

Minutes of Cabinet

**Wednesday 12 July 2023 at 3.30pm
in the Council Chamber, Sandwell Council House**

Present: Councillor Carmichael (Chair);
Councillors Hackett, Hartwell, Khatun, Padda, Piper and
Rollins.

In attendance: Councillors Fenton, E Giles, Lewis, Moore and Taylor.

Also present: Shokat Lal (Chief Executive), Surjit Tour (Director of Law and Governance and Monitoring Officer), Gillian Douglas (Director of Housing), Michael Jarrett (Director of Children's Services), Tony McGovern (Director of Regeneration and Growth), Simone Hines (Director of Finance), Suky Suthi-Nagra (Democratoc & Member services Manager), Connor Robinson (Democratic Services Officer and Ant Lloyd (Democratic Services Officer).

74/23 **Apologies for Absence**

Apologies were received from Councillors Hughes, Millard and Owen.

75/23 **Declarations of Interest**

Councillor Taylor declared an interest in relation to Minute No. 91/23 (West Bromwich Heat Network – Approval for final development) on the basis that she had met with the managers of the privately owned large Energy from Waste Plant, Kelvin ERF.

76/23 **Minutes**

Resolved that the minutes of the meeting held on 7 June 2023 be approved as a correct record.

77/23 **Urgent Item of Business - Local Authority Housing Fund**

An additional item of business was considered as a matter of urgency.

Approval was sought to draw down the offer of £1.8m of Capital Grant Funding from the Department of Levelling Up, Housing and Communities (DLUHC). Due to limited funds and financial pressures from the Council's responsibility to maintain and update existing properties, including the need to address damp and mould conditions.

Concern was expressed that the required matched-funding that the Council was required to make was not realistic. The purchase of 19 properties was deemed too large a task with the funding available and therefore, the Cabinet Member for Housing and Built Environment moved a recommendation that officers relay the concerns around finances to the Department for Levelling Up, Housing and Communities.

In response to questions from Scrutiny Chairs, the Cabinet Member for Housing and Built Environment confirmed that as part of Sandwell's journey to become a borough of sanctuary, the Borough of Sanctuary Sandwell Partnership had been set up in 2020 between Sandwell Council, local organisations and residents who wanted to play a part in making Sandwell a more welcoming place for migrants, refugees and asylum-seekers.

Reason for Decision

Sandwell Council had been offered the opportunity to draw down £1.8m of Capital Grant Funding in return for the provision of 19 units of accommodation, 17 for settled accommodation and 2 units of temporary accommodation. A further £20,000 per property was also available to account for other costs (including refurbishment).

Alternative Options Considered

Sandwell Council was not required to draw down the capital funding offered. Alternatively, Sandwell could have requested to draw down part of the funding.

Resolved:-

- (1) that approval be given to draw down the offer of £1.8m of Capital Grant Funding from the Department for Levelling Up, Housing and Communities (DLUHC);
- (2) that the Director Housing be authorised to match fund £2.195m from unallocated Housing Revenue Account reserves and/or through prudential borrowing for the purpose of acquiring 19 units of accommodation to support the resettlement of families supported by the Home Office's Afghan Relocations and Assistance Policy (ARAP) and the Afghan Citizens Resettlement Scheme (ACRS);
- (3) that the Director of Housing be authorised to contact the Department for Levelling Up, Housing and Communities expressing concern that the Council can only draw down 40% of the capital spend and is expected to find the majority funds to support this approach.

78/23

Award of Contract for use of Enforcement Agents

Approval was sought to award a contract for the use of Enforcement agents following a compliant procurement process from 1 December 2023.

It was highlighted that the Council could employ their own enforcement agents, but this would prove costly and difficult to manage. Very few local authorities used their own enforcement agents as it was believed that it was good practice for agents to be independent from the Council to avoid any unnecessary challenges.

By jointly awarding a contract with neighbouring local authorities, the Council would ensure a consistent approach was taken whilst also gaining the benefits of reduced costs.

Reason for Decision

The contract for the use of enforcement agents would end on the 30 November 2023. Sandwell was committed to ensuring effective collection of unpaid Council Tax, Business Rates, High Court and County Court judgements, Commercial Rent arrears, Business Improvement District (BID) charges and sundry debts, including housing benefit overpayments. The use of enforcement agents was

crucial in ensuring the Council maintain and improve current levels of performance and was always used as a last option.

Alternative Options Considered

If a contract was not in place to provide additional assistance with the recovery of unpaid Council Tax, Business Rates, High Court and County Court Judgements, Commercial Rent arrears, Business Improvement Districts (BID) charges and sundry debts, including Housing Benefit overpayments, the recovery actions available to the Council would be limited. Recovery rates would reduce affecting income available to the Council to provide services.

Resolved:-

- (1) that the Director of Finance – Section 151 Officer, in consultation with Cabinet Member for Finance and Resources, be authorised to award a contract for use of Enforcement Agents for a 5-year period (3 + 2), following a successful competitive exercise in accordance with Contract Procedure Rules;
- (2) that the Director of Law and Governance – Monitoring Officer be authorised to execute any documentation necessary to enable the action referred to in Resolution (1) above to proceed.

79/23

Budget and Corporate Scrutiny Management Board – Customer Journey Scrutiny Review

On 22 March 2022, the Secretary of State for Levelling Up, Housing and Communities announced an intervention package and a set of Directions to ensure the council was able to comply with its best value duty under Part 1 of the Local Government Act 1999. These Directions were in-part influenced by the Grant Thornton report following their Value for Money Governance Review of December 2021. In response, the Council developed an Improvement Plan which included proposed mechanisms for governance and assurance.

One of the objectives within the Plan was to improve the customer journey experience to meet residents' needs and demands. This was a corporate priority for the authority. Subsequently, in 2022, the Budget and Corporate Scrutiny Management Board agreed to undertake an in-depth Scrutiny Review into the Customer Journey

to analyse how customers, residents and service users were navigating Council services.

Consideration of the recommendations made by the Budget and Corporate Scrutiny Management Board was sought. The Chair of the Budget and Corporate Scrutiny Management Board expressed that the Council's customer services were not quite where the Council should be. The recommendations and accompanying report were designed to be helpful and constructive and it was highlighted that despite the concerns raised, good examples of excellent customer service had been realised and experienced during the review.

The Cabinet Member for Adults, Social care and Health, on behalf of the Cabinet, thanked members of the Budget and Corporate Scrutiny Management Board for undertaking scrutiny work and welcomed the recommendations provided. Whilst the Cabinet Member for Adults, Social Care and Health moved the recommendations of scrutiny, recommendation 1.2(10) was not moved due to a lack of resources to enable the reduction in wait time for responses. Despite this, it was stated that a wider remit of work was underway to review timescales.

Reasons for recommendations

In 2022, the Budget and Corporate Scrutiny Management Board agreed to investigate the experience of Sandwell residents when accessing or requesting Council services; this would be referred to as the "Customer Journey". This was in response to:-

- concerns raised by residents about response times to queries;
- member's experiences when trying to contact services/individual officers (e.g. delayed/no response);
- addressing the objectives of the Council's Improvement Plan to improve the customer journey experience;
- to improve communication between residents and the council.

The Board recognised that significant improvements needed to be made in order to help the Council leave intervention. Customer services was of public interest and aligned with the Council's corporate priorities.

The Budget and Corporate Scrutiny Management Board subsequently conducted a scrutiny review, establishing a Working Group to carry out the review and ascertain an understanding of the

current customer journey experienced by residents and users of Sandwell Council's services.

Alternative options considered

There are no alternative options. The Cabinet may approve all, some, or none of the recommendations.

Resolved that the following recommendations arising from the Customer Journey Scrutiny Review of the Budget and Corporate Scrutiny Management Board be approved:-

- (1) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Cabinet Member for Finance and Resources and Cabinet Member for Adult Social Care, be authorised to agree a customer care standards/charter, and staff responsibilities in relation to those standards to ensure;
 - a) that "back-office" staff take ownership and accountability of customer requests received via Contact Centre Agents;
 - b) a standard approach is taken to making officer contact numbers available on Outlook and to customers to prevent additional calls being made to the Contact Centre;
 - c) a standard approach to the complaints process and deadlines for responding to complaints are clear and accessible across all Council services;
 - d) that key contacts are identified within each service area to aid Customer Service Agents in their enquiries;
 - e) that residents are regularly updated and informed about the current process of their request/query.

- (2) that the Director of Regeneration and Growth/Assistant Chief Executive be authorised to commission/develop a customer training package that incorporates the following topics:-
 - a) The completeness of response letters
 - b) Methods to manage customer expectations and awareness around the Council's remit and responsibilities.

- (3) that the Director of Regeneration and Growth/Assistant Chief Executive ensure that all members of staff undertake training around customer care standards as identified in Resolution (2) and that staff performance against these standards be incorporated within the appraisal process;
- (4) that mandatory corporate customer service training be included as part of the induction process for all staff;
- (5) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Director of Finance, investigate options for procuring a single joint Customer Relations System across the Council;
- (6) that the Director for Director of Regeneration and Growth/Assistant Chief Executive considers the introduction of automated feedback surveys and that regular feedback on Council enquires/complaints are analysed and shared with Directorates;
- (7) that the Director for Director of Regeneration and Growth/Assistant Chief Executive introduces corporate guidelines in relation to the use of Council contact numbers to ensure that all officers are contactable and that contact details are updated regularly;
- (8) that the Director of Regeneration and Growth/Assistant Chief Executive considers the feasibility of amalgamating the current three contact centres (Corporate Contact Centre, Revenues and Benefits Contact Centre and Adult Social Care Care) into a single contact centre number with staff specialising in various areas;
- (9) that the Director of Regeneration and Growth/Assistant Chief Executive, as part of the refresh of the Council's website, ensures the Council continues to promote the use of Sandwell Digital First and the Council's website as the first point for accessing information and raising an issue/request.

Octopus Affordable Housing Scheme

Approval was sought to authorise the Director of Regeneration and Growth to utilise a recently formed affordable housing scheme by Octopus. If successful, the land would be sold to Octopus who would then deliver the scheme. The Council would benefit from capital receipt from the land as well as nomination rights. Delivery of the scheme would kickstart the Rolfe Street area regeneration.

Emerging evidence had highlighted that housing delivery was slowly improving. Financial constraints and market conditions had limited the methods that could be utilised by the Council to deliver affordable housing. It was explained that an increasing number of private funders were now working with public landlords to deliver housing schemes to meet ever-increasing demand.

In response to questions from the Chair of the Economy, Skills, Transport and Environment Scrutiny Board, reassurance was provided that both of the parties involved were subject to regulatory requirements which included assessments of financial governance; this had been undertaken by the Regulator of Social Housing. Although the prospect of liquidation for either organisation was low, appropriate financial suitability checks would be carried out.

In the event that liquidation was to take place, the regulatory framework would have permitted an application to Court for a Housing Administration Order, which resulted in the affairs, business and property being managed by an Housing Administrator.

Reasons for Decision

There was a significant regeneration priority to increase the level of supply of housing of all tenures in the Borough. Specifically, the shortfall in the supply of Affordable Housing needed to be overcome in order to meet identified need.

Alternative Options Considered

The alternative options to provision were as follows:

- **Do Nothing:**
In this scenario, the provision of affordable housing, utilising more traditional models of s106 obligations and delivery through the provision of Registered Providers Development Programmes was likely to continue on a similar trajectory to previous years, with identified need going unmet.

- Seek an Alternative provider:
Octopus Real Estate was not the only private sector providers in the market, and the Council could have sought to establish relationships with alternative operators. However, it was not clear how long it would take to find such an alternative operator, and whether they would invest on the same basis as Octopus.

Resolved:-

- (1) that approval be given to authorise the Director of Regeneration and Growth to seek investment opportunities to deliver affordable housing provision working in partnership with Black Country Housing Group and Octopus Real Estate;
- (2) that the Director of Regeneration and Growth be authorised to progress a scheme at the former Rolfe St Baths site in partnership with Black Country Housing Group comprising sufficient information to enable the submission of an Initial Business Case for consideration by Octopus Real Estate;
- (3) that, in the event that the Initial Business Case is approved by Octopus Real Estate, the Director of Regeneration and Growth, in consultation with the Cabinet Member for Growth and WMCA and the Director of Law and Governance and Monitoring Officer, be authorised to enter into a formal agreement with Black Country Housing Group to enable them to progress the delivery of the scheme, specifically including the following areas of responsibility:

Black Country Housing Group

- Obtaining all necessary consents (including planning, network rail consents and other permits/licences deemed necessary) to enable the scheme to proceed;
- Procurement of contractors;
- The Construction Contract and its implementation
- Financial control of the project overall
- The Development Agreement with Octopus Real Estate
- Reimbursement of SMBC costs incurred at the Initial Feasibility stage

- The Management Agreement with Octopus Real Estate
- Providing SMBC with appropriate nomination rights for future occupants
- Underwriting of any cost overrun after contingency allowances on a 50/50 basis, subject to a maximum sum.

SMBC

- Progress the disposal of the Rolfe St Baths site to Octopus Real Estate, subject to further Cabinet approval.
 - Underwriting of any cost overrun after contingency allowances on a 50/50 basis subject to a maximum sum.
 - Obtain 100% nomination rights
- (4) that the Director of Regeneration and Growth be authorised to progress detailed negotiations on the disposal of the former Rolfe St Baths site, and to present a further report on those negotiations to Cabinet prior to disposal.
- (5) that a sum of £800,000 is allocated from the s106 contributions for Affordable Housing to under-write any potential construction cost overruns, subject to confirmation that a matching amount is provided from Black Country Housing Group;
- (6) that the Director of Regeneration and Growth be authorised to allocate resources from the Regeneration and Growth budget to support the progression of Resolution (1) – (5) above.

81/23

Regeneration Programme & Towns Fund Bi-Annual Update

Approval of the proposed amendments to the Regeneration Project Pipeline was sought.

The regeneration pipeline brochure was published in May 2023 alongside a new bespoke website which showcased the pipeline. In total, the pipeline contained 67 live projects with 24 in concept stage, 10 in business case stage, 8 in delivery stage, 25 on-site and 20 sites with planning permission.

Clarification was requested if any regeneration projects were planned for Greets Green and Lyng in the coming years. In response, it was confirmed that the West Bromwich Masterplan presented a long-term 20-year growth strategy for the town, Phase 4 of the masterplan (2034-38) proposed the Lyng as a long term mixed use development zone which supports the potential delivery of homes should the economic picture change significantly across the site.

Reasons for decision

On the 23 March 2022, Cabinet approved the Regeneration Strategy, Regeneration Project Pipeline and the Inclusive Recovery Action Plan for Business. Taken together, they set out the corporate regeneration priorities for the period 2022 to 2027. The pipeline was a live document, and Cabinet resolved for it to be monitored via a report submitted to Cabinet every 6 months. In addition, Cabinet resolved that approval be sought to make additions to the project pipeline and for updated pipelines to be published on the council website and the Regenerating Sandwell website.

Alternative options considered

This was a bi-annual update requested by Cabinet on 23 March 2022. In accordance with the Cabinet Decision, Cabinet were to consider additions to the project pipeline. There was no alternative option.**Resolved:-**

- (1) that the progress made on projects within the Regeneration Project Pipeline Performance Report, including Towns Fund Programme, be received;
- (2) that the following amendments to the Regeneration Project Pipeline be approved:-
 - Archives Centre, Smethwick project be added to the pipeline;
 - Netomnia Full Fibre project be added to the pipeline;
 - Brownfield Land One Public Estate (OPE) sites (if approved) be added to the pipeline;
 - Breakdown of programmes to articulate individual sites/projects (where appropriate);

- (3) that in connection with Resolution (2) above, the Director of Regeneration and Growth be authorised to implement the amendments to the Regeneration Project Pipeline and for this to be published on the council website.

82/23

Appointment of a non-executive director of Sandwell Children's Trust

Approval was sought to the appointment of Councillor Pam Randhawa as Council appointed member non-executive director of Sandwell Children's Trust. No objections had been received from the Secretary of State regarding the appointment.

Reasons for decision

On 22 March 2017, Cabinet agreed that the Council would consider only elected members or officers for the non-executive director roles on the board. Furthermore, the Cabinet recommended to the Council, and it was agreed, that one elected Member and one officer be identified as the two Council appointed non-executive directors, and that the identification of the officer (Council appointed non-executive director) be delegated to the Chief Executive.

Alternative options considered

The alternative option was to reject the recommendation. However, in line with the Governance Side Agreement with the Department for Education (DfE) and the Trust's Articles of Association there would have been a vacancy on the board that would still need to be filled. An alternative candidate would need to be nominated to Council and the process of consulting with the Secretary of State would need to be undertaken again. This would have left a potential gap in the governance arrangements of the Trust for a period as at least one of the Council appointed NED are required for Trust board meetings to be quorate.

Resolved that Cabinet, on behalf of the Council as the sole owner of Sandwell Children's Trust:

- a) notes the completed sequence of events that are contractually required to appoint a non-executive director of Sandwell Children's Trust;

- b) notes and takes into account in its decision-making, the response from the Secretary of State for Education; and
- c) approves the appointment of Councillor Pam Randhawa as Council appointed Member non-executive director of Sandwell Children's Trust.

83/23

Children's Social Worker recruitment and retention

Approval to increase the contract sum to Sandwell Children's Trust was sought to improve recruitment and retention and reduce reliance on agency workers and project teams.

Following questions from the Chair of the Economy, Skills, Transport and Environment Scrutiny Board, it was confirmed that Sandwell Children's Trust had a series of key priorities as part of their transformation plan including a priority around people. A comprehensive programme of support ranging from financial support coupled with opportunities for professional development, career progression and a focus on wellbeing had been created.

It was also highlighted that although there were no guarantees to overseas social workers being recruited, the funding would be used to provide an extensive package of wrap around support to attempt to convince those recruited to remain long-term. Members were minded that Sandwell Children's Trust were continuing to pursue "grow your own" with a new cohort of newly qualified social workers commencing in autumn.

Reasons for decision

In line with many other councils and Trusts across the country, Sandwell Children's Trust (SCT) faced workforce challenges regarding the recruitment and retention of social workers. Discussions with the Department for Education and regional colleagues had shown that the demand for talented and experienced social workers outweighed the supply. Additional funding was being sought to implement the Sandwell Deal with a view to improve recruitment and retention and reduce the overall reliance on more expensive agency workers and project teams

Alternative options considered

Option 1 – Continuation of the Market Supplement

A market supplement payment was a payment made to hard to fill roles to improve the base salary primarily due to the current salary

not being competitive compared to other Local Authorities/Trust. The analysis had indicated that the current market supplement of £2,500, had placed SCT in a more favourable position within the region with regard to Social Workers.

Option 2 – Introduction of a Retention Payment over Three Years

A retention payment was a lump sum payment outside of an employee's base pay that was offered as an incentive to retain an employee within SCT for a certain period of time. It would be payable dependent on the period of time the social worker remained with the Trust i.e. after 12 months, 24 months and 36 months. The analysis had indicated that the payment of a retention payment would assist in securing a more stable permanent workforce if offered over a period of time.

Option 3 – Recruitment of International Social Workers

Alongside the Sandwell Deal the Trust was considering the recruitment of International Social Workers. International Social Workers had been sourced by a significant number of local authorities to help fill their permanent vacancies. The Trust was proposing the recruitment of up to 12 qualified international social workers for financial year 2023/2024.

The recruitment would involve a package of support for the sponsorship fees and relocation and agency fees at a cost of £46k per worker. The maximum cost of recruiting 12 workers was £556k, the total cost would have been reduced if fewer than 12 workers were recruited.

Resolved:-

- (1) that approval be given to increase the contract sum to Sandwell Children's Trust by a maximum of £260,000 to continue the payment of a market supplement of £2,500, plus on costs, for 2023/24 to all permanent case holding social workers;
- (2) that approval be given to Sandwell Children's Trust adopting a retention payment policy for all permanent case holding social workers and permanent team managers, payable based on length of service at a maximum additional cost to the Council of £310,000 in year 1, £585,000 in year 2 and £1.136m in year 3;

- (3) that approval be given to authorise Sandwell Children's Trust to recruit up to 12 International Social Workers in 2023/24 at a maximum additional cost of £556k;
- (4) that in connection with Resolutions (1) – (3), approval be given for the total maximum cost of £1.126m for 2023/24 to be funded from the Social Care Earmarked Reserve;
- (5) that the Director of Finance, in consultation with the Director of Children's Services, review the Sandwell Deal Policy in December 2023 to evaluate its effectiveness in recruiting and retaining social work employees and consideration given to funding ongoing costs through the Council's Medium-Term Financial Strategy.

84/23

Green Spaces Annual Report 22/23 and Programme of Works 2023/24

Approval of the planned programme of works for green spaces for the financial year 2023/24 was sought.

The 2022/23 programme of works had aimed to improve the quality and value of Sandwell's green spaces whilst also retaining green flag status for those parks that had. 90% of the works scheduled for 2022/23 were completed. 41 play areas had been improved, 1 new play area had been established, 9 outdoor gym sites had been refurbished, all zip slides and swing baskets had been replaced and repaired and 33 allotments had been brought back into use. 160 sites had been cleared and work had been completed on West Smethwick Park. 30 new cricket pitches had also been created.

The 2023/24 programme had been created based on urgent improvements to sites that were of the highest priority. Work was underway to better understand the future needs for green spaces and to develop a funding plan for the next 5 years to continue sustained improvements. A safer parks strategy and allotment strategy was also under consideration.

In response to questions from the Chair of the Economy, Skills, Transport and Environment Scrutiny Board, it was confirmed that there had not yet been any consideration given to bringing outsourced allotments back into the Council, however, these issues would be addressed when the allotment plan was developed. Additionally, in relation to nuisance bikes across Sandwell,

Sandwell Council had partnered with West Midlands Police to address the issue.

Further questions were asked by the Chair of the Budget and Corporate Scrutiny Management Board. In response, the following comments were provided:-

- the programme of works was decided on site assessments completed by parks officers or play area inspectors, prioritising health and safety issues first. Quality scores from 2018 had been validated by improvement plans that were completed for 202 sites in May 2023;
- the quality scores for green spaces aligned mostly with deprivation levels across the borough. The green flag parks with the highest scores were often surrounded by houses from high income groups with more vocal participants. As a result, resources had been focussed on green spaces with the lowest scores;
- ward members and members of the public had been able to nominate hot spots for consideration for this teams work since March 2023 via email.

Reasons for decision

The Green Spaces Strategy 2022 – 25 set out an approach for Cabinet to approve and publish an annual report and an annual programme of planned works for green spaces. The planned programme of works included all funding sources, whether Council funded or externally funded.

Alternative options considered

To not approve the programme of works for 23/24. This would have required a new set of works to be drafted, with a new criterion for selecting these works determined.

Resolved:-

- (1) that the annual report for the programme of green spaces works in 2022/23 be noted and that approval be given to carry over any outstanding works to 2023/24 as set out in [Appendix A](#) and [Appendix A1](#);
- (2) that approval be given to the planned programme of works for green spaces for the financial year 2023/24, as set out in [Appendix B](#), [Appendix C](#), and [Appendix D](#);

- (3) that the Director of Borough Economy, in consultation with the Cabinet Member for Leisure and Tourism, be authorised to approve further works for green spaces, if additional funding becomes available, to spend during the financial year, based on the priority works identified in the green space improvement plans;
- (4) that the Director of Borough Economy be authorised to approve additional works, when required, to rectify immediate health and safety issues.

85/23

Commonwealth Games Legacy Plan

Approval of the Commonwealth Games Legacy Plan was sought. The legacy plan detailed how the Council would deliver against three key strategic objectives that spanned multiple directorates:-

- improve health, wellbeing and physical activity;
- inspire community engagement and collaboration;
- support growth in economy and place.

The plan had been in development since 2019 and was created by a legacy working group. The group comprised of officers from across Sandwell Council. The plan was a key opportunity to reflect and capitalise on the games.

Reasons for decision

The Commonwealth Games was a once-in-a-lifetime opportunity to promote Sandwell, attract investment and engage the community through sport. It was imperative that SMBC implement a framework of Legacy activity to ensure the benefit of the games did not stop at the end of the competition in August 2022. Sandwell Council's Commonwealth Games Legacy Plan aimed to capitalise on the benefits created by being a host venue at the 2022 Commonwealth Games.

Alternative options considered

Do nothing - Sandwell was currently the only delivery partner that has not published a CWG Legacy Plan. Failure to capitalise on the Legacy benefits of the CWG would represent a missed opportunity.

Resolved that the SMBC Commonwealth Games Legacy Plan, as set out in [Appendix 1](#), be approved.

Performance Management Framework – Q4 Monitoring

Approval of the Quarter 4 monitoring report was sought. The monitoring report was part of a series of regular updates to Cabinet on progress against the performance management framework, following the Grant Thornton external review.

Continued growth within the authority had been realised and the overall plan was on track. Highlights from 2022/23 included the improvement in Children's Services as seen in the Ofsted reports, town investment plans, conclusion of the Sandwell Aquatics Centre and success of the commonwealth games.

Following questions in relation to waste services, it was confirmed that garden waste collection subscriptions continued to grow and fewer crews were needed. Further collection efficiencies were to be made once the service had reached maturity. Additionally, the opening time at the household waste recycling centre had been an hour earlier, 7am, during the summer months.

In response to a query from scrutiny embers, the Cabinet member for Finance and Resources endeavoured to consider the feasibility of extending the opening times further to enable those who work during the day to attend the site later on.

Reasons for decision

Since April 2023, the corporate Performance Management Framework had been further refined and built into business processes. The report on performance during Quarter 4 (Q4) of 2022/23 (January-March 2023) sought to build on the intelligence gathered for previous quarters of the financial year and offered the opportunity to assess end of year progress.

Alternative options considered

The Directions issued by the Secretary of State, including the requirement to have a performance management framework in place, were a statutory requirement and the council had a legal obligation to respond appropriately. Failure to do so would have likely resulted in further intervention measures.

Resolved that Cabinet receive details of the progress on the further development of the Corporate Performance Management Framework and approve the Quarter 4 monitoring reports.

Recommendations from Budget and Corporate Scrutiny Management Board in response to quarter 3 budget monitoring report 2022/23

Consideration of the recommendations arising from the Budget and Corporate Scrutiny Management Board in relation to the Quarter 3 Budget Monitoring Report 2022/23 was sought.

Reasons for decision

The Budget and Corporate Scrutiny Management Board had considered the quarter 3 budget monitoring report for 2022/23 and expressed concern that:-

- significant overspends in a number of budget areas and looking at introducing additional control measures to ensure there was authorisation obtained to approve transactions on general spend and recruitment;
- the year on year increase in costs associated with children's placements and SEND and looking at the feasibility of in house provision to reduce costs, including those associated with adult social care placements;
- considering current outstanding section 106 spend, including details of deadline for spend and how ward members are consulted;
- meeting with the Cabinet Member for Children's Services to understand the high cost associated with Sandwell Children's Trust.

Alternative options considered

In accordance with the Localism Act 2011, Cabinet was requested to respond to the recommendations of the Scrutiny Management Board within two months, setting out any approved recommendations, and how they will be implemented.

Resolved:-

- (1) that Directors review and update any pages they hold on the Council's website;
- (2) that the Cabinet Member for Finance and Resources and the Director for Finance consider the introduction of additional financial controls on general spend, in particular, matters relating to recruitment and day to day spend where necessary;

- (3) that the Director of Children's Services, Director of Adult Social Care and Director of Finance, in consultation with the Cabinet Member for Children, Education and Young People, Cabinet Member for Health and Adult Social Care and Cabinet Member for Finance and Resources, be authorised to explore the feasibility of providing in house care for young people in care, SEND placements and adult social care placements;
- (4) that, in connection with Resolution (1) – (3) above, a further report be submitted to the Budget and Corporate Scrutiny Management Board, within 2 months' time, on the decision of Cabinet.

88/23 **Exclusion of Public and Press**

Resolved that the public and press be excluded from the rest of the meeting to avoid the possible disclosure of exempt information under Schedule 12A to the Local Government Act, 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, relating to the financial and business affairs of any person, including the authority holding that information.

89/23 **Cashless Strategy**

Approval was sought to introduce the phased removal of cash, cheque and postal order payments at Oldbury Council House. A further report would be provided to Cabinet in due course regarding the phased removal of cash and cheque postal order payments at all Council establishments. 1.1% of all transactions were carried out via cash transaction. It was deemed that the cost of administering these payments far outweighed the benefits. Pay points and post offices were still available to be used throughout the borough for those who wished to make any cash transactions. The resulting footfall to post offices would also be a benefit. If fully implemented, savings of £250k would be realised.

An appropriate Equality Impact Assessment and subsequent consultation would take place following approval. If requested, outcomes of the consultation and a copy of the Equality Impact

Assessment would be circulated to Cabinet and Scrutiny Chairs. The vast majority of all transactions were already via Direct Debit, online or bank transfers and the Council's current and future systems were resilient.

Reasons for decision

If all cash and cheque handling transactions were stopped, staff savings in the cashier's office would have been between £200k - £250k per annum. The savings would be phased over the project timeline in line with the recommendation to stop taking cash and cheques at Oldbury Council House first, followed by a phased approach across other Council locations. Savings would be confirmed as the Project Plan progressed.

Alternative options considered

Do nothing, continue as is.

Implement non-acceptance of cash and/or cheques & postal orders only at Council House, Oldbury, with other council services such as libraries and Sandwell Valley remaining out of scope. A decision would also be required whether to retain the internal kiosks.

Adopt a longer-term phased approach, commencing with implementation at Council House, Oldbury, followed by other council services and establishments, such as libraries and neighbourhoods within an agreed timeframe.

Resolved:-

- (1) that the principle of 'Going Cashless' at all Council establishments is approved and endorsed;
- (2) that the Director of Finance – Section 151 Officer be authorised to introduce the phased removal of cash, cheque and postal order payments as follows:
 - i) stop accepting cash, cheques and postal orders at Oldbury Council House, including through the kiosks;
 - ii) consider the opportunity to stop accepting cash, cheques and postal orders in all council locations and a further report be brought back to Cabinet once further consultation has been undertaken;
 - iii) cease the use of cheques for payments to suppliers and customer refunds;

- iv) where Council locations do require continued acceptance of cash & cheques, arrange direct banking collections and deposits and authorise the Director of Finance to undertake the appropriate procurement arrangements for the provision of this service;
- (3) that Phase One of the Project Implementation Plan as seen in Appendix 1 be approved including carrying out appropriate consultation and Equality Impact Assessments;
- (4) that a further report be brought back to Cabinet prior to the implementation of Phase 2 of the Project Plan.

90/23

Procurement of a Strategic Delivery Partner for the Regeneration Pipeline

Approval of the scope of a strategic delivery partner was sought. Due to supply chain issues and high costs associated with low carbon developments, the Council was facing multiple challenges in delivering projects as seen in the regeneration pipeline. Expertise provided by a procurement partner would help advise the Council on the best use of its assets. Procurement of a single delivery partner, rather than individual development procurement partners would allow the Council to deliver projects more efficiently in terms of cost, outcomes and social value.

Reasons for decision

The Council needed to take a longer-term approach to delivering key strategic projects in the approved Regeneration Pipeline by procuring a suitable partner to work with rather than the multiple single fixed price procurements and one-off relationships. Construction cost inflation had a major impact on the Regeneration Pipeline as bidders built in large elements to cover unknown risk. A longer-term approach would enable the Council to maximise private sector expertise, share risk more equally in a cost-effective way; increase social value and local spend benefits and generate more opportunities for apprenticeships.

Alternative options considered

The alternative option was to continue procuring delivery partners as per current practice.

Resolved:-

- (1) that approval be given to the scope of a Strategic Delivery Partner for the following:-
 - West Bromwich Masterplan
 - Grove Lane Masterplan
 - Rolfe Street Masterplan (subject to Cabinet approval)
 - Delivery of the Housing Revenue Account Council Home Newbuild programme (All sites and to include MMC)
 - Transport Pipeline – three CRSTS Schemes (Birmingham to Smethwick Inclusive Growth Corridor; A4123: Multi Modal; A461: Multi Modal totalling circa £40m)
 - Delivery of all Retrofit programmes in HRA homes
 - Asset Rationalisation and Surplus Assets
 - Other Residential Sites – some or all of the Friar Park Masterplan site; Council owned sites suitable for residential development.
 - Tipton Town Regeneration Scheme
 - Regeneration Sites in proposed Sandwell Levelling Up Zone (Wednesbury to Birmingham Rd, Tipton) – subject to approval
 - Other projects added to the Pipeline as determined by Cabinet

- (2) that approval be given to authorise the Director of Regeneration and Growth to accept a contract period of up to 15 years with break points at three, seven, ten and fifteen years for a long-term partnership subject to value for money and acceptable performance;

- (3) that the Director of Regeneration and Growth be authorised to commence a Pagabo Framework procurement process for a Strategic Delivery Partner;

- (4) that the Director of Regeneration and Growth is authorised to award a contract for the procurement of external legal advisers from existing budgets to advise on the procurement, the contract documentation and drafting of Joint Venture legal agreements and structures in connection with Resolution (1) above;

- (5) that in connection with Resolution (1) above, the Director of Regeneration and Growth be authorised to procure a commercial adviser from existing budgets to advise on the procurement, the proposed partnership and Joint Venture agreements as appropriate;
- (6) that details of the risks in relation to the procurement and the delivery partner of this approach be received;
- (7) that the Director of Regeneration and Growth submit a further report in 2024, after the Pagabo procurement process has completed, to determine which Strategic Delivery Partner should be selected and any other issues requiring Cabinet approval.

91/23

West Bromwich Heat Network – Approval for final development

Approval of a single preferred West Bromwich Heat Network business model was sought.

The government was targeting just under 20% of heat demand by 2050 and was supporting delivery by providing financial support and introducing new regulation. The Energy Security Bill which was moving through Parliament was expected to introduce obligations on councils to plan and support the implementation of heat networks. It would also place obligations on owners and developers of large buildings to actively consider connection to existing or developing heat networks.

Following a Heat Mapping and Master Planning exercise during 2017, West Bromwich was identified as the focus for a feasibility study which looked at potential for a heat network. The Council also recognised an opportunity for future expansion to the Cape Hill area of Smethwick, with connection to the Midland Metropolitan University Hospital and proposed new housing development sites.

Reasons for decision

A heat network was a system of pipes that takes heat from a central source and delivers it to multiple buildings. These systems were a cost-effective way of reducing carbon emissions related to heating as they could be used to exploit low carbon energy sources, including recovered heat from industrial processes. Heat networks could also incorporate energy storage potential, which was

important given the highly variable nature of demand for heat across a typical year. It may also have been plausible to integrate cooling and power supply into the heat network project.

At a local level, the development of heat networks would provide various benefits including substantial inward investment, job creation and reduced energy costs for businesses and residents. In addition, heat networks could demonstrate a firm commitment towards achieving carbon reduction targets and climate change initiatives.

Alternative options considered

All options had been considered for decision. There were no other known alternatives.

Resolved:-

- (1) that approval be given to the following preferred West Bromwich Heat Network business model:

Joint Venture ESCO (50/50) at an estimated capital cost of £18.1m (or £15.5m if GHNF grant is successful)

- (2) that approval be given to:
 - a) give retrospective approval for submission of a Green Heat Network Fund (GHNF) grant application as agreed with the Cabinet Member for Regeneration and WMCA;
 - b) fund the associated revenue implications as reflected in Appendix 1 from earmarked reserves for 2023/24 and future years be considered as part of the budget setting cycle and the medium-term financial plan;
 - c) create a capital budget for 2023/24 (per Appendix 2) for the cost of equity (plus up to £940k of commercialisation costs in the event that the application for GHNF funding be unsuccessful) and to be fully funded through prudential borrowing:

Joint Venture ESCO – Capital Budget £6.41m (max' requirement).

- d) commission an external contractor to deliver the Commercialisation stage of work in accordance with Contract Procedure Rules;
 - e) establish and resource appropriate governance arrangements and a project management team within the Council;
 - f) connect relevant Council buildings, including high-rise blocks, to a heat network, subject to consultation and feasibility;
 - g) include plans for network connection within the redevelopment proposals for West Bromwich Town Centre;
- (3) that the Director of Regeneration and Growth, in consultation with the Cabinet Member for Regeneration and WMCA and the Director of Law and Governance and Monitoring Officer, be authorised to:
- a) sign any contractual arrangements associated with a successful GHN application to ensure receipt of funding;
 - b) procure and appoint a contractor to undertake Commercialisation in accordance with Contract Procedure Rules;
 - c) establish internal governance and project management arrangements;
- (4) that the Director of Regeneration and Growth submit a further report to Cabinet in due course to set out the detail of the preferred option and any relevant funding strategy and procurement arrangements.

Meeting ended at 4.47pm

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