



LONDON BOROUGH OF BRENT

MINUTES OF THE CABINET

Held in the Conference Hall, Brent Civic Centre on Monday 11 October 2021 at 10.00 am

PRESENT: Councillor M Butt (Chair) and Councillors Farah, Knight, Nerva, M Patel, Krupa Sheth, Stephens, Southwood and Tatler.

Also present (in remote attendance): Councillor McLennan

1. **Apologies for Absence**

An apology for lateness was received from Councillor Stephens.

Apologies for absence were received from Carolyn Downs (Chief Executive) who was represented by Peter Gadsdon (Strategic Director of Customer & Digital Services), Phil Porter (Strategic Director, Community & Wellbeing) who was represented by Hakeem Osinaike (Operational Director of Housing) and Alan Lunt (Strategic Director Regeneration & Environment) who was represented by Alice Lester (Operational Director of Regeneration, Growth & Employment).

It was noted that whilst also present, Councillor McLennan would not be able to formally participate in any decisions taken during the meeting given she was in remote attendance.

2. **Declarations of Interest**

Peter Gadsdon & Gail Tolley both declared a personal interest in Agenda Item 9 (Proposals for ownership and refurbishment of Granville New Homes Blocks) as council appointed Directors on the Boards of First Wave Housing Ltd and i4B Holdings Ltd.

3. **Minutes of the Previous Meeting**

RESOLVED that the minutes of the previous Cabinet meeting held on Monday 13 September 2021 be approved as an accurate record of the meeting.

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

None.

5. **Petitions (if any)**

There were no petitions submitted for consideration at the meeting.

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

Cabinet were advised that a supplementary agenda item had been circulated in advance of the meeting, which contained recommendations made by the Community & Wellbeing Scrutiny Committee held on 7 October 21. The recommendations related to the pre decision scrutiny undertaken by the Committee of the proposals relating to the ownership and refurbishment of the Granville New Homes blocks, due to be considered under Item 9 on the agenda. As a result, Councillor Muhammed Butt (Leader of the Council) advised that he intended to consider the recommendations as part of the discussions on the same item.

There were no other references from Scrutiny submitted for consideration at the meeting.

7. Future of St Raphael's Estate

Prior to consideration of this item, Councillor Muhammed Butt (Leader of the Council) welcomed Asif Zamir to the meeting (as an online participant) who he advised had requested to speak as Chair of St Raphs Voice in relation to the proposals within the report that was due to be considered.

Outlining the important role of St Raphs Voice in representing the local community on the estate, Mr Zamir highlighted the disappointment felt by some within the local community that full redevelopment of the estate was (at this stage) no longer available as an option for residents to support in terms of the proposals outlined.

Whilst understanding the reasons why delivery of the redevelopment masterplan was not currently considered to be financially viable, Mr Zamir highlighted concerns to ensure that, subject to approval, the infill plus masterplan continued to be progressed working with the community in order to deliver the estate wide priorities and immediate improvements identified by residents on the estate along with the significant investment that would be required. Alongside the design and delivery of new homes other priorities identified had included improvements to the care and maintenance of the estate, community and green spaces, public realm, waste management, traffic and parking, which residents were keen to ensure were progressed in order to improve the quality of life for all those living on the estate.

In responding to the comments, Councillor Southwood, as Lead Member for Housing & Welfare Reform, began by thanking Asif Zamir for addressing the meeting in order to highlight residents views and for the supportive and constructive way in which St Raphs Voice had continued to work and challenge the Council in order to provide confidence for residents in the ongoing estate regeneration process. Whilst recognising the disappointment felt by residents that it would not be possible to offer the choice between full redevelopment and infill, an assurance was provided that the approach towards development of infill "plus" would continue to be community led and focussed on providing meaningful investment to secure real and tangible change for residents, including the consideration of wider objectives such as health and economic recovery. It was also confirmed, in response to a request from St Raphs Voice, that the approach being recommended to Cabinet would not prevent the option of full redevelopment being revisited should circumstances, in terms of the financial viability of the scheme, alter at any stage in the future.

Having noted the response provided and commitment towards ongoing engagement with the local community and St Raphs Voice, Councillor Muhammed Butt thanked Asif Zamir for his contribution at the meeting.

Councillor Southwood then moved on to introduce the report, which provided an update on the community led master planning process along with the background as to why delivery of the redevelopment masterplan was no longer considered financially viable. Whilst noting members disappointment that it would not currently be possible to offer residents the option of full redevelopment, Cabinet noted the potential to deliver significant place making improvements through the “Infill Plus” option now being progressed, which would include the early priorities identified for delivery, detailed within section 5.7 of the report. Members were also supportive of the wider more significant list of improvements and investment identified by residents for consideration alongside the design of the homes for the Phase 1 site and remaining phases of the masterplan, as detailed within section 5.8 of the report. The inclusion of a focus on wider Council objectives relating to health inequalities, education, culture, air quality and the climate emergency was also welcomed alongside the continued commitment to ongoing engagement with St Raphs Voice based on their Residents Charter.

In summing up, Councillor Muhammed Butt highlighted the ongoing focus on reconnecting with community groups moving forward from the pandemic in order to improve the lived experience for residents on estates across the borough, including St Raphael’s. Whilst recognising the disappointment expressed by residents and members in terms not being able to offer full redevelopment as an option he felt it important to note the challenges identified in relation to funding, whilst highlighting the Council’s commitment to continue working with all partners and stakeholders in order to deliver the improvements identified.

Having noted the comments made, Cabinet **RESOLVED:**

- (1) To confirm its continued commitment to improving the lived experience on St Raphael’s through an ‘infill plus’ approach to the delivery of new Council homes. This to include the delivery of resident priorities for green space and play space, streets and safety, community amenities, connectivity, health and employment.
- (2) To approve the allocation of £2.35m to enable commencement of the design of the Infill Masterplan, design of the wider estate improvements and the purchase and installation of a temporary community / project building, as described in section 5 of the report.
- (3) To note the Resident’s Charter developed by St Raphael’s Voice, the content of which informed planning for the Infill Masterplan and to acknowledge the role and commitment of St Raphs Voice, the Resident Board on St Raphael’s, both to date and in the future St Raphael’s project.

8. **Article 4 Direction Removing Permitted Development Rights for Change of Use From Class C3 dwelling houses to Class C4 House in Multiple Occupation**

Councillor Tatler (Lead Member for Regeneration, Property & Planning) introduced the report which detailed representations received to a borough wide Article 4 Direction requiring planning permission for change of use from residential dwellings to houses in multiple occupation (HMOs). In presenting the representations received and responses members were being asked to consider the making of a new Article 4 Direction that would exclude the draft Local Plan site allocations within the Church End Growth Area and all parts of the other seven Growth Areas.

In considering the report, members noted the important role that well maintained and managed HMOs contributed towards meeting housing need supported by Brent's planning policies. At the same time members also recognised the negative impacts which poor quality HMOs could have on their occupants and also surrounding neighbourhoods, as detailed through the examples provided in Appendix 3 of the report. The principles which supported the approach outlined towards the Article 4 Directive for HMOs were also noted as a means of providing a complementary and co-ordinated approach between both the Housing Licensing and Planning functions, as well as in assisting to address the potential over-concentration of HMOs in an area and protect local amenity. Members were advised that subject to approval of the recommendations within the report any new Article 4 Direction would, following the consideration of any representations received, be unlikely to take effect for at least one year in order to comply with the necessary procedure for its confirmation.

Having noted the benefits associated with the proposed way forward in terms of ensuring the delivery of good quality and well managed HMOs, Cabinet **RESOLVED:**

- (1) To note the representations received on a non-immediate Article 4 Direction made in October 2019 removing permitted development rights for change of use from Residential (C3) to Houses in Multiple Occupation (C4) and the officers' responses.
- (2) To agree, having considered the representations received, that the non-immediate Article 4 Direction made in October 2019 removing permitted development rights for change of use from Residential (C3) to Houses in Multiple Occupation (C4) does not proceed to confirmation and the Direction is formally revoked.
- (3) To approve the making of a new borough wide non-immediate Article 4 direction for change of use from Residential (C3) to Houses in Multiple Occupation (C4) that excludes the draft Local Plan's site allocations within Church End Growth Area and all parts of the other seven Growth Areas as shown in Appendix B of the report.
- (4) To delegate authority to the Strategic Director for Regeneration and Environment in association with the Cabinet Member for Regeneration, Property and Planning to consider consultation responses and the decision on whether to confirm the Article 4 Direction.

9. **Proposal for ownership and refurbishment of Granville New Homes blocks**

Councillor McLennan, as Deputy Leader & Lead Member for Resources, introduced a report which set out options for funding and carrying out remedial works identified as required at the Granville Road, Princess Road and Canterbury Road blocks (otherwise known as Granville New Homes) and potential disposal of these blocks from First Wave Housing Ltd (FWH Ltd) to the Housing Revenue Account (HRA).

In considering the report, members noted that the Granville New Homes comprised a total of 110 out of the 326 properties managed by First Waved Housing Ltd as one of the Council's wholly owned housing companies. These consisted of 84 social rented properties, 25 intermediate rented properties and one leasehold property. The development had been constructed in 2009 with the properties initially being purchased and managed through Brent Housing Partnership (BHP) and subsequently FWH Ltd's portfolio. As a result of subsequent problems experienced in terms of water ingress and other issues identified in relation to the design and construction of the blocks as well as in relation to cladding and fire safety FWH Ltd had commissioned a report from Ridge Consultants to investigate the remedial works required to remediate the issues identified, the results of which had been summarised within section 3 of the report. The estimated cost of the remedial works identified had totalled £18.5m, which members noted would make the FWH Ltd Business Plan unviable.

As a result the Council (as Guarantor) and FWH Ltd had been required to explore options for funding the works whilst protecting the ongoing viability of FWH Ltd, balancing costs with the HRA and ensuring the works were undertaken as quickly as possible and with minimum disruption for residents. The options considered had been detailed within section 4 of the report with the recommended option (disposal of the blocks to the HRA) and further detail on the structure of the proposed transaction having been set out in sections 5 and 6 of the report along with a review of the relevant implications for tenants, FWH Ltd, the General Fund and HRA.

Members were assured that subject to approval of the final option a full consultation process would be undertaken with residents to seek their views prior to any final decision being made to move forward.

Cabinet were also advised that the issue had been considered at the Audit & Standards Advisory Committee on 22 September 21 as part of a regular update received on FWH Ltd. As a result, it had been recommended that the Community and Wellbeing Scrutiny Committee should be invited to consider and comment on the implications for Brent Housing Management (BHM) and the HRA arising from the recommended disposal option identified. The Community and Wellbeing Scrutiny Committee had met on 7 October 21 to consider the proposals and as a result had made a number of recommendations to Cabinet, which the Deputy Leader advised included a number of proposals to ensure the necessary due diligence had been undertaken in relation to an assessment of the options and in procuring and monitoring the design and build quality of any similar types of construction work in the future. In noting the recommendations, Cabinet were advised these would be taken forward as appropriate with the relevant services across the Council.

In terms of other comments raised, Cabinet noted the external legal and tax advice confirming that the preferred option identified within the report (Option 1c) would be technically viable along with the associated financial implications in relation to the

HRA and FWH Ltd. In terms of the affected tenants, this would involve the 84 social rented tenants becoming secure council tenants and one leaseholder becoming a council leaseholder with members assured that this would not represent any greater level of risk to the HRA in terms of rental income, Right to Buy or stock maintenance and management costs than posed through the existing HRA portfolio. The 25 intermediate tenants would become i4B tenants.

Having noted the recommendations made by the Community & Wellbeing Scrutiny Committee on 7 October 21 along with the assurances provided in relation to risk, the viability of the preferred option, engagement process and outcomes being sought for the affected tenants and leaseholder, Cabinet **RESOLVED** having also considered the information provided within the exempt appendix accompanying the report:

- (1) To note the options analysis detailed within the report and agree that disposing of the blocks at Granville New Homes to the Council's Housing Revenue Account was the best option, subject to a consultation with residents being carried out.
- (2) To approve commencing a consultation with residents on the proposed option 1C as set out in sections 5 and 6 of the report.
- (3) To delegate authority to the Strategic Director of Community Wellbeing in consultation with the Director of Finance and the Lead Member (the Deputy Leader) for a final decision regarding the disposal of the properties, subject to the outcomes of the consultation with residents.
- (4) To delegate authority to the Director of Finance to renegotiate the terms and payment of the loan between Brent Council and First Wave Housing Ltd.

10. **Quarter 2 Financial Report 2021/22**

Councillor McLennan, as Deputy Leader and Lead Member for Resources, introduced a report which detailed the current (Quarter 2) forecast of income and expenditure against the revenue budget for 2021/22 and other key financial data.

In considering the report, Cabinet noted the total pressures currently forecast for the year, which amounted to £4.2m in relation to the Dedicated Schools Grant (DSG). Members also noted the details provided in relation to the recovery initiatives along with risks and uncertainties identified across each service and budget area. Whilst significant uncertainties remained in relation to the recovery from the pandemic, members were advised that the 2021/22 budget had been set to accommodate the additional costs and loss of income arising as a result and it was currently anticipated that the pressures identified could be contained within the growth provided to service areas. With the exception of the pressure identified in relation to the DSG, the forecasts in relation to both the General Fund and Housing Revenue Account (HRA) currently matched the budget position and assumptions agreed for the year.

Members attention was also drawn to the progress being made in relation to delivery of the budget savings agreed for 2021/22 – 2022/23 as detailed within Appendix A of the report. The majority of savings (£6.9m) remained on track with

mitigating actions agreed in relation to the £0.8m currently identified as delayed. Details were also provided on the progress being made in relation to delivery of the various initiatives funded in July 21 to promote recovery from the pandemic, as detailed within Appendix B of the report.

In terms of new and emerging risks, Cabinet were advised of the pressures identified in relation to the significant increase in asylum seekers and refugees arriving in the UK, as detailed within section 1.4 of the report. Whilst the Council remained committed to supporting vulnerable families and individuals seeking asylum, members remained focussed on ensuring the dispersal scheme was proportionate and reasonable across all London Boroughs and that the funding provided was sufficient to cover all anticipated pressures across adult social care, children's services, public health, housing and community safety.

As a final update, Cabinet noted that it was anticipated that the Governments Spending Review would be finalised at the end of October 21 based on a three year settlement for Local Government covering 2022/23 – 2025/26. It was expected this would include further details relating to the Health & Social Care Levy as well as other existing social care grants and schemes such as the Improved Better Care Fund, Social Care Grant and Adult Social Care precept. Given the timing of the announcement and the wider changes expected to be included as part of the settlement, it was now planned to publish the Council's draft 2022/23 budget in December 21 in order to allow sufficient time to work through the impact and any changes that may be required to ensure production of a balanced and robust budget.

In summing up, Councillor Muhammed Butt highlighted the concerns expressed by Cabinet at the ongoing uncertainty identified in relation to the Government's current proposals for the Local Government Spending Review and potential impact of the levelling up agenda on London. Despite the ongoing challenges identified, he advised the Council remained committed to delivering against its aims and priorities and to ensuring representations continued to be made in relation to the impact of the Governments funding settlement on Local Government and the communities they served.

Having considered the forecast and update provided Cabinet **RESOLVED:**

- (1) To note the overall financial position as detailed within the Quarter 2 update and the actions being taken to manage the issues highlighted within the report.
- (2) To note the budget setting strategy for 2022/23.

11. **Authority to Award Contract for the Managed Services for Temporary Agency Staff**

Councillor McLennan, as Deputy Leader and Lead Member for Resources, introduced a report seeking approval to the proposed award of the contract for a Managed Service for Temporary Agency Staff.

Members noted that the aim of the service was to provide temporary staff to fill vacant positions over a short term period and on an interim basis in order to

manage fluctuations in workload and obtain specialist skills as the need was identified. The report outlined the procurement and evaluation process which had been undertaken, with members commending the social value commitments being offered to support local residents and employment as detailed within section 9.3 of the report.

In considering the report, Cabinet noted the information provided within the exempt appendix and **RESOLVED** to approve the award of the contract for a Managed Service for Temporary Agency Staff to Contractor C for a period of three years plus a one year extension.

12. **2021/22 Quarter 1 (April - June) Performance Report**

Councillor McLennan, as Deputy Leader and Lead Member for Resources, introduced the report providing a corporate overview of performance information linked to the Borough Plan priorities for the first quarter 2021/22 (April – June 2021).

In presenting the report, Councillor McLennan highlighted the ongoing impact of the Covid-19 pandemic across the organisation as the Council had continued to focus on the recovery programme and effect this had had on a number performance indicators across priority areas. This had resulted in the introduction of an additional purple KPI rating during the previous quarter which had been used to rate KPIs that were outside of target as a direct result of performance directly attributable to the impact of the Covid-19 pandemic. In addition, members noted the further revision to the format and content of the report and accompanying scorecard in order to develop a primary focus on performance against the Council's Borough Plan and priorities.

Whilst noting that the measures identified would be subject to further adjustment as performance developed and additional data became available moving forward during the year, members were advised that of the 65 Borough Plan Indicators which had been included 23 were rated as on or above target (green), eight as just off target (amber) and 10 as off target (red). Four had been rated as purple with 13 being for contextual use only and data awaited on the remaining indicators. An additional 14 internal business indicators had also been included of which one was rated on or above target (green), two just off target (amber), and seven as off target (red). One had been rated as purple with three provided for contextual information only.

Having recognised the ongoing challenges identified, Councillor Muhammed Butt in summing up, felt it was also important to highlight the Council's continued efforts to manage and mitigate against the strategic risks identified as part of the overall wider approach towards supporting local residents. Lead Members were also thanked and encouraged to continue their focus on working jointly with their relevant Strategic Directors, in seeking to mitigate and address performance, where identified as required.

Having considered the update provided, it was **RESOLVED** that Cabinet:

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

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

13. **Exclusion of Press and Public**

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

14. **Any other urgent business**

None.

The meeting ended at 10.50 am

COUNCILLOR MUHAMMED BUTT
Chair