

	Officer Key Decision
	Report to the Director, Housing Services
	Cabinet Member for Housing, Homelessness & Renters, Councillor Robert Johnson
Authority to Enter into a Grant Agreement for Cladding Safety Scheme – Building Safety Programme	
Wards Affected:	Kilburn
Key or Non-Key Decision:	Key Decision
Open or Part/Fully Exempt:	Open
List of Appendices:	None
Background Papers:	None
Contact Officer(s): (Name, Title, Contact Details)	Giuseppe Coia Major Works and Refurbishments Manager Giuseppe.Coia@Brent.Gov.Uk Tel: 07776665790

1.0 Executive Summary

- 1.1 This report requests approval to enter into a grant agreement with The Homes and Communities Agency (trading as Homes England) via the Cladding Safety Scheme for the Building Safety Programme.

2.0 Recommendation(s)

That the Director, Housing Services:

- 2.1 Approves the Council entering into a grant agreement with Homes England for the purpose of funding the Building Safety Programme. The initial amount of grant offered is £667,500 for The Oaks.
- 2.2 Approves the Council entering into further grant agreements with Homes England for the Building Safety Programme, estimated at £4,025,100, subject to formal award from Homes England.

3.0 Detail

Contribution to Borough Plan Priorities & Strategic Context

- 3.1 This grant agreement will facilitate the contribution to the Borough Plan and other strategic policies as follows:
- 1 A Cleaner, Greener Future – the remedial works will include specifications that are sustainably sourced. There will be high levels of energy efficiency in the properties that will lead to reduced fuel usage and bills for residents.
 - 2 Thriving Communities – the contractors will provide support to the local community in terms of work experience and computer equipment.
 - 3 A Healthier Brent – the works will eradicate the issues of water penetration and dampness, and risk of fire spread within the properties.
 - 4 Climate & Ecological Emergency Strategy – the design and resultant works will contribute to the Council achieving its climate emergency targets.
- 3.2 These priorities re-affirm the Council's ambition to continue building new Council homes with a target of 1,700 homes by 2028 and improving the quality of housing across the private sector and in the Council's own housing stock. Housing is also a key stakeholder in the delivery of Green Neighbourhoods both through the engagement with Registered Providers and investment in Council owned homes, specifically retrofitting poorly performing housing. It is acknowledged that whilst Housing is not specified in the remaining priorities set out in the borough plan, a safe, suitable, and secure place to call home is a foundation for Thriving Communities, for The Best Start in Life, and a Healthier Brent.
- 3.3 Other strategies that are relevant to Housing include.
- Black Community Action Plan
 - Climate and Ecological Emergency Strategy
 - Homelessness and Rough Sleeper Strategy
 - Equality Strategy
 - Health and Well-being Strategy
 - Procurement Strategy
 - Local Plan
 - Inclusive Growth Strategy

Background

- 3.4 The council has been successful in its application to Homes England via the Cladding Safety Scheme (CSS) for assistance with the Building Safety Programme. The grant funding will be awarded incrementally as it is based on individual grant applications. This is governed by Homes England, and they are not viewing the applications holistically. This is as per the scheme guidance.
- 3.5 Officers have submitted separate applications to the CSS for the following properties:

13-56 Watling Gardens
97-135 Watling Gardens
57-96 Watling Gardens
1-51 Canterbury Court
1-113 Gorefield
1-64 Alpha House
1-44 The Oaks

- 3.6 No works will be recharged to leaseholders as the scheme is intended to protect leaseholder rights and prevent hardship relating to remediation works.
- 3.7 The 3 Watling Gardens blocks require the HPL spandrel panels in the corridors to be replaced. These have an inadequate fire rating. In the event of a fire reaching the end of a corridor these would burn easily and potentially allow the fire to spread to other floors.
- 3.8 Canterbury Court has cladding to part of the external façade. This includes flammable components. In the event of a fire to one of these areas this could hamper access and egress to the building.
- 3.9 Gorefield and Alpha House has cladding to the open staircases. This includes flammable components. In the event of a fire to one of these areas this could hamper access and egress to the building.
- 3.10 The Oaks has heating works planned as part of a recent funding exercise via Warm Homes and The Council's Carbon Offset fund. However, the FRAEW has identified spandrel panels in the corridors that are inadequately fire rated. In the event of a fire to one of these areas this could hamper access and egress to the building. The estimated budget is the additional budget to cover the replacement of the spandrel panels.
- 3.11 Each block has been assigned a risk rating, which determines the priority and sequencing of the works and that importantly, the assessments undertaken to date conclude that no interim measures or temporary risk mitigation actions are required for any of the affected buildings
- 3.12 The funding is intended to assist local authorities and landlords with the funding or partial funding of remediation works to their stock if it has non-compliant cladding. The funding only covers the cladding remediation and costs associated with replacing the cladding, such as surveys, design, procurement, scaffolding and preliminary costs. No other works are intended for these blocks and therefore the CSS should fully fund the remediation works.
- 3.13 Homes England have advised that they will pay the approved amounts when the Grant Funding Agreements have been executed. This is so the Council can

expedite design and procurement to prepare a Works Package for the property. It is expected that a further grant award for the works will then be considered. This process is expected to be replicated for all 7 blocks above.

3.14 Officers applied for the grant funding using an on-line portal set up by Homes England. The application required various data to be provided:

1. Property details.
2. Evidence of consultation with residents.
3. External wall fire risk assessments.

3.15 The initial award proposal is attached to this report.

Grant Award

3.16 The grant award to date is for pre-contract tasks.

3.17 The list of applications is as follows.

Block	Survey/EWS1	Outcome	Identified High risks	Risk Level	Priority	Identified Building Safety Works	Estimated Budget Required	Total with Contingency
13-56 Watling Gardens	Yes	B2	ACM cladding	High	1	Spandrel panels x2 only.	£ 450,000	£ 495,000
97-135 Watling Gardens	Yes	B2	ACM cladding	High	1	Spandrel panels x2 only.	£ 400,000	£ 440,000
57-96 Watling Gardens	Yes	B2	ACM cladding	High	1	Spandrel panels x2 only.	£ 400,000	£ 440,000
1-51 Canterbury Court	Yes	B2	HPL cladding	High	2	Open staircase cladding; cladding to	£ 500,000	£ 550,000
1-113 Gorefield	Yes	B2	HPL cladding	High	2	Possible open staircase cladding.	£ 350,000	£ 385,000
1-64 Alpha House	No	Predicted B2	HPL cladding	High	2	Possible open staircase cladding.	£ 350,000	£ 385,000
1-44 The Oaks	Yes	B2	UPVC window frames	High	4	Remove EPS. Replace spandrel panels x1. Leave window dpm.	£ 1,500,000	£ 1,650,000
Cost of the Works							£ 3,950,000	£ 4,345,000
ADD specialist and technical consultant costs/ additional staffing. Provisional.							£ 316,000	£ 347,600
							£ 4,266,000	£ 4,692,600

3.18 It expected that the total grant funding could be £4,692,600.

3.19 The funding is required to fund the remediation of the properties. The objectives of the funding are consistent with the Council objectives and priorities as required by Financial Regulation 9.1.2.

3.20 In order to receive grant funding, the Council is required to enter into a grant agreement. It will be necessary to ensure that the Council is able to comply with the GLA grant conditions,

4.0 Stakeholder and ward member consultation and engagement

4.1 The Cabinet Member, ward councillors and residents have been advised of the grant application.

5.0 Financial Considerations

- 5.1 The remediation works are to be carried out by the Housing Revenue Account (HRA), financed by grant funding from the Cladding Safety Scheme.
- 5.2 Under the terms of the grant, Homes England will fund remediation works for all buildings deemed eligible.
- 5.3 Officers have reviewed the terms of the grants and consider that the Council will be able to comply with the grant conditions.
- 5.4 There is an no existing capital budget for these works. As a new capital project, Cabinet approval is required before spend can commence on the works.
- 5.5 Any additional costs or cost overruns will need to be funded by borrowing or other HRA capital financing resources such as the annual major repairs budget of approximately £15m. This could place significant pressure on the HRA or impact the Council's ability to deliver other works.
- 5.6 Corporate Director for Finance and Resources has approved entry into the grant funding agreement as required by the Financial Regulations.

6.0 Legal Considerations

- 6.1 The Director, Housing Services has delegated authority pursuant to paragraph 9.5 and 9.7 of Part 3 of the Constitution and Financial Regulation 8.2.2 of Part 2 of the Constitution to enter into grant funding arrangements. In doing so, the Director must ensure that the objectives of the grant agreement are consistent with the Council objectives and priorities in accordance with Financial Regulation 9.1.2.
- 6.2 As the Council will be an accountable body in respect of grant funding and in accordance with Financial Regulation 9.1.1, the Director of Housing Services must only exercise delegated powers to enter into grant funding arrangements where the Corporate Director, Finance and Resources approve entry into such arrangement. The Corporate Director, Finance and Resources has confirmed in the Financial Implications approval to entry into the grant agreement.
- 6.3 The Council is required to enter into a formal grant agreement. Legal Services have reviewed the grant agreement and can confirm that it is legally permissible for the Council to enter into the grant agreement
- 6.4 The Council's power to apply for grant funding and enter into a Grant Agreement can be found under section 111 of the Local Government Act 1972, or under the power of general competence set out in section 1 of the Localism Act 2011.
- 6.5 Section 1 of The Localism Act 2011 provides that the Council may do anything "which individuals may generally do". This is a free-standing power of general

competence which is subject to section 2 of the Act. The Council would not be able to rely on the S.1 power where a pre-existing power sets out more specific restrictions, or where a post-commencement power indicates that the power of general competence is excluded.

- 6.6 Any grant funding received will be subject to certain conditions such as, the grant money is to be spent on capital, and the scheme will be delivered to programme to agreed dates. Failure to adhere to such conditions could require the Council to refund some or all of the grant received.

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

8.0 Climate Change and Environmental Considerations

- 8.1 The works will involve the design and specification of some energy efficient materials and components. This will include specialist energy efficiency and environmental technical advice. This will support the Council's Climate Emergency Strategy.

9.0 Human Resources/Property Considerations (if appropriate)

9.1 There are no implications for Council staff.

10.0 Communication Considerations

10.1 A comprehensive engagement and consultation plan will be developed and implemented in relation to the residents affected by the works.

Report sign off:

Spencer Randolph
Director – Housing Services