

The Cabinet

9th March, 2016 at 3.00 pm
at the Sandwell Council House, Oldbury

Present: Councillor Cooper (Chair);
Councillors Crompton, Y Davies, Eling, Khatun
and Moore.

Apologies: Councillor Hackett;
Councillor L Horton.

Observers: Councillors Ahmed, P Hughes, S Jones, Sandars
and Underhill.

34/16 **Declaration of Interest**

Councillor P Hughes declared a non-pecuniary interest in relation to Minute No. 36/16 below (Sandwell Leisure Trust Business Plan (Key Decision Ref. No. LVS005)) on the basis that he was a Board Member of the Sandwell Leisure Trust. Councillor Hughes left the meeting during consideration of the item.

35/16 **Minutes**

Resolved that the minutes of the meetings held on 10th and 24th February, 2016 be confirmed as a correct record.

Strategic Items

36/16 **Sandwell Leisure Trust Business Plan (Key Decision Ref. No. LVS005)**

The Cabinet Member for Leisure and the Voluntary Sector reported that in 2004, Sandwell Leisure Trust had been commissioned to operate leisure facilities in the Borough.

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The Trust was also tasked with delivering a sports development service on behalf of the Council.

These services were managed through a Management and Funding Agreement with the Trust, incorporating a rolling three year business plan, approved on an annual basis. The management fee paid to the Trust was set and agreed on an annual basis and the total management fee paid to Sandwell Leisure Trust in the period 2004 – 2015 was £42,261,133.

The Council was committed to the provision of leisure facilities for Sandwell residents and had provided new facilities in Tipton, Oldbury, West Bromwich and Wednesbury, with circa £34,500,000 being invested in facilities run by Sandwell Leisure Trust. Following a request by the Council for the Trust's draft business plan for the long-term future delivery of leisure facilities and sports development in Sandwell for 2016/2017 onwards, the Trust submitted their draft business plan in October 2015.

Having assessed the draft business plan, the Council were not able to reach an agreement with the Trust particularly with regard to the ongoing and significant levels of management subsidy required by Sandwell Leisure Trust and the revenue available for the delivery of the Management and Funding Agreement.

It was therefore proposed to:-

- (i) write to Sandwell Leisure Trust stating that the Council and Sandwell Leisure Trust were unable to agree the business plan for 2016/2017 onwards;
- (ii) underwrite and support Sandwell Leisure Trust until such a time the business plan for 2016/17 onwards was agreed or the Management and Funding Agreement was discharged, whichever was the earlier;
- (iii) enter into discussions with Sandwell Leisure Trust regarding the sustainable delivery of sport and leisure in Sandwell and the future delivery of the Management and Funding Agreement and, where required, amend or vary the same.

Whilst a letter had been issued to the Trust, in the event that a further business plan was not be agreed, it would be necessary to consider alternative delivery options for sport and leisure services in Sandwell and a further report would be submitted to Cabinet.

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In the interim, it was not anticipated that there would be any changes to staffing or service provision.

An equality impact assessment was not required for this proposal.

Representatives of the Joint Trades Unions presented a petition from staff and users in support of the Sandwell Leisure Trust and addressed Cabinet at the Leader's invitation. Concerns were expressed that if the provision of sport and leisure were to go out to the open market due to a subsidy not being agreed, the terms and conditions of staff, including pensions benefits, would be affected. The unions highlighted a number of awards achieved by the Trust, the services it provided for looked after children and how they considered that this level of service would not be achieved by an outside organisation.

In response, the Leader of the Council clarified that the Council were continuing to undertake negotiations with the Trust. He confirmed that Sandwell Leisure Trust had been set up as a commercial organisation and the Council had a business agreement with the Trust to provide leisure services in the Borough. As the Council had experienced extensive cuts to funding, the Council had a duty and responsibility to ensure that they continued to receive value for money for leisure provision and was unable to continue to subsidise the Trust in the way it had been.

The Leader placed on record that the Council did not wish to close any leisure centres in the Borough and in fact, had invested significant resources to improve the leisure offer, including new facilities in Tipton, Wednesbury and the Portway Leisure Centre.

Whilst the Council had a good relationship with the Trust, the Council could not continue to sustain the management fee that was being sought by the Trust. The Council had a good track record of protecting employees within the Council and employees working for arms length organisations. Whilst continuing to undertake negotiations with the Trust, the Council would take into account the terms and conditions of staff and pensions benefits.

The Leader emphasised the importance of providing the public with the correct information about the future of leisure provision in the Borough and urged the Trades Unions, going forwards, to approach either the Cabinet Member for Leisure and the Voluntary Sector or himself rather than rely on other sources.

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Resolved:-

- (1) that the Director – Neighbourhoods inform Sandwell Leisure Trust that the Council is not able to agree the draft business plan for 2016/17 onwards submitted by Sandwell Leisure Trust;
- (2) that the Chief Executive provide Sandwell Leisure Trust with a letter of underwriting to support the ongoing delivery of the Management and Funding Agreement until a further report is provided to the Cabinet;
- (3) that the Director – Governance, the Director – Neighbourhoods and the Section 151 Officer enter into discussions with Sandwell Leisure Trust regarding the future delivery of the Management and Funding Agreement and where required, amend or vary the same;
- (4) that a further report be submitted to Cabinet detailing the sustainable operation of leisure facilities and delivery of sports development in Sandwell;
- (5) that the Leisure, Culture and the Third Sector Scrutiny Board be requested to consider proposals for the sustainable operation of leisure facilities and the delivery of sports development in Sandwell;
- (6) that in accordance with the Council's agreed protocol, the petition supporting the continued Management Agreement between the Council and the Sandwell Leisure Trust be referred to an appropriate future business meeting of the Council for consideration.

37/16

West Midlands Domestic Violence and Abuse Standards (Key Decision Ref. No. ASCH024)

The Cabinet Member for Adult Social Care sought approval to a set of Domestic Violence and Abuse Standards which had been developed for all statutory organisations and specialist domestic abuse services in the West Midlands by a regional group which reported to the West Midlands Preventing Violence against Vulnerable People Board.

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There were eleven standards as follows:-

- organisations addressed domestic violence and abuse within their policies;
- organisations had pathways and procedures to respond to domestic violence and abuse;
- staff were trained, supervised and supported in domestic violence and abuse commensurate with their role;
- creating safe spaces;
- avoiding unsafe responses;
- responding to diversity;
- working with domestic violence perpetrators;
- multi-agency working;
- data collection;
- workplace policy;
- commissioning and service design.

The standards were intended to identify and promote evidence-based, safe and effective practice in working with adult and child victims of domestic abuse and to ensure perpetrators were held to account.

Sandwell's Domestic Abuse Strategic Partnership had contributed towards the development of the standards and had agreed how their implementation would be monitored locally. Statutory organisations and specialist domestic abuse services in Sandwell were being requested to formally adopt and implement the standards within their organisations. There were no specific financial implications in the adoption and implementation of the standards.

In response to a number of questions raised by the Chair of the Health and Adult Social Care Scrutiny Board and the Chair of the Housing Scrutiny Board, the Cabinet Member confirmed that:-

- meetings of the Sandwell's Domestic Abuse Strategic Partnership were attended by all statutory and partner agencies and those agencies would identify any gaps in compliance of the standards. The standards would enable people to self-identify domestic abuse to ensure that men and women stayed safe within Sandwell;

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- implementing the standards would help to ensure domestic abuse was identified earlier which would better enable abuse to be prevented in the future. Increased resources to domestic abuse services had been made to increase support to victims and families. A voluntary programme was also being launched for domestic abuse perpetrators to enable them to cope and moderate their behaviour.

Resolved that the West Midlands Domestic Violence and Abuse Standards, as now submitted, be approved and adopted.

38/16

Supply of Timber Materials – Award of Contract (Key Decision Ref. No. TNS040)

The Leader of the Council sought approval to award a contract for the supply of timber materials. The total cost of the three year contract was £694,000.

In accordance with the Council's Procurement and Contract Procedure Rules, the following companies provided the most economically advantageous bids:-

Arnold Laver & Company Ltd	£83,102.95
Harlow Timber LLP	£67,252.78
BGN Boards Company Ltd	£80,949.62

An equality impact assessment was not required for this proposal.

Resolved:-

- (1) that the Director – Neighbourhoods award the contract for the supply of timber materials to the following companies, for the lots specified, for the period 1st April 2016 to 31st March 2019:-

Arnold Laver & Company Ltd – Lots 2, 3, 4 & 7
Harlow Timber LLP – Lots 5 & 6
BGN Boards Company Ltd – Lots 1 & 8

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- (2) that subject to resolution (1) above, the Director – Governance be authorised to enter into the appropriate contracts with the companies listed above for the supply of timber materials.

39/16

Building Energy Management Systems (Key Decision Ref. No. TNS036)

The Deputy Leader and Cabinet Member for Finance and Resources sought approval to appoint a single contractor to provide and maintain a Building Energy Management System for a three year period from 1st May 2016 to 30th April 2019, with an optional one year extension until 30th April 2020.

In accordance with the Council's Procurement and Contract procedure Rules, Ser-Tec Systems Ltd provided the most economically advantageous bid.

Resolved:-

- (1) that the Assistant Chief Executive award the contract for Building Energy Management Systems to Ser-Tec Systems Ltd, in the sum of £405,538 for the period 1st May 2016 to 30th April 2019, with an option to extend until 30th April 2020;
- (2) that subject to resolution (1) above, the Director – Governance enter into an appropriate contract with Ser-Tec Systems Ltd for Building Energy Management Systems.

40/16

Inter Authority Agreement for Waste Incineration Services (Key Decision Ref. No. HE041)

The Cabinet Member for Highways and Environment sought approval for the Council to enter into a variation amendment to the Inter Authority Agreement with Staffordshire County Council, Walsall Metropolitan Borough Council and Warwickshire County Council for the provision of waste incineration services at the W2R plant at Four Ashes in Staffordshire.

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The contract variation sought to amend the definition of “maximum tonnage” and a correction to the Payment Mechanism on Annual Adjustments, as contained within the original Inter Authority Agreement agreed in 2010.

An equality impact assessment was not required for this proposal.

Resolved:-

- (1) that the Council enter into a variation agreement to increase the “maximum tonnage” and revise the Payment Mechanism as part of the Inter Authority Agreement with Staffordshire County Council, Walsall Metropolitan Borough Council and Warwickshire County Council for the provision of waste incineration services;
- (2) that, subject to resolution (1) above, the Director – Governance enter into an appropriate form of agreement on terms and conditions set by the Director – Neighbourhoods.

41/16

Gifted and Talented Programme for Sandwell Athletes (Key Decision Ref. No. LV004)

The Cabinet Member for Leisure and the Voluntary Sector sought approval to create a ‘Gifted and Talented’ programme to provide grant funding to individual athletes living within Sandwell who were achieving at elite level or had the potential to do so.

Elite athletes were often role models for everyone, particularly younger people, either already engaged in sport or not. By supporting ‘home grown’ talent, Sandwell residents would be able to see fellow local residents performing and winning on both the national and international stage and become incentivised to be more active themselves.

To be eligible for funding, athletes had to be a Sandwell resident, compete in a sport recognised by UK sport, including Paralympic sports, and be eligible to represent England/Great Britain.

There was a total budget of £25,000 which had been set aside for these payments. The maximum amount which would be granted to an individual athlete was £500 per funding round.

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Funding decisions would be made by a panel chaired by the Cabinet Member for Leisure and Voluntary Sector, with representatives from the Sport and Leisure Strategy and Development Team, and supported by the County Sport Partnership for the Black Country.

An equality impact assessment was not required for this proposal.

The Chairs of the Housing Scrutiny Board and the Leisure, Culture and the Third Sector Scrutiny Board commended the programme. In response, the Cabinet Member confirmed that a small amount of money would make a big impact for young people and help to encourage talent within Sandwell.

Resolved:-

- (1) that the Scheme of Delegations to Officers, as set out in Part 3 (Responsibility of Functions) of the Council's Constitution, be amended to include the following delegation to the Director – Neighbourhoods:-

Gifted and Talented Grant Panel

To consider the recommendations of the Gifted and Talented Grant Panel in respect of applications for grants to individual athletes living within Sandwell, and to determine the level of grant up to a maximum of £500.00, to individual athletes per funding round, in accordance with the approved criteria.

- (2) that reserves from the Physical Activity Board be utilised to fund the Gifted and Talented grant programme;
- (3) that the Director - Governance amend the Scheme of Delegations to Officers in accordance with article 7.06 of the Council's Constitution;
- (4) that, further report be submitted to the Cabinet following one full year of the Gifted and Talented Panel being operational.

Business Item

42/16

Charter for Sustainable British Steel

The Cabinet Member for Regeneration and Economic Investment reported that the All Party Parliamentary Group on Steel and Metal Related Industry had written to the Leader of the Council seeking the Council's support, for the British Steel industry, specifically asking:

- whether the Council would consider signing up to the Charter for Sustainable British Steel, a UK Steel initiative that sought to promote the use of sustainable British steel in construction projects; and
- what the Council could do to ensure compliance with the Charter in building projects.

Lead officers responsible for delivering the Council's property, construction and highway projects had considered the implications of supporting and signing the Charter. The Council's Procurement Team had also identified measures that can be incorporated into existing processes to ensure compliance with the charter for Council construction projects.

The Cabinet Member now sought approval for the Council to support the Charter for Sustainable British Steel.

Resolved:-

- (1) that the Council support the Charter for Sustainable British Steel;
- (2) that the Assistant Chief Executive write to Nia Griffith MP (as representative of the All Party Parliamentary Group on Steel and Metal Related Industry) confirming Sandwell Council's support of the Charter for Sustainable British Steel;
- (3) that in connection with resolution (1) above, the Director - Governance incorporate the appropriate procurement measures identified in Appendix 3 to the report now submitted, as part of the review of the Council's procurement policy and guidelines.

43/16

Exclusion of the Public

Resolved that the public and press be excluded from the rest of the proceedings 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 or business affairs of any particular person (including the authority holding that information).

Strategic Items

44/16

Future Use of Sandfield House, West Bromwich (Key Decision Ref. No RE1022)

The Cabinet Member for Regeneration and Economic Investment reported that Sandfield House, Walsall Road, West Bromwich Cross, which was originally designed as sheltered accommodation comprising 24 bedsits, was no longer considered suitable to provide accommodation for vulnerable clients. This had subsequently led to uncertainty over its future use.

In the last few years, the flats have not been re-let as they became vacant and now only two residents remained.

A number of options had been considered including sale and clearance of the building, however, remodelling the building to create 12 one bedroom flats emerged as the preferred option.

A full appraisal had been undertaken by Strategic Finance. The appraisal process recorded a score of 79%. Some risks had been identified as a result of the appraisal and action points recommended to mitigate these risks.

Approval was now sought to remodel the building in order to make best use of the stock. In addition, subject to the proposal being positively received following consultation with existing tenants and local residents, it was proposed that the project was fully developed and a full procurement exercise undertaken.

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In response to a question from the Chair of the Housing Scrutiny Board relating to age restrictions being applied to accommodation, the Cabinet Member clarified that age restrictions were no longer applied but a local lettings plan would be considered for the proposed development and ward members would be consulted on proposals.

Resolved:-

- (1) that the Director – Neighbourhoods consult with remaining tenants and local residents on the proposals to remodel Sandfield House, West Bromwich to create 12 one bedroom flats;
- (2) that, in connection with resolution (1) above, subject to no unresolved objections being received during the consultation period, Sandfield House, West Bromwich be remodelled to create 12 one bedroom flats;
- (3) that, in connection with resolution (1) and (2) above, in the event of any unresolved objections, a further report to consider the objections be considered by the Cabinet Member for Regeneration and Economic Investment;
- (4) that subject to resolution (1), (2) and (3) above, following the completion of a compliant procurement process, the Director – Neighbourhoods award a contract to create 12 one bedroom flats at Sandfield House, West Bromwich at a total sum not exceeding the value as set out in the report now submitted;
- (5) that in the event that the cost does exceed the value set out in the report now submitted, the Director – Neighbourhoods, in consultation with Cabinet Member Regeneration and Economy, be authorised to consider and determine whether the contract proceeds;
- (6) that subject to resolution (2), (4) and (5) above, following the relevant procurement process, the Director – Governance enter into and agree an appropriate contract for the development of Sandfield House, West Bromwich on terms to be agreed by the Director – Neighbourhoods;

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- (7) that the following action points be implemented in order to reduce any risk to the Council:
- provide a complete corporate Risk Register to identify appropriate risk officers, along with associated target dates for the mitigation of risks;
 - allocate roles and responsibilities for project management to individual officers and ensure adequate contract monitoring procedures are in place;
 - determine a process for post project evaluation and how proposed outcomes will be measured.

45/16

Delivering New Homes – The Provision of New Council Housing – Small Sites (Key Decision Ref. No. RE1022)

The Cabinet Member for Regeneration and Economic Investment sought approval to redevelop four Council owned sites as new Council owned affordable rented housing stock in order to meet the continued demand for affordable rented properties, particularly houses.

It was now proposed to develop:

5 x 2 bedroom bungalows
18 x 2 bedroom houses
4 x 4 bedroom houses

A number of feasibility studies had been undertaken on each of the sites to ascertain if they were financially viable to develop as Council housing taking into account planning requirements. In light of the development options and residential configurations the proposals had been progressed to detailed design and submitted for planning consent. Three schemes had gained full planning consent and the remaining one was expected to gain consent in March 2016.

Public consultation had been completed as part of the statutory planning process.

A full appraisal has been undertaken by Strategic Finance. The appraisal process recorded a score of 80%.

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Some risks had been identified as a result of the appraisal and action points recommended to mitigate these risks.

An equality impact assessment had been carried out for this proposal.

In response to a number of questions from the Chair of the Housing Scrutiny Board and the Chair of the Leisure, Culture and the Third Sector Scrutiny Board, the Cabinet Member confirmed that:-

- the Council would have due regard for demand in an area when building Council properties;
- it was standard policy to have a local lettings plan for all new build affordable housing. Priority would be given to households who lived in the local area with properties allocated in accordance with the Council's Housing Allocations Policy to ensure that households affected by under-occupation and overcrowding were given priority.

Resolved:-

- (1) that, the Director – Regeneration and Economy allocate the following four sites for development with Council house properties:
 - approximately 0.146 hectares of land at Gladstone Street, West Bromwich, B71 1EW;
 - approximately 0.164 hectares of land at Monmouth Drive, Hateley Heath, B71 2ST;
 - approximately 0.126 hectares of land at Ladbury Road, Yew Tree, WS5 4HH;
 - approximately 0.261 hectares of land at Hilton Road Tividale, B69 1JT;
- (2) that the Director – Governance and the Section 151 Officer, in consultation with the Director – Regeneration and Economy and the Cabinet Member for Regeneration and Economic Investment, prepare tendering documentation and procure, in accordance with the Council's procurement and financial regulations, contractors to develop the proposed housing schemes;

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- (3) that the Director – Governance enter into or execute under seal any documentation in relation to award of the contract and/or development/partnership agreement, licence, undertaking or other agreements etc. to facilitate development of the site with Council houses on terms and conditions to be agreed by the Director - Regeneration and Economy;
- (4) that the Section 151 Officer be authorised to allocate a sum of money as set out in the report now submitted from the Housing Revenue Account capital investment programme to facilitate the development of the sites detailed in resolution (1) above;
- (5) that following practical completion of each property referred to in resolution (1) above, the Director – Neighbourhoods manage and let the premises in accordance with the Council’s housing allocation policy;
- (6) that the following action points identified within the appraisal report be implemented to reduce any risk to the Council:
 - ensure the risk register is reviewed to include appropriate target dates for the mitigation of risks;
 - complete a detailed procurement timetable to monitor against and reduce the risk of delays in fixing contract sums;
 - document the proposed governance reporting structure to ensure that contract monitoring has appropriate means of reporting and rectifying any project risks/issues;
 - determine how proposed outcomes will be measured and reported.

(Meeting ended at 3.49 pm)

Contact Officer: Suky Suthi-Nagra Democratic Services Unit 0121 569 3479
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