

Minutes of Cabinet

**Wednesday 18 October 2023 at 3.30pm
in the Council Chamber, Sandwell Council House, Oldbury**

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

In attendance: Councillors Lewis, Moore and Taylor.

Also present: Shokat Lal (Chief Executive), Brendan Arnold (Interim Section 151 Officer), Surjit Tour (Director of Law and Governance and Monitoring Officer), Michael Jarrett (Director of Children's Services), Rashpal Bishop (Director of Adults Services), Tony McGovern (Director of Regeneration and Growth), Liann Brook-Smith (Interim Director Public Health), James McLaughlin (Assistant Chief Executive), Mike Jones (Assistant Director Legal and Assurance), Dean Epton (Assistant Director Housing), Ben Percival (Assistant Director Waste), Nicola Leavy (Senior Lead Officer), Robert Marlow (Senior Lead Officer), Alex Oxley (Capital Projects Manager), Suky Suthi-Nagra (Democratic & Member Services Manager), Connor Robinson (Democratic Services Officer) and John Swann (Democratic Services Officer).

111/23 **Apologies for Absence**

Apologies for absence were received from Councillors Fenton and E Giles.

112/23 **Declarations of Interest**

There were no declarations of interest made.

113/23

Minutes

Resolved that the minutes of the meeting held on 13 September 2023 be approved as a correct record.

114/23

Urgent Item of Business - Approval of contract extensions and commencement of procurement – Housing repair and maintenance services

Approval was sought for the contract extensions and commencement of procurement for the Housing repair and maintenance services.

The matter was considered urgent as procurement and contractual frameworks had identified that the Council had not implemented a planned procurement process to evaluate options, total contract value or alternative forms of contract and, in some cases, had continued to purchase goods and services following the expiry of existing contracts. Approval was required to enable take immediate steps to rectify this by providing for:

- short term extensions to contracts;
- the commencement of full procurement processes where required to ensure full compliance and the delivery of best value in our contracts, which would deliver improved services to Sandwell and its residents.

Reason for Decision

The Council used external providers to deliver a wide range of its services and meet its statutory duties to residents and service users. Providers ranged from global businesses to small and local specialist suppliers.

In each case, the Council must procure services in accordance with its own Contract Procedure Rules, which set out the Council's own procurement rules to ensure it acted fairly and obtained best value when spending public money. Contracts which had a contract value in excess of the statutory financial thresholds for works or services/supplies must also be procured in compliance with the Public Contracts Regulations 2015 (PCR2015).

The Council had an overriding duty to achieve best value in the procurement of goods, services and works.

Alternative Options Considered

The Council must take action to regularise the contractual position of the services currently being operated without formal contract or where existing contracts had expired and goods/services continue to be procured. The following options had been considered.

Do Nothing. This was non-compliant as existing contracts had either expired or agreed procurement limits were about to be exceeded or had already exceeded.

Without suitable arrangements, the Council was unable to fulfil its landlord obligations and maintain its housing assets. This option was not available to provide the services over the medium and long term and did not address continued service provision until further procurement activity was undertaken.

Re-procurement of the services and works. The Council could choose to undertake a procurement exercise without an extension to the contracts. This would mitigate some risks of non-compliance going forward but was not recommended as it would result in the cessation of services to residents and service users and places the Council at risk of not meeting its statutory duties. Furthermore, cessation of services to enable an immediate procurement exercise would likely result in significant delay until new suppliers/service providers were appointed.

Resolved:-

- (1) that approval be given to extend the following contracts on the terms set out in Appendix 1 relating to:
 - Domestic Electrical Components;
 - Electrical repairs and maintenance;
 - Timber supplies for council-owned housing stock;
 - Pitched and felt roof repairs to council owned properties;
 - Hand tools, Ladders and Steps, Power Tools, Fixings, Drills and Consumables.

- (2) that approval be given to:-
- (a) commence procurement for timber supplies for council owned properties, 3 years (2+1), total contract value up to £1.5m over 3 years;
 - (b) amend the previous decision of Cabinet (January 2023) relating to the procurement of electrical services (repairs and maintenance) by revising both the approved term and limit from £3.6m over 4 years to £6m over 3 years (2+1) in line with the commentary in Appendix 1A and authority be granted to commence procurement;
 - (c) amend the previous decision of Cabinet (January 2023) relating to the procurement of building supplies to council owned properties by increasing the previously approved limit of £1.6m to £1.8m and Contract Award to commence from 1st December 2023;
- (3) that the Interim Head of Contract Procurement be authorised to make minor amendments and changes to the extensions and / or processes described in this report in order to give effect to Resolution (1) and (2) above, in consultation with the Interim Director of Housing, Director of Finance and the Director of Law & Governance.

115/23

**Urgent Item of Business - Oracle Fusion ERP System
Implementation Support Partner - SOCITM**

Approval was sought to authorise the Director of Finance to undertake all steps and actions necessary to implement the Oracle Fusion Enterprise Resource Planning system.

Oracle Fusion was a cloud-based Enterprise Resource Planning (ERP) system and would enable the Council to deliver key functions such as Finance, HR, Payroll and Procurement more efficiently and effectively to support the delivery of frontline services. Oracle Fusion represents an organisation wide Transformation Programme.

In August 2022, the Council awarded a contract to Infosys for the Systems Integrator role and to SOCITM for System Implementation Support.

The approach taken for implementation had been the substantive adoption of Oracle Fusion as developed, as opposed to the bespoke reconfiguration of function to meet current operating arrangements within the Council. This approach mitigated risks and delays associated with a bespoke reconfiguration of functionality as previously seen in the wider public sector and offers opportunity for the Council to review and refresh its operating arrangements relating to finance, HR, payroll and support.

The continued support from SOCITM would deliver a strong level of Project Management and Governance that was not available within the existing council workforce. The role of SOCITM was to guide SMBC on best practice, to impart their knowledge to SMBC stakeholders, challenge all parties including the System Integrator (Infosys) on the approach to ensure a best in class solution is delivered.

The Chair of the Budget and Corporate Scrutiny Management Board expressed concern at the situation and the short notice in which to consider the report. The Director of Finance advised that he had been made aware of the requirement only recently but could advise that the project was proceeding as required and that the figures noted in the report were correct and any change would be communicated to the Leader of the Council.

Reason for Decision

The implementation of Oracle Fusion was a key corporate project and would fundamentally change the way the Council's Finance, Procurement, HR and Payroll services operate.

Failure to extend the existing agreement would result in a delay to the rollout of Oracle Fusion, incremental costs and potential reputational damage.

Alternative Options Considered

In order to achieve the desired implementation, there were no other alternatives were available.

Resolved:-

- (1) that approval be given to extend the SOCITM Implementation Support taking the aggregate spend above the Key Decision Threshold (£1million+) and authorise the Director of Finance, in consultation with the Cabinet Member for Finance and Resources, to award the contract up to a cumulative value as now submitted;
- (2) that the Director of Finance be authorised to undertake all steps and actions necessary to implement the Oracle Fusion Enterprise Resource Planning (ERP) system.

116/23 Adoption of Playing Pitch and Outdoor Sports Strategy

Approval was sought for the Playing Pitch and Outdoor Sports Strategy.

The primary purpose of the Strategy was to provide a strategic needs assessment report and a strategy document which would ensure that the provision of outdoor playing pitches met the local needs of existing and future residents within an area. The Strategy was also an important document when seeking evidence for external funding and making future planning decisions.

The Vice-Chair of Safer Neighbourhoods and Active Communities Scrutiny Board thanked the Cabinet Member for Leisure and Tourism for supporting the establishment of a steering group that would help provide a resident/member voice to the implementation of the Strategy and action plan.

Reason for Decision

Having a formally adopted Playing Pitch Strategy along with a Strategic Needs Assessment would help;

- ensure that the provision of outdoor playing pitches met the local needs of existing and future residents within Sandwell;
- provide evidence to the Council when making planning decisions;
- assist when seeking investment/grants from external funding agencies;
- enable officers and partner agencies to deliver against an action plan of recommended improvements/interventions.

As a key partner agency, Sport England had offered match funding of £5,000 towards the costs of employing the specialist consultant, Knight, Kavanagh and Page (KKP) that prepared the PPS in conjunction with the Council and other partner agencies. This would contribute towards the Council's overall budget position.

The formation of an implementation group representing key service areas and wider stakeholders within the Council would help to ensure the effective implementation of the actions recommended within the strategy and contribute towards the Corporate Plan.

Adoption of the PPS and the Action plan would enable NGB's, funders and external agencies to work alongside the Council, sports clubs and schools to implement actions against a robust evidence base.

Alternative Options Considered

The alternative option was to not formally adopt the PPS. The impact of this would have been:

- Sandwell would not have a robust/up to date strategy to relate to when making planning decisions;
- the Delivery Group would not have a formally adopted action plan to work towards achieving;
- opportunities for securing inward investment from NGBs and funders would be limited due to the lack of a formal 'sign off';
- NGBs may be more reluctant to work with the authority on future developments / strategies;
- a £5,000 of 'match funding' towards the consultancy cost would be lost.

Resolved:-

- (1) that the Playing Pitch Strategy 2023 be approved and adopted by the Council;
- (2) that £5,000 of external funding be drawn down (from Sport England) towards the consultancy costs that have been incurred in producing the strategy;
- (3) that an implementation group be formed, representing key Council services to ensure the effective implementation of the Council-led actions recommended within the Playing Pitch Strategy;

- (4) that the Playing Pitch Strategy delivery group of wider stakeholders and partners continues its work and meets twice yearly in order to explore opportunities for pitch/facility improvements and participation development.

117/23

Highway Infrastructure Investment Funding Plan

Approval was sought for the Highway Infrastructure Investment Funding Plan.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board inquired as to the reasoning behind the unspent capital, how the Plan addressed problems with the public footway and the material used to repair potholes across the Borough.

The Cabinet Member for Environment and Highways advised that a range of factors had led to unspent capital including changes to revenue accounting which had brought forward some revenue spend from 2023/24 to 2022/23 delaying the need for part of the capital requirement, the mild winter, the release of maintenance and postponing the need for capital in 2022/23. Taken together, those factors allowed £2.981million of the planned £10.702million expenditure for 2022/23 to be reprofiled into 2023/24.

In addition, the Cabinet Member for Environment and Highways stated that public footway repairs were programmed in priority order based on condition surveys regardless of the cause and potholes were permanently repaired in accordance with specified materials and standards.

Reason for Decision

The Highway Infrastructure Asset Management Lifecycle Plan set out the framework for investment in, management of and the operation of highway the highway network to meet legal obligations and high public expectations for safe, reliable and accessible travel within the wider objectives of strategy set out in the West Midlands Local Transport Plan.

Asset Management was about managing and maintaining and operating carriageways, footways, street lighting, structures, traffic signals, drainage and street furniture through long term planning and optimal allocation of resources in order to manage risk for a defined service performance.

The Council had a statutory duty of care to users and the community to maintain the highway in a condition fit for purpose, as far as was reasonably practicable. The duty was not absolute but decisions had to be taken on reasonable grounds with due care and regard to relevant considerations set out in best practice guidance such as “Well Managed Highway Infrastructure – A Code of Practice (October 2016).

A key aspect of the HIAMP was the development of strategic lifecycle plans for each critical infrastructure asset, including;

- 880km of carriageways, of which 75% are unclassified roads;
- 1,440km footways and cycleways;
- 35,000 street/lights, illuminated signs, traffic signals;
- 450 bridges and structures;
- 3500km drainage & culverts including 40,000 gullies & connections;
- A wide range of other street furniture.

Alternative Options Considered

An alternative would be to limit the repair of high-risk infrastructure to a value that matched the £4.741m City Region Sustainable Settlement maintenance block grant. There would consequently be no Council capital provision available to fund the gap in the cost of replacement of high-risk life expired highway infrastructure. The programme of urgent work for 2024/25 would not be completed. This was not recommended because the red risk backlog had been escalating. Also, a severe winter could add £3m to £5m to projections.

Resolved:-

- (1) that the Capital Programme for Borough Economy be reprofiled to provide a capital highway allocation of £3,602,000 for 2023/24 with the remaining balance of £2,981,000 (existing capital highway allocation of £6,583,000 less 2023/24 requirement of £3,602,000) carried forward to 2024/25;
- (2) that up to £500,000 of preventative maintenance work currently treated as revenue expenditure be capitalised and funded as part of the allocation of £3,602,000 as referred to on Resolution (1);

- (3) that up to £500,000 of revenue released in Resolution (2) be earmarked for use in 2023/24 for potential revenue pressures and risks associated with energy inflation, supplies and services inflation and increased gritting in the event of a severe winter;
- (4) that capital resources of £1,901,550 be allocated in 2024/25 in addition to the £2,981,000 of Highway Capital Programme funding re-profiled from 2023/24 giving a total budget requirement of £4,882,550 for 2024/25;
- (5) that after the use of unspent capital from existing allocations the additional capital requirement for 2024/25 of £1,901,550 be funded from Corporate Main Programme resources, with any resulting prudential borrowing finance charges funded within Highways revenue budget and should additional borrowing be required to fund the additional capital budget requested, it is estimated that this would result in additional revenue costs to the council of £167,535 per annum over an 18 year period, with these costs being funded within Highways revenue budgets;
- (6) that a further report to Cabinet be submitted in Autumn 2024 after the Highway Infrastructure condition is reviewed in Summer 2024, to identify the budget that would be required in 2025/26 in order to address the replacement of red risk Highway Infrastructure.

118/23

Sandwell Children's Trust Annual Review 2022/2023

Consideration was given to the Sandwell Children's Trust Annual Review 2022/2023. The Sandwell Children's Trust was commissioned by the Council to deliver statutory children's social care and targeted services. The performance of the Trust continued to improve. The Fostering Service had been rated 'Good' by Ofsted in 2021 and was followed in 2022 with the Trust overall receiving the Ofsted judgment of 'Requires Improvement' and in later 2022, the Adoption Service received a 'Good' Ofsted rating, the ratings demonstrated clear improvements across services and this had been recognised by the Department for Education.

The Cabinet Member for Children, Young People and Education expressed his thanks to the Chair and Chief Executive of the Sandwell Children's Trust along with the wider leadership and staff for their hard work and commitment. It was also agreed that next year, the Chair and Chief Executive of the Trust be invited to Cabinet to deliver the Annual Review alongside the Cabinet Member.

Reason for Decision

The Service Delivery Contract between the Council and Sandwell Children's Trust required that an annual review of services was completed and presented to the Council. At the Cabinet meeting on 22 March 2017, it was agreed that the Cabinet, in its executive role, would perform this function on behalf of the Council and agree certain 'reserved matters' that are set out in the Contract. Consideration of the Annual Review by the Cabinet formed an important part of the governance of Sandwell Children's Trust; providing assurance to the Council in its capacity as the body that is responsible and accountable for the discharge of the relevant children's social care services functions.

Alternative Options Considered

At its meeting on 19 October 2016, Cabinet was advised of the Government's Statutory Direction (under Section 479A of the Education Act 1996) to set up a new arrangement in the form of a children's trust to deliver children's social care services. As a result, Sandwell Children's Trust started operating on 1 April 2018. Any alternative to the current arrangement must be agreed by the Secretary of State for Education.

Resolved that the Cabinet, in its capacity as the body responsible and accountable for the discharge of the relevant children's social care services functions:

- (1) formally receive the Sandwell Children's Trust Annual Review 2022/23;
- (2) notes the progress made to date by Sandwell Children's Trust in delivering services as set out in the contract between the Council and the Sandwell Children's Trust, as set out in the Annual Review 2022/23;
- (3) notes the feedback from the Department for Education following its recent 6-month review of Sandwell Children's Trust.

119/23

Highway Winter Operational Plan 2023 - 2024

Approval was sought for the Highway Winter Operational Plan 2023-2024 which would set out the policies, service standards and operational arrangements.

Reason for Decision

Road users and the wider community place a high value on keeping traffic moving safely in snow and freezing winter weather. Failure to do so can result in adverse economic and social impacts, along with public dissatisfaction and significant reputational damage to the Council.

The council had a statutory duty 'to ensure, so far as reasonably practicable, that safe passage along a highway was not endangered by snow or ice'. The duty was not absolute, but decisions were required be taken on reasonable grounds with due care and regard to relevant considerations set out in best practice guidance.

Winter service operations are carried out to prevent ice forming (precautionary salting), melt ice already formed (post salting) and remove snow accumulations by using ground rock salt.

Alternative Options Considered

There was no recommended affordable alternative to mitigate the safety risks addressed by the Winter Operational Plan 2023-24.

Resolved that approval be given for the Winter Operational Plan 2023 - 2024.

120/23

Sandwell Health and Care Partnership Alliance Agreement

Consideration was given to the Sandwell Health & Care Partnership Annual Report 2022-23 and approval was sought for the Sandwell Health and Care Partnership Alliance Agreement.

The Sandwell Health and Care Partnership Alliance Agreement, although not legally binding, set out principles by which partners agreed to work together as an integrated Place partnership and was developed in consultation with all members.

Reason for Decision

The Sandwell Health and Care Partnership had been developing new integrated ways of working to improve the health and wellbeing outcomes of the population, increase the quality of care provided and provide long term financial sustainability for the system. This agreement was an integral part of the vision to promote integrated services that delivered personalised care and it was anticipated that the agreement would facilitate the objectives of Sandwell Health and Care Partnership as more fully described in the agreement.

The Sandwell Health and Care Partnership had been developing a Place Based Partnership through which to plan, manage and deliver integrated care, which would include informing future recommendations for improvements to the contractual environment and further develop and strengthen the role and responsibility of the Sandwell Place over the coming years.

Over the period of this agreement, the partners would work together positively and in good faith in accordance with the alliance principles to achieve the alliance objectives. The partners also envisaged that this agreement would endeavour to provide flexibility to their relationship as may be required, from time to time, to implement the changes required either nationally or any subsequent changes to the Health or Social Care functions.

The agreement was overarching and set out how the Council would work together in a collaborative and integrated way and the Service Contracts, the Service Operations Manual and Third-Party Service Contracts respectively set out how the Council would provide the Services.

Alternative Options Considered

The Sandwell Health and Care Partnership (SHCP) approved the Alliance Agreement to be signed and upheld by participating partner organisations. The option of not asking for Cabinet to support this agreement was considered but all partners agreed that each of the individual governance structures should be given the opportunity to support this document to show commitment to partnership working across Place.

Resolved:-

- (1) that the Sandwell Health & Care Partnership Annual Report 2022-23 be received and the aligned governance arrangements be noted;

- (2) that approval be given to the Sandwell Health and Care Partnership Alliance Agreement and support its implementation across the Local Authority to include Adult Social Care, Children's Social Care and Public Health.

121/23

Extension of contract for a non-executive director of Sandwell Children's Trust board

Approval was sought for the extension of contract for Stephen Rimmer as a non-executive director (NED) of Sandwell Children's Trust Board. Stephen Rimmer had been on the Trust Board since November 2017 and the Department for Education had been notified and agreed to his extension of contract.

Reason for Decision

There have been several changes at the Sandwell Children's Trust Board level. Both the Cabinet appointed Officer and Member NED had been replaced since January 2023 with a further subsequent change in officer NED following their resignation from the Council. In addition to this, Jane Bleach was appointed in March 2023 to replace Vineeta Manchanda, whose term had come to an end.

Due to the number of changes, the Sandwell Children's Trust Board wished to extend the term of Stephen Rimmer to maintain a level of continuity and ensure that the Trust continued on its improvement journey.

Alternative Options Considered

The alternative option would be to reject the recommendation. However, in line with the Governance Side Agreement with the DfE and the Trust's Articles of Association, there would be a vacancy on the board that would still need to be filled. An alternative candidate would need to be identified via a competitive process and the process of consulting with the Secretary of State would need to be undertaken again. This would leave a potential gap in the governance arrangements of the Trust for a period.

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

- (1) notes the completed sequence of events that are contractually required to extend the contract of a non-executive director of Sandwell Children's Trust Board;

- (2) notes and takes into account in its decision-making, the response from the Secretary of State for Education;
- (3) agrees the extension of contract to Stephen Rimmer as a nonexecutive director of Sandwell Children's Trust for the period of up to three years from 1 November 2023.

122/23

Quarter 1 Performance Monitoring

Cabinet received details on the development of the Corporate Performance Management Framework and sought approval of the Q1 monitoring reports.

The Council had approved the Performance Management Plan in April 2022 to address the recommendations contained in the Grant Thornton Value for Money Report. Since 2022, the Plan had been revised to accommodate some new measures, some measures had been improved and some had been taken out. Overall, the delivery of the Corporate Plan was on track.

Reason for Decision

An effective performance management framework facilitated increased accountability, learning and improvement. It also provided early warning signals and facilitated decision-making.

On a quarterly basis, the Council gathered and analysed a wide range of data and information to understand how effectively its plans had been implemented and whether the strategic outcomes contained in the Corporate Plan had been achieved.

The information collected was used to enable the authority to better understand the impact of its work on local people, and where necessary, target actions and resources.

Alternative Options Considered

No alternative was presented.

Resolved that details of progress on the further development of the Corporate Performance Management Framework be received and approval be given to the Q1 monitoring reports.

Sandwell Aquatic Centre Project Closedown Report and Financial Closure

Approval was sought for the Sandwell Aquatic Centre Project Closedown Report and Financial Closure.

Sandwell Aquatic Centre had been completed on 6 July 2023 and formally transferred to Sandwell Leisure. It had opened as a community leisure centre on 24 July 2023, and it provided world-class facilities for the residents of Sandwell and the wider region.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board sought clarity on the decision not to legally formalise the funding agreement between the Council and Sandwell Leisure Trust.

The Cabinet Member for Leisure and Tourism stated that the reason behind this was due to the Council receiving a letter from the CEO of Sandwell Leisure Trust at that time in 2017 confirming the commitment to provide this funding and there was also a Sandwell Leisure Trust Board decision to allocate these funds which was reflected in the Sandwell Leisure Trust Annual Accounts as a provision in 2019. In these circumstances, it was determined that it was not an effective use of legal resources to develop and execute a legally binding agreement.

Reason for Decision

Sandwell Aquatic Centre had been developed as the host venue for all aquatic activity at the Birmingham 2022 Commonwealth Games as well as a new leisure centre for residents, allowing the Council to condense other outdated local provision.

Alternative Options Considered

Do nothing- the financial liabilities outlined in the report cannot be avoided without significant risk of legal action being brought against the Council by the contractor given that the Council had already contractually committed to these costs. Legal action would add costs to those outlined within the report and severely damage the Council's reputation in the construction market.

Resolved:-

- (1) that the Director of Finance be authorised to identify and finance the £0.54m funding contribution previously committed, and then rescinded, by Sandwell Leisure Trust, from the most appropriate funding source for the Sandwell Aquatic Centre;
- (2) that approval be given to authorise the Director of Regeneration and Growth, in consultation with Director of Finance, to fund an identified shortfall of £0.151m in business rate liability from project underspend and the Capital Project Support Reserve for the Sandwell Aquatic Centre.

124/23 Sandwell Local Plan - Approval to Consult on the Draft Plan

Approval was sought to carry out the consultation on the Draft Sandwell Local Plan.

The Sandwell Local Plan would be comprised of the Sandwell 2041 - spatial vision, priorities and objectives, the Spatial Strategy, the Development Strategy, the Local Plan Policies, the Site Allocations, the Policies Map and Sustainability Appraisal.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board sought clarity on how the consultation would reach out to all members of the Sandwell community, how the Council would engage educational and NHS partners, what measures would be in place to address climate change and what percentage of new builds would be classified and retained as social housing.

In response, the Cabinet Member for Regeneration and WMCA stated that the consultation would use all existing networks to reach as many people as possible, in addition exhibitions would be in place in libraries and leisure centres, an article would be included in the Sandwell Herald and a video would be produced and shared via social media. Stakeholder engagement was a key part of the work and the future infrastructure requirements had been and would continue to be discussed with the main infrastructure providers including educational and health providers. The Building Regulations required the installation of electric vehicle charging points in proposals for 10 or more dwellings. The minimum proportion of affordable housing that should be provided was 25%.

However, the final amount delivered was dependent on the viability of the site. Of the amount of affordable housing provided, 25% of the affordable homes required by this policy would be First Homes tenure, of which 10% should be for affordable home ownership. The remaining 75% of affordable homes would be for affordable rent. It was the Council's intention that the affordable housing created would remain affordable in perpetuity. However, tenants living in affordable housing are able to purchase their home through the Right to Buy Scheme at a price lower than the full market value.

Reason for Decision

It was a statutory requirement of every Local Planning Authority to have an up-to-date Local Plan. Following the demise of the Black Country Plan in 2022, Sandwell had been producing its own plan – the Sandwell Local Plan. The Government had previously expressed a desire to see full Local Plan coverage across England by December 2023, or as soon as was practical after that date. However, the Government was currently consulting on a proposed new system for producing local plans and had indicated that the last date for submitting a revised local plan under the current system would be 30 June 2025. Officers had been working to a timetable that would enable the Sandwell Local Plan to be submitted prior to that date. The timetable for the production of the Local Plan was set out in the Sandwell Local Development Scheme which was available to view in the Planning Policy pages of the Sandwell website. The Draft Sandwell Local Plan was the next stage in the preparation of the Local Plan.

Alternative Options Considered

The preparation of a Local Plan was a statutory requirement under the Town and Country Planning (Local Planning) (England) Regulations 2012. The process for preparing a Local Plan was set out in additional legislation and guidance. As a result, there were no alternative solutions to the preparation of a new local plan for Sandwell, which was a matter of increasing urgency. Options relating to the form and content of the Local Plan had been set out in the report to Cabinet on 16 November 2022.

Resolved:-

- (1) that approval be given to the Draft Sandwell Local Plan (Appendix A), Sustainability Appraisal Reports and consultation material for consultation commencing on 6 November 2023 for 6 weeks;

- (2) that the Director - Regeneration & Growth, in consultation with the Cabinet Member for Regeneration & WMCA, be authorised to make minor and other necessary amendments, if required, to the Draft Sandwell Local Plan and its associated documents prior to the start of public consultation to enable effective consultation to be undertaken;
- (3) that a further report be presented to Cabinet summarising key issues raised during the consultation be submitted to a future meeting to inform preparation of the Publication of the Sandwell Local Plan under Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

125/23

Update and decisions on the Asset Management Strategy - Income and Savings 2023-2026

Approval was sought for the decisions on the Asset Management Strategy, Income and Savings 2023-2026.

The recommendations supported delivery of the agreed corporate Asset Management Budget Savings targets 2023-2026 detailed as £1.6million in 2023/24, £2.5million in 2024/25 and £2.5million in 2025/26.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board asked what the consequences were if the targets for 2023- 26 were not achieved.

The Cabinet Member for Regeneration and WMCA stated that the asset management savings budgets had been formally agreed by Cabinet and, as such, must be delivered to support the Medium Term Financial Strategy. Should they not be derived from the Council's asset base and associated functions, the budget savings would need to be identified from alternative areas to ensure the Council maintain a balanced budget moving forward.

Reason for Decision

Recommendations support the delivery of the MTFs and ensuring the Council had a balanced budget moving forward alongside an efficiently operating estate to deliver Council services.

The Council was committed to maintaining an effective and efficient property portfolio which supported the delivery of services to residents, provides value for money, reduces Council environmental impact and maximises opportunities to generate value.

Progress had been made for 2023/24 with the savings target of £1.6 million expected to be achieved by year end. It was however, noted that the variance in 2024/25 and 2025/26 was far more challenging as a result of a number of savings being achieved in 2023/24 being non-recurring. There was a current savings target variance of £1.86 million for 2024/25 and £2.05 million for 2025/26 and emphasised the importance of effective and significant decisions being made around the Council's corporate property estate to ensure delivery of the savings targets moving forward.

Alternative Options Considered

The Council general fund asset base was initially placed in one of three options, that was to retain the asset in its current use, to re classify the asset as an investment property, such as Jack Judge House or to dispose of the Asset. This was done within the context of achieving a more efficient asset base and/or increasing income for the Council.

It was possible that a large building, such as Sandwell Council House can serve a dual purpose, that is remaining in Council use but also generating more income. This was now the case at the Sandwell Council with the subletting of space to the NHS on the first and third floor of the building.

Option appraisals had been completed on the main Council buildings with the process providing an analysis of alternative options.

In general, however if the Council did not achieve either significant savings and/or increased income from the Council assets, the alternative was that those savings or increased income would have to come from front facing Council services.

Resolved:-

- (1) that approval be given to declare the Tipton Library, Owen House, 17 Unity Walk, Tipton DY4 8QL surplus to Council requirements;

- (2) that the Director of Borough Economy be authorised to relocate the library provision to the former Tipton Carnegie Library, Victoria Road, Tipton, DY4 8SR;
- (3) that the Interim Director of Housing be authorised to relocate services from the Tipton Local centre at High Street, Princes End, Tipton, DY4 9JB to Glebefields Library and Family Hub Centre or other location as deemed appropriate;
- (4) that the Interim Director of Housing prepare a business case for the reuse of the former Tipton Local Centre within the Housing Revenue Account Stock and, should this not be viable, the former Tipton Local Centre building be disposed of subject to the appropriate authority being obtained;
- (5) that the Director of Borough Economy, subject to the identification of the necessary funding, be authorised to declare the Smethwick Library and archive, High Street. Smethwick, B66 1AA surplus to the requirements of the Council;
- (6) that the Director of Borough Economy be authorised to relocate the services provided from Smethwick High Street Library to Smethwick Council House;
- (7) that the Director of Law and Governance and Monitoring Officer be authorised to dispose of the freehold interest of the Smethwick Library, High Street. Smethwick B66 1AA on terms and conditions to be agreed by the Director of Regeneration and Growth;
- (8) that the Director of Law and Governance and Monitoring Officer be authorised to enter or execute under seal where necessary any legal documentation in connection with the disposal of land referred to in the Resolution (1) to (7) above;

- (9) that the Director of Law and Governance and Monitoring Officer be authorised to enter or execute under seal where necessary any legal documentation in connection to the granting of a lease of 747 m² (or thereabouts) to the Sandwell and West Birmingham Hospitals NHS Trust of the first floor of Sandwell Council House on terms and conditions to be agreed by the Director of Regeneration and Growth;
- (10) that approval be given to offer all community centres not currently subject to a live Community Asset Transfer or FRI lease on a Community Asset Transfer basis where a suitable expression of interest and business case has been received subject to terms and conditions to be agreed by the Director of Regeneration and Growth;
- (11) that subject to Resolution (10) not producing any viable expressions of interest, approval be given to the Director of Regeneration and Growth to declare the assets surplus to Council requirements and to undertake an open market disposal of the same subject to terms and conditions to be agreed by the Director of Regeneration and Growth;
- (12) that the Director of Law and Governance and Monitoring Officer be authorised to enter or execute under seal where necessary any legal documentation in connection with the disposal of land referred to in Resolutions (10) and (11) above.

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Exclusion of the Public

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.

Haden Hill Leisure Centre Rebuild Options - Levelling Up Fund

Approval was sought for the Haden Hill Leisure Centre Rebuild. The Cabinet had been presented with three options.

Reason for Decision

The opportunity to utilise the allocated funding to renew Haden Hill Leisure Centre would resolve the long-term future of the well-used but ageing asset. Once renewed, Sandwell would be in the position of not having a public swimming pool in its portfolio that was more than 10 years old.

The recent Sport England Facilities Planning Model assessment of swimming pool provision in Sandwell confirmed that with the continuation of provision at Haden Hill Leisure Centre, the Borough would have sufficient swimming pool supply to meet population demand inclusive of projected housing growth.

Option 1 Part rebuild and part refurbishment – rebuild wet facilities, refurbish the dry This option achieves the replacement of the pool facilities and also provides a new 100-station fitness gym, new changing facilities plus a reconfigured reception with café. The studios and sports hall will be retained and refurbished; the sauna and steam and squash court would be lost.

This option had the benefit of new pool provision – where asset liability is greatest and quality of provision most sensitive. It also provided a substantially larger fitness gym – critical to driving the revenue model. The retention of the dry facilities presented less risk, although the age of the facilities still meant the refurbishment costs were substantial.

This option was recommended as it only marginally reduced the site facilities mix from that proposed within the original LUF bid submission (no sauna or steam room) and it also reduced the risks around the aged wet (pool) facilities through the replacement of these in full while providing a beneficial revenue position.

Alternative Options Considered

Option 2: Part rebuild and part refurbishment – rebuild dry facilities, refurbish the wet

This option would result in a new centre built with just the existing swimming pools retained and refurbished. The layout of the centre would be substantially improved, with less corridor space and an easier customer flow.

Option 3: New build to a reduced scope

This option sought to deliver a new-build project within the available funding. The priority (based on supporting resident physical activity) would be to rebuild the swimming provision, which would also allow the development of a large (100 station) fitness gym plus studio provision on the first floor.

Resolved:-

- (1) that approval be given to Option 1 - the part rebuild and part refurbishment – (rebuild wet facilities, refurbish the dry) of Haden Hill Leisure Centre;
- (2) that the Director of Borough Economy be authorised to progress the preferred option for the Haden Hill Leisure Centre rebuild;
- (3) that the Director of Regeneration and Growth be authorised to procure and appoint a main contractor via the most suitable procurement route for the chosen option;
- (4) that the Director of Regeneration and Growth, in consultation with the Assistant Director of Legal and Assurance, be authorised to sign legal agreements and contracts associated with the delivery of the replacement of Haden Hill Leisure Centre;
- (5) that the Director of Regeneration and Growth provide a further report to Cabinet for approval of final project costs and procurement contract award;
- (6) that the Director of Finance be authorised to submit funding bids to Sport England or other appropriate organisations to support the delivery of the replacement of Haden Hill Leisure Centre.

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Future Provision of Leisure Services

Approval was sought for the future provision of leisure services in Sandwell.

Reason for Decision

The 2021 Grant Thornton Governance Review raised concerns regarding the management of the contract with Sandwell Leisure Trust (SLT). The subsequent review of future provision of leisure services had sought to address these concerns.

This period would be used to consider the long-term settlement of the provision of leisure services.

Alternative Options Considered

There were no alternatives presented.

Resolved:-

- (1) that the extension of a revised Management and Funding Agreement with Sandwell Leisure Trust as the settlement of the provision of leisure services to 31 March 2027 be approved;
- (2) that the Director of Borough Economy, in consultation with the Cabinet Member for Leisure and Tourism, be authorised to have responsibility for the ongoing management of the contract with Sandwell Leisure Trust.

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Tipton Town Centre Regeneration Scheme Rescope and Funding Package

Approval was sought for the Tipton Town Centre Regeneration Scheme Rescope and Funding Package.

Reason for Decision

Tipton Regeneration Fund was set to deliver a minimum 65, and potentially up to 78, new homes on three key sites in Tipton town centre. These would provide low-energy and sustainable apartments at affordable rents and would underpin Sandwell's commitment to build new social housing to meet the needs of its citizens. The three sites were within the town centre, which offered a range of shops and key public services close by. The redevelopment of vacant sites and the replacement of obsolete accommodation would help foster optimism in the local community and hopefully boost confidence and stimulate further investment.

Alternative Options Considered

Do nothing, Refurbish the existing buildings or Revert to the original scheme as submitted in August 2022.

Resolved:-

- (1) that the Director of Regeneration and Growth be authorised to design, procure, and develop three sites in Tipton town centre (as indicated in Appendix 1) for affordable one and two bed Council housing units, subject to obtaining planning approval;
- (2) that the Director of Regeneration and Growth, in consultation with the Interim Director of Finance, be authorised to sign under seal the Memorandum of Understanding (MoU) that has been agreed by both parties. (Appendix 5);
- (3) that the Interim Director of Finance be authorised to allocate adequate additional resources from the Housing Revenue Account (HRA) to deliver the scheme in line with the funding package, subject to the completion of a satisfactory financial appraisal to be undertaken by Financial Planning;
- (4) that approval be given to authorise the steps necessary for the delivery of the proposed projects, including:
 - a. The Director of Regeneration and Growth in consultation with the Interim Director of Finance and Interim Director of Housing be authorised to prepare tender documentation and subsequently procure, in accordance with any statutory regulations and the Council's Procurement and Financial Regulations, any professional services required to develop proposals set out in 2.14 and Appendix 2 up to RIBA Stage 4.
 - b. Subject to 1.4.1 the Director of Regeneration and Growth in consultation with the Interim Director of Finance and the Interim Director of Housing be authorised to prepare tender documentation and subsequently procure, in accordance with any statutory regulations and the Council's Procurement and Financial Regulations, a development/construction/demolition contractor to

deliver the proposals set out in 1.1 and Appendix 2.

- c. The Director of Regeneration and Growth be authorised to progress any consents or applications required for Demolition, Planning, Building Regulations or Highways appertaining to the delivery of the schemes set out in 1.1 and any other agreements with the procured contractor(s) as may be deemed necessary to facilitate development of the sites set out in Appendix 1.

Meeting ended at 4.35pm

Contact: democratic_services@sandwell.gov.uk