

The Cabinet

**13th December, 2017 at 3.30 pm
at the Sandwell Council House, Oldbury**

Present: Councillor Eling (Chair);
Councillors Carmichael, Costigan, Hackett,
D Hosell, Khatun, Moore, Shackleton and Trow.

Apology: Councillor Underhill.

In attendance: Councillors Edis, E M Giles, Hickey and P Hughes.

180/17 Declaration of Interest

Councillor D Hosell declared a pecuniary interest in Minute No. 198/17 (Provision of New Build Council Houses, West Road, Hamstead) as he was a resident of West Road, Hamstead and ex chair of the local resident group.

181/17 Minutes

Resolved that the minutes of the meeting held on 15th November, 2017 be confirmed as a correct record.

Strategic Items

182/17 Council Tax Base 2018/2019 (Key Decision Ref. No. SMBC07/12/2017)

The Leader of the Council presented the proposed Council Tax Base 2018/2019.

The tax base was calculated in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012.

The Cabinet – 13th December, 2017

The regulations set out the methodology to be used by authorities when calculating their tax base for Council Tax purposes.

It also dictated that the tax base should be set between 1st December and 31st January prior to the financial year to which it referred.

The Council Tax Base represented the amount that could be raised by the Council for every £1 of Council Tax that was levied in the Borough. Decisions regarding the Local Council Tax Reduction Scheme to be adopted within Sandwell for 2018/19 might affect the level of Council Tax Base.

The proposed Council Tax Base assumed the following: -

- there would be no changes made to Sandwell's Local Council Tax Reduction scheme for 2018/19;
- that the decision to apply 0% Council Tax Discounts on empty properties and to apply an empty home premium of 150% for homes empty longer than two years, would continue throughout 2018/19.

The actual levels of Council Tax for 2018/2019 would be dependent upon final decisions yet to be taken on both Sandwell budgets and those of the precepting bodies, together with consideration of any surplus or deficit on the Collection Fund.

An equality impact assessment was not required for this proposal.

The Chair of the Budget and Corporate Scrutiny Management Board commended the Revenues and Benefits Service in being the second best performing metropolitan borough council in respect of Council Tax in-year collection.

In response to a question raised by the Chair of the Budget and Corporate Scrutiny Management Board the Leader of the Council reported that there were approximately 350 properties that had been empty for more than two years within Sandwell.

Resolved to recommend that Council approve the Council Tax Base for 2018/2019 to be set at 72,206.05.
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183/17

The Review of 2018/2019 Council Tenant Rents and Housing Related Property Charges (Key Decision Ref. No. SMBC03/12/2017)

The Leader of the Council sought approval to the proposed council housing rent and property related charges for 2018/2019.

In March 2016, The Welfare Reform and Work Act introduced government policy changes affecting rents set by social housing providers and introduced annual reductions of 1% for four years with effect from April 2016. In line with this policy, rents for tenants would need to be reduced by 1% in April 2018. The average 48 week rent within Sandwell would fall £0.86 to £86.24.

The rents for new tenants in existing council stock were set on a Sandwell social rent formula basis and it was proposed that this policy continued.

The Council did charge so called affordable rents for some properties. These were either new build properties (including new sheltered housing accommodation) or former council house/flat properties, sold under Right to Buy, bought back into the council stock. An affordable rent could be up to 80% of market rent in the area and would be higher than the council housing social rent. Affordable rents were tied to government rent reduction legislation so it was proposed to reduce these affordable rents by 1% from April 2018.

It was proposed that rents of properties within the Wednesbury area managed by Riverside under the Private Finance Initiative contract and specialist supported housing across the borough would also receive the 1% rent reduction.

Service charges were outside of the government legislative changes. The principle continued to be the recovery of cost associated with the service including an appropriate proportion of overhead costs. This policy would continue to be applied by the Council. The following was therefore proposed:-

Cleaning – There were currently two rates of charges relating to the cleaning of low rise and high rise blocks. These charges related to both internal and external cleaning. Currently the charges levied did not recover the full cost of the provision. As high rise blocks were more expensive to clean, it was proposed to raise charges by 3%.

The Cabinet – 13th December, 2017

This would raise the weekly charge from £4.68 to £4.82 at 48 weeks. A 1% increase was proposed for low rise blocks, meaning the weekly charge would increase from £4.27 to £4.31. Similarly, for tenants in supported accommodation, it was proposed their cleaning charges increased by 1%.

Security – The current service charge income covered the cost of the door entry system. It was therefore proposed to freeze charges from April 2018. The costs of providing the concierge, CCTV cameras and control room had reduced in recent years with restructuring and other contractual maintenance savings but it was still a subsidised service to clients. The current charges did not recover the full cost of the provisions. It was therefore proposed that charges for these three services were increased by 3%.

Aerials – A digital aerial service was currently provided to 11,000 tenants. There was a contract to maintain and repair this service and the current service charge recovered all costs. It was therefore proposed to the current weekly charge of £0.45 per week continued from April 2018.

Heating and Other – There were other charges that related specifically to some blocks such as heating and water costs. An estimated charge was set to recover costs but there might be retrospective adjustments between years to reflect actual costs. It was recommended that this policy continued to be adopted.

There were a small number of properties that sat outside of the Housing Revenue Account and their rent income contributed to the Council's general fund finances. These would include the rents on the permanent 5 travellers site in Tipton and the remaining rented parks lodges and the other small number of council properties outside the council housing stock. It was proposed for these properties that rents were increased by 2% from April 2018 in line with the average rise in income built into general fund 2018/2019 budget assumptions.

Garages were within the Council's general fund property portfolio. The majority of garages were rented by private homeowners although council tenants represented approximately 40% of those let.

The Cabinet – 13th December, 2017

The rent was used to maintain and manage the sites but also for potential investment and renovation. It was therefore proposed that garage rents were increased by 2% from April 2018 to reflect the Council's budget assumptions for external income in 2018/2019.

The current weekly rent for garages was £7.02 per week and with a 2% rise this would increase to £7.16 per week from April 2018. For private homeowners the cost inclusive of VAT will rise to £8.59 per week from April 2018.

As of 31st March 2017, there were 1,123 leaseholders in ex-council stock. They would receive bills relevant to their property block and the actual services that were received. The authority must be able to substantiate all charges and they must be seen as reasonable and fair.

There was a separate recharge to leaseholders for management and administration. This was either set at £100 or higher at 10% of all the elements within the service charges if that was greater than £100. It was proposed to leave the administration recharge as it was from April 2018.

The Chair of the Budget and Corporate Scrutiny Board and the Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board sought clarification on whether:-

- repairs would take longer to be completed now that rents were being reduced by 1%;
- the proposed 3% increase in the cleaning service charge for high rise blocks would go towards reducing the £200k deficit.

In response, the Leader of the Council confirmed that:-

- the 1% reduction would not have an impact on the repairs budget and that there were no expected changes to times for completing repairs;
- local authorities had a discretion to fully recover all costs but did not have to do so. The current deficit of £200k was likely to continue in 2018/2019 as the additional income from the 3% rise (and low rise cleaning at 1%) would meet expected similar rises in staff and operational costs.

The Cabinet – 13th December, 2017

Resolved:-

- (1) that in connection with the council tenant rents and housing related property charges for 2018/2019, with effect from 1st April 2018:-
 - a) the rent of current tenants within Housing Revenue Account dwellings be reduced by 1%;
 - b) the rent of new tenancies within current council stock be set at the Sandwell formula social rent formula;
 - c) the rent of properties let under affordable rents in 2018/2019 be reduced by 1%;
 - d) the rent of new tenancies in additional newly built council homes and former council homes purchased back to be let under affordable rents;
 - e) Private Finance Initiatives property rents be reduced by 1%;
 - f) the rent of properties outside of the Housing Revenue Account be increased by 2%;
 - g) weekly garage rents be increased by 2%;
 - h) the service charge for cleaning high rise blocks be increased by 3%;
 - i) the service cleaning charge for low rise blocks be increased by 1%;
 - j) the service charge relating to the door entry system be frozen from April 2018;
 - k) the service charge relating to the concierge, CCTV cameras and control room be increased by 3%;
 - l) the service charge for a digital aerial service continues at the current weekly rate;
 - m) the policy relating to heating and other service charges continues to be adopted;
- (2) that the Leasehold Management Fee be set at £100 or higher at 10% of all the elements within the service charges if that is greater than £100;
- (3) that the Leasehold Administration Fee is not changed from the current fee.

184/17

Business Rates Retention Forecast 2018/19 (Key Decision Ref. No. SMBC09/12/2017)

The Leader of the Council sought approval to the business rates forecast for 2018/2019.

The Non-Domestic Rating (Rates Retention) Regulations 2013 brought about major changes to the funding of local government which included the retention by councils of 50% of locally collected business rates. There was a statutory requirement placed on all collection authorities to calculate how much income each authority was likely to receive for the coming financial year.

The National Non-Domestic Rate 2018/19 form, which represented the estimated business rates expected to be collected by the Council next year, was yet to be received from the Department for Communities and Local Government. Assumptions had therefore been made with regard to the final estimate.

All commercial property was revalued with effect from 1st April 2017.

The Government intended to introduce 100% Business Rates Retention whereby local authorities retained 100% of the business rates that they raised locally. No date had been given for the introduction of this as the Government was currently deciding how the system could be tailored to local needs and opportunities – especially in areas where communities were pressing forward with Devolution Deals, combined authorities and elected mayors.

The Business Rates Retention forecast assumed the following:

- the Council would continue to take part in the 100% Business Rates Retention Pilot and would retain 99% of business rates collected for 2018/19;
- that the business rate multiplier would be capped at 2% making a figure of 47.5 pence and that the financial impact of this would be funded through the Section 31 grant. (The RPI for August 2017 was 3.7%);
- that there would be a high number of appeals/changes to valuations as a result of the recent revaluation;
- growth and demolition for remainder of 2017/18 and 2018/19 (based on information received from Planning).

The Cabinet – 13th December, 2017

An equality impact assessment was not required for this proposal.

The Chair of the Budget and Corporate Scrutiny Board sought clarification on:-

- whether there was a separate business rate multiplier for small businesses;
- if the current relief of small business was not extended beyond 2018/19, how would the Council support small business.

In response, the Leader of the Council confirmed that:-

- there was a different multiplier for small businesses which was currently 46.6p. It was expected to increase to 48p from next year;
- the business rate relief was an additional relief introduced this year to support businesses who as a result of the revaluation lost some or all of their entitlement to Small Business Rates Relief. The small business rates relief had been in place for a number of years and there were no plans for it to end.

Resolved:-

- (1) that subject to any changes arising from the issue of the National Non-Domestic Rate (NNDR1) form by the Department for Communities and Local Government and Autumn Statement announcements, the business rate retention forecast for 2018/2019, based on 99% Business Rates Retention be approved as £96.39m;
- (2) that the Executive Director - Resources be authorised to adjust the estimate following required changes arising from the issue of the National Non-Domestic Rate (NNDR1) form, joint Spending Review, Autumn Statement announcements and funding arrangements for Business Rates Retention Pilots.

185/17

Local Council Tax Reduction Scheme 2018/19 (Key Decision Ref. No. SMBC08/12/2017)

The Leader of the Council presented Sandwell's Local Council Tax Reduction Scheme for 2018/19.

The current Local Council Tax Reduction Scheme had been operational since 1st April 2016 and no issues had been identified to date.

As the scheme was operating well, it was proposed that no changes were made to the scheme for 2018/19.

A four-week consultation exercise took place with citizens and stakeholders, advising them that there would be no changes to the scheme and inviting feedback. As the scheme had not changed, a full Equality Impact Assessment was not required.

In April 2017, the government introduced a number of changes to Housing Benefit and other welfare benefits. The majority of these changes restricted allowances for families who had more than two children. Sandwell wanted to continue to protect families and decrease child poverty. Therefore, these restrictions had not been mirrored in the Local Council Tax Reduction Scheme.

In response to a question raised by the Chair of the Budget and Corporate Scrutiny Board relating to whether the impact of the Local Council Tax Reduction Scheme had been measured in cost-benefit terms such as keeping families out of poverty and work incentivisation, the Leader of the Council responded that currently the only measure/indication available was the increase the working age caseload.

Resolved to recommend to Council:-

- (1) that no changes are made to the Local Council Tax Reduction Scheme for 2018/2019;
- (2) to approve the Local Council Tax Reduction Scheme for 2018/2019.

186/17

Schools' Model Redundancy Policy and Guidance for School Based Staff (Key Decision Ref. No. SMBC16129)

The Cabinet Member for Children's Services sought approval to the School's Model Redundancy Policy and Guidance for School Based Staff.

The Redundancy and Redeployment Procedures for School Based Teaching Staff and the Redundancy and Redeployment Procedures for School Based Non-Teaching Staff were last updated in July 2009 respectively.

In updating the existing Redundancy and Redeployment Procedures, the Council had sought to add structure and content to the Policy for dealing with employment matters and supporting employees during periods of change in response to financial constraints, organisational or service reviews which might require rationalisation and a reduction in staffing numbers.

The Policy set out the key principles and parameters and the Guidance detailed the process to be followed. The Guidance Document had been developed to be used alongside the Policy Document to provide greater clarity around the process. The existing procedures had been rewritten and the key proposed changes in summary were that the two existing procedures had been combined into one model policy with supporting guidance with appropriate reference to different provisions and conditions of service for teaching and non-teaching staff.

The separation of the Policy was intended to provide a streamlined, practical and user-friendly guidance document particularly for managers, head teachers and governing bodies who were the key decision makers in this process. The approach taken reflected the Council's position on employment policy; that it should be clear and aligned to current legislation and the subject of meaningful consultation. Whilst there was no requirement for employers to consult on guidance issued in association with any policy, changes had been made to both documents where there was agreement to reflect feedback during the consultation process with trade unions.

The Cabinet – 13th December, 2017

Resolved:-

- (1) that the Schools' Model Redundancy Policy for School Based Staff as now submitted be approved and recommended to Schools where the local authority is the employer for governing bodies to adopt;
- (2) that the Schools' Model Redundancy Policy Guidance for School Based Staff as now submitted be approved and recommended to schools where the local authority is the employer for governing bodies to adopt.

187/17 Highway Permit Scheme (Key Decision Ref. No. SMBC20/12/2017)

The Cabinet Member for Highways and Environment sought approval to introduce a Highway Permit Scheme which would require a permit to be obtained before specified works were carried out in accordance with the West Midlands Combined Authority (WMCA) decision of 7th April 2017, for the coordination of street works on the Sandwell public highway network.

It was considered that this would lead to better co-ordination of all works and closer monitoring of those who were responsible for installing and maintaining highways' and utilities' infrastructure, and their contractors.

The Chair of the Budget and Corporate Scrutiny Board sought clarification on:-

- whether the actual benefit amount of the Warwickshire Permit Scheme was known over the two years since its inception;
- if implement costs were not borrowed, where would the costs be funded from;
- proposals to mitigate the impact on Highways team current workload.

The Cabinet – 13th December, 2017

In response, the Cabinet Member for Highways and Environment confirmed that:-

- Warwickshire had advised that they had exceeded the expected 5% reduction in highways occupation in both the first and second year of the permit scheme;
- approval was also being sought to commission AECOM to assist Highways officers with the work needed to develop and implement the scheme. The assistant provided by AEECOM would mitigate the capacity constraints and workload pressures for Highways officers.

Resolved:-

- (1) that the introduction of a Sandwell Permit Scheme be approved;
- (2) that the commission of AECOM Infrastructure & Environment UK Limited to develop the scheme and assist with implementation under the Midland Highway Alliance (MHA) - Professional Services Partnership 2 (PSP2) Framework be approved;
- (3) that the Executive Director – Neighbourhoods be authorised to:-
 - a) approve the detailed plans and undertake Statutory Consultation on the proposed permit scheme;
 - b) in consultation with the Cabinet Member for Highways and Environment, consider objections, determine the final scheme and notify any objectors of the decision;
 - c) approve and publish the final permit scheme;
 - d) sign off the implementation of the final scheme and complete any statutory processes.

188/17

Hire of Winter Maintenance Vehicles (Key Decision Ref. No. SMBC21/12/2017)

The Cabinet Member for Highways and Environment reported that the Council's call off contract for its hired winter maintenance vehicles (gritters) would expire following completion of the 2017/18 winter season and it was therefore necessary for the Council to procure alternative arrangements moving forward.

The Council currently hired nine winter maintenance vehicles via a call off contract placed under the previous Self Drive Vehicle Hire Framework Agreement which had now expired and no further call off contracts were permitted under this agreement.

The Council's Procurement and Highways Services had been assessing options to resource future winter maintenance vehicle requirements. Following financial appraisal of both purchase and hire options, it was recommended that the Council continued to hire its gritters procured via a mini-tender exercise under the established TPPL (The Procurement Partnership Limited) Vehicle Rental Framework Agreement – Lot 6 Hire of Heavy Goods Vehicles (HGVs) up to 44t.

The new hire contract would include the following items:

- the hire of 6 x Gritting Vehicles (4x2) and 3 x Gritting Vehicles (4x4);
- 5 snow ploughs;
- the installation of tracking/navigation hardware and an auto salting solution to each vehicle (with digitisation of routes);
- vehicle inspections, repair & maintenance, emergency call out 24 hrs a day 7 days a week during each winter season (1 October to 30 April), road fund licence and tyre replacement under fair wear and tear;
- out of season hire on an Ad-Hoc basis, e.g. sand spreading;
- replacement vehicle should any gritter be out of service.

The Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board and the Chair of the Economy, Skills, Transport and Environment Scrutiny Board sought clarification on:-

The Cabinet – 13th December, 2017

- why all major roads had not been gritted during the recent inclement weather when it had been forecast for a week before;
- whether the new equipment provided better equipment than what was currently being used.

In response, the Cabinet Member for Highways and Environment confirmed that:-

- all priority routes were treated three times on the day prior to the inclement weather and a further three treatments on the actual day. The priority routes covered all major roads plus bus routes, busy road and other important routes such as roads serving hospitals and bus stations, which equated to approximately 414km of lane length being 47% of the total network. Consequently nearly 2,500km of road lane was treated prior and during the inclement weather;
- the hire agreement would provide improved equipment that better met the needs of the service within the available budget.

Resolved:-

- (1) that the hire of new winter maintenance vehicles for the winter seasons 2018/19, 2019/20, 2020/21 and 2021/22 with an option to extend the hire arrangements for the winter season 2022/23 at an estimated cost of £1,000,000 including the extension option be approved;
- (2) that the Executive Director - Neighbourhoods be authorised to award the Call off Contract for the hire of the new winter maintenance vehicles in accordance with the TPPL Framework Agreement and the Council's Procurement and Contract Procedure Rules;
- (3) that in connection with Resolution (1) and (2) above, the Director- Monitoring Officer be authorised to enter into a form of agreement on terms to be agreed by the Executive Director - Neighbourhoods for the hire of new winter maintenance vehicles;
- (4) that any necessary exemption to the Council's Procurement and Contract Procedure Rules are made to enable Resolution (1) and (2) above to proceed.

The Cabinet – 13th December, 2017

189/17

Dudley Port Supplementary Planning Document – Results of Consultation and Approval to Adopt (Key Decision Ref. No. SMBC02/12/2017)

The Cabinet Member for Regeneration and Economic Investment sought approval to amend and adopt the Dudley Port Supplementary Planning Document following public consultation.

On 17th May 2017, the Cabinet approved the Dudley Port Supplementary Planning Document as a basis for consultation (Minute No. 98/17).

There were no major issues arising from the consultation that required significant amendments to the Supplementary Planning Document. A summary of the proposed amendments were outlined below:

- include more reference to enhancing biodiversity;
- a section on the heritage and assets of the area would be included;
- include more information about the benefits of using the canal as part of a district heat network;
- slight amendment to the section on the case study at Castle Street;
- reference to be included regarding partner working with other agencies such as Canal and River Trust and Natural England;
- include a reference to mitigating the impacts of development on the canal infrastructure;
- inclusion of a statement regarding clarification of the status of the potential development sites included within the document.

In response to a question raised by the Chair of the Budget and Corporate Scrutiny Board relating to whether there was a demand for housing in the Tipton area and whether that demand could be met from existing housing supply in the area, the Cabinet Member for Regeneration and Economic Investment responded that over the course of 2016/17, the demand for all property types, such as social and private housing, in the Tipton area remained strong. The proposed metro development would also increase the demand for houses in the area.

The Cabinet – 13th December, 2017

Resolved that the changes made to the Dudley Port Supplementary Planning Document (SPD) in response to the comments arising from the public consultation be approved and adopted.

190/17 Enter into Grant Agreement to Enable a Development Site at Bull Street, West Bromwich (Key Decision Ref. No. SMBC01/10/2017)

The Cabinet Member for Regeneration and Economic Investment sought approval to the final details of the funding application to the Black Country Local Enterprise Partnership (BCLEP) to enable the redevelopment of a site on Bull Street, West Bromwich as shown on Plan No. SAM/08060/007.

On 17th May 2017, the Cabinet resolved to declare the MSCP surplus to requirements and for the Executive Director – Neighbourhoods to submit an application for grant funding to the BCLEP for its demolition and to conduct associated enabling works (see Minute No. 94/17).

Assuming the site was cleared and redeveloped for a leisure use, the estimated private sector leverage had been included in the grant funding application to the BCLEP.

The demolition of the MSCP would reclaim 0.7ha of brownfield land and would create 14,772sqm of floor space. The construction and completed development would also create jobs as well as capturing economic benefits from the wider West Midlands region.

The current funding application was limited to the site as shown on Plan No. SAM/08060/007 and was considered to be the first phase of regeneration at Bull Street. However, a subsequent phase that encompasses the wider Bull Street area was also being considered for redevelopment. This phase was subject to negotiations and agreement with third party landowners.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board welcomed the proposals to further redevelop this area of West Bromwich.

The Cabinet – 13th December, 2017

Resolved:-

- (1) that the Executive Director – Neighbourhoods be authorised to proceed with the application for grant funding to the Black Country LEP to enable the redevelopment of the site as shown on Plan No. SAM/08060/007 and to undertake demolition and associated ground works including the filling of a mineshaft and other sub-structures, intrusive site investigations, and accommodation works to the adjoining Queen's Square shopping centre;
- (2) that the Executive Director – Resources be authorised to make the necessary funds available and the Executive Director – Neighbourhoods make the appropriate arrangements to demolish and clear the identified site;
- (3) that the Director – Monitoring Officer be authorised to enter into or execute under seal, if necessary, any other related documentation in connection with enabling the site for redevelopment and disposal of the site referred to in Resolution (1) and (2) above, on terms and conditions to be agreed by the Executive Director – Neighbourhoods;
- (4) that the following action points identified within the Strategic Finance Unit Appraisal Report be implemented to reduce any risk to the Council:-
 - ensure procurement for the project is undertaken in accordance with the Council's Standing Orders for Contracts and Financial Regulations;
 - ensure that terms and conditions of grant funding do not require the achievement of floor space created and private sector investment, as these are indirect outputs;
 - ensure that terms and conditions of grant funding are reviewed by Strategic Finance prior to entering contract agreement and legal advice is sought where security against grant is requested;
 - ensure all match funding offered by the Council is reviewed to ensure it is fully eligible and is reflected accurately within the funding agreement;

The Cabinet – 13th December, 2017

- confirm project monitoring requirements with the Accountable Body in relation to private match funding and determine how this will be satisfied by the Council;
- undertake robust project monitoring to identify additional costs at the earliest opportunity;
- ensure that the Council uses its 'option to tax' on the sale of the land, to recover any tax losses;
- undertake option analysis relating to the future potential sale of the freehold site, along with the option to retain the freehold and lease the land;
- ensure future repair and maintenance of staircase and lift shaft at Queen's Square shopping centre is the responsibility of the lessee and is incorporated into the lease agreement.

191/17

Sandwell Strategic Road Safety Plan 2017 – 2022 (Key Decision Ref. No. SMBC19/12/2017)

The Cabinet Member for Highways and Environment sought approval to implement the road safety strategy and associated policies to help inform road safety delivery within the borough over the next five years.

Sandwell's Strategic Road Safety Plan 2017-2022 published the findings of an in-depth road traffic casualty analysis across the borough and set out the Council's new road safety strategy for that period.

Sandwell had an excellent track record in reducing road casualties. Between 2000 and 2015 total road injuries have fallen from 1639 to 880 (46% reduction); killed and seriously injured (KSI) have reduced from 207 to 116 (44%) and most noteworthy is the 61% reduction in child casualties during that time.

However, analysis had shown that the trend for road casualty reduction in Sandwell had slowed recently and therefore it was recognised we should not become complacent.

The Cabinet – 13th December, 2017

In response to a question raised by the Chair of the Budget and Corporate Scrutiny Board relating to engaging directly with motorcycle groups to identify possible interventions to motorcyclist casualties on the road, the Cabinet Member for Highways and Environment responded that motorcyclists had been identified as one of the five priority groups for action over the next five years. Delivery plans would be developed following consultation with established user groups representing the five priorities for improvement. Each year the most cost-effective campaigns and programmes of work would be implemented.

Resolved that the Strategic Road Safety Plan 2017 - 2022 to inform road safety delivery within the borough over the next five years be approved.

192/17 Quarter 2 Budget Monitoring (Key Decision Ref. No. SMBC16/12/2017)

The Leader of the Council presented details of the Council's financial position for the 2017/18 financial year.

When taking into account the utilisation of centrally earmarked balances of £7.267m, the Council was showing an overall forecast deficit for the year against general balances of £4.867m.

At a service level, excluding Public Health, the Council was reporting a forecast year end surplus of £2.400m from within the following service areas:-

- Central Items - surplus of £1.950m
- Corporate Management - balanced budget
- Resources - surplus of £1.216m
- Adults Social Care - surplus of £0.099m
- Children's Services - deficit of £1.600m
- Regeneration and Planning - surplus of £0.735m
- Housing and Communities – balanced budget

In addition, there was a projected year end surplus of 0.091m within Public Health that related to funds carried forward from previous years. It was requested that this be carried forward into 2019/20 to offset anticipated reduction in public health grant.

The Cabinet – 13th December, 2017

Approval was now sought to the following virements within Directorates:-

- **Children's Services and Resources**
a transfer of £0.366m from Children's Services to Resources for external legal budgets
- **Regeneration and Growth and Adult Social Care**
a transfer of ££0.010m from Regeneration and Growth to Adult Social Care for transit site running costs;
- **Regeneration and Growth and Children's Services**
a transfer of £0.019m from Regeneration and Growth to Children's Services for the transfer of a Business Support Officer post;
- **Housing and Communities and Adult Social Care**
a transfer of £0.368 from Housing and Communities to Adult Social Care for the transfer of the warden's service;
- **Children's Services and Regeneration and Growth**
a transfer of £0.084m from Children's Services to Regeneration and Growth for the transfer of the Hollies Centre.

Approval was also sought to the following virements within service:-

Adult Social Care

The service had been restructured since the previously reported monitoring. The budget had been redistributed to reflect the revised service responsibilities. £87.225m from previous service areas to the new services

Housing Revenue Account

A total of £1.232m between sub divisions as follows:

- £0.408m from Welfare Rights, Housing Management to Business Excellence.
- £0.430m from Apprentices, Corporate HRA to Business Excellence
- £0.394m from Rent Control, Rents and Other Charges to Housing Management.

The Cabinet – 13th December, 2017

The Lead of the Council also sought approval to the following capital virement:-

Housing Revenue Account

A transfer of £3.184m from the general High Rise budget to fund ongoing high rise works.

Approval was also sought for the following to be re-profiled to future years:-

Regeneration and Growth

£0.735 for Regeneration and Growth into 2018/19 as follows:-

- £0.162m to fund site allocation document expenditure and to offset property services pressures;
- £0.173m to meet Highways Services expenditure pressures;
- £0.400m to offset Urban Design and Building Services income pressures.

Public Health

£0.091m for Public Health to be carried forward into 2019/20 to offset anticipated reduction in public health grant.

Approval was sought to the following Revenue Contribution to Capital Outlay (RCCO):-

Resources

£0.200m be used towards the replacement of outdated ICT equipment.

Housing Revenue Account

£1.763m (HRA) be used as followed:-

- £1.275m to fund additional interest and debt repayment costs;
- £0.150m to reduce future borrowing costs;
- £0.338m to fund future investment

Approval was also sought to the following additional specific grants:-

Children's Services

- £2.632m S31 grant had been notified for set up costs for Sandwell Children's Social Care Trust – Local Authority Performance and Interventions;
- £0.012m DWP grant income for Business Rates New Burdens.

The Cabinet – 13th December, 2017

Regeneration and Growth

- £0.244m has been received in relation to Large Site and Housing Zone Capacity Fund.

Resolved:-

- (1) that the financial monitoring position of individual directorates contained within the Council wide budget monitoring for the first six months for the 2017/18 financial year be received;
- (2) that the recommendations for use of funds as detailed within the report for individual directorates be approved;
- (3) that the financial monitoring position of individual directorates be received and referred to the Budget and Corporate Scrutiny Management Board for consideration and comment;
- (4) that the financial position of the Housing Revenue Account (HRA) for the period ending September 2017 be received;
- (5) that the following carry forwards be re-profiled to future years:-
 - a) £0.735m for Regeneration & Growth into 2018/19 as follows:
 - £0.162m to fund site allocation document expenditure and to offset property services pressures;
 - £0.173m to meet Highways Services expenditure pressures;
 - £0.400 to offset urban Design and Building Services income pressures;
 - b) £0.091m for Public Health to be carried forward into 2019/20 to offset anticipated reduction in public health grant – ring fenced for Public Health use;

The Cabinet – 13th December, 2017

- (6) that the following virements within service be approved:-
- a) Adult Social Care - £87.225m from previous service areas to the new services;
 - b) Housing Revenue Account - £1.232m between sub divisions as follows:
 - £0.408m from Welfare Rights, Housing Management to Business Excellence;
 - £0.430m from Apprentices, Corporate HRA to Business Excellence;
 - £0.394m from Rent Control, Rents and Other Charges to Housing Management;
- (7) that the following virements between directorates be approved:-
- a) £0.366m from Children's Services to Resources for the external legal budgets;
 - b) £0.010m from Regeneration and Growth to Adult Social Care for transit site running costs;
 - c) £0.368m from Housing and Communities to Adult Social Care for the transfer of the warden's service;
 - d) £0.019m from Regeneration and Growth to Children's Services for the transfer of a Business Support Officer post;
 - e) £0.084m from Children's Services to Regeneration and Growth for the transfer of the Hollies Centre;
- (8) that the capital virement for a transfer of £3.184m within the Housing Revenue Account from the general High Rise budget to fund ongoing high rise works be approved;
- (9) that the following Revenue Contribution to Capital Outlay (RCCO) be approved:-
- a) £0.200m (Resources) be used towards the replacement of outdated ICT equipment;

The Cabinet – 13th December, 2017

- b) £1.763m (HRA) be used as follows:
 - i. £1.275m to fund additional interest and debt repayment costs;
 - ii. £0.150m to reduce future borrowing costs;
 - iii. £0.338m to fund future investment;

(10) that the following additional specific grants be approved:-

Children's Services

- a) £2.632m S31 grant has been notified for set up costs for Sandwell Children's Social Care Trust – Local Authority Performance and Interventions;
- b) £0.012m DWP grant income for Business Rates New Burdens;

Regeneration and Growth

- c) £0.244m has been received in relation to Large Site and Housing Zone Capacity Fund;

- (11) that the Executive Director – Resources, in consultation with the Leader of the Council, be authorised to make a payment to the West Midlands Combined Authority for the share of business rates payable under the terms of the Devolution Deal and the 100% business rates pilot;
- (12) that authority is delegated to the West Midlands Combined Authority to approve the amendment to statutory regulations which amend the West Midlands Combined Authority borrowing powers and enable West Midlands Combined Authority to borrow for all of the functions attributable to it.

193/17

32 Longbank and 19 Ashleigh Road, Tividale (Key Decision Ref. No. SMBC17/12/2017)

The Cabinet Member for Housing sought approval to the demolition of 32 Longbank and 19 Ashleigh Road, Tividale.

The Cabinet – 13th December, 2017

32 Longbank Road and 19 Ashleigh Road were two vacant adjoining semi-detached houses located at the junction of the two roads. The properties were let as part of the housing stock but as a result of adverse ground conditions became structurally unsound, the properties had been vacant and unlettable for a considerable period of time.

A site investigation commissioned to determine the problem had confirmed that the properties were affected by severe subsidence and this was apparent by a slope in the lounge floor. In addition, there was evidence to confirm that internal walls and doors had over time been re-aligned due to movement.

The anticipated cost of demolition, which would be met from the Housing Revenue Account balances, was estimated to be no more than £63,000 depending upon the location and configuration of the mains services and any asbestos removal measures. Demolition of the properties would remove the current management costs, improve voids performance and would be completed in line with ongoing service replacements to electricity mains in the locality.

Resolved:-

- (1) that the demolition of the properties known as 32 Longbank Road and 19 Ashleigh Road Tividale, as shown on Plan No SAM/30140/002 be approved;
- (2) that in connection with Resolution (1) above, the Executive Director – Resources be authorised to make the necessary funds available to accommodate the demolition costs;
- (3) that in connection with Resolution (1) above, the Director – Regeneration and Planning in consultation with the Director - Housing and Communities and the Executive Director – Resources be authorised to undertake, within the next 12 months, a feasibility study to determine whether it would be cost effective to build new Council homes for rent on the cleared site of 32 Longbank Road and 19 Ashleigh Road, Tividale, including the Council owned adjacent site currently used as car parking hatched in plan SAM/30140/002 and to submit a further report to Cabinet for consideration;

The Cabinet – 13th December, 2017

- (4) that in connection with Resolution (1) above, and in the event that the Director -Regeneration and Planning is of the opinion that the feasibility study referred to in Resolution (3) above confirms that the cleared site of 32 Longbank Road and 19 Ashleigh Road, Tividale and the adjacent site is not suitable for development with Council homes, the land be declared surplus to Housing requirements and the Director – Housing and Communities submit a report to the Land and Asset Management Committee to determine the future use of the site;
- (5) that in connection with Resolution (1) and (3) above, the Director – Monitoring Officer be authorised to enter into or execute under seal, if necessary, any related documentation in connection with the demolition of the properties and feasibility studies to be undertaken.

194/17 Award of Framework Agreement for the Supply of Library Book Stock (Key Decision Ref. No. SMBC10/12/2017)

The Deputy Leader and Cabinet Member for Neighbourhoods and Communities reported that the Council's current arrangements for the supply of library book stock was due to expire on 31st December 2017.

A procurement exercise has been undertaken to establish a new Framework Agreement for the four-period 1st January 2018 to 31st December 2021.

The Council was the lead authority to put in place a new Framework Agreement on behalf of other Black Country libraries (Walsall and Wolverhampton Councils) who would also be participating in this arrangement.

A procurement exercise had now been undertaken to establish a new Framework Agreement for the four-period 1st January 2018 to 31st December 2021.

The Framework Agreement had been procured in accordance with the Public Contracts Regulations 2015 by undertaking a further competition using Eastern Shires Purchasing Organisation (ESPO) Agreement 376/F/14 that came into effect on 1st April 2014.

The Cabinet – 13th December, 2017

The anticipated total annual value that would be procured by all participating authorities was estimated to be £462,000 with Sandwell's individual element expected to be in the region of £238,000.

The Framework Agreement sought to deliver value for money and efficiency by using aggregated volume of requirements and best practice library stock procurement methodology.

Resolved:-

- (1) the contract for the supply of library book stock to Askew & Holts Library Services Ltd (for Adult and Reference Books) and Peters Library Services Ltd (for Children's Books) for a four-year period commencing 1st January 2018;
- (2) that the Director – Monitoring Officer be authorised to execute any documents necessary to give effect to Resolution (1) above.

195/17

Approval of Sandwell Local Development Scheme 2017 – 2020 (Key Decision Ref. No. SMBC16174)

The Cabinet Member for Regeneration and Economic Investment sought approval to update of Sandwell's Local Development Scheme (LDS) 2017/20.

The LDS was a statutory requirement. It was a three year programme setting out the various spatial planning policy documents to be produced by the Council. It was required to meet the Council's spatial planning objectives.

Since the last review of the LDS in 2016, the Black Country Air Quality Supplementary Planning Document (SPD), the revised Hot Food Takeaway (SPD) as well as an updated Statement of Community Involvement had been adopted.

An SPD for the Dudley Port area, where the principles of the Garden City could be applied was also required. The LDS also set out more detail for the current Black Country Core Strategy review timetable.

The Cabinet – 13th December, 2017

The West Bromwich AAP was not being revised. Instead the reviewed Site Allocations and Delivery Development Plan Document (SAD DPD) would cover the whole of the borough including West Bromwich. West Bromwich itself would be covered by a town centre master plan which it was intended would be adopted as SPD.

The Chair of the Budget and Corporate Scrutiny Board welcomed the review of the Wednesbury Conservation Area in the LDS.

Resolved:-

- (1) that the revisions to the Local Development Scheme 2017 – 2020 be approved;
- (2) that in connection with Resolution (1) above, the Director - Regeneration and Growth, in consultation with the Cabinet Member for Regeneration and Economic Investment, be authorised to make minor changes to the Local Development Scheme that may be required prior to making it available to the Public.

196/17 Procurement of a School Health Nursing Service (Key Decision Ref. No. SMBC14/12/2017)

The Cabinet Member for Public Health and Protection sought approval to commence a procurement process for the provision of a school health nursing service.

Discussions had commenced about the potential for integrating 0-19 public health services with some of those funded or provided by the council's children's services, with the intention of developing a new service model that was more cost effective and sustainable. These discussions were still at an early stage due to the uncertainty about the scope of the Children's Trust.

The current school health nursing contract was due to end on 31st March 2019 and could not be further extended. The development and procurement timescales for the proposed integrated model were such that there was now likely to be a gap in the School Health Nursing Service from April 2019 unless re-procured.

The Cabinet – 13th December, 2017

Approval was sought to award a school health nursing contract for two years with an option to extend for up to a further two years, in order to avoid a gap in provision and allow sufficient time to fully consider the scope, financial envelope and model for an integrated service.

In response to a question raised by the Chair of the Health and Adult Social Care Scrutiny Board relating to whether the consultation on the proposed model would be presented to Scrutiny and who would be consulted, the Cabinet Member for Public Health and Protection responded by identifying who would be consulted and that the consultation findings on the proposed model would be presented to Scrutiny and a further report submitted to Cabinet in due course.

Resolved:-

- (1) that the Executive Director - Adult Social Care, Health and Wellbeing be authorised to commence a procurement process for the provision of a School Nursing Service to commence on 1st April 2019 for a period of 2 years with the option of up to two years extension;
- (2) that the Director- Monitoring Officer be authorised to enter into the contract and execute any documents necessary to give effect to the proposals in Resolution (1) above for the provision of a School Health Nursing Service;
- (3) that an exemption be authorised under rule 8.7 of the Procurement and Contract Procedure Rules 2016-2017 to allow a contract to be awarded to a successful tenderer in the event that fewer than four tenders are received.

The Cabinet – 13th December, 2017

197/17 Procurement of New Support and Maintenance Agreement for the Housing Management ICT System (SHAPE) (Key Decision Ref. No. SMBC16161)

The Cabinet Member for Housing sought approval to enter into a new support and maintenance agreement for the Housing Management ICT System (SHAPE) for a further five years to commence from 1st April 2018 until 31st March 2023. The existing three year contract was due to expire on 31st March 2018.

The Housing Management ICT system currently contained 14 modules covering the frontline housing services including allocations, rents, repairs, anti-social behaviour, homelessness, void properties, estate and tenancy management. It was also a key line of business system for finance and the floating support service within Adult Services. On a daily basis, the system was used by in excess of 600 users.

The system comprised of two main modules; Open Housing (housing management) and Open Contractor (Repairs). The Asset Management service had purchased a new back office ICT system by Kirona and would no longer be using the Open Contractor module of the Capita system after 1st April 2018. The support and maintenance contract only would be required therefore to support the Open Housing module of the system.

The housing management system was integral to the delivery of a wide range of housing services on a daily basis. Failure to provide adequate ICT provision would have a significant impact on the delivery of services to our customers and the ability of employees to perform their duties.

In response to a question raised by the Chair of the Budget and Corporate Scrutiny Board relating to whether the contract offered any social value, the Cabinet Member for Housing responded that Capita as a national company had a Corporate Social Responsibility Policy. This programme was not specific to local boundaries, however the Council would work with Capita to ensure that any social value was maximised for Sandwell.

The Cabinet – 13th December, 2017

Resolved:-

- (1) that the Director - Monitoring Officer in consultation with the Director - Housing and Communities, be authorised to enter into a new support and maintenance agreement with Capita Business Services Limited for the housing management ICT system for a period of 5 years from 1st April 2018 to 31st March 2023 at a total cost of £973,835 using the Crown Commercial Service's Framework RM1059;
- (2) that the Director - Monitoring Officer in consultation with the Director - Housing and Communities, be authorised to purchase the additional products and services listed below from Capita at the costs shown in order to further develop and future proof the housing management system for the period of the new contract;

Additional Modules	Cost (£)
OPENAccess add-on Direct Debit	8000
OPENHousing standard API's	75,000
General Data Protection Premium	10,000
Homelessness H-CLIC data return premium	10,000
Insight Data Warehouse	10,000
InSight Web	15,000
Arrears Profiler Plus	20,000
Person De-duplicator	6,000
Progress pro2	16,860
MyDashboard	8000
OPENContractor read only licence	24,000
Potential roll out of future modules in later releases of software	129,000
TOTAL	321,860

- (3) that the Director – Monitoring Officer in consultation with the Director - Housing and Communities, be authorised to purchase the application programming interfaces (APIs) and a maximum of 10 development days prior to the commencement of the new contract on 1st April 2018 via a direct award using the Crown Commercial Service's Framework RM1059.

198/17

**Provision of New Build Council Houses, West Road, Hamstead
(Key Decision Ref. No. SMBC1650)**

The Cabinet Member for Housing sought approval to develop council owned land off West Road, Hamstead with a mix of 2, 3 and 4 bed new properties for letting as part of the Council's affordable housing rented stock.

This scheme would provide 47 new council owned affordable homes that meet Building Regulations and current housing requirements. Sandwell's Housing Management Team had provided housing demand data in relation to bidding activity for different property types in the area which showed that there was demand for all the proposed property types.

It was envisaged that works would commence April 2018 subject to the procurement process, partner selection and completed contractual arrangements. It was anticipated that the properties would be completed by April 2019 but this would be subject to a phased delivery agreed with the selected partner.

A full project appraisal had been undertaken by the Strategic Finance Unit. The appraisal process recorded a score of 75%, mainly due to the uncertainty surrounding the funder's criteria. Some risks had been identified as a result of the appraisal and action points recommended to mitigate these risks.

In response to a question raised by the Chair of the Health and Adult Social Care Scrutiny Board relating to whether consideration could be given to a local housing allocations policy in letting the newly built properties, the Cabinet Member for Housing responded that the Allocations' Policy was currently being reviewed and that this would be included in the consultation.

The Cabinet – 13th December, 2017

Resolved:-

- (1) that subject to grant funding from the Shared Ownership and Affordable Homes Programme administered by the Homes and Communities Agency (HCA) and planning permission, the development of council owned land off West Road, Hamstead, as shown on Plan SP0493SW, for 47 properties with a mix of 2, 3 and 4 bed new properties for letting as part of the Council's affordable housing rented stock be approved;
- (2) that in connection with Resolution (1) above, the Director - Regeneration and Growth in consultation with the Executive Director - Resources, the Director - Housing and Communities and the Section 151 officer be authorised to prepare tendering documentation and subsequently procure, in accordance with any statutory regulations and the Council's Procurement and Financial Regulations and any appropriate requirements of the HCA's Development Partner Panel (DPP) 3 framework, a contractor/contractors to develop, on behalf of the Council, the proposed housing scheme; to enter into or execute under seal any financial agreement in relation to the Homes and Communities Agency grant on terms and conditions to be agreed by the Executive Director of Resources;
- (3) that in connection with Resolution (1), (2) and (3) above, the Director – Monitoring Officer be authorised to enter into or execute under seal any documentation in relation to award of the contract and/or development/partnership agreement, HCA developer status, licence, undertaking, framework joining agreement, any consents or applications required for Planning or Highways appertaining to the delivery of the scheme and any other agreements with the procured contractor/s and with the HCA, as may be deemed necessary to facilitate development of the site with a housing scheme on terms and conditions to be agreed by the Director - Regeneration and Growth;

The Cabinet – 13th December, 2017

- (4) that in connection with Resolution (1) above and following practical completion of each property, the Director - Housing and Communities be authorised to manage and let the properties built in accordance with the Council's housing allocation policy;
- (5) that the following action points identified within the appraisal report be implemented to reduce any risk to the Council:
 - a) review the proposals of property types to ensure that the strategic needs of the Council are met through the best use of resources;
 - b) review the Risk Register to ensure risks relating to the provision of grant funding are identified and can be adequately mitigated;
 - c) determine how the management and monitoring of HCA grant funding will be undertaken;
 - d) determine how proposed outcomes will be measured and reported;
 - e) ensure that the use of Right to Buy receipts is kept under review to ensure that the use of funding sources available to the Council are maximised.

(The Cabinet Member for Highways and Environment declared a pecuniary interest in the item, took no part in the discussion and left the room during consideration of the matter.)

Business Item

199/17 Decisions of the Black Country Joint Executive Committee on 22nd November 2017

The decisions of the Black Country Joint Executive Committee on 22nd November 2017 were received.

The Cabinet – 13th December, 2017

In response to a question raised by the Chair of the Economy, Skills, Transport and Environment relating to more details regarding the Black Country Local Growth Deal approvals relating to Sandwell, the Leader of the Council responded that Growing Priority Sectors was a three year £6million access to finance project to strengthen to capacity of Black Country businesses to take advantage of new market opportunities. Many Sandwell businesses were benefiting from the funding, bringing more jobs to the local area. The Leader of the Council was content for Scrutiny to explore different funding streams of the Black Country Joint Executive Committee and how they benefited the local area.

(Meeting ended at 4.46 pm)

Contact Officer: Amarjit Sahota Democratic Services Unit 0121 569 3188
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The Cabinet – 13th December, 2017

Average rents and service charges

Appendix 1

Rents

Typical average rents by property type and size

The rents below are based on a 48 week payment year.

Property	Property	2017/18	2018/19	Decrease		Annual
Type	Size					Saving
		£ per week	£ per week	£ per week	%	£
House	2	88.38	87.50	-0.88	-1%	-42.24
	3	96.14	95.18	-0.96	-1%	-46.08
	4	104.72	103.67	-1.05	-1%	-50.40
Low rise flat	1	74.28	73.54	-0.74	-1%	-35.52
	2	82.64	81.81	-0.83	-1%	-39.84
	3	90.67	89.76	-0.91	-1%	-43.68
High rise flat	1	68.93	68.24	-0.69	-1%	-33.12
	2	76.17	75.41	-0.76	-1%	-36.48
	3	83.29	82.46	-0.83	-1%	-39.84

Service Charges

The charges below are based on a 48 week payment year.

	2017/18	2018/19	Increase		Annual
					Increase
	£ per week	£ per week	£ per week	%	£
Cleaning - High rise blocks	4.68	4.82	0.14	3.0%	6.72
Cleaning - low rise blocks	4.27	4.31	0.04	1.0%	1.92
Cleaning - extra care housing	10.17	10.27	0.10	1.0%	4.80
Security - door entry system	1.84	1.84	0.00	0.0%	0.00
Security - CCTV only	3.63	3.74	0.11	3.0%	5.28
Security - CCTV & concierge	5.45	5.61	0.16	3.0%	7.68
Security - door entry, CCTV & concierge	8.66	8.92	0.26	3.0%	12.48
Digital aerials	0.45	0.45	0.00	0.0%	0.00
Other charges :					
Garages - private householders	8.42	8.59	0.17	2.0%	8.16
inclusive of VAT					
Garages - council tenants (VAT	7.02	7.16	0.14	2.0%	6.72
applies on lets of 3 garages or more)					