| Commitments to lend | 50.0 | 50.0 | 50.0 | 0.0 | 0.0 |
| Total Exposure | 393.4 | 392.2 | 391.0 | 339.7 | 338.3 |

Service investments are further broken down in the table below.

| Loans & Investments for service purposes: Category of borrower at Q2 2025/26 (£m) | 2025/26 | 2025/26 | 2026/27 | 2027/28 | 2028/29 | 2029/30 |
|---|----------------|--------------|--------------|--------------|--------------|--------------|
| | Approved Limit | Estimated | Estimated | Estimated | Estimated | Estimated |
| 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 |
| Total | 650.0 | 323.4 | 322.2 | 321.0 | 319.7 | 318.3 |

(l) 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 Q2 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 |
| Total Service investments | 292.1 | 291.7 | 291.2 | 291.2 | 290.8 | 290.3 |
| Total Funded by Borrowing | 292.1 | 291.7 | 291.2 | 291.2 | 290.8 | 290.3 |

(m) Investment Rate of Return


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

| Investments net rate of return at Q2 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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| | |
|---|---|
|  | <p align="center">Cabinet 19 January 2026</p> |
| | <p align="center">Report from the Corporate Director, Finance and Resources</p> |
| | <p align="center">Lead Member - Deputy Leader & Cabinet Member for Finance and Resources (Councillor Mili Patel)</p> |
| <p>Proposal for Buckinghamshire Pension Fund to join London CIV</p> | |

| | |
|---|---|
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Part Exempt – Appendices 1 -5 are exempt as they contain the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)" |
| List of Appendices: | Five Appendix 1: (Exempt) Detailed Proposal Appendix 2: (Exempt) Business Case for Buckinghamshire Pension Fund to join the London CIV Pool Appendix 3: (Exempt) Updated Shareholder Agreement Appendix 4: (Exempt) Shareholder Resolution Appendix 5: (Exempt) Updated LCIV Articles of Association |
| Background Papers: | None |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Amanda Healy, Deputy Director Investment & Infrastructure 020 8937 5912 amanda.healy@brent.gov.uk Sawan Shah, Head of Finance (Pensions, Housing Companies) 020 8937 1955 sawan.shah@brent.gov.uk |

1.0 Executive Summary

- 1.1. The purpose of this paper is to seek approval from the London Borough of Brent as a shareholder of London CIV on the admission of a new Partner Fund (Buckinghamshire) as a member of the London LGPS CIV Limited.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approves the admission of the Buckinghamshire Pension Fund to join the London CIV.
- 2.2 Approves the amendments outlined to the Shareholder Agreement and Articles of Association in exempt Appendix 1.
- 2.3 Delegate authority to the Corporate Director, Finance and Resources (s151 officer) or their nominee on the operational elements to enable the admission.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 As Cabinet Member for Finance and Resources, I welcome this report seeking approval for the admission of Buckinghamshire Pension Fund to join the London LGPS CIV Limited (London CIV).
- 3.1.2 The Government's Fit for the Future reforms provide an important opportunity for the Local Government Pension Scheme to strengthen governance, achieve greater scale and ensure that assets are fully pooled by March 2026. By bringing funds together, pooling enables local authority pension schemes to operate more efficiently, reduce costs and act as significant, long-term institutional investors, supporting UK businesses, jobs and economic growth while delivering secure pensions for scheme members.
- 3.1.3 Buckinghamshire Pension Fund's request to join London CIV reflects this national direction of travel. The proposal has been subject to appropriate scrutiny, with unanimous 'in principle' support from all existing London Partner Funds. For Brent, as a shareholder, this is about ensuring London CIV remains a strong, stable and well-governed pool, capable of meeting regulatory expectations while protecting the interests of existing partners.

3.2 Background

- 3.2.1 In February 2025, as part of the Government's Local Government Pension Scheme (LGPS) Fit for the Future reforms, investment pools were asked to demonstrate compliance with new minimum standards for governance, scale, and full pooling of assets by March 2026. The London CIV (LCIV) received confirmation in May 2025 that the Government was supportive of the proposals as outlined in their pool business plan.

3.2.2 In May, the Government expressed support for maintaining 6 out of the 8 LGPS investment pools. The business cases for the Access and Brunel pools under the 'Fit for the Future' framework were judged not to meet the Government's vision for the LGPS. Ministers told the 21 Partner Funds in those pools that they must decide which of the other approved pools they will move into to meet their investment requirements with the deadline for state of 'in-principle' decisions set as 30 September 2025.

3.2.3 A formal approach was made by Buckinghamshire Pension Fund (BPF) on 11 September 2025 to join LCIV. This was then reported to the Society of London Treasurers (SLT) at their meeting on 12 September 2025.

3.2.4 Following the submission of a business case from the London CIV to all 32 London Pension funds, on 29 September 2025 all 32 London Pension Funds gave an 'in principle' yes to BPF joining LCIV.

3.3 Proposal

3.3.1 London CIV subsequently circulated a business case with all 32 partner funds in September 2025. This is attached in exempt Appendix 2.

3.3.2 This paper now requests formal approval from Cabinet for BPF to join the LCIV.

3.3.3 On approval from Cabinet, delegation is sought to the s151 or their nominee to comply with the operational elements to enable the admission of BPF. The purpose of this paper is to provide background to the request for shareholder approval on items relating to the admission of a new Partner Fund (Buckinghamshire) as a member of the London LGPS CIV Limited (the "Company" or "LCIV").

3.3.4 Further details are provided in the following restricted appendices to this report:

1. Detailed Proposal
2. Business Case for Buckinghamshire Pension Fund to join the London CIV
3. Updated Shareholder Agreement
4. Shareholder Resolution
5. Updated Articles of Association

4.0 Stakeholder and ward member consultation and engagement

4.1 As outlined in the report, London CIV have consulted with all 32 London Boroughs (the existing shareholders of the company).

5.0 Financial Considerations

5.1 This report recommends that Shareholders approve: Buckinghamshire Pension Fund (BPF) as a new member of the London CIV; An increase of share capital, and the amendment of the Shareholder Agreement and Company's Articles of Association.

- 5.2 The proposed admission of BPF to the London CIV is financially neutral to existing shareholders. The business case confirms that BPF will contribute proportionally to share capital at a premium to the cost of the original shares and BPF will pay an annual amount covering the service charge and an ad valorem charge on assets, in line with charges to existing shareholders.
- 5.3 Existing shareholders are expected to benefit from the estimated 10% growth in pooled assets. Fee negotiating power with asset managers will be strengthened by the added scale and the admission will drive down administration costs for London CIV's funds. London CIV expect the addition of BPF to be accommodated within existing resources and do not expect an increase in operating costs.
- 5.4 Further financial implications are considered in exempt Appendix 2.

6.0 Legal Considerations

- 6.1 The decision will be required to be made by Cabinet to comply with the Council's Constitution. Part 3, Section 1.4 confirms that the Leader has delegated all executive functions to the Cabinet, and Section 7.3 reiterates that these functions include decisions of this nature. Shareholder decisions in relation to external companies fall within this remit and cannot be taken by committees or officers unless expressly delegated by Cabinet.
- 6.2 Operational responsibilities for the pension fund will remain with the Pension Fund Sub-Committee and the Corporate Director of Finance & Resources under their existing delegations, as set out in Part 4 of the Constitution. These delegations cover day-to-day management only and do not extend to decisions made on behalf of the Council as a shareholder.
- 6.3 It reflects the Council's legal obligations under company law and the Local Government Act 2000 and ensures compliance with the Access to Information Rules.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 There are no direct diversity implications arising from this report.

8.0 Climate Change and Environmental Considerations

- 8.1 There are no immediate climate change and environmental implications arising from this report.

9.0 Communication Considerations

- 9.1 There are no communication implications arising from this report.

Report sign off:

Minesh Patel

Corporate Director, Finance and Resources

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of the Local Government Act 1972.

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| | |
|---|---|
|  | Cabinet 19 January 2026 |
| | Report from the Corporate Director of Service Reform and Strategy |
| | Lead Member –Cabinet Member for Climate Action and Community Power (Councillor Jake Rubin) |
| Digital Roadmap 2026-28 | |

| | |
|---|--|
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| List of Appendices: | One Appendix 1: Brent Council Digital Roadmap 2026-28 |
| Background Papers: | N/A |
| Contact Officer(s): <small>(Name, Title, Contact Detail')</small> | Sadie East, Director, Communications, Insight and Innovation 020 8937 1507 Sadie.East@brent.gov.uk Tony Afuwape, Head of Digital Transformation 020 8937 2247 Tony.Afuwape@brent.gov.uk |

1.0 Executive Summary

- 1.1. Brent Council's current four-year digital strategy ends in April 2026. In the context of pressing financial challenges and the rapid pace of technological change, a two-year digital roadmap has been developed to set out our ambitions for using digital to enable transformation and support delivery of savings from 2026-28.
- 1.2. The council is facing a series of unprecedented financial challenges, caused by a perfect storm of high inflation, reduced government funding since 2010, and rapidly increasing demand for services – including a growing adult social care bill and soaring levels of homelessness.

- 1.3. Brent's mission is to help everyone here live their best lives, and we are radically changing how we organise and provide public services in Brent to do just that. We are embracing our role as a radical place leader, with a strategic change programme that will result in us planning, designing and commissioning services differently. We want to become an insight-led council that understands its communities and takes data-informed decisions.
- 1.4. Building on the foundations we have built through our digital transformation work over recent years and learning from our experience, we now have ambitious plans to ensure digital technology enables Brent to address the challenges it faces to better meet the needs of our residents, and get the most from our data and digital are vital to creating a more sustainable model for the future.
- 1.5. The 2026-28 Brent Council Digital Roadmap is based around three core ambitions to improve the resident experience, use digital to empower the organisation and harness the power of our data to support new, more preventative ways of working. Learning from others and from our experience to date, the roadmap also sets out a new approach and methodologies which will result in a joined-up and shared approach to innovation where digital is everyone's responsibility and is a key building block of wider improvement.
- 1.6. The draft 2026-28 Brent Council Digital Roadmap also sets out the required investment to ensure we can continue to enable our Embrace Change Portfolio vision and deliver 2026-27 cross-cutting digital and resident experience savings - and previously agreed business case savings - as well as to develop a pipeline of further digitally enabled savings for 2027-28 and beyond.

2.0 Recommendation(s)

Cabinet is asked to:

- 2.1. Agree the Brent Council Digital Roadmap 2026-28.
- 2.2. Approve a capital budget of £4,435,455 in 2026/27 (in addition to the budget of £817,554 for 2026/27 approved by Cabinet in 2021) and of 4,313,408 in 2027/28. This budget will be funded by prudential borrowing.

3.0 Cabinet Member Foreword

- 3.1 This Digital Roadmap for 2026-28 sets out our plans to build on work to date and drive increased impact for residents through use of digital technologies. It brings together all of our digital and data enabled work into one programme. It will deliver our key priority of digital inclusion - so that all residents who want to are enabled to use effective, user-friendly digital services and support is in place to tackle the barriers to entry, while those with more complex issues continue to be able to access face to face and telephone support. It also supports our priorities to develop AI in a way that benefits residents, staff and

the organisation; and using data to enhance the council's ability to reduce poverty, enhance community safety, and keep Brent clean and green.

- 3.2 The investment in the roadmap will enable the delivery of the Council's proposed 2026-27 savings for digital and resident experience. It will also enable other savings and efficiencies in both 2026-27 and 2027-28. Wider benefits from the programme include the benefits to residents from improved resident experience and investment in digital inclusion and the investment in using data to inform earlier intervention and prevention will have an impact in the medium to longer term.
- 3.3 Our digital programme from 2022-26 has supported delivery of our five borough plan priorities. The 2026-28 Roadmap will support Council strategic priorities of through investment in digital skills, infrastructure and partnerships and enabling strong access and engagement for residents and communities. It will support our adult social care transformation ambitions from support for technology-enabled care, and investment in predictive analytics, and integrated data to deliver proactive, personalised support.
- 3.4 It will also support implementation of our draft Homelessness and Rough Sleeping Strategy through improved use of data to understand causes of homelessness and intervene earlier to prevent people from becoming homeless. It is also key to our work to improve skills and access to employment in Brent as well as to helping our local businesses to thrive. The council's climate objectives are addressed by reducing resource use, enabling smarter operations, and improved measurement of climate change ambitions through investment in data analytics and the Internet of Things. It is also a key enabler of our Data and Insight Strategy and Customer Access Strategies and is also key to delivery of our 2025-28 People Strategy, including the themes of Future Workforce and Employer of Choice.

4.0 Detail

What we have delivered

- 4.1 Our 2022-26 Digital Programme has enabled the Council to deliver savings and efficiencies, freeing up staff time to better support residents, to modernise its technology, to improve services to residents – for example through an improved, more accessible website, to increase connectivity in the borough and to increase digital inclusion through greater access to digital devices and skills.
- Innovations like the [Fix My Street](#) app and our first AI-powered parking chatbot have enabled residents to **report over 129,000 local issues**. These solutions have helped to reduce calls to our contact centre by 25%, making it easier for residents to carry out simple tasks online and enabling those with more complex needs to contact us more easily.
 - **More than £10.49m has been delivered in savings** and efficiencies across the Council enabled by smarter ways of working, automation and better use of technology.

- **72.98% of the borough now has full fibre broadband** to the premises, enabling more of our resident to access fast broadband – exceeding our target of 62% by 2026
- More than **1,700 top-range laptops** have been distributed to **schools, foster carers and care leavers** in Brent since 2021 with around **half of Brent's schools** having received devices as part of the scheme
- In total, **4,500 digital devices** have been provided since 2021, along with **SIM cards and broadband support** where needed.
- With support from **over 200 digital champions** and our community hubs, residents have been able to access education, apply for jobs, increase their skills and use online services through our digital inclusion scheme
- Our fully accessible **website is used by up to 15,000 visitors per month** and is making it easier for residents to find information and access services. Online satisfaction has increased to 65% and we have ambitious plans to further increase this via the work set out in this roadmap
- **50,000 residents have accessed our digital online skills platform**, enabling them to learn skills such as coding which can be used to increase access to well-paid employment
- We have created **10 digital and data apprenticeships** within the Council and three of four people who completed their apprenticeships in 2024-25 now have permanent jobs with the Council
- Through Robotic Process Automation and trials of Artificial Intelligence tools, we have identified ways to **work more efficiently and effectively**. 50 processes have been automated – freeing up staff time from carrying out administrative tasks to spend delivering better outcomes for our residents.
- We have developed and published our first **Social Progress Index**, an interactive, public-facing data tool that measures how Brent's wards are performing across a wide range of social outcomes. This is helping us to track outcomes and to meet the needs of local areas.
- A number of front door tools to provide improved access to self-serve tools to have been implemented for Adult Social Care, for example the BetterCare online self-assessment tool for customers.
- Digital **support has been provided for 122 Brent businesses** through workshops and one-to-one diagnostic sessions.

4.2 Through this work, Brent Council has steadily advanced its objective to become both a “digital council” and a “digital place.” The council has rolled out multiple initiatives that reshape how residents, local businesses, and its own workforce interact with public services. The council’s improvement programme has focused not only on modernising internal systems, but also on tackling digital exclusion by making devices, connectivity and training available to residents, expanding broadband infrastructure and creating accessible, resident-friendly digital services. Brent has deployed a range of digital tools from citizen-facing apps such FixMyStreets and the resident online portal MyAccount. We have also moved our website to a new modern platform which is more user friendly and accessible and have removed paper and

document-based processes to improved online forms. Brent's conversational AI Parking chatbot is helping residents navigate parking queries and reducing pressure on staff and Adult Social Care has deployed a range of digital and assistive technology, with self- assessment tools such as BetterCare Support, JOY App, AskSARA, and a financial calculator.

- 4.3 Equally Brent has invested in digitally enabling its workforce and deployed tool such as Co-pilot and Magic Notes to streamline internal processes and enable more efficient operations. It has deployed Robotic Process Automation (RPA), across multiple back-office processes (rent changes, debt recovery, data clean-up, reporting etc0. The move to cloud-based systems and integrated platforms has also streamlined core council operations. Recently Brent has migrated its telephony/contact-centre systems to a unified contact centre and communications platform. Brent is committed to becoming a fully digitally enabled borough, making access to digital services and tools the standard for all residents and staff.

Vision and ambitions

- 4.4 Brent's vision is about offering public services differently, with staff who are curious, empowered, accountable, and confident to try new things. This means always doing things with our residents in our minds, developing a deep understanding of local communities and working together across different organisations for the people we serve. Ongoing digital transformation is vital to achieving this vision. It will enable us to:
- Improve resident experience making it a more seamless and intuitive process for residents to access council services and enabling more people to transact digitally
 - Deliver better outcomes for residents while more effectively managing demand in high pressure areas such as social care and homelessness
 - Maximise the benefits of new technologies such as AI to drive productivity, increase efficiency and improve ways of working – while also managing the risks
 - Understand the cost of delivering services and use this to drive improved outcomes for residents while delivering cashable savings
 - Become an employer of choice through providing a modern, accessible workplace where employees are upskilled in using new technologies, enabling them to focus on work which makes a difference
 - Ensure our values of collaborating proactively, being bold and curious and celebrating and sharing our success are built into our approach including using The Base to support innovation, experimentation and learning
 - Place Brent at the forefront of this work, opening up opportunities to collaborate with other public services, business and academia and to generate income
 - Our key priorities for digital will enable the Embrace Change Portfolio vision and support the Council in identifying and delivering cashable savings and in developing our future operating model.

- 4.5 The Roadmap sets out three key ambitions which will be the focus of our digital programme for the next two years. These ambitions are aligned with our Embrace Change Portfolio and our cross-cutting savings work.

- **Ambition 1 – Improving the resident experience**
- **Ambition 2 - Empowering our teams, services, and partners**
- **Ambition 3 - Harnessing data and enabling collaboration**

Approach

- 4.6 Our digital programme to date has been successful in driving efficiencies and has supported service improvements and better ways of working. We have put many of the building blocks in place, including developing our data lake, digitising many of our resident access channels and ensuring we have a modern and accessible website, automating more of our processes and piloting new AI solutions. We have also invested in driving improved digital connectivity in the borough and tackling digital inclusion to ensure our residents and businesses are able to operate in the digital age. We have also started to address the gap in skills and confidence amongst our staff. This puts us in a strong position to really maximise the benefits of our investment in digital and to accelerate our progress, supported by a new approach to digital.
- 4.7 Our Digital Roadmap sets out how we will build on these foundations to maximise the return on our investment in digital and support the council to improve services to residents while managing increasing demand. In order to achieve our ambitions, we need a joined-up and shared approach to innovation where digital is everyone's responsibility and is a key building block of wider transformation. We will learn from our experience in Brent and build this into a new model for innovation and improvement which is owned by all leaders, with digital used as part of a toolkit to support improvements to services and delivery of savings in areas from the resident experience to Adult Social Care. We will also learn from others and proactively seek opportunities to collaborate.
- 4.8 The Roadmap sets out how we plan to work differently through:
- Building an innovation culture where innovation and improvement is owned by leaders and digital is part of a toolkit for driving change and improving outcomes
 - Developing a new framework for identifying and delivering benefits from digital
 - Increasing capacity to support service re-design, better design of systems based around the needs of users, change management and user adoption
 - Increased collaboration with partners

5.0 Investment

- 5.1. Investment is required to deliver the roadmap, including to maintain a digital team (including additional business analysis, service design, user experience design and data specialists as well as project managers and developers),

external development support and systems costs and to support departments to provide subject matter expert capacity to deliver change. The overall investment over two years is £8.78m. This is an invest to save programme of work where an upfront investment is required to generate greater financial savings and/or improved service outcomes in the long term.

- 5.2 This is an invest to save programme of work where an upfront investment is required to generate greater financial savings and/or improved service outcomes in the long term. Return on investment will include delivery of the savings for 2026-27 which are included in the draft budget. It also includes development of a pipeline of savings for 2027-28 and beyond. The total savings for 2026-27 will be up to £5.67m. A further pipeline of savings for 2027-28 in the region of £2m will also be developed. A benefits framework is included at Appendix 2 which sets out KPIs for the wider benefits outlined in the roadmap.
- 5.3 Our digital ambitions will also need to be supported by ongoing investment in IT infrastructure which is provided for Brent via our Shared Technology Service (STS). A separate business case for capital investment of approximately £6.7m in technology infrastructure is currently being developed for 2026-28 and Cabinet approval will be sought in early 2026. This investment will ensure that the Council's IT systems and infrastructure are reliable, resilient and robust, enabling officers to carry out their duties effectively and efficiently. In light of ongoing cyber threats, it is essential that Brent maintains resilient and robust IT systems with strong protections against security vulnerabilities. The investment will equip STS with the tools to enable a modern approach to managing and monitoring our datacentres, cloud environment, networks and devices to ensure efficiency in operations and secure protections are in place.
- 5.4 £8.78m of additional investment producing up to £8.5m of anticipated savings over the two-year period

6.0 Stakeholder and ward member consultation and engagement

- 6.1 The Lead Member for Digital Transformation has been consulted on these proposals.

7.0 Financial Considerations

- 7.1. The capital budget request is as follows:

| Item | 26/27 | 27/28 | Total |
|---|-------------------|-------------------|-------------------|
| Core staffing | £2,096,009 | £2,106,408 | £4,202,417 |
| SME capacity in services | £200,000 | £200,000 | £400,000 |
| External support | £1,920,000 | £970,000 | £2,890,000 |
| Systems costs | £1,037,000 | £1,037,000 | £2,074,000 |
| Total | £5,253,009 | £4,313,408 | £9,566,417 |
| Previously approved 26/27 budget | £817,554 | | £817,554 |
| Total new investment required | £4,435,455 | £4,313,408 | £8,748,863 |

- 7.2 Cabinet approved a four-year digital roadmap in December 2021 for 2022-2026. This included £817,554 budget for 2026/27 which is shown in the table above as previously approved 2026/27 budget.
- 7.3 The costs, including staff costs, are valid capital expenditure under local government accounting requirements because they involve investment in intangible assets and development of new software. Regulations allow software licenses lasting for at least one year to be treated as capital. The digital team and relevant service areas will keep track of costs for each project and work with Finance to ensure each separate asset is added to the asset register.
- 7.4 The budget will be funded by prudential borrowing with the revenue costs on interest covered by the savings the project is intended to generate. Once all the £8,748,863 new budget has been spent, capital financing costs are estimated at £787,397.67 assuming average borrowing costs of 5% and minimum revenue provision (a prudent charge for the repayment of debt) of 4%.
- 7.5 This investment will enable the delivery of the savings included in the draft budget proposals for 2026-27, including digital and resident experience savings proposals. It will also support implementation of additional business cases for digitally-enabled savings. It will also provide capacity to develop a further pipeline of savings for 2027-28 which will be brought forward as part of the budget setting process.

| Description of benefit | Financial/ non financial benefit? | Estimated benefit amount | When will the benefit be realised | One off or recurring | Capital or revenue? |
|--|-----------------------------------|--------------------------|-----------------------------------|----------------------|---------------------|
| Identified digital savings | Financial | Up to-5.67m | 2026-27 | Recurring | Revenue |
| Indicative digital pipeline savings | Financial | Up to 2m | 2027-28 | Recurring | Revenue |
| Rental income from small cell roll-out | Financial | 0.03m | 2026-27 | Recurring until 2030 | Revenue |
| WLA Social Investment Pot connectivity funding | Financial | 0.57m | 2026-27 | One off | Capital |
| Social investment | Non-financial | 0.11m | 0.04m 2026-27 0.07m 2026-28 | One off | N/A |
| Grant funding (estimated) | Financial | 0.11m | Dependent on individual grants | One off | Revenue |

8.0 Legal Considerations

- 8.1 Each project and proposal pursued under the road map will need to consider and comply with the Data Protection Act 2018 which may include individual Data Protection Impact Assessments, as well as specific legislation and guidance relating to the specific proposal.

9.0 Equity, Diversity & Inclusion (EDI) Considerations

- 9.1 The Digital Roadmap sets out a proactive approach to embedding EDI across our digital programme. Equality Impact Assessments will be undertaken for all major programmes and projects to identify and address potential impacts on people with protected characteristics. Where potential impacts are negative, we will identify mitigating activities to minimise the impacts, and maximise positive benefits where possible.
- 9.2 The roadmap commits to expanding digital inclusion through borough-wide initiatives that improve access to devices, connectivity and skills, including targeted support for digitally excluded residents and businesses. Our work will also be guided by the Data Ethics Board, which will advise on the ethical and inclusive use of data, with a focus on transparency, accountability and bias mitigation.
- 9.3 Accessibility is embedded in our digital design principles and is being integrated into our procurement processes, ensuring that all new resident-facing platforms meet accessibility requirements. We will continue to ensure our approach to accessibility is rigorous, and that we are compliant with the Equality Act.
- 9.4 Our website and My Account remain fully compliant with the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018,

meeting at least the Web Content Accessibility Guidelines (WCAG) 2.1 AA standard, and compliance is monitored regularly.

10.0 Climate Change and Environmental Considerations

- 10.1 Further use of AI and Cloud systems could result in increased use of data centres which have high energy and water consumption. We will work with the external partners providing these data centres to seek commitments about what they are doing to mitigate this impact and ensure that these services align wherever possible with the council's climate and ecological goals.
- 10.2 Ambition three of the roadmap should enable greater support to the delivery of the council's Climate and Ecological Emergency Strategy and associated delivery plans. This should manifest itself through:
- Improved monitoring and accuracy of the sources of data which can be analysed to indicate the direction of travel towards Brent's Carbon neutrality goal;
 - Supporting the development of new Green Neighbourhoods programmes and ensuring that both the decision-making around selection of the localities and the creation of localised action plans are evidence-led; and
 - Supporting improved data management systems relating to the council's corporate buildings and operations, as part of the council's plan to decarbonise its own estate and operations by 2030

11.0 Communication Considerations

- 11.1 The delivery of the Digital Roadmap will involve engaging effectively with staff, residents and stakeholders, including to drive behaviour change to ensure adoption of new channels and systems. Communications will also contribute to achieving the cultural change required to integrate using digital and data innovation into our way of working.

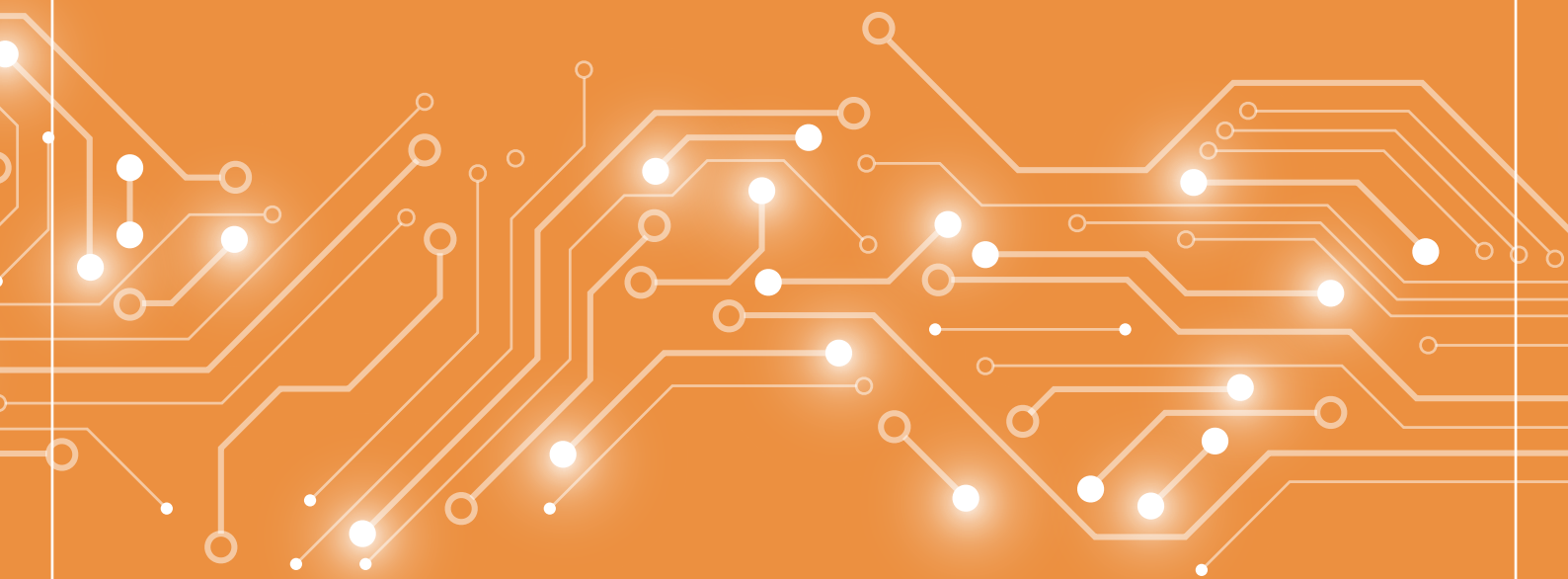
Report sign off:

Rachel Crossley

Corporate Director, Service Reform & Strategy

Brent Council Digital Roadmap

2026-2028



Context

As a council, we've always helped Brent to evolve with the times. Listening to local people to understand what they need – today, tomorrow and in ten years' time – then figuring out how to get there together. At the same time, the council is facing a series of unprecedented financial challenges, caused by a perfect storm of high inflation, reduced government funding since 2010, and rapidly increasing demand for services – including a growing adult social care bill and soaring levels of homelessness.

We understand the power of digital technology to improve lives, strengthen communities, and deliver better, more efficient public services. Technology is vital to achieving these goals, not as an end in itself, but as a tool to deliver real, lasting value for our residents, businesses, and communities.

Since launching our first Digital Strategy in 2018, we have laid strong foundations. We've improved connectivity, invested in modern platforms, and introduced new ways for people to access services - with over four million interactions on the council's website in the last year alone.

Innovations like the Fix My Street app have enabled residents to report over 129,000 local issues, while our first AI-powered parking chatbot is already making everyday tasks quicker and easier. Our Brent Digital Skills Hub, which we launched in 2022, continues to help residents build the skills they need to thrive in a digital world and workplace. Building on these foundations and learning from our experience, we now have ambitious plans to ensure digital technology enables Brent to address the challenges it faces.

Brent digital facts



78% of properties in Brent have access to the fastest full fibre broadband. Brent has over 350,000 residents today which is expected to increase to over 410,000 by 2040.



On average, there are over 470,000 visits to Brent Council's website each month.



60% of residents are satisfied with their interactions on the council's website.



Over 200 volunteers and council staff are supporting residents as digital champions.



Over 170 different systems are used across the council.



More than 35,000 people have used our digital processes to contact us online in the last 12 months



3,477 devices have been provided to digitally excluded residents since 2022. This has been accompanied by digital skills training for children, adults and business.

Our mission

Brent's mission is to help everyone here live their best lives, and we are radically changing how we organise and provide public services in Brent to do just that. We are embracing our role as a radical place leader, with a strategic change programme that will result in us planning, designing and commissioning services differently. We want to become an insight-led council that understands its communities and takes data-informed decisions.

For us, radical place leadership means listening properly to the aspirations of local people and the approaches that work for them, focusing on prevention, and collaborating with communities and partner organisations to make the biggest difference with every pound that's spent in Brent.

If we get this right, residents will feel the difference. The council won't feel so overwhelmingly large stacked against the questions and concerns of one individual. When a resident talks to us, they will feel heard. When they need a service, they will have options that work for them and a more seamless, modern customer experience – whether online or face-to-face at local hubs. People will get the helping hand they need earlier, before they reach a crisis point with their health, debt or housing.

Ongoing digital transformation will help us to get there, by:

- Improving resident experience making it a more seamless and intuitive process for residents and enabling more people to transact digitally
- Delivering better outcomes for residents while more effectively managing demand in high pressure areas such as social care and homelessness
- Maximising the benefits of new technologies such as AI to drive productivity, increase efficiency and improve ways of working – so that employees can focus on work which makes a difference
- Understanding the cost of delivering services and use this to drive improved outcomes for residents while delivering cashable savings
- Providing a modern, accessible workplace with access to digital skills training, helping to position Brent as an employer of choice and attract the best talent
- Supporting innovation, experimentation and learning, including opening up opportunities to collaborate with other public services, business and academia and to generate income

Our key priorities for digital are all about enabling Brent Council to fulfil its mission in a financially sustainable way, including developing our future operating model.

Strategic alignment

From improving adult social care and preventing homelessness, to employment access and Brent's climate change commitments, this Digital Roadmap is a cross-cutting enabler for Brent's major strategic priorities. Delivering this roadmap will enable colleagues across the council

to deliver Brent's Data & Insight Strategy, Customer Access Strategy and People Strategy (particularly the Future Workforce and Employer of Choice themes).

Finally, our values will underpin this important work:

Delivery of this roadmap will be underpinned by our values:

**COLLABORATE
PROACTIVELY**

Digital will be everyone's business and we'll link arms with and learn from partners beyond the council

LEAD INCLUSIVELY

No one will be left behind or excluded by digital developments

**EMBRACE
CHANGE**

We'll grasp the opportunities presented by the rapid development of new technologies

**BE BOLD
AND CURIOUS**

Our build, test and learn approach will help us to try new and innovate approaches in an iterative way

**CELEBRATE AND
SHARE OUR
SUCCESS**

Digital initiatives and learnings will be widely shared inside and outside of the council

Our three ambitions

Ambition 1 – Improving resident experience

When a resident or business goes to use a council service, they will find their digital experience intuitive, easy to use, and the process seamless.

We've already invested in a wide range of online, self-serve tools. Now, we will maximise that investment and reduce the need for repeat contact (failure demand) by improving the experience our customers have from beginning to end.

Phone and face-to-face channels will remain available for those who have more complex needs or require additional support. But we will work with our customers to build digital tools that are as accessible as possible, and to develop the digital confidence of older people, people whose first language isn't English and disabled people.

What we will deliver

1. Refreshed website content and user experience
2. Explore the feasibility developing a single resident app as a digital front door to all key council services
3. MyAccount improvements, including the experience of moving from the platform to third party portals
4. Voice agents that mean residents can access services in multiple languages
5. Intelligent tools that integrate resident data across all channels to help officers provide holistic customer service
6. AI and automation to deal with routine customer enquiries
7. Accessibility user testing and incorporate customer feedback on an ongoing basis
8. Promote the Digital Skills Hub and a varied digital skills programme, working with local partners and including tablet confidence sessions, online safety clinics, library drop-ins, tea & tech socials, and pop-ups across the borough.
9. Horizon-scanning to ensure we're equipping our residents to adapt to rapidly changing employment and skills landscape
10. Affordable connectivity and access to devices for digital excluded residents and businesses through our Resident Support Fund and contractors' social value
11. Promote the Get Online London service and social tariffs
12. Leadership in online safety, supporting our partners to follow our lead

How we will know we are successful

- Quicker resolution of queries across all channels
- Fewer missed appointments, follow-ups, and complaints
- A reduction in calls, emails and visits
- Higher satisfaction and trust
- Increased digital inclusion it easier for people to resolve queries quickly and easily in their own language.

Ambition 2 – Empowering our organisation, teams and partners

Employees will have access to the skills development with cutting-edge technologies they need – from AI and automation, to smart devices – helping make Brent an employer of choice.

Brent faces the daunting task of managing rising demand despite shrinking resources. Our AI pilots have already demonstrated numerous benefits.

We will support teams to embrace innovation, boosting productivity by automating routine tasks, improving response times to the benefit of residents, and improving staff satisfaction.

We know innovation brings both opportunities and risks. That's why we'll manage AI responsibly, learning and adapting as technology evolves to ensure it benefits everyone.

What we will deliver

13. Microsoft Co-pilot to staff in assessment, business support and data analysis roles
14. Further strides towards a culture where digital change is embraced and understood, through a programme of learning and development that covers AI, insight and design
15. An upskilled Brent workforce that meets shared standards of digital competence
16. Stronger governance arrangements to ensure AI is used in a safe and ethical way, protecting sensitive data.
17. Access to the technology staff need to do their job, including assistive technology for those who need it.

18. Robotic Process Automation deployed in 25 more areas in 2026/27 to reduce manual tasks
19. Collaborative sessions with staff and partner organisations in The Base to develop and test innovative new approaches
20. We will build on what we have learned from AI pilots, using a series of use cases to identify how productivity improvements and efficiencies can help deliver financial savings
21. An ongoing cloud migration programme, to include legal case management system, data lake and democracy system.
22. Regular cyber training and awareness campaigns for staff and members
23. Support for the development of Brent's new target operating model

How we will know we are successful

- Staff feedback that they feel equipped with the devices and digital skills that they need to work effectively
- Digital tools are embedded and well-used across teams
- Shared systems and joined-up customer workflows leads to improved collaboration across departments
- Digital becomes a core part of how the council evolves underpinning service redesign, system upgrades and wider transformation to meet the future needs of the borough.

Ambition 3 - Harnessing data and enable collaboration

24. A new data platform which will sit above our existing data lake, bringing together disparate sources, improving role-based access and providing better insights into need and demand. This will initially be used to support the Integrated Neighbourhood Team approach.
25. Review, validation and cleanse of key data fields within systems.
26. Better modelling capabilities to support officers.
27. Support for services to strengthen their data management processes.
28. Improved mapping capabilities that will unlock the potential of our spatial data, including cleansing and utilising Unique Property Reference Numbers.
29. A refreshed Performance Management Framework, so that performance information is more visible and owners are more accountable.
30. Greater understand of community needs at a local level, through our Social Progress Index which we'll continue to develop and embed including using as a guide to help maximise the impact of social value contributions.
31. Deploy more smart devices and sensors to gather real-time insights and reduce manual reporting.
32. National digital ID cards in our local context, addressing technical integration, governance and security.
33. A programme to upskill Brent teams so that we can increase the pace of our data work, alongside an expanded Data Network community of practice – building the confidence of leaders and staff to use data to deliver better outcomes

How we will know we are successful

- Data quality is significantly improved across council services, enabling smoother customer journeys and better decision making.
- Predictive data models are routinely used to anticipate resident needs, allowing services to plan early and shift to upstream intervention.
- Service planning is more proactive, based on accurate forecasting of demand and informed allocation of resources.

Our Approach

Brent isn't new to developing and implementing digital solutions – we can learn from past experience, as well as from organisations like LOTI (the London Office for Technology and Innovation)

| We know digital transformation works best when it is... | So we will always work in this way... |
|--|--|
| Driven by evidence. | 1. Discovery & Engagement – we will develop problem statements, identify pain points and opportunities with service leads, and understand user needs. |
| Designed around people, not processes. Transparent and collaborative, both within the council and with partners. | 2. Incubation & Ideation – we will co-design, map process and work proactively with colleagues to develop solutions that are fit for purpose |
| Delivered in short, iterative cycles, or 'sprints'. | 3. Build–Test–Learn – we will deliver value iteratively using Agile sprints to provide incremental digital products to continuously test with users. |
| Sustainable, so embedding digital capability within services is part of any project to ensure long-term improvement. | 4. Embedding & Change Management – we will work with services to support sustainable adoption and cultural change. |



Building capacity

Digital tools are just one element of more fundamental transformation. We are embedding UX design, service design, and change management into digital transformation to deliver savings and systemic improvements. Each project will combine skills in business analysis, design, change management, and technical expertise such as AI and data science. Departmental SROs will lead business change and benefits realisation, supported by programme resources.

Learning from others

Brent is a founding member of LOTI and collaborates through networks, Shared Technology Service partners, and the West London Alliance digital programme. Our Data Ethics Board includes experts from the GLA, NHS, and UCL. We will continue to horizon scan and seek partnerships with businesses, universities, and other organisations.

Accessibility

Our website and My Account comply with the Public Sector Bodies Accessibility Regulations 2018 and meet WCAG 2.1 AA standards. Compliance is monitored regularly, and issues are addressed promptly. Accessibility is embedded in our design principles and procurement processes, ensuring new platforms meet requirements including our duties under the Equality Act 2010. For existing systems, we work with teams and suppliers to make improvements and benchmark against best practice, including the POUR framework.

Income Generation

We will explore opportunities to generate income from our digital work. Potential areas include creating an Automation Centre of Excellence and developing The Base as a service offer for other organisations.

Benefits

This Roadmap will deliver savings included in the 2026/27 draft budget, create a pipeline for 2027/28 (expected to generate around £2 million in recurring savings), and identify longer-term opportunities for 2028/29.

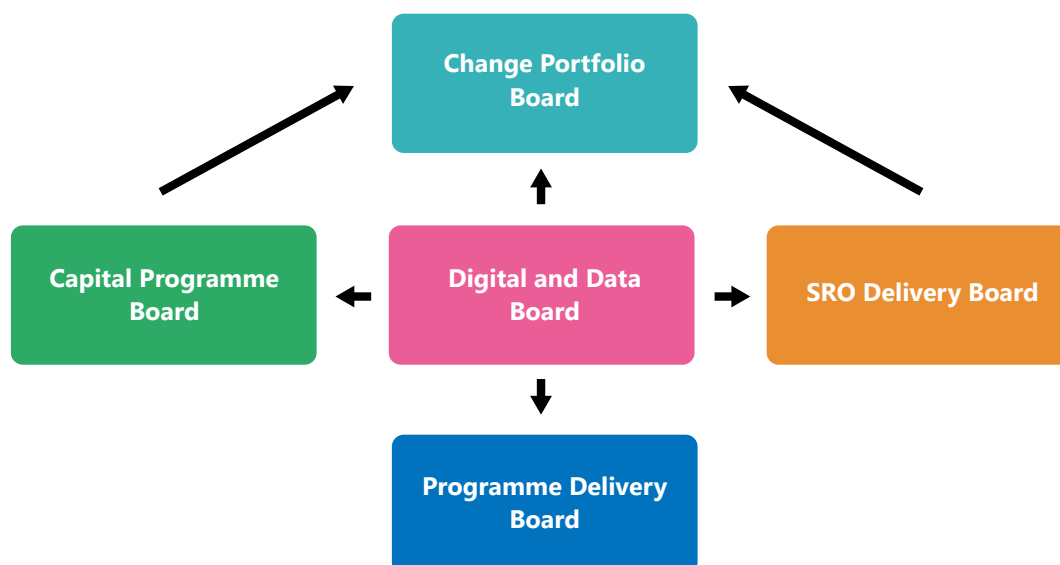
This investment not only secures immediate efficiencies but also positions us to develop sustainable savings and service improvements over time. Digital tools—particularly data and AI—will enable a shift from reactive crisis management to proactive prevention, driving greater long-term value.

To ensure measurable outcomes, we are introducing a benefits realisation framework aligned with borough priorities and the Embrace Change Portfolio.

This will embed benefits planning into governance, assign senior accountability, and use a benefit tracker tool and map to monitor progress. A dedicated Benefits Realisation Office will oversee delivery, supported by regular reporting and escalation.

Governance

- This Roadmap and the Data & Insight Strategy will be overseen by the Change Portfolio Board.
- The Digital and Data Board will monitor delivery, oversee benefits realisation and manage risks and dependencies.
- Work which enables the Embrace Change Portfolio will continue to be reported to the SRO Delivery Board and the delivery and financial benefits from the capital funded roadmap will continue to be reported quarterly to the Capital Programme Board (via the Corporate Landlord Board).
- A Programme Delivery Board will act as an operational delivery coordination group, reporting to the Digital and Data Board.
- This programme of work will also be overseen by the Lead Member with responsibility for digital transformation, with regular reporting on a quarterly basis, and Cabinet members will be involved in ongoing delivery of the digital roadmap and in feeding into the development of future ambitions.



Risks

In a period of rapid technological advancement, financial pressures and evolving public expectations, we must proactively recognise and address risks.

| Description | Impact / Consequence | Mitigations / Controls |
|---|--|--|
| Legislative or policy changes or change in priorities. | <ul style="list-style-type: none"> Need for redesign or re-procurement Increased cost | <ul style="list-style-type: none"> Ambitions 2-year programme rather than 4 years Ongoing horizon scanning Flexible and agile delivery |
| Under-realisation of expected benefits or financial savings from the Digital Transformation Roadmap | <ul style="list-style-type: none"> Reduced value from investments Difficulty meeting savings targets Reduced confidence from stakeholders | <ul style="list-style-type: none"> Establish benefit-tracking framework Quarterly benefits realisation reviews Strengthen business case assumptions and validation Clear ownership of benefits in service areas/organisation |
| Insufficient digital capacity across the organisation to deliver roadmap initiatives | <ul style="list-style-type: none"> Project delays Increased delivery cost Staff frustration and lower adoption of new systems | <ul style="list-style-type: none"> Use of flexible delivery resources (contractors/partners) Investment in resource structure to deliver roadmap |
| Data Lake - Technology resilience or system failure impacting service delivery | <ul style="list-style-type: none"> Critical services disrupted Data unavailability Reputation damage | <ul style="list-style-type: none"> Strengthen DR/BCP plans Regular disaster recovery testing Move to cloud-based resilient architecture Monitoring & alerting improvements |
| Poor adoption of new digital services by residents or staff | <ul style="list-style-type: none"> Benefits not achieved Increase in dual running costs Reduced efficiency | <ul style="list-style-type: none"> Change management and communications plan User-centred design & co-production Training and digital inclusion support |

| | | |
|--|---|--|
| Over-dependence on AI and automation vendor market | <ul style="list-style-type: none"> ● Susceptible to AI downturn in market ● Delay or failure in delivering key ambitions roadmap ● Reduced Access to Technology and Infrastructure | <ul style="list-style-type: none"> ● Have an internal team and strengthen internal skills in data automation and AI operations. ● Adopt modular, reliable interoperable platforms ● Annual AI technology assessment to ensure solutions remain viable |
| Perceived threat of impact of automation to the workforce | <ul style="list-style-type: none"> ● Lower engagement and adoption of automation tools ● Reduced employee morale and trust ● Potential for a skills gap within the workforce | <ul style="list-style-type: none"> ● Effective communications and messaging ● Strategic alignment of automation ambitions and workforce strategy ● comprehensive programme for reskilling/upskilling ● invest in training and development and opportunities for diversifying roles |
| Programme governance or delivery failure | <ul style="list-style-type: none"> ● Cost overruns ● Missed deadlines ● Fragmented delivery across departments | <ul style="list-style-type: none"> ● Strengthened PMO oversight ● Agile delivery with clear milestones ● Regular risk and dependency reviews |
| Equity and digital inclusion risks (residents unable to access digital services) | <ul style="list-style-type: none"> ● Exclusion of vulnerable residents ● Inequality of access ● Political and reputational harm | <ul style="list-style-type: none"> ● Assisted digital support ● Digital inclusion initiatives ● Maintain non-digital channels and support for access to services ● Continuous EIA assessments and monitoring impact |

Cybersecurity is an additional challenge confronting Brent as we develop our use of technology. This is part of a wider risk which is documented and monitored in the Corporate Risk Register and the programme will work in collaboration

with ICT and Shared Technology Services (STS) colleagues to ensure it is addressed and is integral to its approach and plan to cybersecurity across the whole Brent ecosystem.

Appendix 1.

Digital Inclusion Activity in Brent

Key Achievements to Date

- Delivered targeted outreach sessions for Housing Association residents, and the 50+ age group.
- Hosted pop-up digital skills sessions at libraries in identified risk zones for digital exclusion and provided one-to-one support to residents.
- Ran a series of workshops and training for residents on key digital topics such as cybersecurity, Microsoft applications, social media, NHS App usage, job searching, interview preparation, LinkedIn basics, and digital habits.
- Delivered specialised workshops for job seekers and older adults in partnership with the Department for Work and Pensions.
- Provided device and connectivity support to over 2,500 households identified as at risk of digital exclusion.
- Achieved high levels of connectivity borough-wide with broadband access now at 74.04% of households and ongoing full fibre rollout.
- Increased levels of confidence in usage of digital tools and technology. (Confidence in digital tool use projected to reach ~80% by 2028. Essential digital skills at 81.6% currently, projected to rise to 86% by 2028. Digital training access projected to reach 21% by 2028). Source: Brent Digital Strategy 2022-26.

Priority Areas for Further Development (2026–2028)

- Expand Digital Skills Training through a broader offering of workshops for older adults, jobseekers, and marginalised groups.
- Increase focus on advanced digital skills, cybersecurity, and generative AI.
- Enhance Device Access through continued device donation and distribution schemes.
- Support further connectivity rollout to achieve 85% full fibre coverage across Brent by 2028.
- Provide personalised Support and Community Engagement by scaling up one-to-one digital support and social events with a digital focus throughout the year.
- Strengthen our strategic partnerships with community organisations and the VCSE sector for volunteer-led digital drop-ins.
- Monitoring and Evaluation: Use the Digital Inclusion Benchmark Framework to track progress on access, skills, confidence, and usage.

Digital Inclusion Initiatives & Timeline

The following table outlines a range of ongoing and planned initiatives aimed at

enhancing digital skills and access among various target groups. These initiatives focus on essential digital competencies such as job readiness, online safety, device usage, and equitable access to technology.

| Initiative | Target Group(s) | Timeline |
|--|---------------------------|---------------------|
| Digital Skills: Workshops to get Job ready | Jobseekers (all ages) | Q4 2025, Q1-Q3 2026 |
| Basic Digital Skills: Learning how to use digital devices and get online safely | DWP clients 50+ age group | Q4 2025, Q1-Q3 2026 |
| 50+ Age Group Workshops: building digital confidence in a supportive community | Older adults | Ongoing (dates TBC) |
| Asylum seekers/Resettlement Group: tailored digital support programme | 18+ age | As needed |
| Digital Drop-ins at Libraries: for help with accessing everyday essential online services | All residents | Ongoing |
| Device Donation & Distribution (Children in schools and 18+ residents): provision of tablets and smartphones to individuals at risk of digital exclusion | Digitally excluded | Ongoing |
| Accessible Digital Inclusion: Tailored digital skills support and resources for residents with disabilities | Disabled residents | Ongoing |

Appendix 2.

Action plan and what success looks like

| Ambition | Activity | Detail | When |
|----------------------------|--|--|-------------------|
| Resident Experience | Enhancing our digital customer experience | Phase one MyAccount enhancement including better authentication and streamlined contact us functionality(2) | Q4 25/26 (Yr 1) |
| | Increasing digital inclusion and ensuring our residents benefit from digital opportunities | Enhancements to digital resident experience including improved IVR, online forms enhancements, consolidation of email addresses, improvements to website user experience (1) | Q1-3 26/27 (Yr 1) |
| | | Pilot of multi-language voice agent and other AI functionality to support improved resident contact (3) | Q2 26/27 (Yr 1) |
| | | Expanding functionality of QMatic, the electronic check-in touch screen system at the Welcome Desk at Civic Centre | Q1 26/27 (Yr 1) |
| | | Ensuring resident feedback and user testing informs development of our digital channels | Ongoing (Yr 1) |
| | | Introduction of tools to join up customer data to enable our customer facing staff to provide a better response (5) | Q3-4 26/27 (Yr 1) |
| | | Pilot of assisting automation tools for self-service form completion. | Q4 26/27 (Yr 1) |

| Ambition | Activity | Detail | When |
|--|--|--|--|
| Resident Experience (continued) | Increasing digital inclusion and ensuring our residents benefit from digital opportunities | <p>Expand Digital Skills Training/Hub through a broader offering of workshops for older adults, jobseekers, and marginalised groups – including:</p> <ul style="list-style-type: none"> Digital skills workshops for job readiness Digital skills, digital confidence and online safety for age 50+ Asylum seekers/ resettlement group tailored digital support programme Digital drop ins at Libraries Tailored digital support sessions for disabled residents (8,9,12,13, 14) <p>Continued digital device offer through RSF as well as targeted offer for key groups through Get Online London and other initiatives – including children in schools and 18+ residents (11)</p> <p>Support further connectivity rollout to achieve 85% full fibre coverage across Brent (10)</p> <p>Strengthen our strategic partnerships with community organisations and the VCSE sector for volunteer-led digital drop-ins.</p> <p>Monitoring and Evaluation: Use the Digital Inclusion Benchmark Framework to track progress on access, skills, confidence, and usage. (7)</p> | <p>Q4 2-25-Q3 2-26-27</p> <p>Q4 2-25-Q3 2-26-27</p> <p>As required</p> <p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>Q4 2028</p> <p>Ongoing</p> <p>Ongoing</p> |

| Ambition | Activity | Detail | When |
|-------------------------|---|--|---|
| Empowering teams | AI and automation | <p>Wider co-pilot implementation to improve productivity and efficiency and support savings (200 licenses)</p> <p>25 new automations live to improve efficiency and support savings (6, 18)</p> <p>Implementation of AI use cases for resource-intensive cross-council tasks (20)</p> <p>Oracle enhancements live enabling better self-service for staff and improved procurement, payment systems</p> <p>Introduction of Agentic AI solutions and development of bespoke AI solutions</p> | <p>Q4 26/27 (Yr 1)</p> <p>Q2-4 26/27 (Yr 1)</p> <p>Q2-4 26/27 (Yr 1)</p> <p>Q2-4 26/27 (Yr 1)</p> <p>Q3 26/27 (Yr 1)</p> <p>Q3 26/27-Q4 27/28 (Yr 1-Yr 2)</p> |
| | Improving our back-office systems | 8 applications moved to Cloud versions (4 per year) (21) | Q1 26/27-Q4 27/28 (Yr 1-Yr 2) |
| | Developing digital skills and an innovative culture | <p>Launch of expanded digital skills offer for staff including AI skills (15,16)</p> <p>The Base is the focus of new ways of working and an L&D offer is helping to drive digital innovation and improved use of data (19)</p> | <p>Q1 26/27 (Yr 1)</p> <p>From Q4 25/26 (Yr 1)</p> |

| Ambition | Activity | Detail | When |
|-----------------|--|--|---|
| Harnessing data | Improving data quality | <p>Programme of reviewing, validating and cleansing key fields within systems to enable effective linking and modelling, whilst implementing more robust and consistent data management processes (24)</p> <p>Universal data catalogue expanded to five key areas of council work (e.g. housing, social care)</p> | <p>Q1 26/27 to Q4 27/28</p> <p>Q4 27/28</p> |
| | Developing our data platform and delivering new data use cases to inform better decisions, earlier intervention and prevention | <p>Minimum of six data platform use cases (foundational single views of property and debt; risk stratification tool, asset management single view, ASC forecasting and predictive modelling) developed and implemented using upgraded data platform (25)</p> <p>New data-led early intervention approaches tested, evaluated and iterated</p> <p>Unlocking the potential of our spatial data to improve GIS mapping, inform better decisions and maximise income opportunities (28)</p> <p>Introducing Technology Enabled Care, AI solutions and digitise processes to better enable adults who need care to get timely solutions which meet their needs</p> <p>Continue to develop and embed our Social Progress Index to better understand community needs at a local level (31)</p> | <p>Q1 26/27–Q2 27/28(Yr 1–Yr 2)</p> <p>Q1-2 26/27 (Yr 1)</p> <p>Q1 26/27–Q4 27/28(Yr 1–Yr 2)</p> <p>Q1-4 26/27 (Yr 1)</p> <p>Ongoing (Yr 1)</p> |

| Ambition | Activity | Detail | When |
|----------|--|---|------------------------------------|
| | Develop our skills and building a data culture for the council | Continue to invest in building data skills within the council through the apprenticeship levy and through bringing in new data engineering and architect roles | Ongoing. New roles Q1 26/27 (Yr 1) |
| | | Refresh and embed our Performance Management Framework (29) | Q1 26/27 (Yr 1) |
| | | Support a strong data culture across the council, ensuring our leaders are confident about and actively use data and growing and further developing our Data Network community of practice (33) | Ongoing (Yr 1) |

What Success Looks Like

| Ambition | Theme | Outcome | KPI | Target |
|---------------------|--------------------------|---|--|--|
| Resident Experience | Channel Shift to Digital | Residents use digital channels routinely to undertake transactions or to contact Brent Services | Number of monthly visits to the website/ online portal | Receive between 10,001 and 15,000 monthly visitors |
| | | | Volume of contact by digital channels annually | Increase from baseline volumes of 1.1M to 1.5M by digital channels, a target increase of 30% by 2028 |
| | | | Increase in % of contact by digital channels | Increase from 50% of total contact by digital channels to 65%. |
| | | | Volume of contact by telephone annually | A reduction from baseline volumes of 450k to 330k by telephone, a target reduction of 25% by 2028 |
| | | | A reduced contact centre email volume annually | Reduction in contact centre e-mail volume from 100k to 85k (15%) by 2028 |
| | | | % of residents who say the Council is easy to contact for help and information | Increase from current baseline of 52% (2021 Resident Attitude Survey (RAS)). Target will be set based on findings of 2026 RAS available June 26. |
| | | | % of residents who say that the council is helpful when you contact it | Increase from current baseline of 54% (2021 RAS). Target will be set based on findings of 2026 RAS. |
| | | | % of residents that say it is easy to carry out council transactions online | Increase from current baseline of 52% (2021 RAS). Target will be set based on findings of 2026 RAS. |

| Ambition | Theme | Outcome | KPI | Target |
|----------|-------------------------------------|---|--|--|
| | Get it Right First Time | Residents use digital channels routinely to undertake transactions or to contact Brent Services | Reduction in abandoned transactions | To be baselined and measured for each use case. |
| | First class on-line user experience | | Increased percentage of users who successfully complete a specific task | To be baselined and measured for each use case. |
| | | | Completion rate for online self-service transactions | New measure – will be set as part of resident experience programme |
| | | | Improved satisfaction for online services (borough plan KPI) | Resident satisfaction with the Brent website increased to 75% (benchmark 60%) |
| | Digital inclusion for residents | | Improved online user experience | Brent website ease of use increased by 20%. Target 80% (benchmark 60%). |
| | | | Improved online transaction experience (borough plan KPI) | Online transactional satisfaction increased across all online services (Brent and 3rd party) (benchmark 60%. Target 70%, |
| | | | Website accessibility | Maintain at least 95% (benchmark 95%) |
| | | | Quality of our digital platforms and ability for users to find information and complete transactions | Less than 1% broken links. |
| | | | Increase in % of residents that express that they feel confident in using digital tools | Baseline (2022) Around 65–70% confidence. Target ~80% by 2028 assuming sustained investment in skills workshops, device distribution, and connectivity improvements. |


| Ambition | Theme | Outcome | KPI | Target |
|-----------|-----------------------------|--|--|---|
| | | | Increase % of adults that have the basic level of digital skills | Currently, 81.6% of adults possess at least basic digital skills. Target of 86% by 2028, provided Brent maintains its digital inclusion initiatives—including training, device provision, and connectivity support—beyond 2026. |
| | | | Increase in access to digital training | Currently 14–15% of older adult residents have access to structured digital training (online or in-person). Target for 2028 would be 21%. |
| | | | Percentage of households with full fibre to the premises | Currently 74.04%. Target of 85% by 2028. |
| | | | Number of devices issued by RSF and social value initiatives. | 3000 |
| Workforce | Digitally enabled workforce | Staff in Brent will be prepared and confident for the digital future | Increase in % of staff that agree that they have the right digital technology tools to enables them to do their job properly | |
| | | | Increase in % of staff that agree that they have the right digital skills to do their job. | |
| | | | % Staff that agree Innovation and creativity are highly valued within the council | |

| Ambition | Theme | Outcome | KPI | Target |
|-----------------|----------------------|---|---|--|
| | New Ways of Working | AI and automation is driving more efficient and effective ways of working across all departments and services | Number of automations | Target for 26-27 – 25 |
| | | | Number of cloud migrations | Two per year |
| | | | Number of AI use cases | 10-20 in 2026-27. |
| | | | Number of services utilising The Hub to 'test and learn' | |
| | | Digital tools support increased productivity ensuring more time is spent on tasks which add value and supporting efficiencies | Reduction in FTEs | To be baselined and measured for each use case. |
| | | | % of staff time freed up through use of AI tools etc | To be baselined and measured for each use case. |
| | | | Reduction in overtime and agency staff spend | To be baselined and measured for each use case. |
| Data | Data Driven Insights | Data and insight is supporting an increased focus on prevention and earlier intervention | Number of Data Platform use cases developed and implemented | Target 3 use cases in 26-27 Target 3 use cases in 27-28 |
| | | | Number of targeted campaigns / new interventions enabled by Data Platform use cases | To be developed and measured for each use case and aligned intervention, including: <ul style="list-style-type: none"> • Preventing homelessness • Debt and financial resilience • School readiness |

| Ambition | Theme | Outcome | KPI | Target |
|----------|---------------|--|--|---|
| | | | Improved outcomes for individuals and families supported by Data Platform use case interventions | To be baselined and measured for each use case and aligned intervention, e.g.: <ul style="list-style-type: none"> • Homelessness applications • £ value of debt reduction • £ value of income maximisation • Uptake of support mechanisms (e.g. Healthy Start scheme) |
| | | | Improved outcomes for cohorts targeted and supported by Data Platform use cases | To be baselined and measured through SPI scorecard metrics (ward level) and single views (household, neighbourhood, LSOA) |
| | Improved Data | Data is more accurate enabling digital tools to be more effective and better decision making | Increase in number of thematic areas mapped and included in universal data catalogue | <ul style="list-style-type: none"> • Target 3 in 26/27 • Target 3 in 27/28 |
| | | | Completeness of priority data fields in key LOB systems and reports | To be baselined and measured through data platform reporting |
| | | | Increase in matching rates for priority data fields and records | UPRN matching success of 90% for all cleansed systems Matching rates for platform use case data to be baselined and measured |
| | | | Reduction in % of officer* time spent prepping and cleansing data vs higher-value work *Including performance and data officers and nominated data owners | To be baselined and measured through light-touch monitoring mechanism to be developed via Data Network / The Base |

| Ambition | Theme | Outcome | KPI | Target |
|-----------------|-----------------------------|---|--|--|
| | Insight Driven Organisation | Staff across the organisation have the skills and confidence to build and use data products | Increased number of staff regularly participating at Data Network | Target 50 in 2026/27 |
| | | | Increased number of staff enrolled in Data Academy | Target 15 in 2026/27 |
| | | | Increased BAU use of Data Platform use cases by lead services and officers | To be baselined and measured for each use case |
| | | | New staff-led data products (e.g. dashboards, tools, use cases) developed and implemented | To be baselined and measured via data network (e.g. no of new data products demoed by staff at network or other key forums) |
| | | | Increased usage of corporate reporting tools, inc Power BI Balanced Scorecards | Target 200 views of Corporate Scorecard per Quarter (inc Members and Directors) Target 50 views of second tier scorecards per Quarter |
| | Collaboration | Data is used effectively to support innovation and joined-up working internally and with partners | Number of hackathons and data-themed collaboration sessions delivered via The Base | To be defined and measured via booking form analytics |
| | | | Number of new data-themed test and learn approaches developed, implemented and evaluated | Target 5 in 2026/27 |
| | | | Number of new DPIAs and Data Sharing agreements developed to support new data products and use cases | Target 5 in 2027/28 Target 5 in 2026/27 |
| | | | Increased usage of shared data and insight resources (e.g. Brent Open Data, SPI) | Target 20% increase year on year |
| | | | No / Value of Social Value contributions and Grants aligned to data and insight products (e.g. SPI) | To be baselined and developed |



| | |
|---|---|
|  | Cabinet 19 January 2026 |
| | Report from the Corporate Director of Children, Young People & Community & the Corporate Director of Neighbourhoods and Regeneration |
| | Lead Member(s) - Cabinet Member for Children, Young People and Schools (Councillor Gwen Grahl) Cabinet Member for Regeneration, Planning and Property (Councillor Teo Benea) |
| Phase II Capital Investment Programme for School Place Sufficiency for Children and Young People with SEND | |
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| List of Appendices: | None |
| Background Papers: | None |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Roxanna Glennon, Head of Inclusion 020 8937 2785 Roxanna.glennon@brent.gov.uk Neil Martin, Head of Capital Delivery 020 8937 4203 Neil.martin@brent.gov.uk |

1.0 Executive Summary

- 1.1 Despite being on target to deliver 382 new SEND places since 2022, the Council continues to experience significant pressures in SEND provision linked to continued demand for local specialist places.
- 1.2 This report sets out the proposal to deliver a further 212 SEND places within the borough for a cost of £10.6m. This will reduce the financial cost of SEND provision by £4.3m per annum as well as provide more local specialist provision for Brent based young people with SEND. The actions outlined in this paper will

also support a reduction in expenditure on the Council's Special Needs Transport budget, which is also under financial pressure.

- 1.3 The programme will help achieve a number of strategic priorities including investing further in SEND provision in the borough as set out in the November 2025 Cabinet report – *School Place Planning Strategy 2024-28 (second refresh)*.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approve the proposed SEND Phase II Capital Programme using £10.6m from the High Needs Capital Grant Allocation provided by the Department for Education as detailed in paragraph 3.2.2 (Option 2) in order to complete the identified works within the programme.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 The SEND Phase II Capital Investment Programme supports the Borough Plan Strategic Priority 4: The Best Start in Life. By ensuring there are sufficient, suitable SEND school places for children and young people in Brent, the local authority is meeting its statutory obligations and supporting every child and young person to access high quality education locally to them in the borough.
- 3.1.2 This programme also supports the Brent School Place Planning Strategy 2024-2028 and its November 2025 refresh, which presents the objectives and operating principles to underpin the Council's approach to school organisation over four years.
- 3.1.3 Continuing the good work completed in the past three years to be on target to deliver 382 new SEND places from the 2022 approved capital programme, this second phase builds on this foundation as SEND demand continues to increase. We have worked with schools to identify spare mainstream capacity to convert to SEND to reduce costs and ensure maximum value from the SEND capital grant funding.

3.2 Background

- 3.2.1 In January 2022 Cabinet approved £44m of capital investment for up to an additional 427 specialist places in a new secondary special school, expansions of existing special schools and new Additionally Resourced Provision (ARPs) in mainstream schools. For the purposes of this business case, this will be referred to as "SEND Phase I Capital Programme".
- 3.2.2 The SEND Phase I Capital Programme is expected to deliver 382 places. At the time of drafting this report, 298 places have already been delivered with a further 84 places expected to be delivered by January 2030. The SEND Phase

I Capital Programme includes the new secondary special school, Wembley Manor that was completed in autumn 2025, and Additionally Resourced Provisions (ARPs) at Elsley Primary School, Newfield Primary School, Preston Park Primary School, St Margaret Clitherow Primary School and Newman Catholic College.

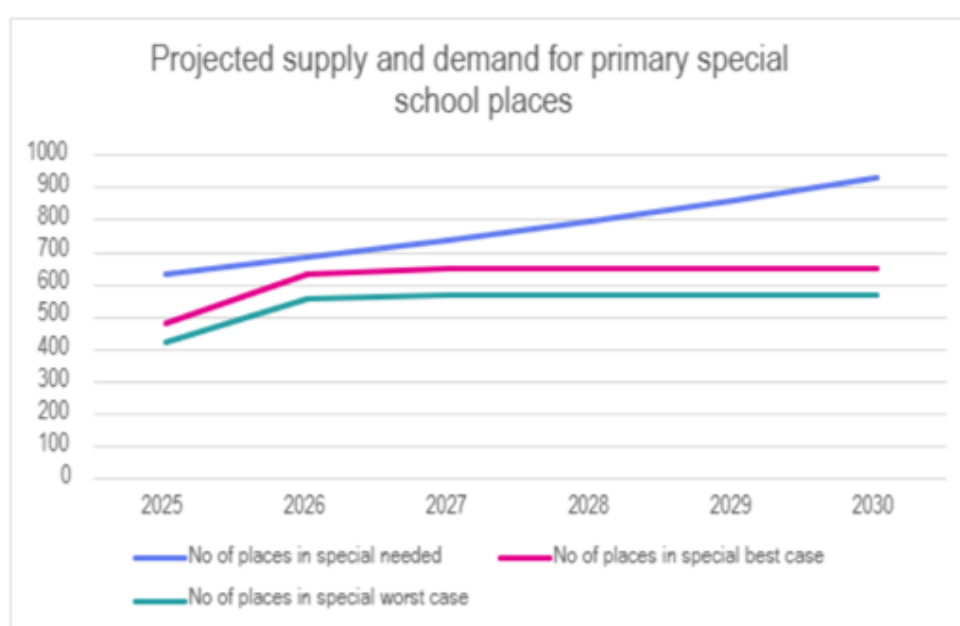
- 3.2.3 There are 977 places currently in Brent Special Schools and 246 ARP places. Brent currently has access to 88% of these places (1% less than last academic year), or 860 of the 977 local special school places and 216 of the 246 ARP places in Brent schools, as other local authorities place children in Brent provision. Brent also places children in special schools in neighbouring authorities.
- 3.2.4 Ongoing targeted work to support schools and settings to better meet the needs of children with SEND has seen an increase in the number of children remaining within mainstream education in Brent. There is increasing confidence in the mainstream sector to meet the needs of children and young people with SEND. However, despite this and significant investment by Brent to increase the capacity within special educational settings and the creation of ARPs, additional special school places are required. Key data underpinning this are as follows:
- 48% of all children with an EHCP in Brent attend a mainstream school provision. This is an increase of 1% since this time last year.
 - However, in terms of age-groups, 37% of primary aged children and 49% of secondary aged children with an EHCP require a special school place. Numerically this is expressed as 634 and 587 children respectively.
 - Communication and Interaction is the area of need most strongly correlated with placement in a special school for both primary and secondary aged children with an EHCP in Brent, followed by Cognition and Learning for both age groups.
- 3.2.5 If all Brent children were to access a place at a maintained, in-borough special school, Brent would require a total of 1,221 places (634 primary and 587 secondary), with the majority of these places being for children who have either communication and interaction or cognition and learning as their primary area of need. Brent currently has 480 places in primary age special school classes and 497 places in secondary age special school places. Of these places, 12% are occupied by children from other boroughs, leaving 422 primary places available and 437 secondary places available. Given this, Brent has a current shortfall of 212 primary places in special and 150 secondary places in special. As outlined above, to prevent Brent children with EHCPs being unplaced, the independent sector, home tuition, out of borough schools and the mainstream sector are all currently being utilised. As well as being less convenient for pupils who must travel longer distances to school, this is putting increasing strain on the high needs block.
- 3.2.6 In terms of supply, Table 1 and Figure 1 model a best-case scenario (whereby all of Brent special school places are available to Brent children) and a worst-case scenario (whereby 88% of Brent special school places are available to

Brent children). The worst-case scenario is more reflective of current occupancy levels by out of borough children.

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|------|------|------|------|------|------|
| No of places in special needed | 634 | 685 | 740 | 799 | 863 | 932 |
| No of places in special best case | 480 | 632 | 649 | 649 | 649 | 649 |
| No of places in special worst case | 422 | 556 | 571 | 571 | 571 | 571 |
| Shortfall best case | 154 | 53 | 91 | 150 | 214 | 283 |
| Shortfall worst case | 212 | 129 | 169 | 228 | 292 | 361 |

Table 1: Current and projected demand and supply of primary school special places in Brent

Figure 1: Current and projected demand and supply of primary school special places in Brent

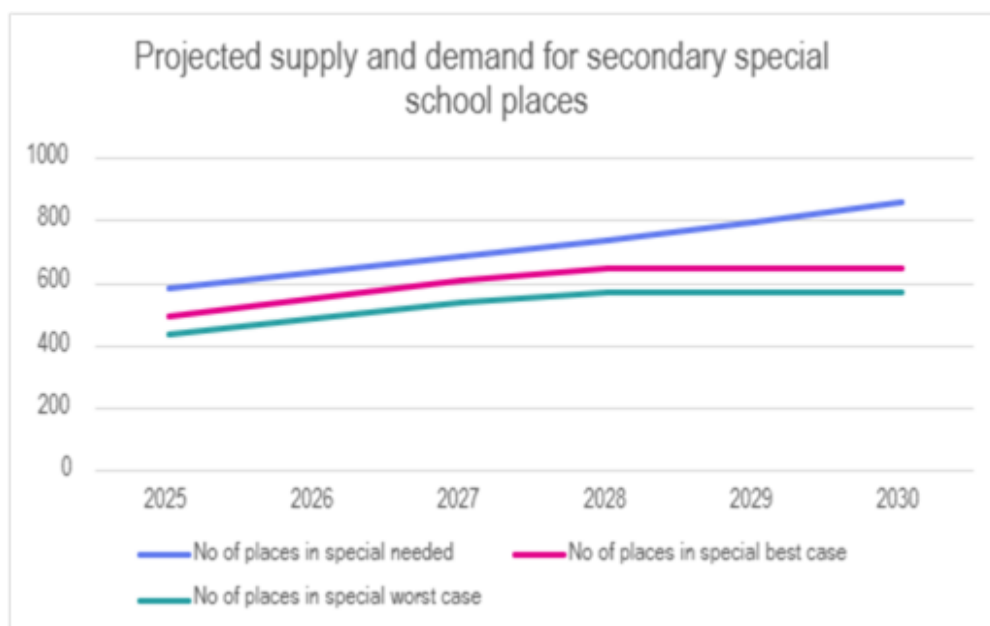


3.2.7 Current and projected (until 2030) need for special school places at secondary are shown in Table 2 and Figure 2 below. The same assumptions are made for this data set as for the primary age data set (with the exception that an assumption of 49% of total secondary aged EHCP cohort requiring special is made).

Table 2: Current and projected demand and supply of secondary school special places in Brent

| | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|------|------|------|------|------|------|
| No of places in special needed | 587 | 634 | 685 | 740 | 799 | 863 |
| No of places in special best case | 497 | 553 | 610 | 650 | 650 | 650 |
| No of places in special worst case | 437 | 487 | 537 | 572 | 572 | 572 |
| Shortfall best case | 90 | 81 | 75 | 90 | 149 | 213 |
| Shortfall worst case | 150 | 147 | 148 | 168 | 227 | 291 |

Figure 2: Current and projected demand and supply of secondary school special places in Brent



3.2.8 A capital programme that would deliver 212 places (SEND Phase II) is proposed to meet some of the projected SEND demand. This planned expansion of specialist school places in Brent, even if delivered on time, will not meet Brent’s current or projected need for places in special for either primary or secondary cohorts, and so will not keep pace with levels of demand anticipated by 2026/2027 (as modelled in tables 1 and 2 above). Based on this modelling, the data suggests that Brent should consider investment in a new additional special school or schools of at least 320 places, in addition to the proposed Phase II growth in places.

Options Appraisal

3.2.9 **Option 1 – Do Nothing:** Were this option to be selected, and no additional expansion of special places agreed once the Phase I projects are all delivered, Brent would continue to have a significant shortfall of places for children requiring specialist provision. As meeting the needs of a child in the way stipulated in Section F of an EHCP are statutory obligations, Brent will expose itself to significant reputational and financial risk if it chooses not to create further places. As a result, Brent would be forced to place children in out of borough maintained or day placements in independent schools (with the latter carrying significant additional costs of an average of £58k/place/annum and a correlating increase in transport costs further adding to pressure on the Special Needs Transport budget). It is also likely that Brent would see a further increase in requests for mediation, and in appeals to the first-tier tribunal (FTT) as families and schools see formal redress as the only option to accessing specialist provision. Option 1 is, therefore, not recommended.

3.2.10 **Option 2 – Implement the proposed Phase 2 expansions:** Table 3 below sets out the projects proposed to be included in the SEND Phase II programme.

Table 3: Proposed SEND Phase II projects

| School | New Places | Phase | Delivery time scale | Proposals |
|--------------------|------------|--|---------------------|--|
| The Avenue | 34 | All-through / post-16 | January 2026 | Use temporary building at Newman CC. |
| Strathcona site | 50 | Primary | September 2027 | Satellite site from existing SEND school subject to consultation. |
| The Manor School 1 | 72 | Primary | April 2026 | Lease of St Mary's RC Primary spare capacity |
| The Manor School 2 | 16 | Primary | April 2026 | Expansion of early years at Bridge Road satellite |
| The Village School | 40 | All-through (but places are for secondary) | September 2029 | Rebuild KHS site and increase size to accommodate expansion of 20 with 20 places provided at main site |
| Total | 212 | (138 primary, 74 secondary) | | |

Option 2 would go some way to addressing Brent's significant shortfall in special school places. Whilst it would not deliver complete sufficiency of required places which carries some financial and reputational risk, given the uncertainty around the contents and timing of the Government's School's White Paper (expected January 2026), it represents a proactive but measured response to Brent's current sufficiency issues. Option 2 is the recommended option to provide additional SEND places as it will provide much needed places, increase confidence in the LA's control of the SEND placement issues and mitigate further spend in out-of-borough maintained and independent school day placements and accompanying transport costs.

3.2.11 Option 3 - Deliver Phase II projects as per Table 3 and deliver an additional 320 SEND places through new SEND schools: Option 3 would achieve sufficiency of special places, based on current projections for 2027. To deliver this many places, further sites would need to be identified, including giving consideration to areas of the borough where there is a surplus of current primary provision, most notably within Primary Planning Area 4. Converting mainstream schools to special schools could both deliver much needed places for children with SEND and improve the long-term sustainability of other schools in this area. Were a surplus of specialist placements to be achieved, Brent could work to bring children back from the independent sector and out-of-borough maintained schools.

Option 3 is not recommended *at this stage*. Current uncertainty regarding the Government's direction of travel on SEND means such decisions should be deferred until there is more certainty which is likely to be by autumn 2026.

Objectives and Benefits

- 3.2.12 The objective of this programme is to provide 212 SEND places supporting the Council to meet its statutory duty by ensuring that more pupils with EHCPs are offered a suitable local school place. Keeping children within Brent will also support them through key transitions, both from primary to secondary phase provision and as young people progress through the education system into local college provision that offers them appropriate education and skills development courses as part of their preparation for adulthood.
- 3.2.13 Further, the programme delivers further benefits to the Council as set out in Table 4 below. Consideration must also be given to transport related costs estimated at £1.3m per year.

Table 4: SEND Phase II Programme Benefits

| Description of Benefit | Financial/ non-financial benefit? | Estimated benefit amount? | When will the benefit be realised? | One-off or recurring? |
|--|---|---------------------------------|--|--------------------------|
| High Needs Block Savings | Financial | £4.3m | September 2029 | Recurring |
| Transport Savings | Financial | £1.3m | September 2029 | Recurring |
| Additional local SEND places available for Brent children and young people in Good and Outstanding schools | Non-financial | 212 | September 2029 | Recurring |
| Increased Employment Opportunities in Teaching and associated roles | Non-financial | 63 | September 2029 | One-off |

- 3.2.14 The programme aligns with Council strategies for SEND (Brent SEND Strategy 2021 – 2025) and school place planning (Brent School Place Planning Strategy 2024 – 2028 Second Refresh approved by Cabinet in November 2025). It also aligns with the Brent Borough Plan 2023 – 2027 Strategic Priority 4 The Best Start in Life through the investment in additional SEND places.

Timescales

- 3.2.15 Please see an indicative timeline for the programme. Table 5 shows the indicative dates for the key deliverables across the programme. Each of the projects in Option 2 above have different timeframes so the start date for each of the milestones is the earliest date this activity starts across the programme and the finish date for each of the milestones is the latest date this activity finishes across the programme.

Table 5: Indicative Capital Delivery Programme

| Key Milestones | Estimated Date |
|---------------------------|-------------------------|
| Cabinet Approval | January 2026 |
| Procurement – consultants | Jan – Mar 2026 |
| Design and Surveys | April 2026 – Mar 2027 |
| Planning | April 2027 – Aug 2027 |
| Contractor Procurement | Jan 2027 – Dec 2027 |
| Works | July 2026 – August 2029 |
| School Occupation | Sept 2026 – Sept 2029 |

Procurement

3.2.16 The Council will be required to procure the following services, supplies and works contracts as part of the programme.

- Technical Consultancy Services (design services, contract administration)
- Works contracts (traditional build contracts, design and build contracts)
- Furniture and ICT equipment supplies
- Specialist surveys (underground services, geotechnical, arboricultural)

3.2.17 The above will consist of very low value, low value, medium and high value contracts. It is proposed to batch as many commissions as possible to reduce procurement activity during the programme. For example, the technical consultancy services will be procured as one package/tender opportunity.

3.2.18 Proposals for tender opportunities will be issued via separate reports requiring approval or as part of the detailed project business cases. Those that are Low Value Contracts will ensure at least three written quotes will be sought of which one will be a local contractor. For Medium Value and High Value Contracts, tenders will be invited in accordance with the Council's Standing Orders, Procurement Act 2023 and the necessary approvals obtained both pre-tender and for contract award.

Risks

3.2.19 Table 6 below lists the main risks to the programme. A key risk is the quotes/tenders from contractors being higher than project budgets allocated within the programme owing to the current financial climate within the construction industry.

Table 6: High level programme risks

| Risk/issue description (incl. impact) | Planned mitigation or resolution | Owner |
|---|--|--------------------------|
| Quotes/tenders from contractors are over budget for works | <ol style="list-style-type: none"> 1. Ensure designs/specs and methodologies are financially analysed before issuing to market 2. Liaise with market early to gauge projected costs 3. Identify potential value engineering options as a backup if needed. | Head of Capital Delivery |
| Development sites contain unidentified contaminants causing delays and cost increases | <ol style="list-style-type: none"> 1. Thorough site investigation surveys completed prior to entering into works contract(s) 2. Project and programme contingency set aside to cover any unforeseen issues. 3. Potential for enabling works contracts where possible prior to main works contracts to assist with delivery of clear site(s) | Head of Capital Delivery |
| Places cannot be provided due to site(s) being identified for other Council priorities | <ol style="list-style-type: none"> 1. Ensure robust justification for SEND provision requirement 2. Obtain senior officer / political approval for SEND site use | Head of Capital Delivery |
| Funding is needed for other priorities and hence programme will require Council Capital contributions | <ol style="list-style-type: none"> 1. Ensure full understanding of financial position 2. Explore additional funding streams (e.g. CIL, S106) 3. Prepare Change Requests for approval 4. Enact change to budget and programme finances. | Head of Capital Delivery |
| Additional related works require completing. Impact is that programme does not have enough funding and will overspend | <ol style="list-style-type: none"> 1. Review new identified work and confirm extent and when works are required 2. Review need for projects in later years 3. Utilise programme contingency where available 4. Seek more funding through Capital Governance | Head of Capital Delivery |
| School(s) withdraw from the programme | <ol style="list-style-type: none"> 1. Work with school(s) to ensure they understand the benefits 2. Line up alternatives/contingency to replace any schools that withdraw | Head of Inclusion |

Project Approach

3.2.20 In order to achieve consistency across the programme a standard brief has been utilised for the projects. The standard brief for these projects within the programme will include:

- Sufficient additional or modified accommodation to support the agreed number of places based on the current building guidelines BB104 for the following types of areas:

- General and specialist teaching spaces, WCs, Sensory rooms, therapy rooms, large areas (halls), kitchen facilities, storage and Staff accommodation (office and welfare).
- Demolition and making good of existing buildings and/or external play areas in order to facilitate the above.
- Improvement to the supply and connection to utilities on the school site to enable the expansion/new build.
- Fixed and loose furniture, equipment and ICT for the additional number of pupils.
- Temporary accommodation to enable phasing where it is logistically or financially beneficial to do so in order to provide school places when needed.
- Internal adaptation where it is required to create suitable spaces and facilitate expansions in the most practical and economical way e.g. making 3 classrooms at guideline size from 2 extra-large classrooms where one additional classroom was required.
- All new and adapted accommodation will be located with appropriate adjacencies for subject specialisms and year groups as advised by the school.
- All new and adapted accommodation will be physically accessible and reasonable adaptations will be made in the existing building where it is logical to do so.
- BREEAM Excellent rating for any new buildings (or as otherwise advised by the Local Planning Authority).
- Works to the buildings and site to support the school travel plan for the expanded schools and to facilitate increased use of public transport as appropriate.
- Improvement to local public transport infrastructure if required through the planning process.

3.2.21 The projects will not provide:

- Expansion of mainstream post-16 provision and/or mainstream provision.
- Any improvement/addition/modification/re-location/demolition of existing buildings or external play areas that do not directly or indirectly facilitate the new build or expansion in line with BB104 requirements. This includes but is not limited to the following:
 - Accommodation for post-16 provision unless changes to post-16 provision facilitates accommodation for years 7-11 and is the most cost-effective way to do so
 - Improvements to existing external sports facilities unless required for planning purposes
 - Existing dining and assembly areas
 - Internal sports facilities or other specialist teaching areas
 - Additional staff office or welfare space
 - Storage
 - Circulation space.
- Improvement to the condition and/or suitability of the existing buildings, plant and external areas that are not directly related to the SEND requirements.

- Improvement to the accessibility of the existing buildings and external areas except in new areas that are not directly related to the SEND requirements.
- Improvement to adjacencies of subject/faculty areas not affected by the expansion.
- Re-location of furniture, ICT and resources within the school.

3.2.22 In managing the programme of projects the Council will provide the following services. Some of the services above will be procured for the purposes of delivering the programme:

- Project management including:
 - Budget and cost management
 - Programme management
 - Stakeholder engagement including with Members
 - Public consultation for all statutory processes (including where the Academy Trust must lead)
 - Risk and issue management
 - Procurement activities
 - Contract administration.
- Governance over the projects and programme to enable oversight and direction
- Legal advice
- Procurement advice
- Technical expertise from a full design team.

3.2.23 The Council will be responsible for obtaining all necessary approvals to undertake the capital projects including planning approval, Section 77 approval for development on playing fields (where appropriate) from the Department for Education (DfE) and building control approval.

3.2.24 The Governing Boards for each school have indicated their approval in principle to proceed with their school project, but schools will be required to provide further formal sign off at key stages. This includes agreement to a memorandum of understanding (MoU) and a Development Agreement where school are Academies.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 Members will be updated on projects within their wards as they progress through the delivery stages.
- 4.2 Plans to further expand local special school provision have been discussed at the multi-agency Inclusion Board (a sub-group of the Children's Trust) and the Brent Parent Carer Forum.
- 4.3 Schools have been consulted on proposed expansions and new SEND provision to which they are an integral part of the process.

- 4.4 Proposed use of the Strathcona site for SEND provision will be subject to consultation with key stakeholders, including the local community.
- 4.5 There will be opportunities for consultation with the Brent Parent Carer Forum to assist with co-design and to provide updates of progress on the projects within the programme.

5.0 Financial Considerations

Capital Implications

- 5.1 Table 7 summarises the cost of the SEND Phase II capital programme.

Table 7: SEND Phase II Capital Budget

| Project | Cost (£m) |
|-----------------------|------------------|
| The Avenue | 0.1 |
| Strathcona site | 1.0 |
| The Manor School 1 | 1.5 |
| The Manor School 2 | 0.2 |
| The Village School | 6.0 |
| Programme Contingency | 1.8 |
| Total | 10.6 |

- 5.2 It is proposed to fund the programme from the High Needs Capital Grant allocation provided to the Council by the DfE. The Council has received £22.6m of which £11.6m is unallocated.
- 5.3 The proposed cost of the SEND Phase II programme is £10.6m which will leave £1.0m of High Needs Capital Grant. There is also £2.2m of unallocated/uncommitted Basic Need Grant funding which can be used for any future projects. The Council will receive £9.7m of Basic Need grant during the period 25/26 – 27/28 which will increase the unapplied Basic Need funding to £11.9m.
- 5.4 Officers have sought external legal advice on the VAT treatment of the capital expenditure. This advice confirms that as the works are to fulfil the Council's statutory duty of providing sufficient school places and for nil consideration, the VAT is recoverable on the basis it is incurred for the Council's non-business activities.

Revenue Implications

- 5.5 199 Brent pupils with EHC Plans attend out-of-borough maintained special schools (an increase of 2% since this time last year), at a cost of £5.6m/annum. This represents 8% of Brent's school age children with an EHCP. Additionally, 197 children attend independent day schools (an increase of 1.5% since last year), at a cost of £11.9m/annum. This also represents 8% of Brent's school age children with an EHCP. The use of independent places has increased along with the cost of each place meaning that cost pressures associated with

independent places have increased disproportionately to the percentage increase in places used.

- 5.6 The average cost for out of borough special schools is £38k/place/annum, as compared with an average of £37k/place/annum for Brent's in-borough placements. The average cost for children in independent placements is £58k/place/annum. Consideration must be given to transport costs for out of borough and independent placements which are generally higher than in-borough placements.
- 5.7 Based on the proposed completion dates, the programme could achieve potential cost avoidance of £4.3m over its duration, including £2.6m in 2026/27. This is based on creating 212 new places, with an average cost avoidance of £21k per place, representing the difference between placing a Brent child in an independent special school versus an in-borough special school. There is also the potential for transport cost avoidance for 212 places estimated as £1.3m.

Table 8: Cost avoidance modelling

| School | New Places | Phase | Delivery time scale | FY 26/27 | FY 27/28 | FY 29/30 |
|--------------------|------------|--|---------------------|-------------------|-------------------|-----------------|
| The Avenue | 34 | All-through / post-16 | Jan-26 | 34 | | |
| Strathcona site | 50 | Primary | Sep-27 | | 50 | |
| The Manor School 1 | 72 | Primary | Apr-26 | 72 | | |
| The Manor School 2 | 16 | Primary | Apr-26 | 16 | | |
| The Village School | 40 | All-through (but places are for secondary) | Sep-29 | | | 40 |
| Total | 212 | (138 primary, 74 secondary) | | 122 | 50 | 40 |
| | | Total cost avoidance | | £2,562,000 | £1,050,000 | £840,000 |

6.0 Legal Considerations

- 6.1 The legal implications associated with the Council's statutory duty to ensure that there are sufficient school places available to meet the needs of the local population are set out in the School Place Planning Strategy 2024-28.
- 6.2 The Council would need to enter into agreements for the delivery of the projects and the nature of the agreements will be determined by the way the project is structured. It is envisaged that the Council will enter into agreements with self-governing Academies in the form of a development agreement, which will include a licence for works/to build at the school premises. The agreement would also recognise the Council's project management role and the school's right to review key stages of the works. There will also be a Memorandum of Understanding between the parties to cover the period of collaboration before

the construction works begin and it will set out expectations from both parties in respect of the design and decision-making processes.

- 6.3 Academies will be required to follow statutory processes in order to obtain approval to expand from the Regional Schools Commissioner acting on behalf of the Secretary of State for Education and to alter admissions arrangements. Consultation will also be undertaken on the proposal to develop the Strathcona site for SEND provision, including with the local community. The progression of the Council's programme will be dependent on these processes being successfully concluded.
- 6.4 If as a result of refurbishing mainstream accommodation to accommodate any SEND provision, the Published Admission Number of a school will need to be reduced the admission authority for the school will need to undertake consultation. The Council as admission authority for community schools has a duty to undertake this consultation in order to determine admission arrangements, including admission numbers under Part III of the School Standards and Framework Act 1998 and the School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) (England) Regulations 2012/8.
- 6.5 As detailed within this report, the Council will be responsible for obtaining all necessary approvals to undertake the capital projects including planning approval, approval to development on playing fields (where appropriate) from DfE pursuant to Section 77 of the Schools Standards and Framework Act 1998 and building control approval.
- 6.6 This programme will require the procurement of very low, low, medium and high services and works contracts. All procurement will be conducted in accordance with Contract Standing Orders and the Procurement Act 2023. It will be recommended that Cabinet delegate authority in respect of procurement, approval of pre-tender considerations and subsequently award of services contracts valued in excess of £5m and works contracts valued in excess of £10m to the Corporate Director of Neighbourhoods and Regeneration in consultation with the Cabinet Member for Regeneration, Planning and Property.
- 6.7 There is an ongoing risk that if the Council does not increase the number of special school places it has, the borough will be likely to see a further increase in the number of first tier tribunals it is summoned to. Brent has already seen a 40% increase in the number of tribunals in the last academic year, mostly for Section I (placement). It is suggested that without swift action to create more special school places this number will continue to rise.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The equality implications associated with the School Place Planning Strategy 2024-28 were set out in the report to Cabinet to approve the same (November 2023) and updated in the November 2025 refresh approved by Cabinet. This report considers more specifically the demographics around the demand for SEND school places and the options for meeting that demand.

8.0 Climate Change and Environmental Considerations

- 8.1 The Climate Change Strategy commits the Council to include the need to set standards that support the Council's Zero Carbon ambitions. These will be factored into schemes designs where possible including but not limited to use of solar PV and enhancements to building fabric insulation levels.

9.0 Human Resources/Property Considerations (if appropriate)

- 9.1 The services in this report are proposed to be provided by external providers and there are no direct impacts on Council staff. Schools will need to recruit additional staff in due course as pupil numbers increase.

10.0 Communication Considerations

- 10.1 Key stakeholders and the local community, including school communities, will be kept updated on project progress.

Related documents for reference:

[School Place Planning Strategy 2024-28 Second Refresh - Cabinet Report November 2025](#)

Report sign off:

Nigel Chapman


Corporate Director Children, Young People and
Community Development

Report sign off:

Jehan Weerasinghe

Corporate Director of Neighbourhoods and
Regeneration

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|  | Cabinet 19 January 2026 |
| | Report from the Corporate Director of Children, Young People and Community Development |
| | Lead Member – Cabinet Members for Children, Young People & Schools (Councillor Gwen Grahl) |
| Brent Council's School Admission Arrangements and Schemes of Co-ordination 2027/2028 | |
| Wards Affected: | All |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Open |
| List of Appendices: | Two: Appendix One: Proposed Admission Arrangements 2027/28 Appendix Two: Schemes of Co-ordination for 2027/28 |
| Background Papers: | N/A |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Michael Rollin, Service Manager, Access to Education and Travel Assistance 020 8937 2862 Michael.rollin@brent.gov.uk Michelle Gwyther, Head of Forward Planning, Performance and Partnerships 020 8937 2499 Michelle.gwyther@brent.gov.uk |

1.0 Executive Summary

- 1.1 Cabinet is asked to agree the proposed admission arrangements for Brent community schools and schemes of co-ordination for 2027/28 in accordance with statutory requirements. Admission authorities are required to determine their admission arrangements by 28 February in the determination year.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Agrees (“determines”) the proposed admission arrangements for Brent community schools and schemes of co-ordination for all maintained schools and academies in Brent for the 2027/2028 academic year (Appendices 1 and 2).
- 2.2 Notes the scheme of co-ordination which will be in place for the 2027/2028 offer year for co-ordinated applications to start school in years Reception, 3, 7 and 10.
- 2.3 Notes that the determined admission arrangements for 2025/26, 2026/27 and 2027/28 will be updated in April 2026 to change the name of Malorees Infant School to Malorees Primary School following the amalgamation of the Malorees Infant and Junior schools.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 Brent’s school admission arrangements support the Borough Plan Strategic Priority 4: The Best Start in Life. By ensuring there are suitable admissions arrangements for children and young people in Brent, the Local Authority is meeting its statutory obligations and supporting every child and young person to access high quality education locally to them in the borough.

3.2 Background

- 3.2.1 Brent Council is the admission authority for 29 community primary schools in the borough (listed within Appendix One). Voluntary aided and foundation schools, academies and free schools are their own admission authority and determine their own admission arrangements and oversubscription criteria. Therefore, this report relates to the admission arrangements and oversubscription criteria of Brent community primary schools only.
- 3.2.2 No changes are proposed to the admission arrangements which require consultation (there are only minor drafting changes). Where this is the case, admission authorities are only required to consult on those arrangements at least once every seven years. Brent as an admissions authority most recently carried out a consultation on its admission arrangements in 2023.
- 3.2.3 Following a request from the leadership team at Anson Primary School, the published admission number (PAN) of the school is being increased from 52 places to 56 places for admissions from September 2027. This increase will support the school financially (by way of attracting additional funding through an increased intake). It will not have any significant impact on school place planning in primary planning area five, nor at any other local schools (which are generally full or nearly fully subscribed). Admission authorities are not required

to consult on an increase of PAN, although the Local Authority (as admission authority) must consult at least the governing body of a community school where it proposes to increase the PAN. The chair of governors at Anson Primary School agreed to this increase on 16 July 2025.

- 3.2.4 The only other changes to the admission arrangements are minor drafting changes to dates, which do not require consultation.
- 3.2.5 There will be a requirement to update these determined admissions arrangements (and previously determined admissions arrangements for 2025/26 and 2026/27) on 13 April 2026 to change the name of Malorees Infant School to Malorees Primary School (at the point at which Malorees Infant and Junior Schools merge). This will not require a separate consultation or determination, and the amalgamation has already received Cabinet approval.
- 3.2.6 The School Admissions Code issued under Section 84 of the School Standards and Framework Act is the legal framework for school admissions matters. The Admissions Code requires that admission authorities have a mechanism to rank applications in order of priority. All schools and admission authorities must have admission arrangements that clearly set out how children will be admitted, including the criteria that will be applied if there are more applications than places at the school. Admission arrangements for Brent community schools are determined by the Council as the admission authority, and these are detailed in appendix one.
- 3.2.7 The Local Authority, as the admission authority for community schools in Brent, is required to determine (formally agree) its admission arrangements by 28 February 2026.
- 3.2.8 Each year all local authorities must formulate and publish on their website by 1 January in the relevant determination year, a scheme to co-ordinate admission arrangements for the normal admissions round and late applications for all publicly funded schools within their area.
- 3.2.9 The scheme of co-ordination is based on a template scheme from the London Grid for Learning (LGfL) agreed with all members of the London Inter Authority Admissions Group (LIAAG), which includes every London borough.
- 3.2.10 The scheme of co-ordination is not substantially different from the scheme adopted in the previous academic year. An additional section has been added to clarify the process to resolve parental disputes where they may arise. Otherwise, the only changes are to the dates recorded throughout the document. The scheme of co-ordination is detailed in Appendix Two.
- 3.2.11 Although the scheme has not substantially changed from the previous year there is a requirement consult with the other admission authorities in the area on the scheme at least once every seven years.
- 3.2.12 The Local Authority last carried out consultation on its scheme of co-ordination in 2018. Cabinet was informed in January 2025 that the Local Authority would

carry out its next consultation with other admission authorities in the area in the autumn term 2025.

4.0 Stakeholder and ward member consultation and engagement

- 4.1 A draft copy of the 2027/28 schemes of co-ordination was circulated for consultation to all admission authorities in Brent via the Headteacher Bulletin on 20 November 2025 with a request for any comments to be submitted by 19 December 2025.
- 4.2 There were no responses to the consultation.
- 4.3 The final proposed schemes of consultation have been revised slightly with an amended date to begin checking secondary school applications from 15 February 2026, based on updated recommendations from the LGfL since the consultation was launched.

5.0 Financial Considerations

- 5.1 There are no specific financial implications arising from this report.

6.0 Legal Considerations

- 6.1 Admission authorities must act in accordance with the mandatory requirements of the School Admissions Code 2021 and have due regard to the discretionary elements of the Code. They must also act in accordance with other laws relating to admissions and relevant human rights and equalities legislation.
- 6.2 Oversubscription criteria must be reasonable, clear, objective and comply with all relevant legislation, including equalities legislation. Highest priority in the oversubscription criteria must be given to looked after children and previously looked after children/children adopted from state care abroad (Regulation 7, Admission Arrangements Regulations 2012). Subject to these requirements it is for the admission authority to decide which criteria would be suitable according to the local circumstances.
- 6.3 The Local Authority must publish online its scheme of co-ordination for 2027/2028 by 1 January 2026.
- 6.4 The Local Authority must determine its admission arrangements for community schools 2027/2028 by 28 February 2026.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 The public sector equality duty, as set out in section 149 of the Equality Act 2010, requires the Council, when exercising its functions, to have “due regard” to the need to eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act, to advance equality of opportunity and foster good relations between those who have a “protected characteristic” and those who do not share that protected characteristic. The protected characteristics

are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation.

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

7.3 There is no prescribed manner in which the Council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary. The Admissions Criteria ensure fair access to school places. Cabinet is referred to the contents of this report for further information, in particular section 3.0.

8.0 Climate Change and Environmental Considerations

8.1 Determination of Admission Arrangements and Schemes of Co-ordination has no direct impact on the Council's environmental objectives and climate emergency strategy.

8.2 The oversubscription criteria support applicants securing places at local schools by way of giving higher priority within each criteria to children living closer to the school.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 There are no human resources or property implications.

10.0 Communication Considerations

10.1 In accordance with the School Admissions Code there are actions which must be completed by a specific date. Table 1 below shows these actions.


| Action required | Deadline |
|--|----------------------------|
| Publish the scheme of co-ordination on the Brent website | 1 January 2026 (completed) |
| Determine admission arrangements for community schools for 2027/2028 | 28 February 2026. |
| Publish the determined admission arrangements on the Brent website | 15 March 2026 |

Report sign off:

Nigel Chapman

Corporate Director Children, Young People and
Community Development

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|---|--|
|  | PROPOSED ADMISSION ARRANGEMENTS FOR BRENT COMMUNITY SCHOOLS FOR 2027/2028 |
| | To be determined by Brent Cabinet |

Contents

| | |
|--|----|
| Brent Community Primary School Planned Admission Numbers and Grid Reference Measuring Points for Admission to Reception and Junior in September 2027 | 2 |
| Oversubscription Criteria for Brent Community Schools in 2027/2028 | 3 |
| ‘Tie-break’ Distance Measurement | 5 |
| Home Address | 5 |
| Twins, Triplets and other children of multiple births | 5 |
| Split residence | 6 |
| Multiple applications | 6 |
| Applications from overseas | 6 |
| Children of UK Service Personnel (UK Armed Forces) and Crown Servants | 7 |
| How places will be allocated at Brent community schools for September 2027 in Reception (Primary and Infant schools) and Year 3 (Junior Schools) | 7 |
| Equal preferences | 7 |
| Deferred Entry | 7 |
| Applications for children outside the normal age group | 8 |
| Late Applications and changes after the closing date | 8 |
| Changes of Address after the closing date | 8 |
| Waiting Lists | 9 |
| Appeals | 9 |
| Admission to community school nurseries | 10 |
| In-Year Applications | 10 |

Brent Community Primary School Published Admission Numbers and Grid Reference Measuring Points for Admission in 2027/2028

| Name of School | Published Admission Number | Grid Reference Measuring Point | |
|---------------------------------|----------------------------|--------------------------------|----------|
| | | Easting | Northing |
| Anson Primary School | 56 | 523552 | 185345 |
| Barham Primary School | 120 | 517506 | 184655 |
| Brentfield Primary School | 90 | 520541 | 184537 |
| Carlton Vale Infant School | 60 | 524938 | 182956 |
| Chalkhill Primary School | 60 | 520005 | 186210 |
| Donnington Primary School | 30 | 522577 | 184004 |
| Elsley Primary School | 120 | 518869 | 184738 |
| Fryent Primary School | 90 | 520385 | 187897 |
| Harlesden Primary School | 60 | 521141 | 183461 |
| Kingsbury Green Primary School | 90 | 520010 | 188549 |
| Leopold Primary School | 60 | 521640 | 184310 |
| Lyon Park Primary School | 120 | 518820 | 184115 |
| Malorees Infant School | 60 | 523952 | 184011 |
| Mitchell Brook Primary School | 60 | 521010 | 184768 |
| Mora Primary School | 60 | 523141 | 185939 |
| Mount Stewart Infant School | 90 | 517785 | 187999 |
| Mount Stewart Junior School | 90 | 517785 | 187999 |
| Newfield Primary School | 60 | 521890 | 184050 |
| Northview Primary School | 30 | 521580 | 185500 |
| Oliver Goldsmith Primary School | 60 | 520809 | 188559 |
| Park Lane Primary School | 60 | 518380 | 185490 |
| Preston Park Primary School | 120 | 517930 | 187200 |
| Roe Green Infant School | 120 | 519772 | 189316 |
| Roe Green Junior School | 120 | 519772 | 189316 |
| Salisbury Primary School | 90 | 524528 | 183518 |
| The Stonebridge School | 90 | 520512 | 183844 |
| Uxendon Manor Primary School | 90 | 518023 | 188541 |
| Wembley Primary School | 120 | 518365 | 186130 |
| Wykeham Primary School | 60 | 521087 | 186286 |

Oversubscription Criteria for Brent Community Schools in 2027/2028

The criteria set out below apply to the 29 Brent community schools listed on page 2.

Voluntary aided or religious faith schools, foundation schools, free schools and academies have their own admission policies. Parents/carers should visit the website of these schools for a copy of their admission arrangements or visit www.brent.gov.uk/admissions

Applications for children with an Education, Health and Care Plan (EHCP) are made by Local Authority Special Educational Need (SEN) teams. The placement of such children is made after a process of consultation between parents/carers, the school and the Local Authority. Children with an EHCP receive priority over others for admission to the school named on their EHCP. An EHCP is a plan made by the Local Authority under Section 37 of the Children and Families Act 2014 specifying the special education provision required for that child.

Schools should not admit more than 30 pupils in each class for Reception, Year One and Year Two. This is to enable the Local Authority to meet its statutory duty of having no more than 30 pupils in each class at Key Stage One. Where an offer has been made, children are entitled to a full-time place in the September following their fourth birthday. Three-year-old children should not be admitted to Reception classes.

Whenever and wherever possible, children are offered a school of their parents'/carers' preference and in practice the majority of children go to the school which their parents/carers select for them. Admissions criteria are clear, fair and objective. It is illegal for schools to discriminate against a pupil on the basis of his/her/their ethnicity.

Sometimes, however, there are more applications for a particular school than there are places available. This is described as oversubscription. Whenever this happens, pupils are offered places in the following order of priority:

1. Looked After Children or Previously Looked After Children (including Internationally Adopted Previously Looked After Children)

A looked after child or a previously looked after child, including those children who appear to have been in state care outside of England and ceased to be in state care as a result of being adopted.

- A 'looked after child' (LAC) is a child who is in the care of a local authority, or being provided with accommodation by a local authority in the exercise of their social services functions at the time of making an application to a school.
- A 'previously looked after child' (PLAC) is a child who was looked after but ceased to be so because they were adopted or became subject to a child arrangement order or a special guardianship order.
- An 'internationally adopted previously looked after child' (IAPLAC) is a child who appears to Brent Council to have been in state care outside of England and ceased to be in state care as a result of being adopted. A child is regarded as having been in state care in a place outside of England if they were accommodated by a public authority, a religious organisation or any other provider of care whose sole purpose is to benefit society.

2. Linked infant school

Children attending an infant school on the same site as a junior school.

- This criterion only applies to Year 3 applications to Mount Stewart Junior School (for children attending Mount Stewart Infant School) and Roe Green Junior School (for children attending Roe Green Infant School).

3. Medical or Social needs

Exceptional circumstances to do with significant medical needs and or social needs which necessitate a child's placement at one particular school.

This criterion relates to the medical and/or social needs of the child or family members with caring or parental responsibility. The application must be supported by written evidence (see below) that sets out the particular reasons why the school in question is the most suitable and the difficulties that would be caused if the child had to attend another school. The recommendation for this specific school should demonstrate knowledge of the school in terms of location, resources and organisation which deems it essential that the named pupil be admitted to the specific school. The Council will not give higher priority to children under this criterion if the required documents have not been submitted. Decisions on whether to allow the criterion will be made by an admission panel, based on all the evidence available, and will be consistent.

- *Medical Needs*

Applications made on medical grounds must be accompanied by compelling medical evidence from a GP/hospital consultant at the time of application. The letter from the GP/hospital consultant must provide information about the medical condition, the effects of this condition and why, in view of this, the child needs to attend the preferred school. If the school is not the closest to home, the consultant must set out in detail the wholly exceptional circumstances for attending this school and the difficulties that may exist if the child had to attend another school. Medical claims will only be considered for one school, and this should be named by the GP/hospital consultant. In assessing these applications, advice will be sought from relevant professionals as required.

- *Social Needs*

Applications made on social grounds must be accompanied by compelling evidence at the time of application. Social needs claims will be considered where there is involvement from a social worker, or other professional and where it can be demonstrated that the child has exceptional social needs that cannot be met at any other school than the named school. Parents'/carers' circumstances can have an impact on a child's social needs and evidence of this will be considered. In assessing these applications, advice will be sought from relevant professionals as required.

4. Children of staff

Children whose parent/carer is a member of staff:

- who has been employed by the school and has worked predominantly on the school site for two or more years at the time of application; or
- who has been recruited to fill a vacancy at the school for which there is a demonstrable skill shortage.

5. Siblings

Brothers or sisters of a child who attends the school, or an infant or junior school on the same or adjoining site, and who will continue to do so on the date of admission.

- This includes half and step brothers and sisters and foster children so long as they live at the same address - but not cousins.

6. All other applicants.

‘Tie-break’ Distance Measurement

Where pupils meet the same criteria, places will be offered in order of the distance from home to school which will be measured by straight-line, from the address point in the property to the address point in the school, as determined by Local Land Property Gazetteer (LLPG) data. Those living nearer the school will have the higher priority. The measuring system is an integral part of the admission software produced by The Access Group Ltd, uses Ordnance Survey maps and LLPG data and is accurate to 1 centimetre.

Where two or more children share the same priority, live equidistant from a community school and only one place remains, the local authority will use a computerised random allocation to determine which child should be given priority.

Home Address

The address used must be the child’s permanent home address on the closing date for on-time applications or at the time of application for late or in-year applications.

This cannot be a business address, childminder or relative’s address, or any address other than child’s permanent home address. Only in circumstances where the relative or carer has legal guardianship, and is the main carer, will a different address be considered as the main residence. Evidence will be requested to support this arrangement.

Proof of address is not required to be sent with an application. The council tax reference number should be supplied on the application if the applicant is responsible for paying it. Brent Council will check internal council databases in order to verify the address. Where it is not possible to verify the address or the applicant has recently moved, the Council will write to the applicant to ask for two proofs of address.

Any offer of a place on the basis of address is conditional upon the child living at the appropriate address on the relevant date. Applicants have a responsibility to notify the local authority of any change of address.

Any applications received containing fraudulent or misleading information, or any offers made based on fraudulent or misleading information may be withdrawn, especially where other applicants have been disadvantaged as a result.

Twins, Triplets and other children of multiple births

In the event that the school has one place to offer and the next child on the waiting list is one of twins, triplets or other children of multiple births, the Local Authority will offer both twins, all triplets or children of multiple birth a place even if this means temporarily going over the published admission number.

In the event that one child from a multiple birth has an Education, Health and Care Plan which names a particular community school, all other children from the same multiple birth will be considered under the third criteria for the same school – medical or social needs – unless a higher criteria should be applied.

Split residence

Where a child lives with parents/carers with shared responsibility, each for part of a week, the address where the child lives is determined using a joint declaration from the parents/carers stating the pattern of residence. If a child's residence is split equally between both parents/carers, then they will be asked to determine which residential address should be used for the purpose of admission to school. If the residence is not split equally between both parents/carers, then the address used will be the address where the child spends the majority of the school week.

If it is not possible to determine which residential address should be used through a joint declaration, then the address of the parent/carer who is in receipt of child benefit will be used for the purpose of the application. In cases where parents/carers are not eligible for child benefit the address will be that of the parent/carer where the child is registered with the doctor. In cases that still cannot be determined, or are open to dispute by parents/carers, an admission panel will determine how to proceed with the application in accordance with these arrangements, the Admissions Code and any other relevant legislation or guidance. This will not impact on parents'/carers' right to appeal against any decision not to offer a preference school.

Multiple applications

Only one application can be processed for each child. In the event that the local authority receives more than one application for the same child, whether from the same parent/carer or not, the most recently received application will be processed. This includes applications that have been submitted online and by post.

Parents/carers are responsible for ensuring only one application is received. If multiple applications are received and it is not possible to obtain a joint declaration from both parents/ carers (or those with parental responsibility) regarding which schools should be included as preferences, an admission panel will determine how to proceed with the application in accordance with these arrangements, the Admissions Code and any other relevant legislation or guidance. This will not impact on parents'/carers' right to appeal against any decision not to offer a preference school.

Applications from overseas

Applications with an overseas address will not be accepted for processing by the local authority unless there is evidence of a link to an address in the area and evidence that a child will be living in the area on or before the date of admission.

Where an application is accepted, the address used on the application will be the overseas address until such time as there is evidence of the child's return to the linked address prior to the closing date (or the date for accepting applications as late for good reason). Such evidence received after the closing dates will be considered on the application after National Offer Day.

The local authority is only responsible for making offers for children currently living in the area. If it is not possible to make a preference offer prior to a child's arrival on the relevant offer days, an alternative offer will not be made.

Applications will not be accepted from overseas addresses for in-year applications with the exception of applications for Children of UK Service Personnel (UK Armed Forces) and Crown Servants.

Children of UK Service Personnel (UK Armed Forces) and Crown Servants

Families of service personnel with a confirmed posting to the area, or crown servants returning from overseas to live in the area, can apply to the local authority in advance of their arrival provided the application is accompanied by an official letter that declares a relocation date and a Unit postal address or quartering area address.

The address used on the application will be the postal address or quartering area address provided.

Offers will be made in advance of a child's arrival for in-year applications and on the relevant offer date for normal round applications.

How places will be allocated at Brent community schools for September 2027 in Reception (Primary and Infant schools) and Year 3 (Junior Schools)

There is no automatic transfer from nursery to Reception class, or from Year 2 to Year 3 in a Junior School. Parents/carers wanting to apply for a place at Reception (or to a Junior School) must complete an application which is available online or a paper Common Application Form.

If more applications are received than there are places available, places are offered up to a school's planned admission number to applicants whose application is received by the closing date in accordance with the oversubscription criteria listed on page 3 using an equal preference system (see below).

Equal preferences

Each preference is treated as a separate application. Then using the oversubscription criteria each application is considered and ordered in a list based on how well it meets the oversubscription criteria (page 3).

If applicants qualify for a place at more than one school, a place is offered at the school given the highest ranking by the applicant.

Application forms will be available from September 2026 and the closing date for applications will be 15 January 2027. Offer letters and e-mails will be sent out on 16 April 2027.

Deferred Entry

Parents/carers can request that the date their child is admitted to school is deferred until later in the year for which they apply or until the term in which the child reaches statutory school age. Statutory school age begins the first day of the term after a child's fifth birthday.

Parents/carers wishing to defer entry must contact the school to advise them of this after a place has been offered.

Parents/carers can also request that their child attends part-time until their child reaches statutory school age.

Applications for children outside the normal age group

The Council's policy is for children to be educated within their correct chronological year group, with the curriculum differentiated as necessary to meet the needs of individual children. In general, children should be educated in their normal age group, with the curriculum differentiated as appropriate; they should only be educated out of their normal age group in very limited circumstances.

In addition, the parents of summer born children* may choose not to send their child to school until the September following their fifth birthday and may request that they are admitted to Reception rather than Year 1. If parents/carers believe their child should be educated in a different year group they should submit an application for the 'normal' Reception round for their child. With the application they should provide supporting evidence from relevant professionals working with the child and family stating why it is in the child's best interest to be placed outside their normal age appropriate cohort.

For community schools, the Council as the admission authority will decide whether the application will be accepted on the basis of the information submitted. Decisions will be based on the individual circumstances of each case including the view of parents/carers, the relevant head teacher(s), the child's social, academic and emotional development and whether the child has been previously educated out of year group.

There is no guarantee that an application will be accepted on this basis. If the application is not accepted this does not constitute a refusal of a place and there is no right to an independent statutory appeal. Similarly, there is no right of appeal for a place in a specific year group at a school. The internal management and organisation of a school, including the placement of pupils in classes, is a matter for the headteacher and senior leadership of individual schools.

* The term summer born children relates to all children born from 1 April to 31 August. These children reach compulsory school age on 31 August following their fifth birthday (or on their fifth birthday if it falls on 31 August).

Late Applications and changes after the closing date

Application forms must be received by Brent Council by the closing date of 15 January 2027.

Applications received after the closing date will be considered as late applications and will be processed after places have been allocated to applicants who applied on-time. However, in very exceptional circumstances applications received after the closing date may be considered as on time.

Applicants who consider they have exceptional circumstances that prevented them from applying between applications opening in September 2026 and the closing date of 15 January 2027 should provide independent written evidence explaining why the application was late no later than 5pm on Thursday 11 February 2027.

Additionally, any changes to the application (e.g. order of school preference or change of preferences) received after the closing date will be treated in the same way as late applications.

Changes of Address after the closing date

Changes of address will only be considered after applicants are resident at the new address and evidence to demonstrate this has been supplied. Applications will not be processed from an intended future address except in the case of Crown servants and UK service personnel.

Evidence must be received by 5pm on Thursday 11 February 2027 for the new address to be used when processing the application and calculating home to school distances. Any change of address evidenced after this deadline will not be considered until after National Offer Day 16 April 2027.

Waiting Lists

If the school place allocated is not the first preference, the child's name will automatically be placed on the waiting list for schools which have been ranked higher than the offer made. Community school waiting lists will then be maintained by the Council whilst voluntary aided, foundation and academy schools' waiting lists will be maintained by the relevant schools.

Waiting lists are not maintained on a 'first come - first served' basis. Waiting lists are kept in the priority order as explained in the oversubscription criteria.

Places are offered from the waiting list throughout the year. When a place becomes available, it is offered to the first child on the list and, if it is accepted, all other children will move up the list. Children may also move down the waiting list if another family, with a higher priority under the oversubscription criteria, ask for their child's name to be added to the list.

Applicants, who ask for their child's name to be placed on the waiting list for another school after a school place has been allocated, are indicating they prefer this school to the other school already allocated. If at a later date a place is offered from the waiting list, this new offer will supersede any previous offer, which will then be withdrawn.

Looked after children and previously looked after children, and those allocated a place at the school in accordance with Brent's Fair Access Protocol, will take precedence over those on a waiting list.

Lists will be maintained throughout the school year. A child's position on the waiting list does not depend upon the time they have been on the list but will be determined by how they meet the oversubscription criteria.

This means that a child's position on the list can go down as well as up, depending upon the child's circumstances and those of other applicants.

The waiting list will be closed in mid-June each year and will not roll over. A new application will have to be made for a new academic year. New in-year applications can normally be made from the first full week in July each year. Details of opening and closing dates are available online.

Appeals

Parents/carers can appeal against any decision made by Brent Council to refuse an offer at a community school where they would like their child to be educated. Brent Council is not responsible for appeals at foundation, voluntary aided, academy or free schools and any appeals need to be made directly to the schools as they are their own admissions authority.

When an appeal form is requested, the child's name is automatically placed on the waiting list for that school, if it is not already included.

A child admitted to a school as a result of a successful appeal will be admitted in precedence to those on the waiting list.

There is no right of appeal against any decision not to offer a place in a nursery.

Brent Council is not responsible for appeals at foundation, voluntary aided, academy or free schools. Requests for appeals at these schools should be made directly to the school.

Admission to community school nurseries

The timeline and oversubscription criteria for a place in a nursery class in a community school are the same as for a Reception place. The council does not co-ordinate applications for nursery places. Applications for a nursery place in a community school must be made directly to the school by 15th January 2027. Offers will be made on 16th April 2027 by the school. If the nursery is oversubscribed the Community Schools' Oversubscription Criteria will be applied.

In-Year Applications

Applications received outside the normal admission round will be considered in line with the oversubscription criteria.

A place will be offered at the school requested provided there is a vacancy in the appropriate year group. Where the year group is full and it is not possible to meet the parental preference, a place will be offered at the nearest primary school with a vacancy in the year group, if the child does not already attend a suitable school.

The address used to process the application will be the address where the parent/carer and child normally live and they must be living there at the time of application.

Admission of one child to a primary school does not give a right of admission for brothers or sisters, if places are not available for all at the same time.

PAN-LONDON CO-ORDINATED ADMISSION SYSTEM

Template LA Schemes for Co-ordination of Admissions to Year 7/Year 10 and Reception/Junior in Maintained Schools and Academies in 2027/28

Contents

Page 2: Definitions used in this document

Page 4: Template scheme for co-ordination of admissions to Year 7 in September 2027

Page 10: Template scheme for co-ordination of admissions to Reception in September 2027

Page 16: Content of Common Application Form -Year 7 and Reception Schemes (Schedule 1)

Page 17: Template outcome letter -Year 7 and Reception Schemes (Schedule 2)

Page 18: Timetable for Year 7 Scheme (Schedule 3A)

Page 19: Timetable for Reception Scheme (Schedule 3B)

PAN-LONDON CO-ORDINATED ADMISSION SYSTEM

Template LA Schemes for Co-ordination of Admissions to Year 7/Year 10 and Reception/Junior in 2027/28

Definitions used in the template schemes

| | |
|------------------------------------|--|
| "the Application Year" | the academic year in which the parent makes an application (i.e. in relation to the academic year of entry, the academic year preceding it). |
| "the Board" | the Pan-London Admissions Executive Board, which is responsible for the Scheme |
| "the Business User Guide (BUG)" | the document issued annually to participating LAs setting out the operational procedures of the Scheme |
| "the Common Application Form" | this is the form that each authority must have under the Regulations for parents to use to express their preferences, set out in rank order |
| "the Equal Preference System" | the model whereby all preferences listed by parents on the Common Application Form are considered under the over-subscription criteria for each school without reference to parental rankings. Where a pupil is eligible to be offered a place at more than one school within an LA, or across more than one participating LA, the rankings are used to determine the single offer by selecting the school ranked highest of those which can offer a place |
| "the Highly Recommended Elements" | the elements of the Template Scheme that are not mandatory but to which subscription is strongly recommended in order to maximise co-ordination and thereby simplify the application process as far as possible |
| "the Home LA" | the LA in which the applicant/parent/carer is resident |
| "the LIAAG Address Protocol" | the document containing the address verification policy agreed by LIAAG and the policy of each participating LA |
| "the Local Admission System (LAS)" | the IT module for administering admissions in each LA and for determining the highest offer both within and between participating LAs |

| | |
|----------------------------------|---|
| "the London E-Admissions Portal" | the common online application system used by the 33 London LAs and Surrey County Council |
| "the Maintaining LA" | the LA which maintains a school, or within whose area an academy is situated, for which a preference has been expressed |
| "the Mandatory Elements" | those elements of the Template Scheme to which authorities must subscribe in order to be considered as 'Participating Authorities' and to benefit from use of the Pan-London Register |
| "the Notification Letter" | the agreed form of letter sent to applicants on the Prescribed Day which communicates any determination granting or refusing admission to a primary or secondary school, which is attached as Schedule 2 |
| "the Prescribed Day" | the day on which outcome letters are posted to parents/carers. 1 March (secondary) and 16 April (primary) in the year following the relevant determination year except that, in any year in which that day is not a working day, the prescribed day shall be the next working day. |
| "the Pan-London Register (PLR)" | the database which will sort and transmit application and outcome data between the LAS of each participating LA |
| "the Pan-London Timetable" | the framework for processing of application and outcome data, which is attached as Schedule 3 |
| "the Participating LA" | any LA that has indicated in the Memorandum of Agreement that they are willing to incorporate, at a minimum, the mandatory elements of the Template LA Scheme presented here. |
| "the Qualifying Scheme" | the scheme which each LA is required to formulate in accordance with The School Admissions (Admission Arrangements and Co-ordination of Admission Arrangements) Regulations 2012, for co-ordinating arrangements for the admission of children to maintained primary and secondary schools and academies. |

PAN LONDON CO-ORDINATED ADMISSIONS SYSTEM

Scheme for Co-ordination of Admissions to Year 7/Year 10 in 2027/28

Applications

1. Brent LA will advise home LAs of their resident pupils on the roll of Brent LA's state-funded primary schools and academies who are eligible to transfer to secondary school in the forthcoming academic year.
2. Applications from residents of Brent LA will be made on Brent LA's Common Application Form, which will be available and able to be submitted on-line. This will include all the fields and information specified in Schedule 1 to this Template LA Scheme. These will be supplemented by any additional fields and information which are deemed necessary by Brent LA to enable the admission authorities in the LA area to apply their published oversubscription criteria.
3. Brent LA will take all reasonable steps to ensure that every parent/carer who is resident in Brent LA and has a child in their last year of primary education within a maintained school or academy, either in Brent LA or any other maintaining LA, is informed how they can access Brent LA's composite prospectus and apply online. Parents/carers who do not live in Brent LA will have access to Brent LA's composite prospectus, which will advise parents/carers to contact their home LA if they are unable to apply online.
4. The admission authorities within Brent LA will not use supplementary information forms except where the information available through the Common Application Form is insufficient for consideration of the application against the published oversubscription criteria. Where supplementary information forms are used by the admissions authorities within Brent LA, the LA will seek to ensure that these are used to collect information required by the published oversubscription criteria only, in accordance with paragraph 2.4 of the School Admissions Code 2021.
5. Where supplementary information forms are used by admission authorities in Brent LA, they will be available on Brent LA's website. Such forms will advise parents that they must also complete their home LA's Common Application Form. Brent LA's composite prospectus and website will indicate which schools in Brent LA require supplementary forms to be completed and where they can be obtained.
6. Where an admission authority in Brent LA receives a supplementary information form, Brent LA will not consider it to be a valid application unless the parent/carer has also listed the school on their home LA's Common Application Form, in accordance with paragraph 2.3 of the School Admissions Code 2021.
7. Applicants will be able to express a preference for six maintained secondary schools or Academies within and/or outside the Home LA.

8. The order of preference given on the Common Application Form will not be revealed to a school within the area of Brent LA. This is to comply with paragraph 1.9 of the School Admissions Code 2021 which states that admission authorities must not give extra priority to children whose parents rank preferred schools in a particular order, including 'first preference first' arrangements. However, where a parent resident in Brent LA expresses a preference for schools in the area of another LA, the order of preference for that LA's schools will be revealed to that LA in order that it can determine the highest ranked preference in cases where an applicant is eligible for a place at more than one school in that LA's area.
9. Brent LA undertakes to carry out the address verification process as set out in its entry in the LIAAG Address Protocol. This will in all cases include validation of resident applicants against Brent LA's primary school data and the further investigation of any discrepancy. Where Brent LA is not satisfied as to the validity of an address of an applicant whose preference has been sent to a maintaining LA, it will advise the maintaining LA no later than **10 December 2026**.
10. Brent LA will confirm the status of any resident child for whom it receives a Common Application Form stating s/he is currently or previously a 'Child Looked After' and will provide any additional evidence on receipt of a reasonable request by the maintaining LA in respect of a preference for a school in its area by **13 November 2026**.
11. Brent LA will advise a maintaining LA of the reason for any application which is made in respect of a child resident in the area of Brent LA to be admitted outside of their correct age cohort and will forward any supporting documentation to the maintaining LA by **13 November 2026**.

Processing

12. Applicants resident within Brent LA must return the Common Application Form, which will be available and able to be submitted on-line, to Brent LA by **31 October 2026**.
13. Application data relating to all preferences for schools in the area of a participating LA, which have been expressed within the terms of Brent LA's scheme, will be uploaded to the PLR by **13 November 2026**. Supplementary information provided with the Common Application Form will be sent to maintaining LAs by the same date.
14. Brent LA will notify each school within its area, which is its own admissions authority, of all applications for their school. All relevant details from the Common Application Form and any supporting evidence will be forwarded to these schools by **4 January 2027**. Own admission authority schools within Brent LA's area will apply their admissions criteria and return applicants ranked in order of priority in accordance with their admissions criteria by **22 January 2027**.

15. Brent LA will accept late applications only if they are late for a good reason, deciding each case on its own merits. The latest date for receipt of such applications from parents/carers is **8 December 2025**.
16. Where such applications contain preferences for schools in other LAs, Brent LA will forward the details to maintaining LAs via the PLR as they are received. Brent LA will accept late applications which are considered to be on time within the terms of the home LA's scheme.
17. The latest date for the upload to the PLR of late applications which are considered to be on-time within the terms of the home LA's scheme is **10 December 2026**.
18. Where an applicant moves from one participating home LA to another after submitting an on-time application under the terms of the former home LA's scheme, the new home LA will accept the application as on-time up to **7 December 2026**, on the basis that an on-time application already exists within the Pan-London system.
19. Brent LA will participate in the application data checking exercise scheduled between **11 December 2026 and 4 January 2027** in the Pan-London timetable in Schedule 3A.
20. All preferences for schools within Brent LA will be considered by the relevant admission authorities without reference to rank order to comply with paragraph 1.9 of the School Admissions Code 2021. When the admission authorities within Brent LA have provided a list of applicants in criteria order to Brent LA, Brent LA shall, for each applicant to its schools for whom more than one potential offer is available, use the highest ranked preference to decide which single potential offer to make. [This is the 'Equal Preference System'.]
21. Brent LA will carry out all reasonable checks to ensure that pupil rankings are correctly held in its LAS for all maintained schools and academies in Brent LA's area before uploading data to the PLR.
22. Brent LA will upload the highest potential offer available to an applicant for a maintained school or academy in Brent LA to the PLR by **29 January 2027**. The PLR will transmit the highest potential offer specified by the Maintaining LA to the Home LA.
23. The LAS of Brent LA will eliminate, as a Home LA, all but the highest ranked offer where an applicant has more than one potential offer across Maintaining LAs submitting information within deadline to the PLR. This will involve exchanges of preference outcomes between the LAS and the PLR (in accordance with the iterative timetable published in the Business User Guide) which will continue until notification that a steady state has been achieved, or until **12 February 2027**. Where a management decision is made that additional iterations are necessary, these will continue no later than **18 February 2027**.

24. Brent LA will not make an additional offer between the end of the iterative process and **1 March 2027** which may impact on an offer being made by another participating LA.
25. Notwithstanding paragraph 24, if an error is identified within the allocation of places at a maintained school or academy in Brent LA, Brent LA will attempt to manually resolve the allocation to correct the error. Where this impacts on another LA (either as a home or maintaining LA) Brent LA will liaise with that LA to attempt to resolve the correct offer and any multiple offers which might occur. However, if another LA is unable to resolve a multiple offer, or if the impact is too far reaching, Brent LA will accept that the applicant(s) affected might receive a multiple offer.
26. Brent LA will participate in the offer data checking exercise scheduled between **15 (19*) February and 24 February 2027** in the Pan-London timetable in Schedule 3A.
* Subject to end of iteration process
27. Brent LA will send a file to the eAdmissions portal with outcomes for all resident applicants who have applied online no later than **25 February 2027**. (33 London LAs & Surrey LA only).
28. The file should additionally contain offers to late applicants who can be offered a place on **1 March 2027**. Home LAs are required to make those offers, but they are not included in the report of on-time outcomes generated from the LAS.

Offers

29. Brent LA will ensure that, if there are places available, each resident applicant who cannot be offered a preference expressed on the Common Application Form receives the offer of an alternative school place in accordance with paragraph 2.11 of the School Admissions Code 2021. [The LA should state here how it will determine the school to be offered].
30. Brent LA will inform all resident applicants of their highest offer of a school place and, where relevant, the reasons why higher preferences were not offered, whether they were for schools in the Home LA or in other participating LAs.
31. Brent LA's outcome letter will include the information set out in Schedule 2.
32. On **1 March 2027**, Brent LA will send notification of the outcome to resident applicants by email or first-class post.
33. Brent LA will provide primary schools with destination data of its resident applicants by the end of the summer term **2027**.

Post Offer

34. Brent LA will continue to coordinate admissions until 31 August 2027. Any new or additional applications made after **1 March 2027** must be sent to the Home LA up to **31 August 2027**. Home LAs must pass late preferences to Maintaining LAs without delay. The eAdmissions website remains open until **Tuesday 18 August 2027**.
35. Brent LA will request that resident applicants accept or decline the offer of a place by **15 March 2027**, or within two weeks of the date of any subsequent offer.
36. Where an applicant resident in Brent LA accepts or declines a place in a school within the area of another LA by **15 March 2027**, Brent LA will forward the information to the maintaining LA by **22 March 2027**. Where such information is received from applicants after **15 March 2027**, Brent LA will pass it to the maintaining LA as it is received.
37. Where a place becomes available in an oversubscribed maintained school or academy in Brent LA's area, it will be offered from a waiting list ordered in accordance with paragraph 2.15 of the School Admissions Code 2021.
38. When acting as a maintaining LA, Brent LA will place an applicant resident in the area of another LA on a waiting list of any higher preference school in Brent LA's area. (Where this process is not automatic, it will be done immediately following a request from the home LA).
39. Where a waiting list is maintained by an admission authority of a maintained school or academy in Brent LA's area, the admission authority will inform Brent LA of a potential offer, in order that the offer may be made by the home LA.
40. When acting as a maintaining LA, Brent LA will inform the home LA, where different, of an offer for a maintained school or Academy in Brent LA's area which can be made to an applicant resident in the home LA's area, in order that the home LA can offer the place.
41. When acting as a maintaining LA, Brent LA and the admission authorities within it, will not inform an applicant resident in another LA that a place can be offered.
42. When acting as a home LA, Brent LA will offer a place at a maintained school or Academy in the area of another LA to an applicant resident in its area, provided that the school is ranked higher on the Common Application Form than any school already offered.
43. When acting as a home LA, when Brent LA is informed by a maintaining LA of an offer which can be made to an applicant resident in Brent LA's area which is ranked lower on the Common Application Form than any school already offered, it will inform the maintaining LA that the offer will not be made.

44. When acting as a home LA, when Brent LA has agreed to a change of preferences or preference order, it will inform any maintaining LA affected by the change. In such cases, paragraphs 40 and 41 shall apply to the revised order of preferences.
45. When acting as a maintaining LA, Brent LA will inform the home LA, where different, of any change to an applicant's offer status as soon as it occurs.
46. When acting as a maintaining LA, Brent LA will accept a change of preferences or preference order (including reinstated or additional preferences) from home LAs for maintained schools and academies in its area.
47. Brent LA, when acting as a maintaining LA, will maintain waiting lists and allocate places, as they become available, in accordance with each admission authority's published admission and oversubscription criteria.
48. Brent LA, when acting as a home LA, will carry out the initial offer of places which become available after National Offer Day by the week ending **26 March 2027**.
49. Brent LA, when acting as a home LA, after preferences expressed in accordance with paragraph 7 above have been determined, will allow applicants to express additional preferences before the start of the school term. The order of preferences expressed will supersede any existing preferences without an offer.

**Template LA Scheme for Co-ordination of Admissions to Reception/Junior
in 2027/28**

Applications

1. Applications from residents of Brent LA will be made on Brent LA's Common Application Form, which will be available and able to be submitted on-line. This will include all the fields and information specified in Schedule 1 to this Template LA Scheme. These will be supplemented by any additional fields and information which are deemed necessary by Brent LA to enable the admission authorities in the LA area to apply their published oversubscription criteria.
2. Brent LA will take all reasonable steps to ensure that every parent/carer who is resident in Brent LA and has a child in a nursery class within a maintained school or academy, either in Brent LA or any other maintaining LA, is informed how they can access Brent LA's composite prospectus and apply online. Parents/carers who do not live in Brent LA will have access to Brent LA's composite prospectus, which will advise parents/carers to contact their home LA if they are unable to apply online.
3. The admission authorities within Brent LA will not use supplementary information forms except where the information available through the Common Application Form is insufficient for consideration of the application against the published oversubscription criteria. Where supplementary information forms are used by the admissions authorities within Brent LA, the LA will seek to ensure that these are used to collect information, which is required by the published oversubscription criteria only, in accordance with paragraph 2.4 of the School Admissions Code 2021.
4. Where supplementary information forms are used by admission authorities in Brent LA, they will be available on Brent LA's website. Such forms will advise parents that they must also complete their home LA's Common Application Form. Brent LA's composite prospectus and website will indicate which schools in Brent LA require supplementary forms to be completed and where they can be obtained.
5. Where a school in Brent LA receives a supplementary information form, Brent LA will not consider it to be a valid application unless the parent/carer has also listed the school on their home LA's Common Application Form, in accordance with paragraph 2.3 of the School Admissions Code 2021.
6. Applicants will be able to express a preference for up to six maintained primary schools or academies within and/or outside the Home LA.
7. The order of preference given on the Common Application Form will not be revealed to a school within the area of Brent LA to comply with paragraph 1.9 of the School Admissions Code 2021. However, where a parent resident in Brent LA expresses a preference for schools in the area of another LA, the order of preference for that LA's

schools will be revealed to that LA in order that it can determine the highest ranked preference in cases where an applicant is eligible for a place at more than one school in that LA's area.

8. Brent LA undertakes to carry out the address verification process set out in its entry in the LIAAG Address Protocol. This will in all cases include validation of resident applicants against Brent LA's maintained nursery and primary school data and the further investigation of any discrepancy. Where Brent LA is not satisfied as to the validity of an address of an applicant whose preference has been sent to a maintaining LA, it will advise the maintaining LA no later than **11 February 2027**.
9. Brent LA will confirm the status of any resident child for whom it receives a Common Application Form stating s/he is currently or previously a 'Child Looked After' and will provide any additional evidence on receipt of a reasonable request by the maintaining LA in respect of a preference for a school in its area by **5 February 2027**.
10. Brent LA will advise a maintaining LA of the reason for any application which is made in respect of a child resident in the area of Brent LA to be admitted outside of their correct age cohort, and will forward any supporting documentation to the maintaining LA by **5 February 2027**.

Processing

11. Applicants resident within Brent LA must return the Common Application Form, which will be available and able to be submitted online, to Brent LA by **15 January 2027**.
12. Application data relating to all preferences for schools in the area of a participating LA, which have been expressed within the terms of Brent LA's scheme, will be up-loaded to the PLR by **5 February 2027**. Supplementary information provided with the Common Application Form will be sent to maintaining LAs by the same date.
13. Brent LA will notify each school within its area, which is its own admissions authority, of all applications for their school. All relevant details from the Common Application Form and any supporting evidence will be forwarded to these schools by **22 February 2027**. Own admission authority schools within Brent LA's area will apply their admissions criteria and return applicants ranked in order of priority in accordance with their admissions criteria by **10 March 2027**.
14. *Brent LA will accept late applications only if they are late for a good reason, deciding each case on its own merits. The latest date for receipt of such applications from parents/carers is **11 February 2027**.
15. Where such applications contain preferences for schools in other LAs, Brent LA will forward the details to maintaining LAs via the PLR as they are received. Brent LA will accept late applications which are considered to be on time within the terms of the home LA's scheme.

16. The latest date for the upload to the PLR of late applications which are considered to be on-time within the terms of the home LA's scheme is **12 February 2027**.
17. Where an applicant moves from one participating home LA to another after submitting an on-time application under the terms of the former home LA's scheme, the new home LA will accept the application as on-time up to **12 February 2027**, on the basis that an on-time application already exists within the Pan-London system.
18. Brent LA will participate in the application data checking exercise scheduled between **15 and 22 February 2027** in the Pan-London timetable in Schedule 3B.
19. All preferences for schools within Brent LA will be considered by the relevant admission authorities without reference to rank order to comply with paragraph 1.9 of the School Admissions Code 2021. When the admission authorities within Brent LA have provided a list of applicants in criteria order to Brent LA, Brent LA shall, for each applicant to its schools for whom more than one potential offer is available, use the highest ranked preference to decide which single potential offer to make. [This is the 'Equal Preference System'.]
20. Brent LA will carry out all reasonable checks to ensure that pupil rankings are correctly held in its LAS for all maintained schools and academies in Brent LA's area before uploading data to the PLR.
21. Brent LA will upload the highest potential offer available to an applicant for a maintained school or academy in Brent LA to the PLR by **17 March 2027**. The PLR will transmit the highest potential offer specified by the Maintaining LA to the Home LA.
22. The LAS of Brent LA will eliminate, as a Home LA, all but the highest ranked offer where an applicant has more than one potential offer across Maintaining LAs submitting information within deadline to the PLR. This will involve exchanges of preference outcomes between the LAS and the PLR (in accordance with the iterative timetable published in the Business User Guide) which will continue until notification that a steady state has been achieved, or until **22 March 2027 for Junior and 24 March for Reception**. Where a management decision is made that additional iterations are necessary, these will continue no later than **24 March for Junior and 25 March 2027 for Reception**.
23. Brent LA will not make an additional offer between the end of the iterative process and the **16 April 2027** which may impact on an offer being made by another participating LA.
24. Notwithstanding paragraph 23, if an error is identified within the allocation of places at a maintained school or academy in Brent LA, Brent LA will attempt to manually resolve the allocation to correct the error. Where this impacts on another LA (either as a home or maintaining LA) Brent LA will liaise with that LA to attempt to resolve the correct offer and any multiple offers which might occur. However, if another LA is unable to resolve a multiple offer, or if the impact is too far reaching, Brent LA will accept that the applicant(s) affected might receive a multiple offer.

25. Brent LA will participate in the offer data checking exercise scheduled between **25 (30*) March and 8 April 2027** in the Pan-London timetable in Schedule 3B.
* Subject to end of iteration process.
26. Brent LA will send a file to the eAdmissions portal with outcomes for all resident applicants who have applied online no later than **13 April 2027**. (33 London LAs & Surrey LA only).
27. The file should additionally contain offers to late applicants who can be offered a place on **16 April 2027**. Home LAs are required to make those offers, but they are not included in the report of on-time outcomes generated from the LAS.

Offers

28. Brent LA will ensure that, if there are places available, each resident applicant who cannot be offered a preference expressed on the Common Application Form, receives the offer of an alternative school place in accordance with paragraph 2.12 of the Schools Admissions Code 2021. [The LA should state here how it will determine the school to be offered].
29. Brent LA will inform all resident applicants of their highest offer of a school place and, where relevant, the reasons why higher preferences were not offered, whether they were for schools in the Home LA or in other participating LAs.
30. Brent LA's outcome letter will include the information set out in Schedule 2.
31. Brent LA will, on **16 April 2027**, send notification of the outcome to resident applicants by email or first-class post.
32. Brent LA will provide nursery and primary schools with destination data of its resident applicants by the end of the Summer term 2027.

Post Offer

33. Brent LA will continue to coordinate admissions until 31 August 2027. Any new or additional applications made after 16 April 2027 must be sent to the Home LA up to 31 August 2027. Home LAs must pass late preferences to Maintaining LAs without delay. The eAdmissions website remains open until Tuesday 18 August 2027.
34. Brent LA will request that resident applicants accept or decline the offer of a place by **30 April 2027**, or within two weeks of the date of any subsequent offer.
35. Where an applicant resident in Brent LA accepts or declines a place in a school maintained by another LA by **30 April 2027**, Brent LA will forward the information to the maintaining LA by **6 May 2027**. Where such information is received from applicants after **30 April 2027**, Brent LA will pass it to the maintaining LA as it is received.

36. Where a place becomes available in an oversubscribed maintained school or academy in Brent LA's area, it will be offered from a waiting list ordered in accordance with paragraph 2.15 of the School Admissions Code 2021.
37. When acting as a maintaining LA, Brent LA will place an applicant resident in the area of another LA on a waiting list of any higher preference school. Where this is not done automatically, it will be done immediately following a request from the home LA.
38. Where a waiting list is maintained by an admission authority of a maintained school or academy in Brent LA's area, the admission authority will inform Brent LA of a potential offer, in order that the offer may be made by the home LA.
39. When acting as a maintaining LA, Brent LA will inform the home LA, where different, of an offer for a maintained school or Academy in Brent LA's area which can be made to an applicant resident in the home LA's area, in order that the home LA can offer the place.
40. When acting as a maintaining LA, Brent LA and the admission authorities within it, will not inform an applicant resident in another LA that a place can be offered.
41. When acting as a home LA, Brent LA will offer a place at a maintained school or Academy in the area of another LA to an applicant resident in its area, provided that the school is ranked higher on the Common Application Form than any school already offered.
42. When acting as a home LA, when Brent LA is informed by a maintaining LA of an offer which can be made to an applicant resident in Brent LA's area which is ranked lower on the Common Application Form than any school already offered, it will inform the maintaining LA that the offer will not be made.
43. When acting as a home LA, when Brent LA has agreed to a change of preferences or preference order, it will inform any maintaining LA affected by the change. In such cases, paragraphs 39 and 40 shall apply to the revised order of preferences.
44. When acting as a maintaining LA, Brent LA will inform the home LA, where different, of any change to an applicant's offer status as soon as it occurs.
45. When acting as a maintaining LA, Brent LA will accept a change of preferences or preference order (including reinstated or additional preferences) from home LAs for maintained schools and academies in its area.
46. Brent LA, when acting as a maintaining LA, will maintain waiting lists and allocate places, as they become available, in accordance with each admission authority's published admission and oversubscription criteria.
47. Brent LA, when acting as a home LA, will carry out the initial offer of places which become available after National Offer Day by the week ending **14th May 2027**.
48. Brent LA, when acting as a home LA, after preferences expressed in accordance with paragraph 7 above have been determined, will allow applicants to express additional

preferences before the start of the school term. The order of preferences expressed will supersede any existing preferences without an offer.

**PAN-LONDON CO-ORDINATED ADMISSIONS SCHEME
SCHEDULE 1**

**Minimum Content of Common Application Form for Admissions to Year
7/Year 10 and Reception/Junior in 2027/28**

Child's details:

Surname
Forename(s)
Middle name(s)
Date of Birth
Sex
Home address
Name of current school
Address of current school (if outside home LA)

Parent's details:

Title
Surname
Forename
Address (if different to child's address)
Telephone Number (Home, Daytime, Mobile)
Email address
Relationship to child

Preference details (x 6 recommended):

Name of school
Address of school
Preference ranking
Local authority in which the school is based

Additional information:

Reasons for Preferences (including any medical or social reasons)
Does the child have an Education, Health and Care Plan Y/N*
Is the child a 'Child Looked After (CLA)'? Y/N
Is the child formerly CLA but now adopted or subject of a 'Child Arrangements Order' or 'Special Guardianship Order'? Y/N
If yes, name of responsible local authority
Surname of sibling
Forename of sibling
DOB of sibling
Sex of sibling
Name of school sibling attends

Other:

Signature of parent or guardian
Date of signature

*Where an LA decides not to request this information on the CAF, it must guarantee that no details of a child with an Education, Health and Care Plan will be sent via the PLR.

PAN-LONDON CO-ORDINATED ADMISSIONS SCHEME
SCHEDULE 2

**Template Outcome Letter for Admissions to Year 7/Year 10 and
Reception/Junior in 2027/28**

From: Home LA

Date: **1 March 2027 (sec)**
16 April 2027 (prim/jun)

Dear Parent/Carer,

Application for a Secondary / Primary School

I am writing to let you know the outcome of your application for a secondary/primary school. Your child has been offered a place at X School. The school will write to you with further details.

I am sorry that it was not possible for your child to be offered a place at any of the schools which you listed as a higher preference on your application form. For each of these schools there were more applications than places, and other applicants has a higher priority than your child under the school's published admission criteria.

Offers which could have been made for any schools which you placed lower in your preference list, were automatically withdrawn under the co-ordinated admission arrangements, as a higher preference has been offered.

If you would like more information about the reason that your child was not offered a place at any higher preference school, you should contact the admission authority that is responsible for admissions to the school within the next few days. Details of the different admission authorities for schools in the borough of X are attached to this letter. If the school is outside the borough of X, the admission authority will either be the borough in which the school is situated, or the school itself.

You have the right of appeal under the School Standards & Framework Act 1998 against the refusal of a place at any of the schools for which you have applied. If you wish to appeal, you must contact the admission authority for the school within the next few days to obtain the procedure and the date by which an appeal must be received by them.

Please would you confirm that you wish to accept the place at X School by completing the reply slip below. If you do not wish to accept the place, you will need to let me know what alternative arrangements you are making for your child's education.

You must contact this office if you wish to apply for any other school, either in this borough or elsewhere.

[You can also request that your child's name is placed on the waiting list for a school which was a higher preference on your application form than the school you have been offered. Please use the enclosed reply slip and return it to this office]. OR

{Your child's name has been placed on the waiting list for any school which was a higher preference on your application form than the school you have been offered. If you need to find out your child's position on the waiting list please contact the admission authority or the borough in which the school is situated}.

(One of the above bracketed paragraphs should be used depending on whether the LA automatically places children on a waiting list for higher preference schools).

*Please return the reply slip to me by **15 March 2027 (sec)** / **30 April 2027 (prim/jun)**. If you have any questions about this letter, please contact me on _____.*

Yours sincerely

(First preference offer letters should include the paragraphs in italics only)

**PAN-LONDON CO-ORDINATED ADMISSIONS SCHEME
SCHEDULE 3A**

Timetable for Admissions to Year 7/Year 10 in September 2027

| Date & working days | Process |
|---|---|
| Sat 31 Oct 2026 <i>10 days</i> | Statutory deadline for receipt of applications |
| Fri 13 Nov 2026 <i>20 days</i> | Deadline for the transfer of application information by the Home LA to the PLR (ADT file). |
| Mon 7 Dec 2026 * | Deadline for receipt of late applications considered as "on-time" by parents to Home LA. |
| Thurs 10 Dec 2026 | Deadline for the upload of late applications considered as "on-time" to the PLR. |
| Fri 11 Dec 2026 – Mon 4 Jan 2027 | Checking of application data |
| December 2026 to Thursday 28 January 2027 (exact dates to be determined by LA) | Ranking of applications, checking of ranked lists and local allocation of school places |
| Fri 29 Jan 2027 <i>10 days</i> | Deadline for the transfer of potential offer information from Maintaining LAs to the PLR (ALT file) |
| Fri 12 Feb 2027 | Final ALT file to PLR** |
| Mon 15 to Thurs 18 Feb 2027 | **Additional iterations if needed |
| Mon 15 to Fri 19 Feb 2027 | <i>Half Term</i> |
| Mon 15 (Fri 19) – Wed 24 Feb 2027 <i>7 days</i> | Checking of offer data |
| Thurs 25 Feb 2027 <i>2 days</i> | Deadline for on-line ALT file to portal |
| Mon 1 Mar 2027 <i>10 days</i> | Offer notifications sent. |
| Mon 15 Mar 2027 <i>5 days</i> | Deadline for acceptances |
| Mon 22 Mar 2027 | Deadline for transfer of acceptances to maintaining LAs |
| Tuesday 31 August 2027 | Last day for co-ordination of 2027 applications by the Home LA |

***7 December is the agreed date by LIAAG November 2023**

**PAN-LONDON CO-ORDINATED ADMISSIONS SCHEME
SCHEDULE 3B**

Timetable for Admissions to Reception/Junior in September 2027

| Date & working days | Process |
|---|--|
| Fri 15 Jan 2027 <i>15 days</i> | Statutory deadline for receipt of applications |
| Fri 5 Feb 2027 <i>5 days</i> | Deadline for the transfer of application information by the Home LA to the PLR (ADT file) |
| Thurs 11 Feb 2027 | Deadline for receipt of late applications considered as "on-time" by parents to Home LA. |
| Fri 12 Feb 2027 | Deadline for the upload of late applications considered as "on-time" to the PLR. |
| Mon 15 – Mon 22 Feb 2027 | Checking of application data |
| Mon 15 to Fri 19 Feb 2027 | <i>Half Term</i> |
| February 2027 to Tuesday 16 March (exact dates to be determined by LA) | Ranking of applications, checking of ranked lists and local allocation of school places |
| Wed 17 Mar 2027 <i>6 days</i> | Deadline for the transfer of potential offer information from the Maintaining LAs to the PLR (ALT file). |
| Mon 22 Mar 2027 Wed 24 Mar 2027 | Final ALT file to PLR for Junior* Final ALT file for Reception** |
| Tue 23 & Wed 24 Mar Thurs 25 Mar 2027 | *Additional iterations for Junior if needed **Additional iterations for Reception if needed |
| Thurs 25 (30) Mar – Thurs 8 Apr 2027 | Checking of offer data |
| Fri 26 Mar to Fri 9 April | <i>Easter Holidays</i> |
| Tues 13 Apr 2027 | Deadline for on-line ALT file to portal |
| Fri 16 April 2027 <i>10 days</i> | Offer notifications sent. |
| Fri 30 Apr 2027 <i>5 days</i> | Deadline for acceptances |
| Thurs 6 May 2027 | Deadline for transfer of acceptances to maintaining LAs |
| Tuesday 31 August 2027 | Last day for co-ordination of 2027 applications by the Home LA |

Easter Weekend 2027 – Friday 26 March to Monday 29 March

Parental Dispute Protocol

Any parent can make an application for a school place for their child and can express up to six preferences for their preferred school(s). Anyone with parental responsibility may submit an application, however, the child's address on the application should be recorded as the place they spend the majority of the week. Unless a maintained school or academy uses its own definition, this will be considered to be the definition used in Brent Council's Admission Arrangements for Community Schools 2027/2028.

If parents believe that there may be disagreements over which school preferences should be named or which address should be used we recommend starting the following process as early as possible as national closing dates are fixed and cannot be extended under any circumstances.

We urge parents to work together in the best interests of their child; it is advised that the applicant should inform all other parties who have parental responsibility before submitting the application.


All parties should agree with the school preferences to be applied for and/or the home address to be used. Any disagreements should be resolved before submitting an application. If parents are unable to reach an amicable agreement, then both parents should seek their own legal advice or recourse through the Family Courts.

You should note that the Local Authority will only process one application per child and will only make one offer of a school place.

Where more than one application is received with different preferences the Local Authority (or Local Authorities if parents submit applications to more than one) will contact both applicants to advise that more than one application has been received and advise them to complete one application with one set of preferences for their child.

We will not mediate between parents if there is a dispute or when two applications are submitted. Only one application will be accepted, and the final decision will rest with the Local Authority after all submitted evidence has been considered. Further information about the process which will be followed by the local authority is set out in Brent Council's Admission Arrangements for Community Schools 2027/2028.

All evidence must be received by published closing dates, at which point a decision will be made as to which application will be processed. The Local Authorities concerned may contact early years or education settings noted in the application, or other professionals working with the child where applicable, to assist in their decision making. Any evidence provided after the closing date which affects the content or processing of the application, may render the application late, and delay an offer of a school place.

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|---|--|
|  | <p align="center">Cabinet 19 January 2026</p> |
| | <p align="center">Report from the Corporate Director Neighbourhoods and Regeneration</p> |
| | <p align="center">Lead Member – Cabinet Member for Climate Action and Community Power (Councillor Jake Rubin)</p> |
| <p align="center">South Kilburn District Heat Network – Tender Outcome & Financial Model Report</p> | |
| Wards Affected: | Kilburn |
| Key or Non-Key Decision: | Key |
| Open or Part/Fully Exempt: <small>(If exempt, please highlight relevant paragraph of Part 1, Schedule 12A of 1972 Local Government Act)</small> | Part Exempt – Appendix 1 is exempt as it contains the following category of exempt information as specified in Paragraph 3, Schedule 12A of the Local Government Act 1972, namely: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)" |
| List of Appendices: | Four Appendix 1: (Exempt) Name of Contractors Appendix 2: Tender evaluation grid Appendix 3: Equalities Impact Assessment Appendix 4: Glossary |
| Background Papers: | None |
| Contact Officer(s): <small>(Name, Title, Contact Details)</small> | Neil Martin, Head of Capital Delivery 020 8937 4203 neil.martin@brent.gov.uk Oliver Myers, Head of Environment Strategy & Climate Action 020 8937 5323 oliver.myers@brent.gov.uk |

1.0 Executive Summary

- 1.1 This report concerns the approval to enter preferred bidder stage for the design, build, operate and maintain (DBOM) contract for the South Kilburn District Heat Network ("the SKDHN") Main Contractor preferred bidder.
- 1.2 The South Kilburn district heating procurement strategy, as approved by Cabinet in May 2023, comprises a council-owned and operated district heat

network (DHN) powered by large scale Air Source Heat Pumps (ASHPs). This proven technology is the only viable, planning compliant heat strategy for the homes, school, and other buildings within the South Kilburn Regeneration area and will deliver reliable, resilient, low carbon and affordable heat to all heat customers across the Estate.

- 1.3 The SKDHN remains integral to the realisation of the full benefits of the South Kilburn Regeneration Masterplan. The estimated gross development value (GDV) of the sites to be offered under partnering agreement is estimated to be circa £1 billion. The council's £36 million investment in the SKDHN enables developers, including the new Single Delivery Partner, to focus on delivering non-monetary community benefits, including affordable housing, place shaping and other social value.
- 1.4 This report summarises the procurement process leading officers to recommend the SKDHN Main Contractor preferred bidder.
- 1.5 The report also sets out the financial modelling of the DBOM contract over its 15 years lifespan and its subsequent required funding. The project is not expected to have any impact on revenue budgets. All interest costs from borrowing will be financed by income generated by the scheme.

2.0 Recommendation(s)

That Cabinet:

- 2.1 Approves the selection of Vital Energi Utilities Limited as the SKDHN Main Contractor preferred bidder for the contract value of £37,768,947 following the completion of the DBOM contractor procurement process set out in this report.
- 2.2 Approves an increase in the total capital budget for the SKDHN of £36,000,000. The funding for this budget is set out in paragraph 5.3 and includes £12,000,000 of external borrowing.
- 2.3 Notes that there will be a preferred bidder stage as set out in paragraph 3.2.31 following satisfactory completion of the standstill period.
- 2.4 Delegates authority to the Corporate Director Neighbourhoods and Regeneration in consultation with the Lead Member for Climate Action and Community Power to finalise the contract and to award the contract to the SKDHN Main Contractor preferred bidder as required by Contract Standing Order 88 following satisfactory completion of the preferred bidder stage.
- 2.5 Delegates authority to the Corporate Director Neighbourhoods and Regeneration, in consultation with the Lead Member for Climate Action and Community Power, for approving agreements with off-takers for bulk (building-level) and retail (consumer-level) heat supplied by the SKDHN in perpetuity.

- 2.6 Delegates authority to the Corporate Director Neighbourhoods and Regeneration, in consultation with the Lead Member for Climate Action and Community Power, to change the allocation of Strategic Community Infrastructure Levy and Carbon Offset Fund according to available balances.

3.0 Detail

3.1 Cabinet Member Foreword

- 3.1.1 Brent's commitment to tackling the climate and ecological emergency continues to be a top priority for this administration, as reflected in the 'Cleaner, Greener Future' theme within the Borough Plan (2023-2027). This includes commitments to create 'a climate friendly and sustainable borough' and to ensure that 'sustainability is central to the growth of our borough and local economy'.
- 3.1.2 The proposed works and services to be delivered through the SKDHN Design Build Operate and Maintain (DBOM) Contract will enable the council to comply with London Plan requirements and deliver low carbon, affordable heat and hot water to circa 3,000 dwellings and several non-residential buildings.

3.2 Background

Heat networks policy and context

- 3.2.1 London Planning Authorities are required to include DHNs in masterplans for growth areas as detailed in the London Plan policies GG6, SI3, and S14.
- 3.2.2 DHNs supply heat and hot water generated from a central source via a network of underground pipes carrying hot water to multiple buildings, both residential and commercial. In densely populated areas, a DHN is the optimum low carbon way to provide heating and hot water at an affordable price.
- 3.2.3 DHNs offer the scale to install large heat pumps which are highly efficient at extracting the heat that would otherwise be wasted from various sources. DHNs differ from 'communal' heat networks (CHNs). CHNs describe an individual building which has its own energy centre serving only the dwellings within that building. CHNs are far less efficient, reliable and resilient than DHNs in terms of grid power infrastructure and capacity factors, heat generation and heat storage, and space requirements, and therefore involve higher capital costs and higher heat charges to end users.
- 3.2.4 In this context, Brent considered renewable heat options technically, economically and commercially viable to be used to supply the entire South Kilburn Estate Regeneration Masterplan, nearby schools and small businesses. Centralised air source heat pumps with gas boilers and thermal storages for peak demand were chosen because they are a proven and tested technology, the heat source is renewable and freely available, and their efficiency meets carbon reduction targets required by policy and funding streams. This technology was selected over a number of alternative heat source options

which did not meet policy, technical viability, and service reliability requirements: individual air source heat pumps at each building level, closed and open loop ground source heat pumps, heat pumps with heat recovered from the HS2 vent shaft, wastewater source heat pump, gas-fired Combined Heat and Power (CHP), electric boilers, gas boilers, biomass boiler, Hydrogen fuel cell CHP.

- 3.2.5 Under the Energy Act 2023, since April 2025 heat networks have been subject to regulations to ensure that heat customers enjoy the same consumer protections as those in gas and electricity markets. From January 2026, Ofgem will have the power to investigate and intervene where heat prices seem unfair. Furthermore, the Energy Ombudsman will have the same powers to handle complaints and make legally binding decisions as they do for gas and electricity consumers. The heat metering and billing arrangements for all dwellings served by the SKDHN are being designed to meet the 'fair and transparent' requirements of the regulations.
- 3.2.6 DHNs are set to increase in number in Brent. Under the Energy Act 2023, local authorities will soon have additional powers to designate a geographical zone where DHNs are expected to be the lowest cost solution for decarbonising heat. Brent will become a 'Heat Zoning Coordinator' and define the zone, liaise with stakeholders, develop a prospectus, let the concession and manage the ongoing development of the heat network, including all new buildings, existing communal heating schemes and non-domestic buildings over a certain size.

The South Kilburn Masterplan

- 3.2.7 The SKDHN forms part of the vital infrastructure in the delivery of the South Kilburn Regeneration Programme. Over the past two decades the programme has delivered nearly 2,000 new homes, with a further 1,600 planned across seven future development sites which will be delivered through a new long-term Partnering Agreement with a Single Delivery Partner (SDP).
- 3.2.8 The estimated gross development value (GDV) of the sites to be offered under this partnering agreement is estimated to be circa £1 billion. GDV represents the total projected sales revenue encompassing the value of all residential units and commercial space, once sold. It is a measure of the project's potential income that the developer will realise, from which it will then deduct all of the construction, financing and development costs.
- 3.2.9 The SKDHN is being delivered to serve the totality of the regeneration area, providing affordable low carbon heat and hot water to both new and existing homes and non-residential uses. The works will entail initial energy centre and primary pipework installed to coincide with the start of development on Hereford & Exeter, the first site to be brought forward by the SDP. This sequencing will enable new homes to connect immediately to the network and that subsequent phases can be supplied in line with the phasing.
- 3.2.10 In addition to the residential sites, the SKDHN will connect and be integrated with other council-led and community assets within South Kilburn, supporting

delivery of the new South Kilburn School, the Carlton Vale Boulevard public realm, Queens Park Gyratory improvements and new open spaces. Together these schemes form a single, integrated programme of investment in homes, infrastructure and climate action – transforming South Kilburn into a trailblazing greener, healthier and more connected neighbourhood. The SKDHN will provide an affordable and sustainable energy supply for residents.

Procurement Strategy

3.2.11 In May 2023, Cabinet approved the business case for the SKDHN to be fully council-owned and agreed the pre-tender considerations for the procurement of a DBOM contractor. The Council owning the network, and requiring the contractor to design, build, operate and maintain the network, significantly derisked the project compared to alternative options, such as setting up a private company to own the network, or splitting the design and build from the operation and maintenance. Specialist technical, commercial and legal heat network advisers informed our approach during the feasibility and procurement process.

3.2.12 The Critical Success Factors for the SKDHN procurement strategy/project are set out below, together with a summary of how they are being met following the successful procurement process:

a. **Ensures affordable low carbon heat to all residents in South Kilburn buildings which are connected to the network:**

- The SKDHN is based on tried and tested technology and is designed to be reliable and resilient to guarantee continuity of supply, with incentives and penalties in the DBOM contract to mitigate any noticeable outages to heat users.
- Across all connected properties, the DHN is forecast to deliver an overall reduction in resident energy costs of approximately 69% relative to existing heating systems. The impacts do vary however by property type and existing system, but where a direct comparison with existing systems is possible, an estimated 99% of those homes are expected to see the same or lower annual energy bills following connection.
- For the remaining 1% of homes included in this analysis, short-term cost increases are forecast, affecting only 4-bed homes with individual gas boilers. However, this outcome reflects a comparison based on current energy prices, at a point when gas remains relatively inexpensive compared with electricity. As gas prices are expected to increase relative to electricity over time, the efficiency advantage of heat pumps versus gas boilers is expected to translate into increasingly lower costs for the DHN customers versus existing systems across all properties.
- Residents will be given a choice between credit and prepayment (pay-as-you-go) billing, with credit billing being the default method. This choice will not impact what residents are charged – they will pay the same heat tariffs regardless. This approach protects both vulnerable

residents who might struggle with prepayment and residents who prefer budgeting control via prepayment.

- Regardless of which billing system is chosen, we will be providing support to residents to help minimise their risk of either going into arrears on their heating and hot water bills or going without heat (self-disconnection). Remote monitoring of heat meters will allow us to monitor resident's bills and accounts on an ongoing basis to identify whether there may be users who are either under, or overusing heat compared to anticipated usage. In such cases, we will be offering free advice and support via the Brent Well and Warm scheme, as well as appropriate payment support and plan options.
- b. **Provides low carbon heat to developments in South Kilburn in order to help enable them to comply with the energy requirements of the London Plan:**
- The SKDHN is the only viable, planning compliant technological solution for the South Kilburn Estate Regeneration Masterplan.
- c. **Provides a service which residents believe is satisfactory and value for money:**
- The council will have control over heat tariffs which will be fair and transparent, aligned to the provisions of the Energy Act 2023, and residents will have recourse to the Energy Ombudsman for any disputes.
 - There are KPIs within the DBOM contract linked to response to issues and accurate billing which will contribute towards providing a good quality, value for money service.
- d. **Provides carbon emission savings contributing to the Council's aspiration to be carbon neutral by 2030**
- The estimated average annual carbon savings from this project are 980 tCO₂e per annum, with cumulative savings of 39,200 tCO₂e over the project lifetime (assuming 40 years).
- e. **Delivers an employment and training programme to enable local residents to work on the installation and management of the project:**
- The DBOM contractor will deliver employment and training opportunities to local residents as part of its social value commitments. This will be set out in their social value action plan and monitored throughout the lifetime of the contract.

3.2.13 This report sets out the tender process followed, the outcome of the tender process as well as the proposed funding of the DBOM contract. The SKDHN Main Contractor will design, build and then operate and maintain (DBOM) a low carbon 2,400 kW centralised generating system and a network of 2.7km buried pipes distributing heat and hot water to 32 points of connection into the building-level heating systems in South Kilburn.

The Tender Process

- 3.2.14 The SKDHN was tendered using the Competitive Dialogue Procedure. This procurement has been conducted in accordance with The Public Contracts Regulations 2015 (the Regulations).
- 3.2.15 The Project Team was made up of a panel of Council staff across the lead service, legal, finance and procurement departments and external advisors appointed to support the Council in the delivery of this Project.
- 3.2.16 Interested parties were invited to submit a Selection Questionnaire (SQ), followed by receiving an Invitation to Participate in Dialogue (ITPD), and finally, an Invitation to Submit Final Tender (ISFT).

Stage 1 – Selection Questionnaire (SQ)

- 3.2.17 Invitations to Tender were advertised on the London Tenders Portal on 28 March 2024 to seek initial expressions of interest. A Contract Notice was placed on the Find a Tender Service, Contracts Finder service and the London Tenders Portal also on 28 March 2024. Bidders were provided with details of the tender approach and invited to complete the published Selection Questionnaire (SQ) using the Council's Electronic Tendering Facility. Bidders were also provided a selection of draft tender documents relevant to the ITPD stage such as the specification, quality/method statements, payment mechanism, a social value action plan and contract terms. Three valid SQs were received.
- 3.2.18 Shortlisting was carried out on 24 May 2024 on the basis of the contractors' financial viability, technical ability, and a selection of Project Specific Questions focusing on:
- Experience of design and construction of heat network projects
 - Experience of retrofit installation of thermal substations into existing building to facilitate network connection
 - Experience of working with developers to install thermal substations in new developments to facilitate network connection
 - Experience of operation and maintenance of heat networks,
 - Experience of heat network metering and reporting services,
 - Experience of designing, installing, operating and maintaining heat pump technology for heat supply, and
 - Cost and Client Value.
- 3.2.19 Following the evaluation of the Selection Questionnaire, the ITPD advised that the Council would invite up to 3 Bidders to progress through to the Dialogue Process, based on the highest-ranking compliant response. Two contractors were invited to the Invitation to Participate in Dialogue (ITPD) stage.

Stage 2 - Invitation to Participate in Dialogue (ITPD)

3.2.20 The Council's intention was to hold a minimum of three rounds of meetings with shortlisted Tenderers. The Council reserved the right to add additional rounds of meetings where it considered it necessary to do so. This stage was not evaluated. These dialogue rounds were held from June 2024 through to March 2025.

3.2.21 The tendering instructions stated that the contract would be awarded on the basis of the most economically advantageous offer to the Council and that in evaluating tenders, the Council would have regard to the following criteria:

| Criteria | Level 1 Weighting | Level 2 weighting |
|---|-------------------|-------------------|
| Quality - made up of: | 50% | |
| Technical 1: Energy Centre Plant and Equipment | | 14% |
| Technical 2: Heat Network | | 14% |
| Technical 3: Building Connections | | 7% |
| Technical 4: Retrofit of Plant into Existing Energy Centre Building | | 12% |
| Technical 5: Buried Heat Network Installation | | 12% |
| Technical 6: Building Connections Installation | | 7% |
| Technical 7: Project Management | | 7% |
| Technical 8: Heat Network Cleaning, Testing and Commissioning | | 7% |
| Technical 9: Operation and Maintenance | | 12% |
| Technical 10: Metering Data Collection | | 3% |
| Circular Economy Q1 | | 1% |
| Circular Economy Q2 | | 1% |
| Sustainability | | 3% |
| Commercial/Risk | 5% | 100% |
| Social Value | 10% | |
| Best Start in Life | | 20% |
| Thriving Communities | | 30% |
| Prosperity and Stability | | 50% |
| Price | 35% | 100% |

3.2.22 Invitation to Submit Final Tender was published on 17 April 2025. The contract will be let using contract terms issued with the ISFT. ISFT tender responses had to be submitted electronically no later than 2 June 2025, 1pm. Two valid tenders were received.

3.2.23 The tender evaluation for this stage was carried out by a panel of officers from Neighbourhoods and Regeneration supported by the Council's Technical and Legal advisors. The panel met between 25 June – 04 July 2025 for moderation and the submission was marked by the whole panel against the award criteria to reach a final consensus score. The Council's external advisors attended the moderation session, enabling the evaluation panel to draw on their expertise as part of the moderation process, as required.

3.2.24 The names of the tenderers are contained in Appendix 1. The scores received by the tenderers are included in Appendix 2. Officers recommend the award of the preferred bidder to Vital Energi Utilities Limited. Vital Energi Utilities Limited's final tender pricing is £37,768,947, including £30,104,997 capital for

the eight years of construction works and £7,663,950 revenue costs for the fifteen years of operation and maintenance services to 2041-42.

- 3.2.25 This cost of the contract is greater than the expected value proposed when the pre-tender considerations were approved by Cabinet in May 2023. Since then, there have been external factors affecting the works cost such as the Ukrainian conflict, continued high construction inflation and changes in trade agreements due to Brexit that led to higher-than-expected import costs for specialist steel pipework.
- 3.2.26 Additionally, an element of the higher costs can be explained by too few experienced suppliers active in the UK Heat Network market further accentuated by the Department of Energy Security and Net Zero (DESNZ)'s introduction of the "Golden Share Delivery Model" where by contractors are asked to do detailed feasibility work for the client meaning that these are more attractive to the contractor market. Furthermore, some costs were higher than anticipated as identified during dialogue.
- 3.2.27 There is still uncertainty around when all the buildings will connect as it will depend on the timescale for the buildings being developed as part of the South Kilburn Single Delivery Partner (SDP) approach. This means that there will likely be multiple phases or sections of work required as and when the buildings are completed. This will require deployment of work teams to complete civil works via multiple separate mobilisation/demobilisation exercises rather than one continuous work stream from start to finish which would be more cost effective as would require only one site set up, mobilisation and demobilisation. Further, it was advised that a greater trench depth and more specialist welding would be needed to install steel pipe bends within some congested areas of the South Kilburn Estate.
- 3.2.28 Despite the cost being more than the pre-tender estimate based on the reasons above, officers and the appointed external advisors have reviewed alternative delivery methods but it was determined that the approach set out in the tender process is the most appropriate. Further, during the tender process and competitive dialogue sessions, the team has challenged the bidders and evaluated the pricing submissions and believe that they reflect current market cost for this type of project. Therefore, it is recommended that Vital Energi is confirmed as the preferred bidder.
- 3.2.29 Subject to Cabinet approval, the Council will issue tender evaluation outcome letters to both bidders. After successfully completing the ten-day standstill period, an anticipated six-week preferred bidder stage will follow.

Preferred Bidder Stage

- 3.2.30 The preferred bidder process includes three weeks of preferred bidder negotiations and three weeks of contract completion. During dialogue stage, Brent agreed with bidders under competitive tension which issues will be negotiated during preferred bidder stage. This process is expected to take three weeks based on other DBOM contracts of similar nature, complexity and size.

The preferred bidder stage will be done in accordance with procurement regulations, namely that negotiations will be “light touch” and will not materially modify essential aspects of the tender or the procurement.

- 3.2.31 Once the contract negotiations are successfully completed, there is a three-week allowance to complete and execute the contract. Officers recommend that Cabinet delegates authority to the Corporate Director Neighbourhoods and Regeneration in consultation with the Lead Member for Climate Action and Community Power to finalise the contract and to award the contract to the SKDHN Main Contractor preferred bidder subject to the successful outcome of this preferred bidder stage.

Alternative Heat Delivery Options

- 3.2.32 There is no alternative, planning compliant option to deliver heat to South Kilburn buildings. Natural gas boilers are no longer permitted for Major developments in London. The only other technically viable option, providing communal ASHP heat networks (CHN) for each building on the site has been discounted as it does not align with GLA and Brent planning policies (London Plan policies GG6, SI3, and S14). Further, CHNs are far less efficient than DHNs in terms of grid power infrastructure and capacity factors, heat generation and heat storage, and space requirements, and therefore involve higher capital costs and higher heat charges to end users.
- 3.2.33 The decision not to proceed with establishing an Energy Services Company (ESCO) to deliver the SKDHN were set out in the May 2023 Cabinet report. The current approach of a council owned and operated network delivers advantages over an ESCO including local authority exemptions in regard to business rates, corporation tax and payroll taxes as well as greater control over heat tariffs charges to residents.

SKDHN Off takers

- 3.2.34 In parallel to the competitive dialogue procurement process, the Council has been progressing agreements with off-takers for bulk (building-level) and retail (consumer-level) heat supplied by the SKDHN in perpetuity. Officers are currently in discussions with 12 properties to agree the Heat Supply Agreements with these property owners / building operators. Off takers include the London Diocese, Countryside Vistry, Warwick Estates, Home Group, the Tabot Centre, and Brent Housing.
- 3.2.35 Officers recommend that Cabinet delegates the authority of approving these agreements to the Corporate Director Neighbourhoods and Regeneration in consultation with the Lead Member for Climate Action and Community Power.

SKDHN Strategic Community Infrastructure Levy (SCIL) Funding

- 3.2.36 The May 2023 Cabinet report set out the proposed funding strategy for the DBOM based on the estimated costs of the contract at the time. Following on

from the outcome of the tender process described above, that funding strategy is no longer able to meet the costs of the contract.

3.2.37 Part of this revised funding mechanism is the request to use Strategic Community Infrastructure Levy (SCIL) funding. The SKDHN meets the prioritisation criteria set out for SCIL investment.

3.2.38 **Strategic Alignment:** There are a number of strategies and policies that the SKDHN meets which supports the use of SCIL for this project. These include:

- Brent Borough Plan 2023 – 2027: Strategic Priority 2 – A Cleaner, Greener Future: The SKDHN will provide low carbon heat to thousands of homes and properties, reducing the Council's carbon footprint.
- Brent Climate & Ecological Emergency Strategy 2021-2030: Reduces carbon emissions through low carbon heat technology.
- South Kilburn Estate Regeneration Masterplan & SDP.
- Brent Local Plan 2019 – 2041: POLICY BSEGA1 South Kilburn Growth Area: These policies aim to increase residential density while improving and expanding physical and social infrastructure to support this growth.
- Brent Council's Local Housing Strategy's vision to create a borough where housing, environmental sustainability, and resident engagement intersect seamlessly, ensuring that all residents have access to safe, affordable, and energy-efficient homes while contributing to Brent's ambitious goal of carbon neutrality by 2030.

3.2.39 The SKDHN contributes towards the Council's strategic objectives to reduce carbon emissions and promote green technologies. It is set out in the South Kilburn Estate Regeneration Masterplan and forms part of the South Kilburn Growth Area as set out in the Local Plan. South Kilburn is also one of two development-led Green Neighbourhoods in the borough, which this project supports through the provision of low carbon heat infrastructure.

3.2.40 The estimated average annual carbon savings from this project are 980 tCO₂e per annum, with cumulative savings of 39,200 tCO₂e avoided over project lifetime (assuming 40 years).

3.2.41 **Statutory Obligations:** The proposal to utilise SCIL for the SKDHN meets the requirement for the SCIL to be spent on infrastructure to support development. The project will deliver a DHN that will allow existing buildings and developments to connect as well as future schemes as proposed in the South Kilburn Single Delivery Partner (SDP) agreement that is currently being procured. The DHN is part of the South Kilburn Estate Regeneration Masterplan and meets heat network requirements as set out in the London Plan.

3.2.42 **Demand and Demographic Changes:** This project addresses the demands that development places on the Kilburn area and reflects the priorities of the Council for growth and its aim to do all reasonable in its gift to aim for carbon neutrality by 2030. As the South Kilburn area is a growth area as set out in the Council's Local Plan, the DHN allows for connection of not just the existing buildings and developments but future developments which will be part of the

SDP. This allows for future growth of the area to be provided heat via the network for the next 40 years.

3.2.43 In summary, the SKDHN meets CIL regulations (2010); its critical success factors were developed based on evidence of community backing. This project addresses the demands that development places on the Kilburn area and reflects the priorities of the Council for growth and achieving carbon neutrality by 2030. Further, this scheme is a one-off project that meets additional revenue funding needs through income generated from operation. In addition, this infrastructure benefits diverse Brent communities and offers value for money compared to each site providing its own communal network or heat system(s). Therefore, Cabinet is requested to approve the use of up to £10m of SCIL in the proposed funding mechanism for the SKDHN.

3.2.44 Officers are working with external partners and funding organisations to seek additional funding routes and provision and therefore, it is recommended that Cabinet delegates authority to the Corporate Director, Finance and Resources and Lead Member for Climate Action and Community Power to finalise the funding model for the DBOM contract. This includes Brent's request for £2.5m additional grant funding.

4.0 Stakeholder and ward member consultation and engagement

4.1 Officers continue to engage with the building operators and management organisations of the existing blocks and developers currently constructing blocks in South Kilburn.

4.2 Officers continue to engage with Ward Councillors, South Kilburn Tenant Steering Group and residents to keep them updated on progress on the SKDHN project delivery progress. The engagement to date has included biannual updates and Q&A sessions with residents at the in person South Kilburn Tenant Steering Group, updates within the South Kilburn Newsletter as well as updates on the Brent website.

4.3 This will continue during the design and build phases of the DBOM contract, with details on planning applications, works commencement and logistics as the contractor delivers the scheme. There will also be engagement with the local community as part of the contractor's delivery of their social value commitments.

5.0 Financial Considerations

5.1 The capital budget for the scheme is £36.0m. This is comprised of the following expenditure items:

| Element | Cost (£m) |
|--|------------------|
| Spend to 24/25 | 1.7 |
| Design and Build elements of the DBOM contract | 30.1 |
| Professional Fees | 1.0 |
| Staff Capitalisation | 0.4 |
| Contingency | 2.8 |
| Total | 36.0 |

- 5.2 The construction costs have increased significantly since the initial Cabinet approval. More details of the reasons are set out in 3.2.25-3.2.28.

Capital Financing

- 5.3 The capital budget will be financed by:

| Funding Stream | £m |
|---|--------------|
| Section 106 contributions | 7.50 |
| Green Heat Network Fund (GHNF) Grant | 8.30 |
| Revenue Contribution from operating income less costs generated by SKDHN in first six years | 1.50 |
| Strategic CIL | 5.55 |
| Carbon Offset Fund | 1.15 |
| Borrowing | 12.00 |
| Total | 36.00 |

- 5.4 Brent has commissioned external specialist heat network commercial advisors to produce a financial model for the energy network. This currently shows that up to £12.0m of prudential borrowing and a £1.5m contribution from the heat network revenue reserves would enable the network to have a positive net present value (NPV) at year 40. The NPV is the total estimated value of the project in today's money. It is calculated by adding all the cash outflows (upfront capital funded by borrowing and ongoing maintenance and administration) from the project and subtracting them from the future cash inflows (in this case energy tariff income) from the project. The future costs and cash inflows are reduced by a set % called the discount rate to reflect the impact of borrowing costs and the principle that £1 today is worth more than £1 tomorrow. A positive NPV implies that Brent will recover the costs of its investment funded by borrowing over 40 years and there will be no net adverse impacts on revenue budgets. Officers have reviewed the assumptions in the model including bad debt assumptions and tariffs charged to residents and consider them to be reasonable.
- 5.5 Officers have applied for a non-binding finance facility from the GLA's Green Finance Fund (GFF) which offers a significant discount compared to PWLB interest rates of 20 basis points (0.2%) plus any discounts at the discretion and approval of the GFF credit committee. Depending on the amount borrowed, officers anticipate this resulting in a revenue saving of in the region of £20k - £40k a year compared to Brent's normal borrowing rates for capital projects.

- 5.6 The Council has secured £8.3m in Green Heat Network Fund grant from central government. The terms of the grant require it to be used by the end of 2026/27. Officers have reviewed the schedule of payments with the external consultants and consider this achievable. The grant includes a £2.5m top up on the original award to help mitigate the cost increases following the procurement process, and £1.0m to cover professional fees.
- 5.7 Brent has collected £3.6m of Section 106 payments from the South Kilburn development so far allocated to this project. The remaining £3.9m Section 106 is dependent on the Single Delivery Partner progressing as planned and the partner agreeing to the payment schedule factored into the planning.
- 5.8 The remaining financing of £6.74m will be made up of £5.55m Strategic Community Infrastructure Levy (SCIL) and £1.15m Carbon Offset Fund. As at the end of October 2025, Brent has uncommitted SCIL balances of £54.7m and Carbon Offset Fund balances of £1.15m meaning these funding sources are available.
- 5.9 Should the Council generate additional Carbon Offset Fund in the future, officers may, in consultation with the Lead Member for Climate Action and Community Power, use this for the SKDHN and reduce the SCIL funding accordingly. SCIL can be used for a wider range of projects including those not linked to energy efficiency.

Revenue impact

- 5.10 The project is not expected to have any overall impact on revenue budgets. All interest costs from borrowing will be financed by income generated by the scheme.
- 5.11 For all properties, Brent will sell the bulk heat to the building operator. For the buildings that Brent owns and is leasing long term, the Head Lease will include acceptable heat supply services with key performance indicators about maintenance, reliability and transparency as well as a cap on any uplift applied (over and above the Heat Supply Charges to the Tenant by the operator of the SKDHN, in a scenario where the Tenant is responsible within the Lease for heat metering and billing services). The costs of supplying bulk heat and finalising contracts with off takers have been factored into the financial model. An apportionment of the costs of the team that manages regulatory requirements of all Brent's district and communal heat networks have also been built into the model.
- 5.12 Income generated from properties that Brent owns needs to be recognised in the HRA, whilst those owned by registered providers will need to be recognised in the General Fund. Brent will hold the asset within the General Fund and recharge the HRA for its contribution to interest rates and maintenance costs based on the number of Brent owned properties included in the scheme, to avoid any cross-subsidisation.

- 5.13 The external consultants have advised on suitable tariff levels. Heat bills affordability is a key objective of the project and a condition of the grant is that residents in a new development on a DHN are not paying more than they would with another source of low carbon heating. Paragraph 3.2.12a demonstrates that this will not be the case.
- 5.14 Net returns generated from the project will be held in an earmarked revenue reserve to fund repair and maintenance costs. These costs have been factored into the model.

6.0 Legal Considerations

- 6.1 The Climate Change Act 2008 (2050 Target Amendment) Order 2019 came into force on 27th June 2019 and increased the UK's 2050 net greenhouse gas emissions reduction target under The Climate Change Act 2008 from 80% to 100%.
- 6.2 In establishing a district heat network, the Council can rely on powers under section 111 (1) of the Local Government Act 1972 given that the supply of energy to Council tenants, RTB leaseholders, schools and the commercial tenants are reasonably incidental to the Council's housing function and duties, its LEA duties and its public health and shared social and health care duties.
- 6.3 Where the Council is relying on its subsidiary powers under section 111 (1) of the Local Government Act 1972 to authorise the provision of a service to facilitate the discharge of a specific function, the Council is permitted to charge for services and supplies provided by the district heat network under section 93(1) of the Local Government Act 2003 ("2003 Act") for that function related service by virtue of section 93(7)(a) of the 2003 Act. Section 93 of the 2003 Act only permits a local authority to recover the cost of supply but does not permit the generation of additional income. The local authority does however have some discretion in assessing what is covered by cost recovery and this may include the costs for provision of replacement equipment.
- 6.4 The value of the DBOM contract individually over its lifetime is in excess of the threshold for Works and Services under the Public Contracts Regulations 2015 (PCR 2015) and the procurement and award of the contracts is therefore governed by the PCR 2015, which was the governing regulations at the time of the procurement. The use of a Competitive Dialogue is permitted in accordance with Regulation 26 (4)(a)(iii) of the PCR 2015 on the basis that "the contract cannot be awarded without prior negotiation because of specific circumstances related to the nature, the complexity or the legal and financial make-up or because of risks attaching to them". The services in scope of the contract are sufficiently technically, commercially (in terms of cost and risk allocation) and legally complex to justify its use. As detailed in this report, the procurement process is in compliance with the PCR 2015.
- 6.5 The award of the DBOM contract is subject to the Council's own Standing Orders and Financial Regulations in respect of High Value Contracts given the contract is valued at more than £5 million. Part 3 of the Council's Constitution

state that contracts for works exceeding £10 million shall be referred to the Cabinet for approval of the award of the contract.

- 6.6 The Council must comply with the PCR 2015 relating to the observation of a mandatory minimum 10 calendar day standstill period before the contract can move to preferred bidder stage. Therefore, once the Cabinet has determined which tenderer should be awarded the contract, all tenderers will be issued with written notification of the contract award decision. A minimum 10 calendar day standstill period will then be observed before the contract is concluded – this period will begin the day after all Tenderers are sent notification of the award decision – and additional debrief information will be provided to unsuccessful tenderers in accordance with the PCR 2015. After the standstill period ends, the successful tenderer will enter into preferred bidder stage discussions and completion of the DBOM contract.
- 6.7 As set out in recommendation 2.5 and information contained in paragraphs 3.2.34 and 3.2.35, the Council would conclude connection agreements and heat supply agreements with the relevant organisations. Connection agreements have reasonably standard terms within the market and officers will negotiate, with guidance from the Council's advisors, acceptable terms which allocate risks appropriately between the supplier and the Council, within the parameters permitted by procurement law. Heat supply agreements would be entered into to regulate the obligations to provide the heat and how much the Council will be charged for it. These are long term agreements that include certain protections if the supplier fails to meet its obligations. These protections include being able to withhold some of the charges (called "service credits"). In addition, the heat supply arrangements will contain protections under the Energy Act 2023, which prevents disproportionate pricing, poor customer service and poor reliability.
- 6.8 As mentioned in the previous Cabinet report, the Council was awarded funding from the Green Heat Network Fund. Officers have subsequently applied for further funding from the Green Heat Network Fund. The Corporate Director, Finance and Resources has delegated authority pursuant to paragraph 9.5 of Part 3 of the Constitution and Financial Regulation 8.2.2 of Part 2 of the Constitution to enter into such grant funding arrangements. If the Council is successful in the application and enters into further grant agreements, it must act in accordance with its grant conditions.

7.0 Equity, Diversity & Inclusion (EDI) Considerations

- 7.1 Pursuant to s149 Equality Act 2010 (the "Public Sector Equality Duty"), the Council must, in the exercise of its functions, have due regard to the need to:
- (a) eliminate discrimination, harassment and victimisation and other conduct prohibited under the Act
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it,

- 7.2 The Public Sector Equality Duty covers the following nine protected characteristics: age, disability, marriage and civil partnership, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
- 7.3 Having due regard involves the need to enquire into whether and how a proposed decision disproportionately affects people with a protected characteristic and the need to consider taking steps to meet the needs of persons who share a protected characteristic that are different from the needs of persons who do not share it. This includes removing or minimising disadvantages suffered by persons who share a protected characteristic that are connected to that characteristic.
- 7.4 There is no prescribed manner in which the council must exercise its public sector equality duty but having an adequate evidence base for its decision is necessary.
- 7.5 The procurement of the SKDHN itself has a neutral position / no impacts on protected characteristics groups (see Appendix 3 Equalities Impact Assessment). The initiative is expected to maintain overall annual energy costs at current levels at the very least for 99% of properties. However, some groups (e.g. older people, people with disabilities, pregnant people) may have higher heating needs. While this does not constitute a direct negative impact, it represents a potential affordability risk for high-consumption households. To mitigate this, residents will have the ability to monitor and control their own usage, and targeted support will be available where excess usage leads to affordability issues.

8.0 Climate Change and Environmental Considerations

- 8.1 This project supports the Council's Climate & Ecological Emergency Strategy (2021-2030) in reducing carbon emissions for a large number of dwellings in South Kilburn. As stated in the report, the estimated average annual carbon savings from this project are 980 tCO₂e per annum, with cumulative savings of 39,200 tCO₂e over the project lifetime (assuming 40 years). The SKDHN remains integral to South Kilburn's selection as one of Brent's Green Neighbourhood pilot areas.
- 8.2 The project requirements and procurement took into account specific objectives in-line with the Council's Sustainable Procurement policies reducing carbon both in operation and in construction and minimising the generation of other harmful gases and impacts.

9.0 Human Resources/Property Considerations (if appropriate)

- 9.1 There are no Human Resources implications as the contract will be delivered by an external organisation.
- 9.2 Officers are having discussions with the identified off takers (both Council owned and otherwise) with the intention to connect to the DHN upon

completion. This will involve wayleaves to provide access for installation works as well as heat supply agreements.

10.0 Communication Considerations

10.1 Local residents will be kept up to date with progress and this will be included in any estate wide publications and contractor newsletters as they progress the contract delivery.

10.2 Brent is committed to DESNEZ's Green Heat Network Fund Market Transformation Commitments including uploading updates onto the heat network exchange noticeboard.

<https://www.heatnetworkexchange.co.uk/opportunities/>

Report sign off:

Jehan Weerasinghe

Corporate Director of Neighbourhoods and
Regeneration

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

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APPENDIX 2

DESIGN, BUILD, OPERATE AND MAINTAIN THE SOUTH KILBURN DISTRICT HEAT NETWORK CONTRACT

TENDER EVALUATION GRID

| Selection Questionnaire (SQ) stage | | | | | | | | |
|---|--------------------|-----------|-------------|------------|-------------|---------------|-------------|-------------|
| Question | Criteria weighting | Max score | Score Con A | Con A | Score Con B | Con B | Score Con C | Con C |
| SQ | | | | | | | | |
| Exclusion grounds | | | | Pass | | Pass | | Pass |
| Grounds for mandatory exclusion | | | | Pass | | Pass | | Pass |
| Mandatory and discretionary grounds relating to the payment of taxes and social security contributions | | | | Pass | | Pass | | Pass |
| Grounds for discretionary exclusions | | | | Pass | | Pass | | Pass |
| Economic and financial standing | | | | Pass | | Pass | | Pass |
| Insurance | | | | Pass | | Pass | | Pass |
| Sustainability accreditation | | | | Pass | | Pass | | Pass |
| Experience of design and construction of heat network projects | 27.5% | 5 | 4 | 22% | 3 | 16.50% | 3 | 16.50% |
| Experience of retrofit installation of thermal substations into existing buildings to facilitate network connection | 7.5% | 5 | 4 | 6% | 4 | 6% | 3 | 4.50% |
| Experience of working with developers to install thermal substations in new developments to facilitate network connection | 7.5% | 5 | 2 | 3% | 2 | 3% | 3 | 4.50% |
| Experience of operation and maintenance of heat networks | 27.5% | 5 | 4 | 22% | 4 | 22% | 3 | 16.50% |
| Experience of heat network metering and reporting services | 5% | 5 | 2 | 2% | 4 | 4% | 5 | 5% |
| Experience of designing, installing, operating and maintaining heat pump technology for heat supply. | 20% | 5 | 2 | 8% | 4 | 16% | 3 | 12% |
| Cost and Client Value | 5% | 5 | 2 | 2% | 4 | 4% | 2 | 2% |
| Total Score | 100% | | | 65% | | 71.50% | | 61%. |

| Invitation to Submit Final Tenders (ISFT) stage | | | | | | |
|---|--------------------|-----------|-------------|---------------|-------------|---------------|
| Question | Criteria weighting | Max score | Score Con B | Con B | Score Con C | Con C |
| Technical 1: Energy Centre Plant and Equipment | 14% | 5 | 5 | 14.00% | 5 | 14.00% |
| Technical 2: Heat Network | 14% | 5 | 5 | 14.00% | 5 | 14.00% |
| Technical 3: Building Connections | 7% | 5 | 5 | 7.00% | 3 | 4.20% |
| Technical 4: Retrofit of Plant into Existing Energy Centre Building | 12% | 5 | 5 | 12.00% | 4 | 9.60% |
| Technical 5: Buried Heat Network Installation | 12% | 5 | 5 | 12.00% | 3 | 7.20% |
| Technical 6: Building Connections Installation | 7% | 5 | 4 | 5.60% | 3 | 4.20% |
| Technical 7: Project Management | 7% | 5 | 4 | 5.60% | 5 | 7.00% |
| Technical 8: Heat Network Cleaning, Testing and Commissioning | 7% | 5 | 5 | 7.00% | 5 | 7.00% |
| Technical 9: Operation and Maintenance | 12% | 5 | 5 | 12.00% | 4 | 9.60% |
| Technical 10: Metering Data Collection | 3% | 5 | 5 | 3.00% | 5 | 3.00% |
| Circular Economy Q1 | 1% | 5 | 4 | 0.80% | 4 | 0.80% |
| Circular Economy Q2 | 1% | 5 | 5 | 1.00% | 3 | 0.60% |
| Sustainability | 3% | 5 | 5 | 3.00% | 4 | 2.40% |
| Quality - Sub total score | 100% | | | 97.00% | | 83.60% |
| Quality – total score | 50% | | | 48.50% | | 41.80% |
| Commercial and Risk | 5% | 4 | 2 | 2.50% | 4 | 5.00% |
| 1. Best Start in Life | 2% | 5 | 4 | 1.60% | 4 | 1.60% |
| 2. Thriving Communities | 3% | 5 | 4 | 2.40% | 3 | 1.80% |
| 3. Prosperity and Stability | 5% | 5 | 4 | 4.00% | 4 | 4.00% |
| Social value - Sub total score | 10% | | | 8.00% | | 7.40% |
| Price score | 35% | | | 29.64% | | 35.00% |
| Total Score | 100% | | | 88.64% | | 89.20% |

EQUALITY IMPACT ASSESSMENT (EIA)

| | |
|-------------------------|-------------------------------------|
| POLICY/PROPOSAL: | South Kilburn District Heat Network |
| DEPARTMENT: | Neighbourhoods and Regeneration |
| TEAM: | Capital Delivery |
| LEAD OFFICER: | Neil Martin |
| DATE: | 19/12/2025 |

EIA Guidance is available online, please reach out to equality@brent.gov.uk for any further support.

SECTION A – SCREENING

1. Briefly and clearly describe the policy, proposal, change, or initiative, and what it is trying to achieve.

A new district heat network for South Kilburn aims to complement the regeneration of the area, bringing opportunities, growth and jobs to the local population by supplying heating in a way that improves local air pollution and contributes less greenhouse gases to the planet.

This initiative is called the South Kilburn District Heat Network (SK DHN) and will generate low carbon heat for over 34 sites, while creating employment, apprenticeships and supporting targeted services for the 15 years of the contract. The SK DHN will generate heat based on electrically powered Air Source Heat Pumps 98% of the time paired with gas boilers for peak time and thermal storage. The hot water centrally generated will be pumped under streets to 34 sites in and around the South Kilburn Estate Regeneration, NW6. The network will be delivered, operated and maintained by a main contractor on behalf of the Council and the contract will be managed by officers in the Council.

With the South Kilburn District Heat Network, residents will have only one heating provider and will enter a Heat Supply Agreement in their name that would make them responsible for paying for the heating and hot water they use within their home. South Kilburn residents mostly live in communally heated properties and are already experiencing having one heating provider. There are few blocks currently occupied and individually heated but planned for demolition within the South Kilburn Estate Regeneration Masterplan and in the Single Delivery Partner procurement scope.

The South Kilburn District Heat Network will not directly provide heat metering and billing arrangements for all dwellings. The South Kilburn District Heat Network will provide bulk heat metering and billing to building. Residents will pay for heating and hot water based on their metered consumption and will be billed in a 'fair and transparent' manner based on their flat heat meter. Incoming regulations will hold accountable the South Kilburn District Heat Network main contractor for the network supplying bulk heat to each site and the building operator for the block level system transporting heat to tenants and leaseholders.

The 2,600 residential units will be billed by their building operators. Building operators vary across the South Kilburn Estate and include Brent Housing, Housing Associations and private block management agents appointed by developers. Where Brent will be the building operator of blocks with 100% social tenure, Brent will provide heat and billing arrangements to dwellings. In mixed-tenure blocks, Brent will review the heat supply agreements and service standards offered to dwellings from their building operators.

Under the Energy Act 2023, since April 2025 heat networks have been subject to regulations to ensure that heat customers enjoy the same consumer protections as those in gas and electricity markets. From January 2026, Ofgem will have the power to investigate and intervene where heat prices seem unfair.

Furthermore, the Energy Ombudsman will have the same powers to handle complaints and make legally binding decisions as they do for gas and electricity consumers. The heat metering and billing arrangements for all dwellings served by the SKDHN will meet the 'fair and transparent' requirements of the regulations.

Residents are not expected to see a change in their annual energy costs, as the SK DHN tariffs have been designed to ensure the overall energy costs do not exceed those at Unity Place. This analysis has included the costs of heating maintenance and other ancillary items that are typically paid for through a service charge in order to ensure a like for like comparison with the SK DHN, which includes those items within the tariffs.

2. Are there any groups who may be impacted by your proposal? For reference, Q4 lists all protected groups.

Officers analysed the demographic information available for the South Kilburn Estate area by the National Census. Officers recognise that there are indications that residents living in blocks served by the SK DHN include groups with protected characteristics. Officers also recognise that residents from protected characteristics groups may disproportionately be affected by household costs, like heating bills.

These groups include the elderly, very young children and persons with disabilities. These groups may require more heat in their homes to remain comfortable as their bodies may not be able to regulate heat as well as other and/or require more heat due to a lack of mobility.

Brent has been monitoring their customers and proactively approached households and discussed the support on offer. Brent has established services that target support for households that are struggling to pay for their household costs, including heating bills. These households may be from a protected characteristics group.

3. If no groups are affected, explain why.

4. Mark with an "X" the potential impact of the policy or proposal on different groups. You can mark more than one box for each group.

| Characteristic | IMPACT | | |
|---------------------------------------|----------|--------------|----------|
| | Positive | Neutral/None | Negative |
| Age - People of different age groups. | | X | |

| | | | |
|---|--|---|--|
| Care Experience - People who have been in care for any period of their childhood. | | X | |
| Disability - People with physical, sensory, learning, and mental health disabilities, long-term conditions, and non-visible disabilities. | | X | |
| Gender reassignment - Transgender and non-binary people, including anyone who is proposing to, started, or who has completed a process to change their gender. | | X | |
| Marriage and Civil Partnership - Applies mainly in the workplace, people who are married or in a civil partnership. | | X | |
| Pregnancy and Maternity - People who are pregnant, on maternity leave, or new parents. | | X | |
| Race and Ethnicity - People of different ethnicity, nationality, and skin colour. | | X | |
| Religion or belief - People of all faiths, and those with no religious belief. | | X | |
| Sex - Differences between men and women, including disparities in pay, career progression, and health outcomes. | | X | |
| Sexual Orientation - People who identify as lesbian, gay, bisexual, queer, asexual, or any other non-heterosexual identity. | | X | |
| Socio-Economic Status – People who are experiencing poverty or socio-economic disadvantage. | | X | |

5. Complete **each row** of the checklist with an “X”.

SCREENING CHECKLIST

| | YES | NO |
|--|-----|----|
| Does the policy or proposal have implications for eliminating discrimination, advancing equality of opportunity, or fostering good relations among different groups? | | X |
| Does it relate to an area with known inequalities? | X | |
| Would it add, change, or remove services used by any groups listed in Q4? | X | |
| Does it have negative or positive equality impacts on any groups listed in Q4? | | X |
| If you have answered YES to ANY of the above, proceed to section B. If you have answered NO to ALL the above, proceed straight to section C. | | |

SECTION B – IMPACTS ANALYSIS

6. What data and evidence have you used to understand potential impacts? This could include service user data where relevant. If there is little or no evidence, explain why, and note any plans to improve data collection in future, adding this to the Action Plan in Section E.



Build a custom area
profile - ONS.pdf

Officers used the data available from [the Open Data](#), [ONS tools to build a custom area profile](#) compared to Brent Council demographic based on Census 2021 and 2024 data about age profile, household deprivation, energy efficiency of housing, ethnicity, gender, household size, disability, socio-economic classification, provision of unpaid care and ability to speak English.

The Office for National Statistics (ONS) measures household deprivation using four key dimensions in the Census: Employment, Education, Health & Disability, and Housing. South Kilburn is an area with a higher proportion than in Brent (42%) of non-deprived households alongside a 6% deprived in three and 1% deprived in four dimensions.

Four dimensions of deprivation:

Employment:

Socio-economic Classification shows that in South Kilburn a higher percentage of residents work in higher paid jobs than on average in Brent. 13% have never worked or have been unemployed for a long time in line with the rest of Brent. 10% of over 16 year old are in full time education, marginally lower than in the rest of Brent.

Education:

49.7% (40%) of residents in South Kilburn have a higher qualification. 78% of residents are not in education. A lower 16% that average (21.7%) in Brent has no education qualification.

Health & Disability:

A higher % (53.7%/52%) is in very good health but at the opposite extreme a higher % (4.9%/3.3%) stated to be in bad health in South Kilburn. A 2% higher proportion of residents (15%) are registered disable in South Kilburn. 86% are not disable.

Housing:

The energy efficiency of housing is better than on average in Brent. 40% of housing is EPC B; EPC C are marginally higher; EPC D are lower than on average in Brent. 97% live in communally heated housing and 95% are flats.

Officers referenced back to the South Kilburn Area Profile 2018 for sense checking.



South Kilburn Area
Profile.pdf

7. For each characteristic:
- Provide detail for the impact listed in the response to Q4 in the left-hand box.
 - Provide data and evidence to explain how you reached your conclusion in the right-hand box.

Relevant data sources for Brent and its residents can be found in the EIA Guidance document.

| Age | |
|--|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| No direct impact identified, however, older residents and very young children may require higher heating levels due to reduced mobility or higher rate of bodily heat loss. Monitoring will ensure support is available for those households with higher heat consumption. | <p>South Kilburn residents of ages between 70 and older are between 2%-1%.</p> <p>In 2024, newborn babies are a small minority: there were only 121 compared to 4,445 in Brent. The majority of residents are aged between 20-60 years old, with a significant higher proportion aged 25-29 compared to other areas in Brent.</p> |

| Care Experience | |
|---|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact; no evidence of disproportionate impact on this group. Monitoring will continue to ensure no indirect impacts occur. | Officers did not find statistically significant data about care experienced residents in South Kilburn. |

| Disability | |
|--|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral overall, though some disabilities, e.g. mobility impairments or conditions leading to home-bound lifestyles may increase heating needs. Regular monitoring and targeted support services are in place for households with higher heat consumption. | A 2% higher proportion of residents (15%) are registered disabled in South Kilburn compared with the borough average. |

| Gender Reassignment | |
|---|---------------------------------------|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |

| | |
|--|--|
| Neutral impact - no evidence of disproportionate effect, but monitoring will ensure no indirect impacts arise. | |
|--|--|

| Marriage and Civil Partnership | |
|---|--|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact - proposal applies equally regardless of marital status. No evidence of disproportionate effect. | <p>Legal Partnership Status in ONS tool.</p> <p>56.9% residents have not been married or in a civil partnership – higher than in Brent (43.3%) Only 28.5% are married or in a civil partnership compared to 43.3% in Brent. There is a small but higher % than in Brent of both divorced and separated but still legally married or in a civil partnership.</p> |

| Pregnancy and Maternity | |
|---|---------------------------------------|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral -there is no impact on this group but considerations about complications in pregnancy and maternity which may impact mobility, and social interaction will be considered. Monitoring will identify any households requiring assistance. | There is no data about pregnancy. |

| Race and Ethnicity | |
|--|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact - no evidence of disproportionate effect, but monitoring will ensure no indirect impacts arise. | <p>South Kilburn has a higher 25.4% (17.5%) of residents from a Black, Black British, Black Welsh, Caribbean or African and 42.8% (34.6%) White ethnic background. South Kilburn has only a minority of 12.4% residents from an Asian ethnic background compared to 32.8% in Brent.</p> |

| Religion or Belief | |
|--|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact - no evidence of disproportionate effect, but monitoring will ensure no indirect impacts arise. | ONS Tool Residents that reported their religion were majority Christian or Muslim with minorities of other religions including Jewish, Hindu, Buddhist and others. |

| Sex | |
|--|--|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact - no evidence of disproportionate effect, but monitoring will ensure no indirect impacts arise. | There is an equal split of women and men in South Kilburn. |

| Sexual Orientation | |
|--|---|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| Neutral impact - no evidence of disproportionate effect, but monitoring will ensure no indirect impacts arise. | Officers reviewed the topical Brent Data report 2021 In this report the middle layer super output area (MSOA) of Kilburn Park is mostly the same as the area of the South Kilburn Estate Regeneration. 256 residents reported belonging to the LGB+ population in the middle layer super output area (MSOA) of Kilburn Park, 3.6% of that area population. |

| Socio-Economic Status | |
|--|--|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| <p>The initiative does not have direct impacts on socio-economically disadvantaged residents.</p> <p>Regular monitoring of heating metered consumptions and billing accounts will identify households within this group that require support to pay for their heating bills.</p> | <p>Socio-economic Classification shows that the divide between residents socio-economic status in South Kilburn is polarised more than in Brent.</p> <p>Socio-economic Classification shows that in South Kilburn a higher percentage of residents work in higher paid jobs than on average in Brent. 13% have never worked or have been unemployed for a long</p> |

| | |
|--|--|
| | time in line with the rest of Brent. 10% of over 16 year old are in full time education, marginally lower than in the rest of Brent. |
|--|--|

| Other Relevant Groups | |
|---|---------------------------------------|
| Provide detail for the impact listed in Q4. | Provide supporting data and evidence. |
| | |

8. Summarise any engagement activities with relevant groups (this may replicate some of the information listed in Q7). State whether those involved represent the people affected by your proposal, or whether more engagement is needed, which should be added to the Action Plan in Section E.

| |
|---|
| Engagement activities have been held with residents relating to both the Heat Billing and Metering Policy from 2020 as well as events since to keep residents updated on progress of the SK DHN. The latter will continue once the SK DHN contractor is appointed and progress is made on the delivery of the SK DHN. |
|---|

9. Provide more detail on any areas identified as requiring further data or detailed analysis.

| |
|--|
| |
|--|

SECTION C – CONCLUSIONS

10. Summarise your overall conclusions based on the analysis:

- If there are no impacts, state that here, and **do not complete sections E or G.**
- If you decide not to move forward, explain why, and **do not complete sections E or G.**
- If there are negative impacts, explain what you'll do to reduce them. If you choose to continue despite negative impacts, or if negative impacts remain following your action plan, provide a justification for your decision.
- If there are positive impacts, explain how these could be strengthened, where possible.

The initiative is expected to maintain overall annual energy costs at current levels at the very least for nearly all homes (99%) in South Kilburn. However, some groups (e.g., older people, people with disabilities, pregnant people) may have higher heating needs. While this does not constitute a direct negative impact, it represents a potential affordability risk for high-consumption households. To mitigate this, residents will have the ability to monitor and control their own usage, and targeted support will be available where excess usage leads to affordability issues.

SECTION D - RESULT

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

SECTION E - ACTION PLAN AND MONITORING

Unless your proposal has no equality impacts or you are not moving forward, complete the table below to track specific actions to:

- Reduce negative impacts and increase positive outcomes.
- Monitor actual or ongoing impacts.
- Record plans to improve data collection.
- Plan any further engagement or analysis that may be required.

Use the 'Status' column on the right to indicate whether the action is yet to start, is in progress, or has been completed.

| Issue Identified | Action | Lead Officer | Completion Date | Status |
|---|---|------------------|-----------------|-------------|
| Protected groups unable to pay heat bills | Regular monitoring of heat consumption via metering and billing to identify residents who require support | Daniel Gallagher | Annually | In Progress |
| SK DHN Engagement | Ongoing engagement with residents to update on SK DHN progress | Daniel Gallagher | Quarterly | In Progress |
| | | | | |

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| | | | | |

11. Describe how you will monitor the actual, ongoing impact of the policy or proposal?

As each resident will have their own meter in their property, officers will be able to identify usage and liaise with the resident to discuss support available for heat bills.

Regular engagement with the residents will be held alongside the SK DHN contractor to update on progress as well as heat billing and metering to ensure understanding of the new initiative and ways to get in contact with the Council should support be required.

SECTION F – SIGN OFF

| | Signature | Date |
|---|----------------------|------------|
| Officer: | Francesca Campagnoli | 19/12/2025 |
| Reviewing Officer or Head of Service | Neil Martin | 22/12/2025 |

SECTION G – REVIEW

EIAs are live documents and should be reviewed regularly, especially if there are actions still to be completed or if the proposal has significant equality impacts.

When to review

- Review every 6 months until all actions in the Action Plan above are complete.
- If new data, feedback, or changes to the service arise, revisit the EIA to make sure it's still accurate.

Who should review

- The same officer who completed the EIA should carry out the review. If there's been a staffing change, the new lead officer should take over.

What to update

- Use the Status column in the Action Plan above to show progress (e.g. Not Started, In Progress, Completed). Add comments and updates in the table below — include any new data, evidence, or feedback.

When reviews can stop

- Once all actions are complete and no further equality impacts are expected, you can stop reviewing the EIA.
- Add rows to the table below as necessary until all actions are completed.

| | |
|---|--|
| <u>Date of 1st Review:</u> | |
| Officer: | |
| Comment on progress toward specific actions, and provide any data and evidence updates: | |
| Reviewing Officer or Head of Service: | |
| <u>Date of 2nd Review:</u> | |
| Officer: | |
| Comment on progress toward specific actions, and provide any data and evidence updates: | |
| Reviewing Officer or Head of Service: | |
| <u>Date of 3rd Review:</u> | |
| Officer: | |
| Comment on progress toward specific actions, and provide any data and evidence updates: | |
| Reviewing Officer or Head of Service: | |

APPENDIX 4 – GLOSSARY OF TERMS

The following words found within the main report have the following meanings.

| Word/Phrase | Meaning |
|---|---|
| Bad debt | An expense or loss in the accounts due to money owned that is unlikely or impossible to recover either because the debtor cannot or does not want to pay. |
| Coefficient of Performance (CoP) | A measure of a heat pump's efficiency, showing the ratio of heat energy delivered to the electrical energy consumed. A Coefficient of Performance higher of 1 indicates higher efficiency than a simple heater (CoP 1) and indicating lower running costs and energy use. |
| Communal Heat Network (CHN) | A heating system for an individual building, which comprises a generating plant and the distributing pipes along the corridors and flats serving only the dwellings within that building. |
| Department of Energy Security and Net Zero (DESNZ) | The Department of Energy Security and Net Zero is a ministerial department, responsible for UK energy security, protecting billpayers and reaching net zero. |
| Design, Build, Operate and Maintain Contract (DBOM) | A contract that bundles design, construction, operation, and long-term maintenance into one single agreement with one main contractor, often for infrastructure. |
| District Heat Network (DHN) | A District Heat Network supplies heat and hot water at scale, generated from a central plant via a network of underground pipes carrying it to multiple communally heated buildings. |
| Green Finance Fund (GFF) | The Mayor's Green Finance Fund is a £500m fund providing finance to projects that deliver London's net zero ambitions. The aim of the fund is to decarbonise London by reducing the cost of borrowing for eligible organisations. |
| Net Present Value (NPV) | The Net Present Value (NPV) is the total estimated value of the project in today's money. It is calculated by adding all the cash outflows (upfront capital funded by borrowing and ongoing maintenance and administration) from the project and subtracting them from the future cash inflows (in this case energy tariff income) from the project. The future costs and cash inflows are reduced by a set % called the discount rate to reflect the impact of borrowing costs and the principle that £1 today is worth more than £1 tomorrow. A positive NPV implies that Brent will recover the costs of its investment funded by borrowing over 40 years. A negative NPV implies that the costs outweigh the financial benefits and that a project is not viable. |

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