Sandwell
Metropolitan Borough Council

Agenda
Council

You are hereby summoned to attend a meeting of the Sandwell Metropolitan Borough Council, to be held on Tuesday, 7 June 2022 at 6.00 pm for the purpose of transacting the following business:-

The Mayor of Sandwell, Councillor Richard Jones, in the Chair

1	**Apologies for Absence** To receive apologies for absence (if any).	7 - 8
2	**Declarations of Interest** Members to declare any interests in matters to be discussed at the meeting.	9 - 10
3	**Urgent Business** To consider any urgent business (with prior approval by the Mayor).	11 - 14
4	**Mayor's Announcements** To receive announcements from the Mayor.	15 - 16
5	**Petitions** To receive petitions under Standing Order No. 5.	17 - 18

6 **Written Questions** 19 - 20

To consider written questions under Standing Order No. 6 to:-

(a) the Mayor;

(b) the Leader of the Council;

(c) any other member of the Cabinet;

(d) any person appointed to preside at a committee, sub-committee or panel;

(e) the members of the Council nominated pursuant to Section 41 of the Local Government Act 1985, on the discharge of the functions of the following Joint Authorities:-

(i) West Midlands Combined Authority (the Leader);
(ii) West Midlands Fire and Rescue Authority (Councillor Jalil);
(iii) Transport for the West Midlands (Councillor Webb);

(f) a nominated member appointed by the Council to the Board of Sandwell Leisure Trust;

(g) a member of the Council who is, as a result of action taken by or on behalf of the Council, a member or director of any company.

7 **Sandwell Council Improvement Plan** 21 - 200

To consider the updated Improvement Plan to address the recommendations from external reviews and proposed reporting mechanisms.

8 **Proposed Departures from the Development**

Plan

8.1	Land at West Bromwich Street, Oldbury - DC/21/66339	201 - 226
8.2	Ervin Amasteel, George Henry Road, Tipton - DC/21/65853	227 - 232
9	**Minutes of the Governance and Constitution Review Committee** To receive the minutes of the Governance and Constitution Review Committee held on 27 May 2022 and consider the recommendations contained therein.	233 - 252
10	**Extension of Appointment of Independent Member for the Audit and Risk Assurance Committee** To consider an extension to the appointment of an Independent Member for the Audit and Risk Assurance Committee.	253 - 256
11	**Notice of Motions** To consider the following motions received under Standing Order No. 7:-	
11.1	Environmental Impact of Cable Ties **Proposer: Councillor William Gill** **Seconder: Councillor Archer Williams** That this Council reaffirms its commitment to tackling the climate crisis through the recognition of the impact that single use cable ties can have and moves to resolve through the banning of political posters from Council property in order to limit the usage of single use cable ties.	
11.2	Extend Free Parking Across Sandwell **Proposer: Councillor Trumpeter** **Seconder: Councillor Dunn**	

As we have seen in Wednesbury Town Centre recently, and as we see in our other town centres on the lead up to Christmas, free parking in council owned carparks can be offered by this council with minimal fuss when it suits. Free parking benefits residents, shoppers and our fantastic local businesses in our town centres by ensuring that shoppers spend money in the towns rather than being drawn to out-of-town shopping centres that offer free car parking.

Over 20,000 people backed the Sandwell Conservatives calls for free weekend parking in our borough at the recent elections. Therefore, this council moves to resolve to explore this and invites the executive to consider extending free car parking in all other town centres until October 2022, in line with the recent Wednesbury scheme.

11.3 Off Road Motorbikes

Proposer: Councillor Fisher
Seconder: Councillor Chapman

That this council believes that council officers, elected members, neighbourhood policing and local residents do a great job trying to tackle off road motorbikes, but more support is needed. With off road motorbikes being one of the highest reported incidents of anti-social behaviour in Sandwell. The safety of local residents and their pets, are at risk with the nuisance they cause, along with the destruction to our parks and green spaces, this cannot continue. Will the leader of the council agree to write to the West Midlands Police and Crime Commissioner Simon Foster calling for the re-introduction of a dedicated off-road motorbike team that can focus solely on this issue and give it the attention is deserves.

Kim Bromley-Derry CBE DL
Managing Director Commissioner
Sandwell Council House
Freeth Street
Oldbury
West Midlands

Distribution
All Members of the Council

Contact: democratic_services@sandwell.gov.uk

Information about meetings in Sandwell

If you are attending the meeting and require assistance to access the venue, please contact Democratic Services (democratic_services@sandwell.gov.uk).

If the fire alarm sounds, please follow the instructions of the officers present and leave the building by the nearest exit.

Only people invited to speak at a meeting may do so. Everyone at the meeting is expected to be respectful and listen to the discussion.

Agendas with reports with exempt information should be treated as private and confidential. It is your responsibility to ensure that any such reports are kept secure. After the meeting confidential papers should be disposed of in a secure way.

This meeting may be recorded and broadcast on the Internet. If this is the case, it will be confirmed at the meeting and further information will be provided.

You are allowed to use devices for the purposes of recording or reporting during the public session of the meeting. When using your devices they must not disrupt the meeting – please ensure they are set to silent.

Members who cannot attend the meeting should submit apologies by contacting Democratic Services (democratic_services@sandwell.gov.uk)

All agenda, reports, minutes for Sandwell Council's meetings, councillor details and more are available from our website (https://cmis.sandwell.gov.uk/cmis5/)

Sandwell
Metropolitan Borough Council

Apologies

To receive any apologies from members

[IL0: UNCLASSIFIED]

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Declarations of Interest

Members to declare any interests in matters to be discussed at the meeting.

[IL0: UNCLASSIFIED]

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Report to Council

7 June 2022

Subject:	**Appointment to Committees/Boards and Other Bodies**
Director:	Surjit Tour – Director of Law and Governance and Monitoring Officer
Contact Officer:	Trisha Newton Senior Democratic Services Officer Trisha_newton@sandwell.gov.uk

1 Recommendations

1.1 To receive and consider nominations for changes to appointments to outside other bodies, as set out in Appendix A.

1.2 That subject to 1.1, the nominations received be approved and appointed to those bodies with immediate effect.

2 Reasons for Recommendations

2.1 Appointments to positions on committee/boards/other bodies is a matter for Council to determine.

2.2 Changes to appointments to some outside and other bodies have arisen since the annual meeting of Council, following changes to executive portfolios and also a request for ABCA nominations received following the meeting.

3 How does this deliver objectives of the Corporate Plan?

	The Council's decision-making structures are designed to support the delivery of Sandwell's Vision 2030.

4 Context and Key Issues

4.1 The Council's Constitution sets out the executive, scrutiny and constitutional functions and the rules and procedures for how the Council operates, it also prescribes the issues that the Council should address at its Annual Meeting in identifying the person(s) or bodies it wishes to carry out its functions as a local authority and the portfolios and terms of reference for those persons and bodies.

5 Alternative Options

5.1 There is no alternative option. Appointment of elected members to committees and other/outside bodies can only be made by full Council.

6 Implications

Resources:	There are no direct resource implications arising from this report.
Legal and Governance:	Council can determine the making of non-executive appointments to committees and other fora. Council is under a legal and constitutional obligation to make appointments to its committees, boards and other fora to ensure the effective operation of the Council's functions and other obligations, duties and responsibilities.

Risk:	A risk assessment is not required.
Equality:	An equality impact assessment is not required.
Health and Wellbeing:	The proposals have no direct implications.
Social Value	The proposals have no direct implications.

7. Appendices

Appendix A – Appointment to Committees, Boards and Other Bodies

8. Background Papers

None.

Appendix A

Organisation	Term of Office	Current Representative(s)	Nomination(s)
HS2 Regional Board	1 year expiring annual	Cabinet Member for Environment	Cabinet Member for Regeneration and Growth
West Midlands Rail	1 year expiring annual	Cabinet Member for Environment	Cabinet Member for Regeneration and Growth
West Midlands Combined Authority Board – Substitute Member	1 year expiring annual	Substitute – Cabinet Member for Communities	Substitute – Cabinet Member for Regeneration and Growth
WMCA Environment & Energy Board	1 year expiring annual	Cabinet Member for Environment	Cabinet Member for Regeneration and Growth
WMCA Strategic Economic Delivery Board	1 year expiring annual	Cabinet Member for Leisure and Tourism	Cabinet Member for Regeneration and Growth
WMCA Energy Capital Board	Nomination to ABCA	Leader of the Council	Cabinet Member for Regeneration and Growth
Climate Change Working Group	1 year expiring annual	Councillor Ahmed	Cabinet Member for Regeneration and Growth
West Midlands Employers – Management Board	Nomination to ABCA	n/a	Cabinet Member for Finance and Resources
Association of Black Country Authorities – substitute member	Nomination to ABCA	Deputy Leader	Cabinet Member for Regeneration and Growth
Black Country Executive Joint Committee – substitute member	Nomination to ABCA	Deputy Leader	Cabinet Member for Regeneration and Growth
Active Black Country Board	Nomination to ABCA	Cabinet Member for Adults, Social Care and Health	Cabinet Member for Adults, Social Care and Health Substitute Councillor Padda

EVENTS ATTENDED SINCE 24TH MAY 2022

- Photo Shoot for Pride Month
- Youth Football Cup Final
- Multistory & Wednesbury Heritage Platinum Jubilee Celebrations
- Buds Jubilee Party
- North Smethwick Development Trust Platinum Jubilee Event
- Black Country Living Museum Jubilee Celebrations
- Queens Platinum Jubilee Beacon Lighting
- Langley Festival Group Platinum Jubilee Fancy Dress
- Oldbury Royal British Legion Platinum Jubilee Celebrations
- Oak Tree Centre Queens Jubilee Gathering
- The Big Lunch Sandwell Valley Queens Jubilee Platinum Celebrations
- Briefing on QAVS with Bal Dhillon

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Petitions

To receive any petitions under Standing Order No. 5 (strategic policy issues or which are of a Borough-wide significance if they are relevant to some matter to which the Council has functions and responsibilities, or which affects the Borough, or part of it, or its citizens or a number of them).

[IL0: UNCLASSIFIED]

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Report to Council

7 June 2022

Subject:	Written Questions
Director:	Surjit Tour – Director of Law and Governance and Monitoring Officer

The following written questions have been received:-

6(a) Councillor William Gill to the Cabinet Member for Health and Adult Social Care

Will the cabinet member recognise the success of the local initiative at Wednesbury arts museum in relation to Men's mental health and commit to working with the Health and Social Care board to help establish similar groups in every town within the next 6 months to ensure that all residents of this borough have an equal opportunity to ensure that their issues are heard and a platform to raise them?

(b) Councillor Trumpter to the Cabinet Member for Communities

Last year we collected more than 200 signatures on a petition to save our community centre on Beaconview Road. This was after the property was listed in the Black Country Plan for demolition and to be replaced with just one unit.

A group of residents from Charlemont with Grove Vale have since started a management committee, which has the full backing of Cllr Fisher and myself.

Will the cabinet member recognise the efforts of our community, and support us to save the centre from closure and subsequent demolition?

(c) Councillor Dunn to the Cabinet Member for Housing

To provide an update on the progress of the Additional Licensing Scheme in West Bromwich, pursuant to the resolution adopted by Full Council at the meeting of 12th October 2021.

(d) Councillor Fisher to the Cabinet Member for Housing

After being contacted by a number of residents that do not intend on renewing their council garage rental due to this council doubling the rental fees. Will the cabinet member for housing let me know what he intends to do with the empty garages that are going to be left vacant as a result.

Sandwell
Metropolitan Borough Council

Report to Council

7 June 2022

Subject:	Sandwell Council Improvement Plan
Director:	Managing Director Commissioner, Kim Bromley-Derry
Contact Officer:	Strategic Lead – Service Improvement, Kate Ashley, kate1_ashley@sandwell.gov.uk Senior Lead Officer – Service Improvement, Rebecca Jenkins, Rebecca_jenkins@sandwell.gov.uk

1 Recommendations

1.1 That Council approve the updated Improvement Plan to address the recommendations from external reviews and the proposed reporting mechanisms to ensure progress is managed effectively.

1.2 That delegated authority is given to the Director of Finance, in consultation with the Cabinet Member – Finance and Resources and Managing Director Commissioner, to identify and commit earmarked reserves towards Improvement Plan activities, as set out at paragraph 4.9.

2 Reasons for Recommendations

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

2.2 This report sets out the Council's response to the Directions in the form of a single Improvement Plan that combines the actions to address not only the Grant Thornton Review, but also the findings of the CIPFA Financial Management Review (January 2022) and the LGA Corporate Peer Challenge (March 2022). Approval of this single Improvement Plan is sought from Council to provide the organisation with a clear direction for its improvement journey that will enable the continued delivery of the strategic priorities in the Corporate Plan 2021-2025. As the Improvement Plan is a response to the statutory direction of the Secretary of State, it is the responsibility of Council to formally approve the Plan.

2.3 The Improvement Plan includes proposed mechanisms for governance and assurance. These mechanisms will enable senior officers and members to manage the successful delivery of the Improvement Plan, whilst also providing all staff, members, the public and other stakeholders with assurance on the progress of our improvement journey. It is recognised that the Improvement Plan will be a living document, one that will need to evolve over time to respond to emerging intelligence and situations. Through the proposed governance arrangements, changes to the Plan will be captured and approved through an agreed Change Control process. To enable the authority to maintain the required pace of its improvement journey, it is proposed that Cabinet be delegated the authority to approve changes to the Improvement Plan as part of regular reporting arrangements.

2.4 An assessment of the resources available to align to the Improvement Plan identified a number of areas that required investment in order to deliver sustainable improvements at the required pace of change. This investment, both ongoing and one-off funding, will be directed towards improving the council's infrastructure for improvement. At £1.768m the value of this total investment equates to a small percentage of the council's overall spend and will enable the council to become more effective and efficient in the future. Further details of the investment required is set out in paragraph 4.9.

3 How does this deliver objectives of the Corporate Plan?

	Sandwell Council's Improvement Plan focuses on the governance arrangements of the Council and areas of improvement across the organisation. The underpinning objective of the Improvement Plan is to ensure that the Council is able to deliver on the aims and priorities as set out in the Corporate Plan. The deliverables set out in this Improvement Plan will achieve long-term sustainable improvements in how the Council operates and is able to make effective decisions focused on improving outcomes for residents and experiences of service users. Therefore, this impacts on the Council's ability to deliver all the objectives in the Corporate Plan.

4 Context and Key Issues

4.1 Background

4.1.1 For a number of years, the council has experienced ongoing governance issues that have hindered the organisation from both moving forward and seizing opportunities, despite the desire and ambition to do so.

4.1.2 As well as successfully responding to the COVID-19 pandemic to support our residents and businesses, the council has continued to deliver high quality services over the period leading up to the Grant Thornton Value for Money Governance Review and beyond. Significant progress has been made on delivery the strategic priorities set out in the Corporate Plan, as reported to Cabinet on 23 March 2022.

4.1.3 Since May 2021, a number of key changes have moved the council forward on its improvement journey including the refresh of the strategic framework in the light of the pandemic, the appointment of an interim Chief Executive in August 2021, and a new Leader in November 2021. The new permanent leadership team structure is now resulting in tangible strides forward and greater stability which was recognised in all of the external reviews.

4.2 Value for Money Governance Review

4.2.1 The council's external auditors Grant Thornton conducted a Value for Money Review into the council's governance arrangements over the period August to October 2021 and reported their findings to Full Council in January 2022. The report is attached at Appendix 1.

4.2.2 Grant Thornton recognised that over the preceding few months, the council has made progress towards resolving matters and improving the governance arrangements in place, and it is important that these changes are embedded.

4.2.3 Grant Thornton identified three statutory and five key recommendations that relate to the overarching governance of the organisation. A further 37 improvement recommendations were identified which related to the individual key lines of enquiry of the review.

4.2.4 In response to the Grant Thornton review Council approved an Improvement Plan in January 2022 to address all 45 recommendations in the report as well as reporting mechanisms to ensure progress is managed effectively.

4.2.5 The first quarterly progress report of the Governance Improvement Plan was made to Cabinet on 13 April 2022. This report demonstrated that the council had taken action to address the urgent issues highlighted in the Grant Thornton review, and were establishing the mechanisms to secure longer-term improvement.

4.2.6 Since the publication of the Improvement Plan to address the recommendations of the Grant Thornton Value for Money Governance Review, the council has also received the findings of the CIPFA Financial Management Review (January 2022) and LGA Corporate Peer Challenge (March 2022).

4.3 CIPFA Financial Management Review

4.3.1 CIPFA were commissioned by the council to undertake a review of the financial management and governance arrangements using the Financial Management Model. The intention of the review was to contribute to the development of the council's financial management operation and arrangements. It assessed the

council's financial management capability, its internal processes, and operations. It also examined how the council plans its future financial management.

4.3.2 The report from CIPFA (Appendix 2) set out that the council at present is financially stable and in recent years has been able to contribute towards reserves through achieving a balanced budget or an underspend, but that the authority has previously lacked ambition and innovation and has a very traditional approach to financial management.

4.3.3 The scoring process generated an overall star rating between one and five, five being the highest. Sandwell achieved an overall rating of two stars and is considered to be a progressive two-star authority with an encouraging direction of travel. CIPFA made 14 recommendations which have been incorporated into the formation of the single Improvement Plan.

4.4 LGA Corporate Peer Challenge

4.4.1 The council invited the LGA to conduct a Corporate Peer Challenge in late January/early February, focused around five areas which are recognised as critical to councils' performance and improvement:

- Local priorities and outcomes
- Organisational and place leadership
- Governance and culture
- Financial planning and management; and
- Capacity for improvement

4.4.2 The Peer Challenge Team also took an in-depth look at children's services and the place agenda.

4.4.3 The review found that there is much to be excited about in Sandwell. It recognised that our local operational relationships are well developed, and that these have been reinforced and strengthened during our response to the pandemic. The review also emphasised the positive changes that had already been achieved.

4.4.4 The Peer Challenge report (Appendix 3) included nine recommendations, and a raised a series of improvement points for longer term consideration. As with the recommendations of the other reviews, these have been incorporated into the development of the Improvement Plan.

4.5 **Government Intervention**

4.5.1 On 22 March 2022 the Secretary of State for Levelling Up, Housing and Communities announced an intervention package and a set of Directions to ensure the council was able to comply with its best value duty under Part 1 of the Local Government Act 1999. The Directions and an explanatory memorandum are at Appendix 4 and 5 respectively.

4.5.2 The intervention package included the requirement for the development and implementation of an Improvement Plan within the first three months following the Directions notice and the appointment of two Commissioners:

- A Managing Director Commissioner, whose responsibilities include, but are not limited to, giving direction and leadership to the delivery of the improvements which the council is required to make; and
- an Assistant Commissioner whose responsibilities include, but are not limited to, overseeing the cultural change necessary at the council.

4.5.3 The Commissioners have powers to make sure that the council "*has made sufficient improvement within the next two years to be able to comply with its best value duty on a sustainable basis"*. The Commissioners will be providing six-monthly reports to the Secretary of State on the progress that council is making.

4.5.4 The government's intervention package requires the preparation and agreement of an Improvement Plan that will:

- deliver rapid and sustainable improvements in governance, leadership and culture in the council;
- secure improvement in relation to the proper functioning of the scrutiny and associated audit functions; and
- secure continuous improvement in all services.

4.5.5 The Statutory Directions set out that the council may draw upon improvement plans that have been prepared before the date of intervention.

4.5.6 There are several factors that will inform any decision by the Secretary of State to end the period of government intervention at Sandwell Council, and this decision will be based on reports received from the Commissioners. Some of these factors include:

- That the council can demonstrate sustainable improvements in governance and scrutiny of decision making;
- That a permanent Chief Executive has been successfully appointed; and
- The Council has reached a decision on whether to implement a four-yearly election cycle.

4.5.7 Actions to address these areas are incorporated within the Improvement Plan.

4.6 Development of the Improvement Plan

4.6.1 The Improvement Plan attached at Appendix 6 has been built on:

- the recommendations from all three external reviews set out in paragraphs 4.2, 4.3 and 4.4;
- the actions already identified within the Governance Improvement Plan approved by Council in January 2022; and
- the specific requirements set out in the statutory Directions to form a single Improvement Plan.

4.6.2 A single Improvement Plan will avoid duplication of monitoring and provide the organisation with a clear direction on our improvement journey.

4.6.3 Following a review of all the recommendations from the external reviews, key themes has been identified that set the focus for the council's improvement journey:

- Organisational Culture
- Corporate Oversight
- Strategic Direction

- Decision Making
- Procurement and Commercial
- Partnerships and Relationships

4.6.4 Each theme has a clear set of objectives, milestones, deliverables, and measures of success which will be used to track our progress against expected timescales and achievements.

4.6.5 Supporting each theme is a detailed delivery plan setting out activity to achieve the deliverables, responsible officer and timescales. The delivery plan also sets out how specific actions address recommendations in the various external reviews, thereby enabling direct reporting for different audiences as required.

4.6.6 In recognition that there are elements of activity that require more design before confirming our approach, that there will be other issues arising that will feed into the Improvement Plan, and the need for more detailed engagement, a phased approach has been taken to developing the Improvement Plan:

- The Phase One Improvement Plan - captures the known actions and deliverables to date and provides a foundation for the council's improvement. This is the Improvement Plan that is submitted to Council for approval with this report.

- The Phase Two Improvement Plan – will build on the Phase One Plan and identify additional areas for improvement that arise. It will be informed by engagement with staff and members and include detailed deliverables and milestones to embed the desired organisational culture. The approach and timescales for this workstream is set out in the following section.

4.7 Communications and Engagement Approach

4.7.1 In developing the Improvement Plan, engagement has taken place with staff groups, members, partners and Sandwell's MPs.

4.7.2 Feedback has included:

- Agreement with the phased approach to development
- That the themes and work streams are focused in the right areas
- The need for a focus on customer experience as an aim of the organisational culture theme
- That staff wish to be involved in shaping the proposals within the organisational culture theme

4.7.3 To develop the Phase Two Improvement Plan, a series of engagement sessions for members and staff will be held. The main strand of engagement will focus on the organisational change programme through wide-ranging engagement to determine the desired culture of the council. A blended approach of face to face and virtual methods will be used.

4.7.4 This work will commence in late May with events for staff and members, before commencing the two-part Engagement Programme. The first part will be to 'start the conversation' over June and July, followed by more in-depth work to 'develop the desired organisational culture' between August and December 2022.

4.8 Governance and Assurance Mechanisms

4.8.1 Effective programme management arrangements, robust monitoring processes, and clear roles and responsibilities will be key to Sandwell's successful delivery of this Improvement Plan and achievement of sustainable change.

4.8.2 A Programme Management Office has been established to manage the delivery of the programme on a day to day basis. The team will draw on the key skills and expertise available across the organisation as necessary, such as communications, employee engagement, risk management, democratic services and financial management.

4.8.3 Progress will be monitored monthly by Leadership Team through considering progress of the actions and milestones within the delivery plan, and management of risks, issues, and dependencies. A focus on embedding sustainable improvement will be maintained through the ongoing capture of evidence of success.

4.8.4 Members will have oversight of progress through formal reporting to Cabinet quarterly. This will continue until all actions within the plan have been completed and government intervention has been lifted.

4.8.5 Existing member-led committees, such as the Governance & Constitution Review Committee, Audit & Risk Assurance Committee and Scrutiny Committees, will be used for decision making and maintaining oversight of the actions and implementation of the Improvement Plan.

4.8.6 It is intended to establish a simple matrix mechanism across Directors and Cabinet Members that will set out accountability and ability for peer challenge. Due to the timing of the development of this Improvement Plan coinciding with local elections and changes to Cabinet, these arrangements will be agreed at the earliest opportunity following the approval of this Plan.

4.8.7 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes. These changes will be tracked through the programme management mechanisms and may include the addition of new workstreams or objectives, or the amendment of timescales for delivery of actions. Cabinet will retain oversight of these changes through the regular formal reporting of progress.

4.8.8 External assurance will also play a part in our improvement journey. Grant Thornton, CIPFA and the LGA will be invited back in Autumn 2022 to monitor our progress in addressing the recommendations in their reviews. Any recommendations from these checkpoint reviews will also offer a steer for the next phase in our improvement journey.

4.9 Resource Allocation

4.9.1 In the development of the Improvement Plan, a review of the resources available to deliver the Plan has been carried out.

4.9.2 In the majority of areas existing resources will be reallocated or reshaped to deliver the actions in the Plan. However, the resourcing review identified gaps in areas that will provide the capacity for the organisation to focus on improving performance and deliver transformation of services now and in the future.

4.9.3 As part of the budget setting process for 2022/23, a review and restructure of the Council's earmarked reserves was undertaken and a £1m Improvement and Capacity Fund was created. A further £240k will be reallocated from the Invest to Save reserve to increase the Improvement & Capacity Fund. This reserve will be used to fund some of the key improvement activities, including establishing adequate Performance and Project Management resources, recruiting an interim Transformation Assistant Director and implementing an Organisational Culture Change programme. These areas were specifically identified as recommendations in the Grant Thornton Value for Money Governance Review and LGA Corporate Peer Challenge.

4.9.4 In addition, new earmarked reserves will be created from the 2021/22 underspend position which will be used to fund the Legal and Governance review and bringing forward the Council's Regeneration Pipeline. In total, funding of approximately £1.768m has been identified to progress improvement plan actions. Further information is shown at Appendix 7.

4.9.5 By investing in the organisational culture change programme, we will create the foundations for an empowered organisation that can innovate and identify opportunities for improving service delivery. Investment in the transformation and performance management infrastructure across the organisation will then enable the council to take advantage of 'invest to save' opportunities and demonstrate the positive impact that these changes will make to our residents and communities.

5 Alternative Options

5.1 The Directions issued by the Secretary of State are a statutory requirement and the council has a legal obligation to respond appropriately. Failure to do so would likely result in further intervention measures. Therefore, the council must have in place an Improvement Plan that addresses the requirements set out in the Directions of 22 March 2022.

5.2 The alternative option open to the council is to continue with the Governance Improvement Plan as agreed by Council on 18 January 2022. This Improvement Plan addressed the recommendations from the Grant Thornton Value for Money Governance Review only and did not include actions to address the wider recommendations made by the LGA Peer Review or the CIPFA Financial Management Review. This option would have meant implementing separate improvement plans with duplicate monitoring and management arrangements for all three reviews, resulting in a lack of clear direction for the authority and corporate oversight of improvements made. This approach would have made it difficult for the authority to demonstrate delivery of sustained and embedded improvements, and therefore could have resulted in further intervention measures or sustained Government intervention.

6 Implications

Resources:	Resources to deliver the Improvement Plan have been allocated from within existing commitments in majority of cases. Where one-off funding is required to deliver improvements, this will either been funded from the Improvement and Capacity Fund or from earmarked reserves created from 2021/22 underspend position. Where funding is required for longer-term change, this will be incorporated into the Medium-Term Financial Strategy. There are no land or building implications of this report.

Legal and Governance:	On 22 March 2022, The Secretary of State for Levelling Up, Housing and Communities issued Directions under Section 15(5) and (6) of the Local Government Act 1999 (the 1999 Act) in order to ensure that the council can comply with the requirements of Part 1 of the 1999 Act. Failure to comply with these Directions may lead to further intervention measures for the council. The development and approval of this Improvement Plan will mean that the council has achieved one of the elements within the Directions within the specified timescales. The delivery of the Improvement Plan and achievement of the desired outcomes will meet the remainder of the Directions. Ultimately, the changes made through the Improvement Plan will enable the council to effectively deliver its strategic priorities and ensure it is delivering value for money for Sandwell.
Risk:	If the Council fails to take appropriate action to meet the requirements set out in the government Direction, or the Commissioners appointed by the Secretary of State do not have sufficient confidence that appropriate actions are being taken to implement and sustain the required improvements, then the council risks not having appropriate arrangements in place to comply with its best value duty under Part 1 of the 1999 Act. This could lead to further government intervention, increased costs and damage to reputation. A risk register will be maintained for the duration of the Improvement Plan which will underpin the council's strategic risk relating to the council's Improvement Plan (59a 02/22). This will be reported monthly to Leadership Team and quarterly to Cabinet.
Equality:	The successful delivery of this Improvement Plan will require the development and review of many of the council's policies and procedures. These changes will build in consideration of the impact on equalities throughout the development and will include an Equality Impact Assessment where appropriate.

Health and Wellbeing:	The underpinning objective of the Improvement Plan is to ensure the council is able to achieve the strategic priorities as set out in the Corporate Plan. These priorities focus on improving the health and wellbeing of our residents and tackling health inequalities in a multi-faceted way. Therefore, any improvements to the council's governance structures will strengthen the council's ability to deliver services that will improve the health and wellbeing of Sandwell.
Social Value	Within the Improvement Plan, the council is committed to developing it Social Value Policy in conjunction with the refresh of the Procurement & Contract Procedure Rules. Through strengthening our asks of contractors through this Social Value Policy and linking them to the Corporate Plan objectives, the council will be able to maximise its social value return

7. Appendices

1. Grant Thornton Value for Money Governance Review Report December 2021
2. CIPFA Financial Management Review Report January 2022
3. LGA Corporate Peer Challenge March 2022
4. Sandwell Directions under Section 15(5) and (6) of the Local Government Act 1999, 22 March 2022
5. Sandwell Directions - Explanatory Memorandum
6. Sandwell Council Improvement Plan
7. Improvement Plan Costs and Funding

8. Background Papers

- Sandwell Council Governance Improvement Plan
    - Adopted January 2022
    - Quarterly Monitoring April 2022

Sandwell Metropolitan Borough Council: Value for Money Governance Review

Year ended 31 March 2021

3 December 2021

Contents

Your key Grant Thornton team members are:

Mark Stocks
Audit Partner
T: 0121 232 5437
E: mark.c.stocks@uk.gt.com

Guy Clifton
Director
020 7728 2903
E: guy.clifton@uk.gt.com

Section	Page
1. Introduction	3
2. Key Findings	6
3. Statutory and Key Recommendations	11
4. Detailed Findings	13

Appendix

A. Improvement Recommendations	51
B. The scope of the auditor's work on value for money arrangements	57

The contents of this report relate only to those matters which came to our attention during the conduct of our normal audit procedures which are designed for the purpose of completing our work under the NAO Code and related guidance. Our audit is not designed to test all arrangements in respect of value for money. However, where, as part of our testing, we identify significant weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all irregularities, or to include all possible improvements in arrangements that a more extensive special examination might identify. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.

Grant Thornton UK LLP is a limited liability partnership registered in England and Wales: No.OC307742. Registered office: 30 Finsbury Square, London, EC2A 1AG. A list of members is available from our registered office. Grant Thornton UK LLP is authorised and regulated by the Financial Conduct Authority. Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. Services are delivered by the member firms. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

Introduction

Context, background and scope of the review

Context to our VFM approach

Sections 20 and 21 of the Local Audit and Accountably Act 2014 (the Act) require auditors to be satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. This is known as the Value for Money (VFM) conclusion.

Our VfM work is carried out in line with the Code of Audit Practice (the Code) which is prepared by the National Audit Office (NAO) under the Act, and its supporting statutory guidance: Auditor Guidance Note 3 (AGN 03).

A revised Code came into force on 1 April 2020, after being approved by Parliament. The Code requires auditors to structure their VfM commentary on arrangements under three specified reporting criteria:

- Improving economy, efficiency and effectiveness: how the Council uses information about its costs and performance to improve the way it manages and delivers its services;
- Governance: how the Council ensures that it makes informed decisions and properly manages its risks; and
- Financial sustainability: how the Council plans and manages its resources to ensure it can continue to deliver its services.

Background to this review

In our 2019/20 Audit Findings Report we noted that a number of governance issues had come to our attention during 2021. We considered that there was insufficient evidence to confirm that these matters impacted 2019/20 and as such noted that they will be dealt with as part of the 2020/21 audit.

We have continued to monitor Sandwell Metropolitan Borough Council's (the Council) ongoing governance arrangements, including member-officer relationships and have become increasingly concerned at the Council's ability to look forward and manage the challenges and opportunities that all local authorities currently face.

There is an increasing perception of poor progress in resolving service and governance issues, a lack of trust between key individuals charged with governance, of a significant amount of time being spent responding to allegations and complaints, and of reviews being reopened, such as the reopening of previous standards reviews. We feel that until these significant issues are resolved that the Council is at risk of not having adequate governance arrangements in place to ensure that it can effectively discharge its statutory responsibilities and maintain its financial sustainability.

Under the NAO Code, we are required to consider whether the Council has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. The auditor is no longer required to give a binary qualified / unqualified VfM conclusion. Instead, auditors report in more detail on the Council's overall arrangements, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.

The purpose of this work has been to draw conclusions on the key lines of enquiry (KLOEs) identified as part of our scope, and if necessary determine the extent to which further action is required by the Council. This review, along with other VfM related activity, has been undertaken in order for us to consider whether there are any significant weaknesses in the Council's arrangements.

As already noted, our work is undertaken in accordance with the Local Audit and Accountability Act 2014, sections 20 and 24 and may result in Statutory Recommendations or a Public Interest Report.

Overview of the scope

Determining how much work to undertake on arrangements to secure VfM is a matter of auditor judgement. The focus of our review has been on the effectiveness of the Council's governance arrangements and how they are impacted by the matters detailed above.

We have identified seventeen KLOEs to assess the Council's governance arrangements, which are set out in the table below.

Whilst the focus of this review is on governance arrangements, where appropriate we will highlight findings in relation to the two other reporting areas set out in the Code.

	SERVICES & MANAGEMENT
A1	The Children's Trust
A2	Sandwell Leisure Trust
A3	Providence Place
A4	Special Educational Needs Transport
A5	Sandwell Land and Property Company
A6	MADE festival
A7	Waste service
A8	Governance and legal support re DPH
A9	Lion Farm
A10	Introduction of new ERP system (Oracle)

Our approach

Overview of the scope (cont'd)

	MEETINGS, COMPLAINTS & RELATIONSHIPS
B1	Chief Officers
B2	Senior Leadership
B3	Complaints
B4	Officers and members relationships
B5	Standards Committee
B6	Audit Committee
B7	Financial Reporting

Our approach

Our work in relation to this review was undertaken between August and October 2021.

Stage 1 – Review of key documents

We submitted an information request for key documents and then undertook a desk top review to reach an initial conclusion on the nature of further work required.

Stage 2 – Further Analysis and Clarifications

We then undertook interviews with key stakeholders in relation to each KLOE to clarity issues identified during stage one and to undertake more detailed analysis in relation to specific KLOEs. A total of 75 stakeholder interviews have been undertaken, representing a total of 122 discussions on individual KLOEs.

Our approach is designed to assess:

- Governance arrangements in place in relation to our scope;
- Council performance against these arrangements; and
- Identify any significant weaknesses and risks.

CfGS Governance Risk and Resilience Framework

We have drawn on the Centre for Governance and Scrutiny's (CfGS) Governance Risk and Resilience Framework, published in March 2021, to structure our work in relation to KLOE B4 - officer and member relationships. This Framework includes seven characteristics of good governance that have a particular focus on behaviours.

Acknowledgements

We would like to take this opportunity to record our appreciation for the assistance provided by council officers, council members, and external stakeholders with whom we have engaged during the course of our review.

Additional VfM Code Work

As already noted, we have identified governance arrangements as an audit risk. This requires additional work to inform our auditor's judgement on VfM. The work has been undertaken in line with the requirements of the Code and associated auditor guidance. This review helps us discharge our responsibilities under the Code and will include the reporting of any significant weaknesses in arrangements and other points for improvement identified during the review. Any fee variation is subject to approval from Public Sector Audit Appointments Ltd (PSAA) which is responsible for appointing auditors and setting audit fees for relevant authorities that have chosen to opt into its national scheme of auditor appointments.

Key Findings

Note: KLOE A8 has not yet concluded and will be reported separately.

Overview

Overview

The Council has seen deteriorating senior officer and senior member relationships over a number of years. This has resulted in a breakdown in trust, respect and confidence between those holding governance roles. This has limited the Council's ability to look forward and manage the challenges and opportunities it faces. This breakdown in relationships between senior officers and senior members is central to the governance issues identified by this review.

There has been poor progress in resolving service and governance issues, with a significant amount of time being spent responding to internal allegations and complaints. There is evidence of reviews and issues being reopened. This has impacted on the Council's ability to focus on service improvement.

The Council has been insular and siloed. Its focus has been on responding to external service-based challenges as well as managing the fallout from previous decisions or investigations. Senior officers and senior members have historically been unable to make the changes required to move away from this organisational culture and focus.

We note that since the appointment of the interim Chief Executive in August 2021, working with the then new Leader of the Council, that many of these matters are being resolved. The Council's senior leadership team, the majority of whom are recent external appointments, recognise the challenges and issues set out in this report and are supporting the interim Chief Executive on an improvement journey.

These 'green shoots' are positive and we have tried to reflect the improvements in this report. Without these changes we would have had concerns with regard to the Council's ability to manage and govern itself, and intervention by the Government may have been necessary.

Inevitably these changes are not yet embedded, and the Council will need to manage the transition to a permanent Chief Executive well, alongside maintaining continuity and stability of the wider leadership team, so that the new Chief Executive, working with the leadership team, continues to support the service and cultural changes that are being put in place and that momentum is maintained.

Due to the issues identified we have determined that it is appropriate to raise the following statutory recommendations under Section 24 of the Local Audit and Accountability Act:

Statutory recommendations

We have made a number of statutory and key recommendations which are set out page 12. Other improvement recommendations are made throughout the detailed findings of this report and are summarised in the Appendix.

Our statutory recommendations are:

- **It is imperative that senior officers and senior members take effective corporate grip of long-standing service issues highlighted by the findings in this report (including SLT, SCT, the waste service, the ERP system, and Lion Farm) and prioritise corporate effort in managing the issues identified, and embed the solutions into the Council.**
- **The Council must ensure that the learning in relation to commercial decisions, procurement and contract management highlighted in this report are understood through the organisation.**
- **Senior leadership, both officers and members, must demonstrate that they can continue to work together effectively, that they operate in line with the Council's values, codes, policies and procedures, and that there is zero tolerance to inappropriate behaviours. This includes changing the organisational culture in relation to complaints so that they restore balance and proportionality.**

Key findings

KEY FINDINGS

Corporate grip

Understandably COVID-19 has significantly impacted the leadership and organisational focus of all local authorities over the past eighteen months. Even taking account of this impact we consider that until recently the Council has failed to take an effective corporate grip on key issues facing the Council.

We note that it is hindered in taking a corporate grip by the lack of a clear performance management framework and agreed key corporate indicators, although we note recent progress has been made on this. This has impacted on the ability of the Leadership Team and Cabinet to have a single line of sight and single version of the truth. This has contributed to a culture of silo working, resulting in a lack of corporate ownership and accountability. This has, in turn, resulted in a lack of ownership and grip on key challenges and issues and an absence of intervention and decision making.

In failing to take ownership and seeking resolution, lessons have not been learned. This has resulted in a number of instances whereby the Council has repeated actions leading to similar outcomes. For example, the Wragge report continues to be an area of mistrust between members and between officers and members.

Procurement and commercial decision making

Our review has identified repeated instances where commercial decisions or procurement decisions have contributed to a number of key legacy challenges facing the Council, which have not been resolved.

These included legacy property related decisions such as those relating to Lion Farm, Providence Place and Sandwell Land and Property Company where there was either a lack of appropriate expertise and advice or failure to consider all appropriate options.

There are also more recent examples of poor procurement decisions relating to waste management and recycling, the Council's enterprise and resource planning (ERP) system and SEND Transport. In each case the procurements have either been poorly specified, did not provide adequate timescales, or those responsible for decision making have not been fully aware of the context and detail.

These property transactions and procurement decisions have created future service or delivery challenges. In some cases, they have impacted negatively on the Council's reputation. In each instance, until recently, the decisions have not had effective corporate ownership to allow appropriate management or resolution.

Contract management

Our review identified a number of key contracts having been impacted by either poor specification during procurement, a lack of clear contract management responsibility, or poorly defined approaches to contract management. These related to Sandwell Leisure Trust (SLT) , Serco, Inoapps and Sandwell Children's Trust (SCT) and we note that the interim Chief Executive has recently commenced more effective engagement with these key suppliers and partners.

At varying times relationships between the Council and these key partners have been fraught with the lack of senior leadership grip significantly contributing to a deterioration of these relationships. A lack of clear corporate ownership has meant that issues with these contracts have not been resolved in a timely manner. This is particularly the case for SLT, Serco and Inoapps.

We also note that some key contracts such as SLT and SCT, have not previously had key performance indicators reviewed since the contracts were let, whilst others have not had appropriate focus on service quality (such as SEND Transport) or outcomes (such as SLT and Serco).

OTHER THEMES

Lack of longer-term planning

The insularity and short-term focus previously noted has meant that the Council has not had the necessary time and space to consider the long-term. Recent changes to the Council's leadership have seen a re-emphasis on longer-term planning, with time invested in a refresh of the Corporate Plan, which has now been approved by full Council.

However, as mentioned earlier, the lack of a corporate performance framework has meant that the Council has not received management information on key corporate indicators. We also note that the Leadership Team had not been receiving regular monthly budget monitoring reports and have not been effectively engaged in the budget setting process or medium-term financial planning. We understand that processes are being put in place to resolve these issues.

Key findings (cont'd)

Officer empowerment and decision making

The scheme of delegation and the involvement of senior members in key decision making has resulted in a lack of empowerment of officers in decision making and the agility of the Council to make, where necessary, prompt decisions. An example of which is the delay to taking a decision in relation to the rescheduled MADE Festival, which had been due to take place in August 2021. We consider that this reflects the lack of trust between senior members and senior officers at the time.

Capacity, experience and skills

The prevalence of interim and acting up arrangements in senior officer roles has in some places not seen effective back-fill arrangements put in place, resulting in capacity challenges for some key officers and teams such as Finance. These temporary arrangements have contributed to confusion over some key roles and responsibilities, such as those in relation to SLT and Oracle Fusion, impacting on effective contract management.

More generally, the lack of corporate ownership, again already discussed, has left some officers exposed in managing key service challenges and relationships without appropriate senior officer support and direction.

The impact of changes to senior officers and members

The Council has been through a period of significant change to its leadership, both in terms of senior officers and senior members. Following the local elections in May 2021 a new Leader was elected, who appointed a new Cabinet with effect from June 2021. Many of these Cabinet members had not previously held a Cabinet role, and some were fairly new to the role of councillor. There was a further change to the Council Leader in late November 2021, as we were finalising this report.

An interim Chief Executive has been in role since August 2021 and there has been significant changes to chief officers over the past year, with vacancies being filled by either external interims, or Council officers in acting up roles. These changes were driven in large part by a senior management review which concluded in October 2020, although we note that some chief officer departures were caused by unrelated circumstances.

Other than the Chief Executive there are currently ten chief officer roles, of these four are recent external appointments, and two other external appointments have been made with these officers starting in November 2021. Three officers remain from the previous leadership team, two in the same role and one appointed to one of the new roles created by the review.

Two roles remain vacant: the Chief Executive and the Deputy Chief Executive, with the recruitment of the former recently initiated. The Council has decided to not recruit the Deputy Chief Executive and to review the need for this role. In addition there is a Director of HR, which is not a permanent role and is being held by an external interim.

The impact of this recent period of change has been instability and uncertainty for the organisation. Whilst external interims are recognised positively for the experience they bring from working with other councils and having a "fresh pair of eyes" on some of the service challenges being faced, the wider organisation considers the use of interims as maintaining a holding pattern before permanent chief officers join. The Council will reach the position of having all roles filled by a permanent officers during November 2021, other than the two vacancies noted above.

The changes to key senior roles have led to a loss of corporate knowledge and history among senior officers and senior members. The has contributed to historic issues resurfacing and senior members making the initial decision to progress a major project or initiative not being the same group of members taking further decisions during the project's implementation, such as the SEND Transport procurement.

The current position

The themes set out in this section illustrate how the Council's recent behaviours and legacy issues impact on good governance and decision making.

The recent widespread changes at chief officer level and the election a new Leader and appointment of a new Cabinet, provide a significant opportunity for the Council to move away from this position. Indeed, there is a consensus that senior officers and members are in a much stronger, more effective and constructive position than in the recent past. There is also a clear desire to make the improvements required, and a greater understanding of roles and responsibilities.

The current Leader and interim Chief Executive have a positive working relationship and between them have introduced changes to manage some of the legacy issues noted above. These include the Leadership Team attending informal Cabinet, the introduction of "star chambers" as part of the budget setting process, enhancing the training programme for members, and a review of the Council's constitution including the scheme of delegation. Other changes are planned.

Key findings (cont'd)

The current position (cont'd)

Many of these changes took place during the course of this review so it is too soon to judge if they are yet embedded. Key stakeholders we met during this review recognised that the Council is at the start of a necessary improvement journey. Failure to maintain and embed current and planned changes will have a significant impact on the Council being able to realise its strategic ambitions and provide effective governance.

Whilst we recognise that recent changes have been positive, we remain concerned about the lack of trust across the wider organisation and continuing poor behaviours, for example, the leaking of the review into the Wragge report to local media in October 2021. It will take time for the wider organisation to regain trust in the senior leadership, see the stability required, and believe in the changes that have begun.

There was a change to the Council's Leader as we were finalising this report. This has highlighted the need for stability and continuity. The new Leader must use the platform for improvement which has been created to ensure a strong and positive working relationship both with the current Interim Chief Executive and the subsequent permanent Chief Executive.

The direction of travel is a necessary and positive one, but there is no quick fix for the challenges facing the Council. For these "green shoots" to deliver the widespread transformation and changes required, the Council's leadership needs be relentless in its focus in delivering and embedding sustainable change, and use its past history as a reference point when focusing on improvement.

Recommendations and detailed findings

We now set out our statutory and key recommendations, followed by the detailed findings in relation to each individual KLOE.

We consider that these matters represent significant weaknesses in the Council's arrangements for ensuring that it makes informed decisions and properly manages its risks. We have also identified several improvement recommendations, which are summarised at Appendix A. Further details on the types of recommendations we make are set out at Appendix B.

Statutory and key recommendations

Statutory and key recommendations

Improvement recommendations are made throughout this report and these are summarised in the Appendix. Our statutory and key recommendations are summarised below.

#	Recommendation
	Statutory recommendations
1.	It is imperative that senior officers and senior members take effective corporate grip of long-standing service issues highlighted by the findings in this report: (including SLT, SCT, the waste service, the ERP system, and Lion Farm) and prioritise corporate effort in managing the issues identified, and embed the solutions into the Council.
2.	The Council must ensure that the learning in relation to commercial decisions, procurement and contract management highlighted in this report are understood through the organisation.
3.	Senior leadership, both officers and members, must demonstrate that they can continue to work together effectively, that they operate in line with the Council's values, codes, policies and procedures, and that there is zero tolerance to inappropriate behaviours. This includes changing the organisational culture in relation to complaints so that they restore balance and proportionality.
	Key recommendations
4.	The Council's leadership needs be relentless in its focus in delivering and embedding sustainable change, and use its past history as a reference point when focusing on improvement.
5.	Critical to embedding the transformation and change required will be the appointment of the right permanent Chief Executive. The Council must ensure an effective recruitment process, including attracting a pool of appropriate candidates.
6.	The Council should ensure that a corporate performance framework is agreed so that the implementation of the Corporate Plan can be effectively monitored, and there is collective corporate responsibility rather than silo working.
7.	Members in key statutory roles, in particular in relation to Cabinet, scrutiny, standards and audit, need to be provided with effective induction and ongoing development, training and support. The member development programme should be reviewed to ensure corporate governance forms part of the training for members with governance roles.
8.	The Council should develop and agree an action plan in relation to the statutory, key and improvement recommendations included in this report, ensuring that they are specific, measurable, attainable, realistic and time-bound.

Management responses to these and the improvement recommendations are included in a separate Council report.

© 2021 Grant Thornton UK LLP | Value for Money – Governance Review | 2020/21

Detailed Findings

KLOE B4: Officer and member relationships

The purpose of this KLOE was to consider whether relationships between senior officers and senior members are appropriate in supporting good governance.

Introduction

We have set out our findings in relation to this KLOE before any of the other KLOEs due to the overarching importance of senior officer and senior member relationships for the discharging of effective governance and decision making.

We have drawn on the Centre for Governance and Scrutiny's (CfGS) Governance Risk and Resilience Framework, published in March 2021. The framework is designed to promote good governance practice and:

- recognises good governance is everyone's responsibility, and whatever their role, officers and councillors are likely to carry out work that intersects with the Council's governance framework every day;
- considers roles and responsibilities including those of the Council's statutory officers and political leadership
- includes a focus on behaviours;
- sets out seven characteristics for considering governance risk and management, designed to reflect and supplement the broader CIPFA/SOLACE: "Delivering good governance in local government" framework (2016).

We have structured our findings by the seven characteristics, which are:

- The extent of recognition of individual and collective responsibility for good governance;
- Awareness of political dynamics;
- How the council looks to the future to set its decision-making priorities;
- Officer and councillor roles;
- How the Council's real situation compares to its sense of itself;
- Quality of local / external relationships; and
- The state of member oversight through scrutiny and audit.

Twenty-five meetings were held with individual senior officers and senior members of the Council in relation to this KLOE, and our findings are based on our judgement of these key stakeholders' observations.

The extent of recognition of individual and collective responsibility for good governance

The Council is coming out of a period where there has been a breakdown in the trust, confidence and respect between senior officers and senior members, which has been characterised by:

- a perceived blame culture contributing to the siloed approach to directorates, with senior officers protecting their areas of responsibility and a lack of peer challenge within the Leadership Team and a risk of not giving bad news to members.
- a lack of collective responsibility and accountability in the absence of a corporate focus on key performance indicators and risks, weak corporate involvement in strategic financial planning, budget monitoring, and transparency.
- a lack of clarity on roles and responsibilities between officers and members.
- an inconsistent approach to the Council's scheme of delegation, including relatively low spending thresholds, and an overly bureaucratic approach to decision making, leading to unnecessary delays.

The characteristics set out above are a significant risk to good governance. However, we note that there have been recent improvements. We discuss these below.

The recent widespread changes at chief officer level and the election of a new Leader and appointment of a new Cabinet, provide a significant opportunity for the Council to move away from this position. Indeed, there is consensus that senior officers and members are in a much stronger, more effective and constructive position than in the recent past. There is a clear desire to make the improvements required, and greater understanding of roles and responsibilities.

The current officer and member leadership team have introduced changes to manage the legacy issues noted above, including the Leadership Team attending informal Cabinet, the introduction of "star chambers" as part of the budget setting process, enhancing the training programme for members, and a review of the Council's constitution including the scheme of delegation. All of these are positive actions.

Embedding the changes that have been made and that are planned will be critical if the Council is to realise its strategic ambition and provide effective governance. Whilst early indications are positive, the test of whether these changes become effectively embedded will be how the council's senior leadership manage legacy issues should they surface, and that they continue the work of the interim Chief Executive through the appointment of a high quality permanent Chief Executive.

An enhancement of the induction programme to new members of Cabinet, including on local government finance and their governance roles is recommended.

KLOE B4: Officer and member relationships (cont'd)

Awareness of political dynamics

The Council has recently updated its Code of Member Conduct, incorporating updates to the Local Government Association (LGA) Model Code of Conduct. A member development programme is ongoing in relation to the Code and related areas such as gifts and hospitality, and arrangements for dealing with complaints under the Code. The Council has also commissioned the LGA to provide a mentoring programme for senior members.

There was consensus from our interviews that senior officers fully understood the need to act with neutrality when operating in a political environment. However, the recent history of the Council means that some senior officers remain impacted by the blame culture which was perceived to be place. This, for example, has manifested itself in senior officers taking personally criticism of their service area, impacting on behaviours in meetings.

Whilst having in place effective codes, policies and procedures is good practice, it will be behaviours that determine whether the Council is able to successfully move away from its recent history. However, as already noted, the senior officers and members of the Council believe that there has been significant progress made in relation to how they operate and work together.

These changes in behaviour are recent and will need to be sustained to become embedded, so that the wider organisation - and external stakeholders - see and have confidence in this change.

The Council should consider how it provides appropriate support to those Chief Officers who were in role prior to the recent changes to senior officers, Leader and Cabinet. The Council should also ensure that corporate governance training is provided to members of the Cabinet and other members in governance related roles.

How the council looks to the future to set its decision-making priorities

There was consensus that the Council has not provided appropriate time and space to think clearly about the long-term, to horizon scan and undertake the strategic thinking required.

It was recognised that this was because the Council has spent recent years "fire-fighting" both in terms of managing day-to-day operational issues, as well as having an insular focus responding to internal allegations and complaints. There is also evidence of reviews and issues being reopened.

A Corporate Plan (Vision 2030) has been in place but there has been a lack of clarity about how the Plan's ambitions, priorities and outcomes should be delivered. This has been recognised, and the Council has recently invested significant leadership time in a refresh of the Corporate Plan, including external consultation. More work needs to be done including the establishment of Directorate Plans and Service Plans which will set out how corporate priorities will be delivered, including KPIs. The Leader has recently restructured Cabinet portfolios to better reflect the updated Corporate Plan.

The Council should ensure that corporate KPIs are agreed so that the implementation of the Corporate Plan can be effectively monitored.

The forward plan of the Cabinet should be shared with the Audit Committee and Scrutiny Board to help structure their agenda planning.

There has been an ineffective approach to budget monitoring and budget setting with:

- monthly budget reports not being reported to the Cabinet or the Leadership Team, and
- Directors and Portfolio Holders not being effectively engaged in budget setting discussions.

This has been recognised and star chambers for Cabinet members and chief officers have been introduced to support the budget setting process. The Director of Finance has also introduced regular Cabinet briefings and monthly budget reporting to Cabinet.

The Leadership Team should agree key medium-term financial objectives and principles. There should be effective ownership of the principles that underpin the budget setting process, for example the Council's approach to reserves, contingency and Minimum Revenue Provision (MRP).

KLOE B4: Officer and member relationships (cont'd)

Officer and councillor roles

As already noted there has been a breakdown in trust and mutual respect between senior officers and members in recent years, which is recognised by those in senior officer and senior member roles. However, in general, those in these roles felt that working relationships, including trust and respect, had improved in recent months and were currently no cause for concern. Nonetheless it was also recognised that a cultural shift needs to become firmly embedded, and that stability and continuity is required from those in these roles.

The Council has agreed the following values to define how people do things and are reflected in the way people behave:

- Trust – show respect, make personal impact, being open and honest.
- Unity – focusing on customers, working with a team, communicating effectively.
- Progress – being open to change, focusing on performance, getting team results.

Senior officers and senior members must lead by example to ensure that the "tone from the top" consistently reflects these values and behaviours. This is critical in ensuring that the wider organisation recognises that changes have been made and that all people are confident in adopting these values and behaviours. This should build on recently introduced staff briefings to include a programme of staff engagement including "pulse" checks to benchmark and monitor progress on the organisation's wellbeing.

As with all councils, it was recognised that members come from different backgrounds, bringing different skills and capabilities. A member development programme is in place, with the Council being supported by the Local Government Association (LGA) in its update and delivery, and member personal development plans have been introduced, which is good practice.

The Council should ensure that the review of the member development programme is appropriate. In particular, thought should be given to how members with special responsibility roles are developed and supported. This should include succession planning for these roles.

How the council's real situation compares to its sense of self

It was felt that Members have a good understanding of their communities' needs and what outcomes are required to meet these needs, particularly in relation to their wards. However, it was recognised – as already mentioned – that the Council needs to ensure that these needs and outcomes are reflected in corporate priorities and outcomes and delivery is effectively monitored. Similarly, while improvements are being made in relation to public consultation on the Corporate Plan there remains no visible consultation on the Council's budget setting priorities.

A key area of weakness is the lack of a performance management framework to manage corporate progress against key performance indicators. More also needs to be done to change the siloed approach to managing service delivery. We note that there has not been a structured or effective "early warning" system in place for the Council's Leadership Team to identify key risks and issues.

This has been recognised and arrangements are being put in place so that the Leadership Team reviews strategic risks, budget monitoring and other performance data. **However, further work is required to establish a formal performance management framework and agree a set of key corporate indicators for the Leadership Team to collectively manage, receive appropriate management information to monitor progress, and set out clear lines of accountability, responsibility, and delegated authority.**

The Council has not had a consistent approach to financial benchmarking and so has had an absence of unit costs and financial trend data. The new Director of Finance has recently introduced financial benchmarking, which is good practice. **This will need to be sustained to create a culture of curiosity in services in how nearest statistical neighbours are performing, to support savings identification and to drive improvements.**

The recent restructuring of Council departments has resulted in a lack of clarity as to which department some services sit in, with the architects of the restructuring no longer working for the Council. Finance and services are currently working through such service allocations, but until this work is completed, financial reporting will not be fully aligned to departmental structures.

More generally there is good evidence that many senior officers are engaged in their respective professional bodies, which includes sharing learning, and that the Council is corporately engaged with the LGA.

KLOE B4: Officer and member relationships (cont'd)

Quality of local / external relationships

The quality of local / external relationships is mixed. The Council works with a variety of local public, private and third sector bodies, and these relationships vary by service. It is recognised that the pandemic has enhanced relationships with some local public sector organisations, such as the NHS and police, and with local voluntary and community organisations, and that the Council should ensure that these gains are maintained.

However, the Council has had an insularity in recent years, which in particular has impacted its engagement with businesses, and sub-regional bodies such as the LEP and the West Midlands Combined Authority. This is recognised by the current political leadership of the Council and there are signs of a move to more active participation in key sub-regional bodies. Rebuilding these key strategic relationships will take time for the Council to realise any benefits and "punch at its weight" as the 34th largest council in England**. It will be important that this more outward looking approach is sustained.**

The insularity of the Council has also meant that its communications to external organisations has been weak, for example resulting in a lack of external clarity on the Council's key strategic priorities. This is also reflected in a passive approach to communicating to local residents and businesses. This too has been recognised and the Council is investing in its central communications team and aims to be more proactive in managing the narrative on the Council, including greater communication of positive news stories.

When investing in the communications team, the Council should also use this as an opportunity to ensure more effective internal communications, including with back-bench members.

The Council has a number of key external partners for the delivery of services such as waste and recycling, children's social care, and leisure. These relationships are covered in separate KLOEs.

The state of member oversight through scrutiny and audit

The role that scrutiny and audit should play in holding a council's decision-makers to account makes these roles fundamentally important to the successful functioning of local democracy and good governance. Effective scrutiny helps secure the efficient delivery of public services and can drive improvements within the Council. Conversely, poor scrutiny can be indicative of wider governance, leadership and service failure.

The effectiveness of the Scrutiny Boards and the Audit and Risk Assurance Committee were viewed as needing improvement by those interviewed and, in particular, by senior officers.

The Labour Party has been in control of the Council since 1979 and for many years had not had an official opposition. The position changed at the May 2021 local elections when the Conservative Party gained nine seats (having previously held no seats). From a governance perspective this was welcomed by both the senior officers and senior members who we met during the course of our review.

However, whilst areas of effective activity were recognised, the long period of having no opposition has meant that the audit and scrutiny functions have not always effectively held key decision makers to account. This was a widely held view amongst officers we interviewed.

There is a need to ensure that members of scrutiny and audit committees are aware of their governance roles including how to interrogate reports and ask the right questions. This is recognised by the Council who are working with the LGA to develop and provide a member training programme for members with scrutiny and audit roles.

KLOE A1: Sandwell Children's Trust

The purpose of this KLOE was to consider actions undertaken by the Council to secure improvement in children's social care outcomes.

Background

Following an inadequate / requires improvement Ofsted inspection in June 2015, 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 (SCT) started operating on 1 April 2018. Any alternative to the current arrangement must be agreed by the Secretary of State for Education.

A 10-year service delivery contract (SDC) between the Council and SCT commenced 1 April 2018, setting out the requirements for the provision of children's social care. The SDC obligation was to reach an Ofsted judgement of 'Requires Improvement' by 2020 and to secure an Ofsted judgement of 'Good' by 2022. However, due to the impact of COVID-19 and the cessation of full inspections by Ofsted in 2020, a full Ofsted inspection may not take place in 2021 but is more likely to be in early 2022.

The Ofsted Inspection carried out in November 2017 and reported in January 2018 noted that most of the recommendations from the Ofsted 2015 inspection had not been fully met and some services have declined in effectiveness.

Our Audit Findings Report for 2019/20 noted that we had completed a risk-based review of the Council's value for money arrangements and concluded that the Council had proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources except for its arrangements around children's services which have been rated as 'inadequate' by Ofsted.

We concluded that there were weaknesses in the Council's arrangements for delivering services for children in need of help and protection, children looked after and care leavers. These matters were considered evidence of weaknesses in proper arrangements for understanding and using appropriate and reliable financial and performance information to support informed decision making and performance management. This led to a qualified 'except for' value for money conclusion for 2019/20.

KEY FINDINGS

Governance arrangements

There is a robust governance framework in place for the Council and other stakeholders to monitor the performance of SCT.

The contract requires that the Director of Children's Services, together with Council senior officers from finance and legal services, and the Chief Executive of the Trust meet on at least a monthly basis to consider performance and operational matters at an Operational Partnership Board (OPB). The Council's Lead Member for Children's Services and the Chief Executive meet quarterly with the Chair of the Trust Board and the Chief Executive of the Trust, at a Strategic Partnership Board (SPB).

The contract also requires the Trust to provide a comprehensive annual review for consideration by the OPB and the SPB and then by the Cabinet. Progress against the performance indicators for the period 1 April to 31 March is set out in an Annual Review, together with information about financial, workforce, and other performance areas.

On behalf of the Council, the Trust has developed an Improvement Plan in response to the Ofsted inspection findings published in January 2018. This plan was presented to Cabinet in September 2018 and covered a three-year period. The Trust has undertaken a refresh of the Improvement Plan. The delivery of the improvement plan is overseen by an Improvement Board, which is independently chaired, with representatives from the Council, Trust and Department for Education attending.

DfE appoint the Chair of the SCT Board, carry out six-monthly monitoring visits, are invited to attend OPB and meet regularly with the Chair and CEO of the Trust. They also attend the Improvement Board and have provided approximately £7m of improvement funding to the Trust over the past three years, to address specific improvement areas.

The Trust is required to report to the Council's Scrutiny Board twice each year as part of the obligations set out in the SDC. At the meeting of 23 August 2021, reports in respect of the annual review, the improvement plan, the pandemic response and the adoption service were presented to the Children's Services and Education Scrutiny Board. The Council's Audit and Risk Assurance Committee and Cabinet also received reports on the Trust, and the Cabinet approves the Trust's business plan.

KLOE A1: Sandwell Children's Trust (cont'd)

The purpose of this KLOE was to consider actions undertaken by the Council to secure improvement in children's social care outcomes.

Governance arrangements (cont'd)

In addition to the above, SCT activity also features in wider children's services governance arrangements, the Children's Safeguarding Partnership and the Children and Young People Commissioning Partnership.

In summary, there are comprehensive governance arrangements in place relating to SCT. Given the complexity of these governance arrangements we recommend a review to ensure that officers and members with roles on the various governance bodies are clear on their responsibilities, to avoid duplication and ensure effective communication between those holding governance roles and that there is a collective understanding of the performance of SCT and how risks and issues are being managed.

Contract management

The SDC includes a set of 15 Key Performance Indicators (KPIs) which are monitored by the Council. We have been advised that when the SDC initially went live that this KPIs were not agreed, rather they were agreed during the first quarter of the Trust's operation. They have not been revised subsequently.

An officer with formal responsibility for managing the SDC was not appointed until Spring 2021, previously this role was spread across a number of different officers.

As part of contract management arrangements there is provision to negotiate the Council's annual funding with SCT (the contract sum) which feeds into Council's annual budget setting process.

The SDC sets out the steps and timing of the negotiation of the contract sum, which includes reviews by OPB, SPB, and the Council's Cabinet and Scrutiny Board.

The following contract sums have been agreed:

- 2018/19: £58,229,695
- 2019/20: £64,043,000
- 2020/21: £65,828,000
- 2021/22: £68,028,000

A request for additional £500,000 has been made by SCT during this financial year, which the Cabinet has approved and is being funded via a COVID-19 reserve. This will form a contract variation to the 2021/22 contract sum.

The Council has sought to reduce the contract sum since the creation of the Trust, seeking improvement and transformation from SCT. This has not happened and has negatively impacted on relationships during some annual contract sum negotiations. This was particularly the case during 2020 when the Council and SCT were unable to agree the contract sum. As a result, DfE became involved and the then Children's Minister supported mediation. DfE funded specialist financial support to provide assurances to the Council that SCT's contract sum request was reasonable. This led to the Council approving the contract sum. Such an impasse has not happened subsequently.

SCT financial performance

SCT has a track record of annual overspends and not achieving planned savings targets. The overspend in 2020/21 was approximately £2m, however one-off government COVID-19 funding resulted in the final outturn being an underspend. The Council has worked with SCT to re-profile the Trust's underlying overspend over the three years of the Council's current Medium-Term Financial Plan (MTFP).

Children's social care has significant demand pressures nationally, which have been exacerbated by COVID-19, and SCT has seen increased costs such as for placements for looked after children.

SCT did not deliver £250k of their planned savings target in 2020/21. SCT has a savings target of £1.8m in 2021/22. We have been advised that £1.3m of the planned £1.8m savings are on target to be achieved, with plans in place to deliver the remaining £500k. The savings primarily relate to staffing and placement costs, with the latter sensitive to increased demand.

SCT has Service Level Agreements (SLAs) to buy back services from the Council for specified back-office services. These SLAs total £2.1m for 2021/22 and represent an income to the Council.

KLOE A1: Sandwell Children's Trust

The purpose of this KLOE was to consider actions undertaken by the Council to secure improvement in children's social care outcomes.

Council management of financial risks

The Council's main source of monitoring the financial performance of SCT is via SCT reports to monthly meetings of OPB and quarterly meetings of SPB. SCT provides updates on forecast overspends and mitigations.

Given the financial pressures on SCT, the Council has set aside the following reserves and contingencies:

- High-cost placements reserve of £1m (£500k for 2022/23 and £500k for 2023/24) with SCT having to submit evidence should they claim for an additional contract sum.
- Earmarked COVID-19 reserve of £1.9m for 20201/22 which SCT claims against on a quarterly basis by demonstrating need. The additional £500k contract sum already mentioned was funded via this reserve.
- General contingency of £1.6m for 2021/22

Leadership and relationships

The CEO of SCT and the Council's Director of Children's Services (DCS) are key roles and their working relationship is critical to the effectiveness of SCT delivery. There had been stability in both roles until this year, with the Council's DCS leaving in August and a change to the SCT CEO in March. Since the DCS left the Council in August, an officer is acting up in the role of DCS, supported by an external interim. A new, permanent DCS is due to start in November 2021. The working relationship of the CEO of SCT and the Council's new permanent DCS will be critical going forward

This is particularly the case as the Council did not transfer all children's services to SCT, retaining direct provision of services such as education, SEND transport and children's centres. The Council is also responsible for other services such as housing and has a key role in supporting SCT in relation to early intervention and prevention, and in reducing demand for children's social care. This includes how the Council and SCT work with children and families and other local agencies such as the police. We note that the Children and Young People Strategic Partnership has not yet agreed an early help plan and associated performance framework. The role of the DCS will be critical in collaborating with partner organisations to reach agreement on this plan.

SCT workforce

There have been a number of changes to SCT senior management including the Finance Director role and a restructure which reduced the number of Directors from three to two. However, the key workforce issue for SCT relates to operational roles with significant recruitment and retention challenges with social workers. SCT has invested in a recruitment campaign called 12 reasons to work in Sandwell but this has not been effective in resolving recruitment and retention issues, which we note is an issue for the West Midlands and children's social care nationally. The workforce are also initiative weary, which reflects the actions resulting from repeated Ofsted reviews.

Nonetheless, the use of agency staff to cover vacant roles, and staff sickness levels, pose a significant risk to the continuity and quality of service delivery, along with increasing costs for the Trust, which in turn is likely to impact on Council budgets.

Risk management

The Council has SCT on its strategic risk register, and updates on this are provided to the Audit and Risk Assurance Committee. SCT is also included in the Children's Services departmental risk register.

SCT have adopted a risk management framework and maintain a risk register which is reviewed quarterly and is reported to the Trust's Audit Committee. SCT management report to OPB on key risks facing the trust such as those relating to financial, performance and quality risks. SCT management discuss key risks with Council management outside the monthly OPB meetings. However, SCT does not share its full risk register with the Council.

KLOE A1: Sandwell Children's Trust (cont'd)

The purpose of this KLOE was to consider actions undertaken by the Council to secure improvement in children's social care outcomes.

Outcomes for children

Ofsted inspections were suspended during COVID-19. The most recent focused visit was undertaken by Ofsted was in March 2021 which was reported in May 2021, which noted:

- Both the Council and SCT have risen to the challenge of the COVID-19 pandemic.
- The impact of the third lockdown and rising COVID-19 rates have had a significant impact on staffing, with increased staff turnover and sickness.
- The Trust continues to have serious weaknesses in some areas identified in previous inspections. Decisions that help to secure the living arrangements of children on a long-term basis are not timely, and placements are not always well matched. There is a lack of effective oversight and challenge to poor practice from team managers and independent reviewing officers. Support services to meet the mental health needs of care leavers are still not routinely in place.
- In some practice areas, not all managers have fully understood the full breadth of the issues, and this has impacted on the progress and pace of improvement. Many of the identified areas of weakness are longstanding and pre-date the pandemic. An understanding of practice deficits has not led to timely improvements and solutions for many children. The leadership team has plans in place to drive the required changes but has been slow to implement these successfully, and there is little evidence of impact.

During our review, in August 2021, Ofsted reviewed the fostering service which was rated Good. This was the first Good rating received by SCT and indicates positive progress is being made in relation to this service area. It also provides SCT with an opportunity of moving the narrative on its improvement trajectory, for example in relation to recruitment and retention issues.

Conclusion and recommendations

Whilst the recent Ofsted rating of fostering services demonstrates some positive progress, it is clear from the March 2021 Ofsted focus visit that some areas of significant improvement are still required. Staff turnover and quality of practice remain a risk to safeguarding children and the quality of their outcomes.

It is positive that Ofsted have reported the success of SCT and the Council's response to COVID-19, and we note that demand led pressures and recruitment and retention challenges are not unique to Sandwell.

However, during its time of operation SCT has struggled to move away from day-to-day firefighting and has not been able to invest in early intervention and prevention, or improve and transform to the extent required by the Council. Looked after children numbers and social worker caseloads, whilst both are reducing, remain high.

The statutory responsibly for children's social care sits with the Council via the role of the DCS. As such there is joint accountability for the successful delivery of services and outcomes for children. Relationships between the Council and SCT have on occasion been an "us and them" culture with a lack of collaborative approach and joint accountability.

The Council's senior leadership – both officer and member – should prioritise corporate effort and develop a clear strategy for working with SCT to ensure it remains on its improvement trajectory. This should include:

- **working with SCT to progress a multi-agency early intervention and prevention strategy.**
- **ensuring SCT has an appropriately resourced and skilled placements team in place to effectively manage the care market.**
- **conducting a review of KPIs to ensure they are effective for current circumstances.**
- **undertaking financial benchmarking in relation to children's social care, and take a realistic and pragmatic view on the level of funding required.**
- **reviewing the governance roles of officers and members in relation to SCT so that they are clear on their responsibilities, avoid duplication, ensure effective communication and that there is a collective understanding of the performance of SCT and how risks and issues are being managed.**

KLOE A2: Sandwell Leisure Trust

The purpose of this KLOE was to consider the Council's management of the contract with SLT and to understand the impact of recent industrial action.

Background

Sandwell Leisure Trust (SLT) was formed by the Council in 2004 due to underperformance of the in-house leisure service. SLT was contracted via a Management and Funding Agreement (MFA) for a 30-year period: 2004 to 2034, and SLT is currently in the 18th contract year (1 April 2021 – 30 March 2022). SLT manage all Council leisure facilities apart from one site, for which the Council has contracted with Places Leisure.

Funding for SLT was agreed for the first five years of the contract, which was extended in 2009 and 2011. Thereafter the annual management fee paid to SLT has been based on the approval of a rolling three-year business plan. The Council remains responsible for maintaining and investing in the leisure assets managed by SLT.

When SLT was created Council staff transferred to the Trust under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE). A deed of variation was agreed in 2013 which permitted SLT to implement a separate single status agreement and move their staff from council terms and conditions of employment.

A deed of variation was agreed in 2016 that in the event of a new leisure facility being built in Smethwick to replace existing Smethwick facilities, SLT would be the operator. To that end SLT have been working with the Council as the assumed operator of the forthcoming Sandwell Aquatics Centre, which is being constructed as a venue for the 2022 Commonwealth Games.

OUR FINDINGS

Contract management

The MFA requires SLT to provide quarterly monitoring reports to the Council which is followed by a contract review meeting. The MFA sets out the KPIs for monitoring the contract. There have been attempts by the Council to update the KPIs during the delivery of the contract, for example to include outcomes such as contribution to the health outcomes in the borough, which has largely been unsuccessful. The key performance indicators are based on throughputs, such as the total number of visits, with a target to increase visits by 1% each year of the contract.

The contract with SLT stipulates an authorised officer from the Council should manage the contract and make decisions relating to the delivery of the contract. The long-standing officer in this role was seconded in January 2018 and a more junior officer was seconded to the authorised officer role. This has led to confusion within the Council and with SLT as to who is in the authorised officer role, due to more senior officers supporting the officer in the authorised role. This in turn has impacted on the agility of decision making by the Council and its effective working relationship with SLT.

SLT Business Plan

The MFA sets out that SLT should have at any one time a business plan agreed for a three-year period, which the Council agrees on a rolling annual basis. The business plan for 2021/22 has been agreed, but the Council has not yet agreed the business plan covering 2022/23 to 2023/24, which should have been approved by end of March 2021.

If the Council and SLT fail to agree a business plan the contract resolution approach is instigated. The Council is currently seeking external legal advice to clarity the resolution process. If resolution can't be reached either party can terminate the contract.

The current impasse has resulted from the Council wanting, over a number of years, to significantly reduce the management fee for the contract, in the context of ongoing funding reductions to the Council, and the Trust demonstrating progress towards achieving financial sustainability and less reliance on Council funding. The Council and SLT have not been able to agree the level of funding for 2022/23 and 2023/24.

As part of this process the Council has sought various clarifications on the draft business plan submitted by SLT and has engaged, via Sport England, a consultant to review the Trust's financial position. A feature of recent business plan discussions has been the Council seeking details and clarifications from SLT relating to its financial position, such as the Trust's financial and management accounts, and the Trust's approach membership data and marketing plans. Both the Council and SLT feel there have been delays in the responsiveness from the other party during this period.

On 2 August 2021 SLT sent the Council an early warning letter highlighting financial concerns and a £750k worse than expected financial position for 2021/22 and 2022/23. SLT suggested that the impact of any changes were likely to increase the management fee requested for 2021/22.

The Council management met SLT management on 11 August 2021and the Council confirmed areas of outstanding information and clarification. The Trust advised that their audited 2020/21 accounts would be presented to the SLT Board on 14 September 2021, and thereafter be shared with the Council. SLT management also advised that by reprofiling their budgets the £750k was no longer being sought.

At the time of concluding this review the business plan and funding agreement for 2022/23 and 2023/24 had not been approved. Typically, the process for negotiating the 2024/25 business plan would have recently started, to conclude by the end of March 2022.

KLOE A2: Sandwell Leisure Trust (cont'd)

The purpose of this KLOE was to consider the Council's management of the contract with SLT and to understand the impact of recent industrial action.

Industrial relations

SLT, in line with the 2013 deed of variation with the Council, went through a process of withdrawal from the National Joint Council (NJC) staff pay and conditions, which are those used by the Council, and which had transferred with staff when they TUPEd to SLT from the Council in 2014.

This decision was taken in November 2020, with staff needing to agree to the new terms and conditions. Council management have reported they felt they were not involved in this decision, whilst SLT management have advised the decision was taken to reduce costs, an issue which formed part of business plan negotiations.

SLT management negotiated with trade unions and the Advisory, Conciliation and Arbitration Service (ACAS) were brought in by SLT to help mediate. The trade unions sought industrial action to reverse the decision, which has led to two episodes of strike action during 2021.

GMB have ceased industrial action, whilst Unison have continued. 16 Unison members have taken strike action out of a total SLT workforce of over 400, and the most recent Unison ballot for strike action was due to conclude on 13 October 2021.

We understand that all SLT staff have now agreed to the new terms and conditions, which SLT management have confirmed will not be reviewed until April 2022.

The strike action has seen one leisure facility close on one occasion, with some services impacted at other leisure facilities.

Conclusion and recommendation

The Council has sought over many years, via the annual business planning and funding agreement process, for SLT to become more commercially innovative in its operations, and to reduce its reliance on Council funding. This has not been successful, and relationships between the Council and SLT have now broken down, reflected in the significant delays in approving the 2022/23 to 2023/34 business plan and associated funding agreement.

The ultimate responsibility for the operation of leisure services sits with the Council as the commissioner of SLT and, as with SCT, the Council has at times appeared to lose sight of this joint responsibility and an "us and them" culture has been in evidence.

At the time of finalising our report the Council has triggered the contract escalation procedure and written to SLT management for the Leader of the Council and the CEO of SLT to meet and agree a definitive timescale for resolution.

The Senior Leadership - both officer and member - must take ownership of this issue, prioritise corporate effort and take urgent steps to either resolve the current position with SLT or consider the options for alternative provision should either party decide to terminate the current contract, to ensure the continuity of future leisure service provision and associated reputational impacts.

KLOE A3: Providence Place

The purpose of this KLOE was to consider the potential loss to the Council arising from the proposed sale of Providence Place.

Background

In 2007 the Council signed a 15-year Strategic Partnership Agreement with BT for the provision of various support services. As part of this arrangement BT agreed a pre-let from a company called Stofords, the long-leaseholders of 1 Providence Place (Providence Place) for a term of 15 years at a rent of £1.2m per annum. Following the demise of this Strategic Partner Agreement the Council decided to take an assignment of this lease, thereby becoming tenants and inheriting the lease obligations. Simultaneously the Council sub-let part ground, first and fourth floors to BT on flexible terms (with breaks) at a rent starting at £605k ore annum (with uplifts).

In July 2014, Cabinet subsequently approved the purchase of the long leasehold interest in Providence Place at a cost of £23.558m. This purchase price was supported by an open-market valuation by DTZ of the long leasehold interest. The valuation reflected the guaranteed income stream.

In June 2019, the Department for Education (DfE) approved the provision of a new, 750 place secondary free school in West Bromwich, to be delivered in partnership with Shireland Academy and the City of Birmingham Symphony Orchestra (CBSO). It was proposed that the Council sell the freehold interest of Providence Place with vacant possession, along with a development plot to the DfE. DfE would invest up to £17m in converting the building into a school, with a provisional completion date of September 2023. The Council considered that the building of the Academy and the basing of the CBSO in the area would have significant economic and cultural benefits.

The Council undertook an assessment of its property needs, reviewing its office estate and space requirement for office workers. It was decided that the Council no longer required the capacity offered by Providence Place and on 22 July 2020, the Cabinet approved that Providence Place was surplus to the Council's office accommodation requirements.

A receipt of £8.46m was generated from the sale of Providence Place to DfE, which was significantly below the acquisition price of £23.558m in 2014. This is because the building is being sold with vacant possession, without the benefit of a secure income stream. The sale price is based on a valuation report by Lambert Smith Hampton dated 17th March 2020. It is possible that the Council could have achieved the acquisition price if it had sold with a long-term tenant. The Council is still committed to making the loan and interest payments related to the initial purchase. The total remaining loan and interest (for the period 2021 to 2055) are £31.69m.

As part of our 2019/20 financial statements audit we considered the actions taken by the Council in both 2014 and 2020. When viewed separately the actions do not appear unreasonable. The 2014 decision to purchase the asset with a long leasehold interest was based on external valuations at market value. Similarly, the sale to DfE was at the current market value based on there being no long leasehold in place.

However, when viewed together it is clear that the Council made a significant loss on the basis of these decisions. We estimated that the direct loss against the 2014 purchase price of Providence Place was c. £15m (Purchase price £23m, sale price £8.46m). We also noted that future loan and interest payments of £31m need to be made (against which only the capital receipt arising from the sale of £8.46m can be set). In effect the total loss to the Council is c£22.5m. This is a significant loss. We note that the Council has received rents from BT totalling £5.386m and it has also had beneficial occupation of part ground, second and third floors since 2014. However, it would also have incurred maintenance and running costs for the building.

Our 2019/20 audit findings report (AFR) considered the reasons for such a significant loss. Whilst difficult to determine we considered that:

- greater challenge should have been applied to the original purchase price, especially as the price paid appears to reflect a long leasehold period but break clauses existed in the leases.
- the original purchase was intended to support the Council's Office Accommodation Strategy. It was envisaged that by 2017, the Council's workforce would reduce by 20-30% and the premises could then be used to accommodate more staff from less efficient buildings, thereby rationalising the use of council assets. The later change in the estates strategy with Providence Place being considered to be surplus has significantly undermined the original basis on which it was purchased.

We noted that, as Providence Place was being sold at its current market value and the decision to purchase it was made in 2014 we do not consider that the sale impacts on our 2019/20 VfM conclusion. However, due to the significance of the loss we have raised this matter with the Chief Executive to ensure that future purchases or sales of land and property are clearly aligned with a long-term estate strategy. Our AFR recommended that management should ensure that all purchases and sales of assets are clearly aligned with the Council's accommodation strategy.

KLOE A3: Providence Place (cont'd)

The purpose of this KLOE was to consider the potential loss to the Council arising from the proposed sale of Providence Place.

KEY FINDINGS

The purchase and disposal of Providence Place went through the Council's governance and decision-making processes in place at these times, drawing on external property consultants and valuations advice.

Following the approach by DfE, and the Council determining there was no longer a use for Providence Place for office accommodation, an options appraisal was undertaken which was reported to Cabinet and Scrutiny. This options appraisal considered options in relation to Providence Place such as disposing of the site on the open market, retaining and leasing the property, and the Council funding the school instead of DfE.

The Council has a statutory duty to provide appropriate levels of school places, but the options appraisal did not consider alternative options for the location of the Academy outside of West Bromwich. Similarly, the options appraisal also did not represent a formal cost-benefit-analysis between alternate sites outside of West Bromwich. We note that other sites suggested by the DfE within West Bromwich would have impacted the highway network and / or led to financial loss by the Council.

We note that if an alternative site was approved, the Council could have continued to utilise the building or alternatively may have been able to lease the building on a long-term basis thereby reducing the loss incurred.

The Council's post pandemic workplace vision and strategy supported the Council's decision that it no longer had a use for Providence Place for office accommodation. Providence Place would then become solely a commercial property investment, and it is not clear how the decision taken to dispose of Providence Place formed part of the Council's property strategy including an asset disposal strategy.

British Telecom Lease

The Council agreed to dispose of Providence Place in August 2020 and contracts were exchanged with DfE provided that the Council agreed to the surrender of BT's lease by 30 June 2021 in order to vacate the building. BT held the lease until 2026 and had no contractual obligation to move. On 6 June 2021 Cabinet agreed to the terms of BT surrendering their lease at Providence Place.

These terms included the Council having no obligation to provide BT with alternative accommodation, the Council would pay BT a surrender premium equivalent to one year's rent of £446.4k + VAT, BT would be waived liability for dilapidation and decommissioning works and the Council would be liable for BT's legal costs for surrender. Contracts would be exchanged by the end of June 2021 and BT's surrender date be 31 December 2021 to satisfy the Council's obligations with DfE. The costs to the Council would be funded via a sinking fund for Providence Place to cover unforeseen costs.

Conclusions and recommendations

As stated as part of our 2019/20 financial statements audit we considered the action taken by the Council in both 2014 and 2020. Viewed separately the actions do not appear unreasonable. The 2014 decision to purchase the asset with a long leasehold interest was based on external valuations at market value. Similarly, the sale to DfE was at the current market value based on there being no long leasehold in place. However, when viewed together it is clear that the Council made a significant loss on the basis of these decisions.

Property transactions such as those relating to Providence Place are complex. **Where the Council considers similar transactions in future, those charged with making decisions must satisfy themselves that they fully understand the detail of the options being proposed. Council officers and their advisors have a responsibility to ensure that members making decisions do so having fully understood these complexities and risks.**

The Council should ensure that all future property or land acquisitions and disposals are clearly aligned with relevant Council property related strategies.

KLOE A4: SEND Transport

The purpose of this KLOE was to consider the circumstances relating to the recent procurement of SEND Transport and the Council's current approach to concluding the procurement.

Background

The Council's Special Education Needs and Disabilities Passenger Transport (SEND Transport) contract expired at the end of August 2021. Currently 19 operators deliver 122 contracts which are in place to meet the Council's statutory duty under Section 508B and Schedule 35B of the Education Act 1996, whereby local authorities are under a statutory duty to provide free school transport to eligible children.

The Council's budget for the provision of SEND Transport was significantly under pressure with a forecast spend of £6.1m in 2020/21 against a budget of £2.5m. This was caused by a combination of factors, in particular increasing demand.

The Council undertook a procurement exercise, pursuant to its Procurement and Contract Procurement Procedure Rules in relation to a new SEND Transport Contract for 2021-25 (the new Contract) to award a new contract – at a potential total cost of £22m over four years. The Council sought to achieve greater economies of scale and value for money alongside addressing new and emerging issues within the sector including the risk of modern-day slavery, and improving the overall delivery of the service .

In August 2020, the Council's Cabinet approved the establishing of a new Dynamic Purchasing System (DPS) for the new Contract. A DPS was used for the existing SEND Transport contract. Following stage one of the new DPS, a closed bidder tender process was undertaken as stage 2 in March and April 2021. An evaluation of the proposals took place and a Cabinet Report was prepared setting out the conclusion of the evaluation, and the recommended awarding passenger transport related contracts via the new DPS effective as from 1 September 2021.

The Council's Cabinet, at its meeting on 16 June 2021, considered the award of four lots as the outcome of the procurement, which would have provided a £300k saving on the previous contract as well as improving service quality. The Cabinet deferred the matter following various concerns being raised over the process which had been raised following the publication of Cabinet papers prior to the meeting taking place.

An internal audit fact finding exercise regarding the proposed award of the SEND Transport Contracts for 2021-25 was then undertaken.

The Council took external legal advice on the options available, and an emergency Cabinet meeting took place on 21 July 2021 which agreed to continue to use the existing contracts with providers for the continued provision of SEND transport until 23rd February 2022, in order that the Council meets its statutory duties.

KEY FINDINGS

Internal Audit review

Internal Audit undertook a review, reporting in June 2021, which examined the background to and decision making relating to the 2021-25 contracts, compliance with the Council's procurement and contract rules, the approach adopted to supplier inclusion to DPS and the associated tender, how the outcome of the tender evaluation was reported to Members, and considered if any inappropriate or fraudulent activity had taken place. This report noted:

- Some of the concerns raised related to the identity of the owner of the two companies initially selected as the successful bidders, and the fact he was a former employee of the Council and the son of a former Deputy Leader, who was investigated into a series of land sales involving the Council (known as the Wragge report). As neither individual had any known current role or association with the Council they did not form part of the scope of the review.
- Many of the concerns were raised by current suppliers of this service to the Council that have not been successful in the latest procurement exercise, so there would be an element of potential disappointment and disgruntlement behind parts of them. However, each of the concerns were dealt with objectively, and in certain cases they were found not to be fully accurate in their interpretation. For example, a number of officers from both procurement and the service area were involved in the assessment process.

The internal audit report concluded:

- The procurement was undertaken with the correct intentions.
- Some concerns and issues raised have an element of substance.
- A number of issues regarding the quality of certain information provided by bidders in support of their applications
- A number of key Council processes were not followed. In particular the need for officers involved in the exercise to formally declare if they have any potential conflict of interests, the completion of a Starting a Procurement form which captures key information from the outset, and to respond to bidder's applications within agreed timescales. However, while internal procedures within service areas had not always been followed, none of these were in themselves a direct breach of the Council's Procurement and Contract Procedure Rules.

KLOE A4: SEND Transport (cont'd)

The purpose of this KLOE was to consider the circumstances relating to the recent procurement of SEND Transport and the Council's current approach to concluding the procurement.

KEY FINDINGS (cont'd)

- Sufficient documented consideration does not appear to have been given to both financial modelling and the risks, particularly around resilience, associated with the potential placing of all four large contracts with just two companies, who in themselves come under the ownership of one individual.
- None of the officers interviewed indicated that they had been placed under any pressure by any other officer or elected member as part of the procurement exercise.
- While the significant reduction in lots would see a subsequent reduction in the number of companies the Council would be contracting with, from the evidence available to them, Internal Audit found nothing to suggest that the reduction of competition was undertaken with the sole aim of benefitting two particular companies. Similarly, they came across no evidence to suggest that any inappropriate or fraudulent activity had taken place.

The Internal Audit report concluded that the issues identified in the review in all likelihood will necessitate a need to revisit the procurement exercise. In particular the way in which use was made of the DPS including restricting the number of lots available, how initial decision making was considered, agreed and recorded, and how information and the lack of detail thereof, was relayed back to the Cabinet in order for them, and later Scrutiny, to make an informed decision, on what is in effect a £20m contract award.

Other reviews

The Council's Corporate and Budget Scrutiny Board and the Children's Services and Education Board have agreed to jointly examine existing and proposed arrangements for SEND transport provision. The Council's Audit and Risk Assurance Committee Chair is undertaking a fact-finding exercise into the original procurement exercise. Both activities had not been concluded during the course of our review.

The Council sought to commission an independent review of the original procurement. This review planned to assess the compliance and probity of the original procurement, including re-running the evaluation stage This did not proceed due there being only one bidder, and the cost being deemed not best value.

Financial management

Since 2018 the overall cost of providing travel assistance including parent mileage, travel passes and more recently the offer of personal travel budgets has increased by 45% from £3m in 2018/19 to a projected cost of £6.4m for 2021/22. Over the same period SEND pupils requiring travel assistance has increased from 680 to 850 with the average cost per pupil increasing from £5.1k pa to £7.6k pa. This situation is not unique to the Council.

The pressure on the SEND Transport budget has been managed over recent years by using carried forward underspends in the Education Directorate budget or using one off contributions from reserves. These were fully utilised by the end of March 2021 and the Council agreed additional funding for 2021/22 with the budget increased to £5.6m. A projected budget pressure of £800k remains, which excludes the impact of continuing with the existing DPS framework from September 2021 to February 2022.

The Council's approach to managing the overspends prior to 2021/22 mean that the base budget for SEND Transport did not reflect the true cost of providing the service. This led to some of the criticisms in relation to the value of the planned procurement award.

The extension of the original DPS contract by six months has seen an increase in forecast costs for the service

Delegation and communication

Cabinet approved the procurement approach at its meeting in August 2020, delegating the detailed design, including lot structure, to the Travel Assistance Service team, working with the procurement and legal teams, with the procurement team managing the overall procurement process

A key change to the existing DPS framework, which focused on costs, was to introduce a greater focus on quality in the new DPS framework, in relation to children's safeguarding, and employment practices.

KLOE A4: SEND Transport (cont'd)

The purpose of this KLOE was to consider the circumstances relating to the recent procurement of SEND Transport and the Council's current approach to concluding the procurement.

Delegation and communication (cont'd)

Whilst the teams involved in developing the new contract design were aware of the planned service quality benefits, such as improved safety standards, reliability and quality of the service, more could have been done to ensure key decision makers were aware of the reasons for the change and the planned benefits when the new procurement approach was discussed and agreed in August 2020, and prior to the planned approval in June 2021, noting the significant changes to members of the Cabinet between these two dates.

A comparison between providers used on the current contract with those who were being proposed to be awarded contracts via the new DBS framework may have also helped managed a more effective contract award discussion.

The publication of the proposed award

The Council chose to include the recommendations for the award of the new DPS contracts on the public part of the agenda papers for the Cabinet meeting on 16 June 2021, including the results of the evaluation. This was the direct cause of challenges being made to members of Cabinet prior to the meeting taking place. It is unusual for such potentially commercially sensitive information being made public in advance of a decision being made on the award of a major contract.

The outcome of the June Cabinet meeting has significantly impacted on the Council's reputation, including the matter being raised in Parliament, and has further impacted on the relationship between officers and members including levels of trust. The pausing of the procurement has also increased the level of expenditure on the services placing further pressure on the Council's budget, and creates risks for the Council such as accusations of suppliers canvassing members during the intervening period.

Conclusion of the procurement

The procurement of the contract was initially paused, pending the outcome of the various reviews being undertaken. However, in order to not have to further extend the current DPS contract, work has been undertaken, including obtaining external legal advice, to review the structuring of the lots, and to consider whether the new DPS framework will be used. A report is planned to be presented to Cabinet on 3 November 2021 to agree how to proceed.

Conclusions and recommendations

The focus of service quality in the new DPS framework represents important and positive progress for the Council in managing a major contract of this type. However, weaknesses have been identified by Internal Audit in some aspects of the procurement approach, although these did not represent a breach of the Council's Procurement and Contract Procedure Rules.

The manner of the pausing of the procurement has damaged the Council's reputation, put further strain on officer and member relationships, and created uncertainty and risks over how the conclusion of the procurement will be viewed and opened the Council up to potential legal challenges.

The Council already uses a DPS for commissioning travel assistance services, so has familiarity with the approach, as do providers. Whilst not the only procurement option, DPS is considered an appropriate procurement approach for a public sector organisation procuring services of this type. Operators can bid to be appointed to lots on the framework, and if unsuccessful continue to try do so by meeting the Council's service standards. When the Council requires a service, operators on the DPS framework are asked to tender for the work.

This was a major and complex procurement. An Invitation to Tender was advertised on 12 March 2021, with a closing date of 2 April 2021, for the contract to go live on 1 September 2021. This time frame was inadequate for such a large and complex contract.

The Council's senior leadership – both officers and members – must place priority on agreeing the outcome of the SEND Transport procurement exercise to ensure a further contract extension is not required. This should include:

- **Not losing the significant progress made on the contract specification's focus on service quality.**
- **Greater support, involvement, dialogue and oversight with the officer teams with responsibility for progressing the procurement.**
- **Ensuring the contract provides the Council with effective management and oversight of the personal transport market.**

KLOE A4: SEND Transport (cont'd)

The purpose of this KLOE was to consider the circumstances relating to the recent procurement of SEND Transport and the Council's current approach to concluding the procurement.

Recommendations (cont'd)

For the conclusion of the SEND Transport procurement and for all future major procurements, the Council should ensure that:

- **Record keeping and declarations of interest are undertaken in line with Council policies and procedures.**
- **Decision making does not create real or perceived risks in relation to inappropriate procurement decisions.**
- **Procurement timescales provide adequate time for both suppliers to submit high quality bids, and the Council to undertake appropriate evaluation, scrutiny and decision making. This timescale should include appropriate time in advance of the procurement for the council to undertake the necessary strategic thinking and planning required, and mitigate the risk of not making an award in the planned timescale**

KLOE A5: Sandwell Land and Property

The purpose of this KLOE was to consider the background to the establishment of the company, actions undertaken by the Council to ensure the company complies with legislation, and delays to winding down the company.

Background

Sandwell Land and Property (SLaP) was incorporated on 14 January 2011 as a limited company. SLaP was established by the Council as a vehicle for protecting the freehold of the Council's schools and related sites. SLaP is a non trading company and has no employees.

The Council is the sole shareholder of the company. SLaP is the freeholder of 99 education assets and leases them to the Council for a nominal sum of £1 per year in the form of ground rent, with the Council responsible for the maintenance of the assets as a condition of the lease.

Our 2019/20 Audit Findings Report noted that we have had extensive discussions with officers around the accounting for SLaP property and around the history and purpose of the company.

We agreed with management's view that the company should be wound up as soon as possible and that Council representatives should discuss with the Directors of the company the ongoing purpose of the company and whether it could continue in its current form. We requested additional assurances around the security of schools' assets should the company be wound up before a decision is made on the future of the company, with the company expected to be wound up during 2021/22.

KEY FINDINGS

Reason for creating the company

At the time of establishing SLaP, the Council understood that new legislation relating to academy schools created a risk that schools converting to academy status could take over the freehold of the Council's education assets. On taking external legal advice after establishing SLaP it was confirmed the freehold of education assets would not pass to academies.

Given the cost and additional complexity of managing an arm's length company arrangement, it is unclear why the Council has not sought to take education assets back in house sooner.

KEY FINDINGS

Compliance with legislation

The company and its Directors are governed by Company Acts law. There is evidence that the Directors of the company were not familiar with their legal responsibilities in relation to proper record keeping and failing to meet statutory deadlines for example submitting company accounts.

A number of Council members and officers have been appointed to company Director roles during the period of the company's operation, with one Director in place at the time of this review.

SLaP has never formally appointed a company secretary. A former Council Chief Executive, when a Director of the company, undertook the company secretary role informally. When they left their Director role in January 2019 it has been unclear who has subsequently delivered this role.

The administration of the company's business has been undertaken by officers of the Council, such as legal and finance, supporting members in company director roles, including an understanding of their company roles and obligations. We have not been able to confirm if formal guidance and training has ever been provided to company Directors. This has created a risk that Directors have not fully understood their legal responsibilities, including the distinction between the Council as shareholder and leaseholder, and SLaP as freeholder of the education assets.

The company was created without secretary of state consent, the Council has subsequently sought counsel advice that broadly indicated that if no government challenge had arisen, it was not likely to occur.

The company's accounts have been qualified in relation to asset valuations and ownership. We note that shares in the company were not issued in accordance with the relevant legislation.

Council's governance arrangements

SLaP is a risk on the Education Service risk register, but has not had a profile with the Council's senior leadership, and nor has there been a senior individual, since the former Chief Executive left the Council, with effective understanding and organisational oversight of the company.

KLOE A5: Sandwell Land and Property (cont'd)

The purpose of this KLOE was to consider the background to the establishment of the company, actions undertaken by the Council to ensure the company complies with legislation, and delays to winding down the company.

Current position

The Council has appointed external legal advisors to advise on the winding up of the company. The legal advisors are advising both the Council as shareholder and leaseholder, and the company in the form of the company director.

In October 2021 the Cabinet acting as shareholder of the company approved instruction to the SLaP director to pursue voluntary liquidation. An insolvency practitioner has been engaged to administer the winding up of the company. The insolvency practitioner has appointed a tax advisor to advise on any tax implications and has advised the Council that due to the nature of the company and the company's assets, they are able to transfer the assets to the Council on the basis of their indemnity as liquidator, ensuring they are not responsible for any liabilities identified during the winding up process.

The Council's legal team is reviewing the legal title and beneficial interests of each asset to ensure the Council will have legal title when transferred from SLaP, and whether beneficial interests sit with the Council or, for example if this should be transferred to another body such a governing body of a school. Should such examples be identified, the beneficial interests should have been transferred prior to the asset being transferred to SLaP.

The winding up process had not concluded at the time of our review.

Conclusions and recommendation

The Council has incurred additional costs to set up, administer and wind up SLaP when the purpose of establishing the company proved to be unnecessary.

There has been significant weaknesses in the understanding of roles and responsibilities, between those acting on behalf of the Council and those acting on behalf of the company. There has been a lack of consistent senior leadership oversight of the company, highlighted by delays in progressing its winding up. There are a number of instances where the relevant legislation has not been followed, such as the issue of shares.

The Council should ensure that when considering establishing an arm's length company in the future there is a clear purpose for doing so and that those officers / members of the Council in company director roles are clear of their role and responsibilities in relation to that company.

Where arms length companies already exist the Council should gain assurances that company directors fully understand their company roles and responsibilities, that the company administration is properly resourced and appropriate training is provided to company directors. The purpose of the company should be revisited on a regular basis to determine whether the company continues to be of benefit to the Council.

KLOE A6: MADE Festival

The purpose of this KLOE was to consider the governance arrangements and decision making relating to the Council hosting this festival.

Background

The Council was approached by the organisers of the MADE music festival, for the potential to use Sandwell Valley, a Council owned site, as the venue for the festival, to be held in August 2020. MADE festival was established in 2014 with aims of celebrating West Midlands contemporary music, creative arts and street food.

The Council agreed to host the event, recognising its alignment to the Council's ambition to strengthen Sandwell Valley's identity as a 'destination gateway' into the Sandwell / West Midlands region, and as part of the wider proposals for establishing Sandwell Valley as future major festival site. The event would generate income for the Council of £18,000-£20,000 for hosting the festival.

Due to the subsequent outbreak of COVID-19 the festival was postponed in 2020, to take place on 31 July and 1 August 2021. The ongoing pandemic during 2021 and uncertainty regarding the timing of changes to government guidelines led to a late decision not to allow the festival to take place on the rescheduled dates. This led to a breakdown in relationship with the festival promoter, who considered legal action against the Council, a situation which was resolved with the festival ultimately taking place on 18 and 19 September 2021.

KEY FINDINGS

The original decision to host the festival was made by the then Leader of the Council on 15 January 2020. The Council's events team managed the planning for the event, including liaising with other relevant statutory bodies such as the police, via the Council's Statutory Advisory Group (SAG). SAG also had a role to ensure the Council's statutory responsibilities were met in relation to issues such as safety, traffic management and licencing permissions.

In the months and weeks prior to the rescheduled 2021 event taking place SAG received updates on all events due to take place in the borough, those hosted by the Council and those hosted by other bodies. During this period there remained uncertainty over the timing and nature of the government's four stage road map for easing COVID-19 lockdown restrictions, and because of this there were delays in formally approving that the MADE festival could take place as planned, with government delaying until 19 July when all legal limits on social contact in England would be removed.

The Council's Strategic Incident Management Team (SIMT) which was set up to consider various COVID-19 related activities, considered the viability of the rescheduled 2021 event. This included infection rates and vaccine take up in the borough, and the risks associated with the high level of visitor numbers expected to attend the event . SIMT comprised the majority of Directors on the Council's Leadership Team and relevant Heads of Service.

SIMT raised concerns about the viability of holding the event on 31 July and 1 August which were shared with event organisers and promoter at a meeting on 23 June 2021.

The event promoter advised the Council that should restrictions lift on 19 July 2021 and the event was not permitted to go ahead it would have serious consequences on the future sustainability of the event.

On 30 June at a further meeting the Council advised the organisers that the Council was not able to grant permission for the event to proceed as scheduled, until the Council had seen and interpreted the revised government regulations and guidance after 19 July 2021 and assess the COVID-19 safety of the event. The Council advised the organisers that these timescales meant it would be unwise for them to advance their current plans and a later date should be considered for the event.

The Council received a COVID-19 risk assessment from the organisers on 6 July which was reviewed by the Director of Public Health and discussed with the portfolio holder for Strong and Resilient Communities. Both raised concerns about holding the event on the planned days. The organisers requested the opportunity to submit a revised proposal for the event to take place on 18 and 19 September 2021.

On 13 July the Council became aware that tickets were being advertised by the promoter for the event on the planned event days and queried with the organisers why the event was being promoted. The Council then received a letter from the promotor's solicitors seeking Council justification for the decision to postpone, believing the Council had approved the event booking. The Council sought counsel advice, as the event booking form had a disclaimer in relation to COVID-19 and, in its view, the organisers had not provided all relevant documentation, for example, in relation to road closures.

The organisers also undertook negotiations with an alternative site outside of the borough which proved unsuccessful. The promoter advised the Council that the financial impact of not holding the event as planned could result in bankruptcy and he would consider taking legal action against the Council seeking recovery of costs.

The Council met the organisers on 22 July to discuss alternate September dates and the promoter announced the postponement of the event the following day.

KLOE A6: MADE Festival (cont'd)

The purpose of this KLOE was to consider the governance arrangements and decision making relating to the Council hosting this festival.

KEY FINDINGS (cont'd)

SAG met on 26 July to consider the alternate September dates and confirmed with the organisers on 29 July approval for the new dates, subject to satisfactory finalisation of all relevant plans and compliance with terms and conditions of booking.

The event took place on 18 and 19 September 2021.

Conclusions and recommendations

There was uncertainty on the timing and detail of government regulations relating to the staged removal of lockdown restrictions being faced by all organisations and individuals during this period. However, the Council demonstrated a lack of decisiveness and clarity of decision making with the organisers of the event, with the governance around this decision making unclear.

The strategic reason for originally making the decision to host what was planned to be an annual event was its alignment to the Council's ambition to strengthen Sandwell Valley's identity as a 'destination gateway' into the Sandwell / West Midlands region, and as part of the wider proposals for establishing Sandwell Valley as future major festival site. We note that the Council's relationship with the organisers has been negatively impacted by how the decision making process was managed. There is a risk that the organisers may not seek the borough as a venue for future events.

As part of the planned review of the scheme of delegation the Council should ensure that there is clarity of decision making on hosting events, and that the governance arrangements relating to such decisions are effective and clearly communicated.

KLOE A7: Waste service

The purpose of this KLOE was to consider the performance of the waste service, the Council's management of the contract with Serco, and understand the impact of recent industrial relations issues.

Background

The Council chose to outsource its waste and recycling service and in November 2010, following a procurement exercise, the Council confirmed the appointment of a consortium led by Serco to deliver a 25 year, £650m integrated waste and recycling services contract. Council staff were transferred to Serco under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE).

Serco are responsible for the collection of household food and garden waste and recycling, street cleansing, the associated vehicle fleet, and the household recycling centre (HRC).

During the course of COVID-19 the Council has become increasingly concerned about the performance of a number of aspects relating to the delivery of the contract.

Service delivery has also been impacted by industrial action from some of the Serco workforce.

KEY FINDINGS

Contract management

The contract includes 34 Key Output Targets (KOTs) which are the basis for contract performance management. The contract is self-monitoring and Serco provide the Council with monthly performance data. Penalty points are accrued for failure to meet KOTs and these are reviewed each month by the Council, with financial penalties based on penalty points accrued each month. Failure to regularly meet KOTs over a twelve-month period can trigger a contractual default. There have been no defaults during the contract to date.

There had been formal contract monitoring meetings every six months between the Council and Serco in the form of a Waste Management Board. The Council Leader and relevant portfolio holder attend these board meetings and the Board is the formal decision making body. The Board meetings were suspended as a result of the onset of COVID-19 but have been subsequently re-introduced on a three-monthly basis.

The KOT in relation to recycling rates sets out a sliding scale of annual improved rates, with 60% being the target for 2021 and the actual rate being 32%. This is calculated on the tonnage of recycling against refuse collected. Serco have failed to meet these annual targets and may incur financial penalties of up to £1.2m per year. The reasons for under achievement of the target are considered to be household behaviour and weekly collections, the latter forming part of the original contract specification. The Council has provided Serco with a letter of comfort reducing this target and reducing the annual financial penalty.

The Serco contract was the first major outsourcing of its type undertaken by the Council. There is a perception that the approach to managing the contract did not adequately change from the way these services were managed when the Council operated a direct labour organisation model. Over the past ten years of the contract there have been a limited number of contract variations and requests made for additional services were not effectively specified.

The KOTs are considered well defined, but they are generally based on annual quantity rather than frequency and service quality. The Council is intending to engage an external consultant to review the KOTs to determine whether these contract specifications can be amended.

The vehicle workshop is operated by the Council and the Council maintains the vehicles through a separate maintenance contract with Serco. The contract terms meant that Serco were to replace fleet vehicles after 8 years of the contract (five years for smaller vehicles) which did not happen. This was identified during 2018 and discussions were held between the Council and Serco on whether the Council would borrow to fund the capital expenditure. The Council took external legal advice which confirmed such an action would represent state aid. A Fleet Board was introduced in May 2021 for Serco and the Council to progress a fleet replacement programme and Serco have committed to replace 18 refuse collection vehicles with delivery due in December 2021, as well as investing in mixed domestic recycling trucks. Serco have also hired newer sweeper vehicles, pending their replacement.

Financial management

Serco submit a monthly bill in line with the contract payment mechanism.

In recent years the Council's budgets for waste management has underspent and an underspend is forecast for 2021/22. The underspend is a result of financial penalties incurred by Serco, and income the Council receives from recyclate sales. The prices for the latter are dependent on market fluctuations. The underspend is used to maintain a reserve, currently £3.5m, which is used to manage fluctuations in disposal market rates and contract fees.

KLOE A7: Waste service (cont'd)

The purpose of this KLOE was to consider the performance of the waste service, the Council's management of the contract with Serco, and understand the impact of recent industrial relations issues.

Service performance

COVID-19 impacted on service delivery – which was common across the sector – as the workforce were impacted by absences, for example due to self-isolation via shielding or because of other COVID-19 regulations, as well as social distancing measures introduced for those who were at work. Garden and food waste collection were suspended during the first lockdown and the HRC was closed. Serco is still not operating a full service in particular food waste collection.

The pandemic has impacted on both waste collection and street cleansing, with street cleansing staff backfilling waste collection roles. Vehicle reliability has also contributed to service performance.

The pandemic shone a light on working practices and performance at Serco, contributing to service performance issues. During 2021 Council management have taken action to work with Serco to ensure necessary improvements are introduced. We understand, that as a result Serco's performance management of poor performing crews has improved, which has led to suspension of some staff and others leaving. This has contributed to industrial relations issues.

In early October the 100% in-day completion of waste collection rounds was achieved for the first time in approximately 9 months.

Serco have developed a waste and recycling recovery plan, and a recovery plan for street cleansing. At the time of this review they were being appraised by Council officers and were to be approved by the Waste Management Board.

Industrial relations

Council staff were TUPE'd to Serco on the council's terms and conditions for the first ten years of the contract. Industrial relations issues arose in May 2021 when trade unions (Unite, Unison and GMB) raised issues with Serco management in relation to staff grievances, salary benchmarking, health and safety concerns and staff complaints relating to bullying.

We understand that Serco management have investigated the complaints and have concluded that the staff complaints related to management seeking to improve working practices and did not represent bullying. Serco management have also investigated staff grievances and health safety concerns and believe these to be resolved. Unite and Unison agree, but GMB believe they remain unresolved.

The Advisory, Conciliation and Arbitration Service (ACAS) are involved in arbitration with GMB. At the time of this review strike action was planned and GMB introduced a 2-month overtime ban for their members. 120 of the 300 workforce are GMB members. Serco's senior management continue to engage GMB to try to bring resolution to the dispute.

Leadership and staff continuity

There have been changes to the senior officers at the Council with the relevant Executive Director and Director leaving in the past twelve months. An interim Director has been in role since May 2021 with a permanent Director due to start in November 2021. Until the interim Director was in role there was inadequate senior officer involvement in relation to the contract at time when this was needed to manage Serco's contract performance during the pandemic. The interim Director has brought focus to the situation including engaging with senior management of Serco.

The Council's contract manager has been in role for seven years. There had been similar stability in this role at Serco until there were changes in early 2020. More generally there have been a high number of management changes at Serco over the past year including the regional manager, regional managing director, operations manger and the senior contract manager. These changes have led to a lack of continuity in relationships with the Council and impacted on effective partnership working. In August 2021 a new senior contract manager and operations manager started but both left in September. The Serco managing director has introduced a new structure responding to concerns raised by the Council, and has instigated a programme of staff engagement. Serco are also taking steps to better manage poor performing staff, which is also leading to some further staff changes.

As noted elsewhere in this report, the Council's Leadership Team has not received effective corporate monitoring information on key council service indicators, which includes the Serco contract. This has been recognised and changes are being made to address the situation.

KLOE A7: Waste service (cont'd)

The purpose of this KLOE was to consider the performance of the waste service, the Council's management of the contract with Serco, and understand the impact of recent industrial relations issues.

Other findings

The performance issues associated with the Serco contract have seen an increase in complaints from residents, and increased enquiries to the Council's contact centre. Fly tipping has increased in the borough and the closure of, and then waiting time delays at, the household recycling centre are considered a contributory factor.

There is a need to review enforcement of public realm issues so the Council is clearer if the ownership sits with Serco or Council services such as parks, housing and grounds maintenance.

On 22 July 2021 the Council's Economy Skills Transport and Environment Scrutiny Board agreed to carry out a review of Waste Services and the Cleanliness of the Borough. The working group undertaking the review had not reported at the time of producing this report

Conclusions and recommendations

Serco have not brought the innovation and investment expected by the Council, and the culture of the workforce has impacted on Serco's ability to deliver the contract. Whilst there are issues relating to Serco management, it is only recently that Council management have taken a robust approach to managing poor contract performance, which has led to some performance improvement. Serco remains on an improvement journey.

The Council should prioritise corporate effort to ensure that the recovery plans are approved and appropriate senior management oversight is given to monitoring their effective delivery.

The Council should ensure robust contract management arrangements are in place, and review the Key Output Targets (KOTs) and work with Serco to ensure they are line with Council expectations and the data is available to allow effective monitoring of contract outcomes.

The Council should ensure that the investments specified in the contract with Serco are made, such as a new vehicle fleet.

KLOE A9: Lion Farm

The purpose of this KLOE was to consider the Council's governance arrangements and decision making in relation to the Lion Farm development.

Background

Following approval of the Asset Management Land Disposal Cabinet Committee (AMLDCC) at its meeting on 19 December 2012, the Council entered into an option agreement with a local developer in respect of the proposed development of Lion Farm Playing Fields in Oldbury (Lion Farm). The proposed development related to a premium designer outlet centre, which could support significant economic, environmental and social benefits to the borough and wider region. The minutes of the AMLDCC were received by Cabinet on 9 January 2013 and full Council on 5 March 2013.

An option agreement is a legally biding agreement that gives a potential developer a period within which to investigate the development of a site and the owner of the site agrees to sell the land to the developer at a future point, Any costs incurred by the developer during the option period are at the developer's risk.

The option agreement was dated 21 May 2013 and the developer paid the Council an option fee of £245k plus a contribution to the Council's legal costs. The option agreement gave the developer the option to acquire the freehold of the Lion Farm site should planning permission be granted.

The agreement gave the developer 12 months to undertake pre-development activity with an option to extend for a further 12 months. The agreement also provided for a secondary option agreement to be entered into by the Council and the developer.

After the initial 12-month period in 2014 the Council approved the request to extend the agreement by a further 12 months. In 2015, before the second 12-month period had concluded the Council confirmed that the developer had complied with their obligations and the parties began discussing the secondary option agreement.

In 2017 the developer was made aware of a rival premium designer outlet scheme in Cannock that had received full planning permission. The developer approached the Council for approval to progress the development. On 15 November 2017 the Cabinet approved variation to the existing option agreement with conditions including resident consultation, re-provision of current football pitches, undertake an economic impact assessment, submit a full planning application, and the site should be developed as a premier retail/leisure development which will attract high-end outlets.

In 2018 the Council sought counsel advice on whether the options agreement was legal with the QC confirming in August 2018 that the options agreement was a legally binding decision.

Governance relating to the original decision

A review by the Council in 2018 identified governance weaknesses in relation to the original decision to grant the option agreement and made the following recommendations:

- Enhanced member training to improve awareness on declaration of interests.
- The need to ensure resolutions are enacted in a timely way – the original AMLDCC decision requested a follow up report on progress which was not progressed until 2017 with a report to Cabinet.
- A clearer record of the decision-making process to support recommendations being made to members
- A new protocol for the disposal of Council owned land and buildings is developed.

External review

The Council engaged a consultancy firm to review the governance and decision making in relation to Lion Farm and three unrelated property transactions. They reported in January 2020. The report was not made available to us until we commenced this review.

We have reviewed the findings of the report but under the terms of its agreement with the Council we are unable to quote from this report. We are considering the powers available to us under the Local Audit and Accountability Act 2014 to require the release of the report. However, to ensure the timely release of our report we have set out our overall conclusions below.

Current position

The Council's procurement regulations do not apply to property transactions, and so there is no legal requirement to publicly advertise the granting of an option to purchase a piece of land.

The principal senior officers and senior members involved in the initial agreement are no longer Council employees or a member of the Council. We note that there were weaknesses in record keeping, which means the current senior officers do not have access to all the information relating to the original decision.

KLOE A9: Lion Farm (cont'd)

The purpose of this KLOE was to consider the Council's governance arrangements and decision making in relation to the Lion Farm development.

Current position (cont'd)

The secondary options agreement has not concluded and the developer has not yet submitted a planning application.

As a result of the 2013 options agreement, the asset will be valued following planning approval, before its disposal.

Conclusions and recommendations

The original sale of the option to develop Lion Farm with a limit of 12 months to put a development forward appears reasonable. Subsequent decisions to extend the secondary option negotiations without an end date were ill-judged. It has meant that the Council has little recourse with the developer.

There has been a lack of recent engagement with the developer and the situation has been allowed to drift with the senior leadership of the Council not placing priority on seeking to agree resolution and a way forward. We understand that the Interim Chief Executive has recently re-started dialogue with the developer and is placing priority on resolving the impasse, and an options appraisal is being prepared for the Cabinet to consider.

The Council must ensure that the recent re-engagement with the developer results in agreeing a clear way forward, including an action plan and timescale so there is clarity on the responsibilities for the Council and developer in order to progress the finalisation of the secondary option agreement, or to be clear on the legal process for both parties extricating themselves from the agreement and the associated terms.

The Council must ensure that it has taken all necessary steps to ensure that arrangements are in place so that issues identified in the external review are appropriately mitigated and managed.

The Council should review its procurement regulations and consider updating them to include land sales, including options agreements, to ensure that best value can be achieved.

.

KLOE A10: Introduction of new ERP System

The purpose of this KLOE was to consider the Council's management of the introduction of Oracle Fusion and understanding implementation delays and their impact.

Background

The main Enterprise and Resource Planning (ERP) business system currently used by the Council is Oracle E-Business Suite (EBS), which provides a range of key functions that support various service areas, including Finance, Human Resources, Payroll, and Procurement. The Council's EBS is also used by maintained schools in the borough, Sandwell Children's Trust and the West Midlands Fire Service. It has been in place since 2003.

The current version of EBS used by the Council will become unsupported from 31 December 2021. Remaining on unsupported software is considered an unacceptable risk to the Council due to the loss of support patches from Oracle. The Council agreed to replace EBS in 2019. . This decision followed an options appraisal, which concluded that a new cloud-based ERP system would be the preferred option.

The Council decided that Oracle Corporation UK Ltd were the only suitable available provider – their Oracle Fusion product. An exemption from conducting a formal tender process, to allow negotiation with Oracle for purchase of the appropriate licences, was considered permissible under the provision of the Public Contracts Regulation 2015. The Council published a voluntary ex-ante notice to inform the market of its intention to conclude these negotiations with Oracle and meet its obligations for compliance with the 2015 Regulation.

The Council also agreed to engage an implementation partner on the basis that the Council did not have capacity or relevant expertise to transition to the new system. The Crown Commercial Services framework was used to identify suitable implementation providers and it was determined that only Inoapps could meet all requirements for implementation partner services. The Council contracted with Inoapps for this role for £1.2m. Inoapps had provided managed services to the Council since July 2016 and were a platinum Oracle partner. The appointments of Oracle and Inoapps were approved by Cabinet on 9 October 2019.

The contract with Oracle was for five years, with an option to extend to seven years at £700k per annum. The overall cost of the project, for the duration of the five-year contract with Oracle, including implementation partner costs, was estimated to be £5.64m.

There have been repeated delays to the implementation with changes to the go live date for the new system, which will not now go live before EBS becomes unsupported at the end of 2021.

KEY FINDINGS

Business case for change

An options appraisal and financial appraisal were used to make the decision on the future of the Council's ERP system. Whilst these would form part of a business case, no outline or full business case for change was developed and approved. We would have expected a business case to have been developed for a project of such strategic importance and cost. Failure to do so has impacted on the implementation stage of the project.

Transformation potential

The introduction of a new ERP system is typically used to support wider organisational transformation, improvement, efficiencies and savings. Indeed, one of the reasons for replacing EBS was long-term user dissatisfaction with reference to inefficiencies, inadequate reporting functionality and prolonged processes to access necessary data, with inefficient "work around" solutions being applied.

The lack of a formal business case has meant that benefits relating to the transformation potential of the new system have not been clear and have not been at the forefront of the implementation. This has been compounded by a lack of corporate ownership of the project and engagement by services, with the project seen as Finance or HR related, and not an enabler for organisational transformation and improvement.

Instead a "lift and shift" approach has been adopted minimising the opportunities for change and improvement and the use of the functionality of the new system. Once the new system has gone live there is an intention to undertake "development sprints" to identify transformation opportunities. However, the system will have already been implemented by this time, limiting the potential for such improvements without incurring additional costs in enhancements to the system. The Council has also used funding set aside for these sprints to fund cost overruns during the implementation stage.

KLOE A10: Introduction of new ERP System (cont'd)

The purpose of this KLOE was to consider the Council's management of the introduction of Oracle Fusion and understanding implementation delays and their impact.

Project finances

The options appraisal set out the total costs as follows.

Description	Costs 2019/20 to 2023/24 £000
EXPENDITURE	
Implementaiton Costs	
Implementaton Suppprt	1,206
Development sprints	600
Internal project team	386
Ongoing Costs	
SaaS subsriptions	3,240
Managed service support partner	70
Archiving system	140
Total costs	5,642
FUNDING	
Earmarked reserve	2,625
Redirection of budgets for current system costs	2,458
Resources revenue budget	682
Total funding	5,765
Contingency	123

The earmarked reserve of £2.625m was to be used to cover implementation costs and included £600k for post go live activity (development sprints) and £363k as contingency, in addition to the £123k contingency identified via the original funding proposal.

An additional £605k was added to the reserve from COVID-19 emergency funding to fund additional costs incurred due to delays.

A breakdown of the planned allocation of the earmarked reserve is set out below.

Description	£
Oracle Subscriptions	438,000
Inoapps Implementation Contract	1,224,150
Development Sprints (4 x £150k)	600,000
Project Team/Contingency	362,850
Total funded by earmarked reserve	2,625,000
Covid Emergency Funding	605,000
Total Funding	3,230,000

The development sprint, project team / contingency and COVID-19 emergency funding are currently over committed by £7.8k. Additional costs have been incurred in relation to extension to EBS licences, use of additional support due to the delays to going live, and contract variations with Inoapps.

Governance Arrangements

There is a programme board which includes officers from the Council and representatives from Inoapps, and a programme team including representatives from both organisations. The Council has established a programme management office (PMO).

The Board reporting includes risk and issues logs and highlight reports. During the pandemic and when renegotiating the contract position with Inoapps and the subsequent focus securing clarity from Inoapps on their position, these have not always received appropriate focus.

Due to changes in the Council's senior officers there has not been stability with those attending he project board. This includes the chair of the Board, which was originally the then Executive Director of Resources, followed by the then Chief Executive, and is currently chaired by the Director for Strategy and Change.

The contract includes a statement of works which defines key project roles. Whilst the Council has a defined programme lead and programme manger for the project, the changes to senior officers involved in the project have created confusion over who is in the Senior Responsible Officer role, both within the Council and within Inoapps. It is a position which remains unclear.

KLOE A10: Introduction of new ERP System (cont'd)

The purpose of this KLOE was to consider the Council's management of the introduction of Oracle Fusion and understanding implementation delays and their impact.

Governance arrangements (cont'd)

The Cabinet approved the decision to progress the new ERP system and appoint Oracle and Inoapps. There have been limited subsequent updates to Cabinet, with the portfolio holder receiving updates via director briefings.

Contract management

The programme manager and PMO, supported by the programme lead, are responsible for managing the contract with Inoapps. Where a contract variation is proposed by Inoapps the PMO discusses with relevant Council stakeholders and is then passed to the Programme Board for approval. The programme lead then completes the change request which becomes an addendum to the original contract.

The impact of COVID-19 led to a review of the implementation timetable during Summer 2020, given its impact on for example system testing and training activity. At the same time Inoapps identified the need for significant contract variations, believing they had under-scoped the resources requite to implement the project. The original contract was awarded on a time and materials basis. The Council, in negotiating revised contract terms with Inoapps moved to fixed price terms with payment based on Inoapps meeting specified milestones, which was agreed in November 2020.

The role of Oracle

Inoapps are a platinum implementation partner to Oracle, and Oracle are the provider of the new system being implemented. Having purchased Oracle Fusion the Council has not been able to effectively escalate the implementation issues with Oracle, in order for Oracle to support a resolution.

Organisational involvement

During the majority of the implementation stage of Oracle Fusion there has been ineffective engagement from across directorates and services. This has started to change, with greater Director ownership, but as already noted, there remains a need for greater senior leadership oversight.

The current position

Since the fixed price contract was agreed, with Inoapps taking a greater commercial risk on implementation, and having under-scoped their original bid, there has been increasing tensions between the Council and their implementation partner and frustrations from the Council at the level of support being provided by Inoapps.

This has lead to an "us and them" culture rather than a joint implementation focus. At the time of this review relationships between the Council and Inoapps had broken down, further impacting on the progress of the implementation stage.

The go live date for the new system was deferred from October 2019 to April 2019, and subsequently deferred to October 2020. There is currently no go live date pending the Council agreeing a way forward with Inoapps.

Because the go live date will not take place prior to 31 December 2021 when EBS, the current system, becomes unsupported, the Council has approached Oracle, who also provide the EBS, to negotiate temporary support from January 2022. Oracle are seeking a 12-month extension to EBS which the Council would like to reduce due to the impact on unplanned costs, but the lack of a firm go live date is not helpful to these negotiations.

We understand that a report is being prepared for Cabinet on 24 November which will set out the Council's options and include a cost benefit analysis of these options.

Conclusions and recommendations

The risk to the Council of having no ERP system available from the 1 January 2022 is significant.

The Council must prioritise corporate effort to:

- **ensure that temporary support is agreed with Oracle for EBS continuity.**
- **have an honest and frank discussion with Inoapps and urgently agree a clear resolution on the way forward.**
- **review governance arrangements so that good practice (such as Managing Successful Programmes) is in place and embedded, including clarity on the SRO role and approach to risk management.**
- **review the resourcing and scope of the implementation to ensure that it is realistic, given current circumstances, focuses on outcomes as well as costs, and there is organisation wide engagement and ownership of the programme.**
- **confirm a realistic and achievable go live date.**
- **ensure for future major projects a full business case is developed and approved.**

KLOE B1: Chief Officers

The purpose of this KLOE was to consider the Council's compliance with JNC guidance in relation to the recent departure of certain chief officers.

Background

The Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities is the national negotiating body for the pay and conditions of service of chief executives in England and Wales.

The JNC sets out the national conditions of service for chief officers of local authorities, which include model procedures in relation to performance management, capability, disciplinary and redundancy.

There is a different negating body for pay and conditions for other local government workers, the National Joint Council (NJC) for Local Government Services.

KEY FINDINGS

The Council's former Executive Director of Resources received a complaint in relation to certain actions that were believed to be outside Council policies and procedures. The actions related to matters over 5 years old and appear to have been precipitated by a change in control of the labour group. The then Chief Executive, after undertaking a fact-finding exercise and reviewing the position, invoked the model JNC disciplinary procedure. The Executive Director was suspended in March 2020 and the Council engaged the LGA to undertake an independent investigation. Prior to the conclusion of this investigation the Council finalised its senior management review which created a new structure for the Council's leadership team, resulting in the deletion of all Executive Director roles and the creation of new Director roles. The Executive Director chose not to apply for a new Director role, which led to the officer being made redundant by the Council before the investigation by the LGA was completed.

The Council's former Chief Executive departed the Council very quickly in July 2021 as a result of the breakdown in their working relationship with the new Leader of the Council. A decision was made by the two individuals concerned that the Chief Executive would leave the Council my mutual agreement, before the JNC model procedure could be invoked.

Following the decision being made the Council took external legal advice on employment law and sought advice from the LGA and various options were retrospectively considered, including the Chief Executive remaining in post, the Chief Executive claiming constructive dismissal, early retirement and mutual agreement, with the latter being considered the best value for money option.

The prior to previous Chief Executive also left before the JNC model procedure was invoked. The context was a Standards investigation, and the officer chose to resign rather than progressing to the formal procedure

Conclusions and recommendations

The Chief Executive and Leader are key roles in any Council, and their working relationship is critical to the effective running of the organisation. There are many examples in the local government sector where Chief Executives have left councils by mutual consent and not followed model procedures, for example, when there is a change in Leader.

However, given the context at the Council, the departure of the two previous Chief Executives in a similar manner will have contributed to the lack of trust and uncertainty in the organisation which is highlighted elsewhere in this report. This has been exacerbated by the departure of the Executive Director of Finance through a restructure

We also note that the speed of the decision for the former Chief Executive to leave, and the lack of other senior officer involvement (such as from the Monitoring Officer and Director of HR) and not taking legal advice prior to the decision being made created a risk that each party may have had a different interpretation of the outcome of the discussion and the decision being made.

The Council needs to consider how it can restore trust between officers and members. **The Council should ensure that at the very least, appropriate internal and external advice is sought should the departure of a chief officer by mutual consent is agreed.**

KLOE B2: Senior leadership

The purpose of this KLOE was to consider the background to senior leadership changes and the impact of interim officers in place.

Background

The Council has been through a period of significant change to its leadership, both in terms of senior officers and senior members. Following the local elections in May 2021 a new Leader was elected, who appointed a new Cabinet with effect from June 2021. Many of these Cabinet members had not previously held a Cabinet role, and some were fairly new to the role of councillor.

An interim Chief Executive has been in role since August 2021 and there has been significant changes to chief officers over the past year, with vacancies being filled by either external interims, or Council officers in acting up roles. These changes were driven in large part by a senior management review which concluded in October 2020, although we note that some chief officer departures were caused by unrelated circumstances. The changes are summarised in the table below.

Posts Prior to Senior Management Review	Leaving Date	Posts following Senior Management Review	Interim Status	Interim Start Date	Permanent status	Permanent start date
Chief Executive	Jul-21	Chief Executive	Exernal interim	Aug-21	Vacant	n/a
Deputy Chief Executive	n/a	Deputy Chief Executive	Vacant	n/a	Vacant	n/a
Executive Director - Adult Social Care, Health & Wellbeing	Jul-19					
Director - Adult Social Care	Dec-20	Director - Adult Social Care	Exernal interim	Apr-21	In role	July 2021
Director - Public Health	n/a	Director - Public Health	n/a	n/a	No change	n/a
Director - Prevention & Protection	n/a					
Executive Director - Resources	Sep-20					
Director - Law & Governance / Monitoring Officer	n/a	Director - Law & Governance / Monitoring Officer	n/a	n/a	No change	n/a
Director - Finance	n/a	Director - Finance	Acting up	Mar-20	In role	Aug 2021
Director - Business Strategy and Change	n/a	Director - Business Strategy & Change	n/a	n/a	Internal appointment	Dec 2020
Executive Director - Neighbourhoods	Dec-20					
Director - Homes &	Mar-21					
Director - Housing	n/a	Director - Housing	Exernal interim	Apr-21	In role	July 2021
Director - Borough Economy	n/a	Director - Borough Economy	Exernal interim	Apr-21	Appointed	Nov 2021
Director - Regeneration & Growth	Mar-20	Director - Regeneration & Growth	Acting up	Mar-20	In role	Sept 2021
Executive Director - Children's Services	Aug-21					
Director - Education & Skills	Apr-21					
Director - Children's Services	n/a	Director - Children's Services	Acting up, supported by external interim	Aug-21	Appointed	Nov 2021

Post created
Post deleted

Key findings

Other than the Chief Executive there are currently ten chief officer roles, of these four are recent external appointments, and two other external appointments have been made with these officers starting in November 2021. Three officers remain from the previous leadership team, two in the same role and one appointed to one of the new roles created by the review.

Two roles remain vacant: the Chief Executive and the Deputy Chief Executive, with the recruitment of the former recently initiated. The Council has decided to not recruit the Deputy Chief Executive and to review the need for this role.

In addition there is a Director of HR, which is not a permanent role and is being held by an external interim.

The impact of this recent period of change has been instability and uncertainty for the organisation. Whilst external interims are recognised positively for the experience they bring from working with other councils and having a “fresh pair of eyes” on some of the service challenges being faced, the wider organisation considers the use of interims as maintaining a holding pattern before permanent chief officers join. The Council will reach the position of having all roles filled by a permanent officers during November 2021, other than the two vacancies noted above.

The leadership of senior members and senior officers is critical to good governance and decision making, and more generally for the ability for the Council to deliver its services effectively and to progress its medium-to-long-term priorities.

All key stakeholders met during the course of this review recognised that the changes to senior officer and members has led to some immediate and positive changes. However, it was further recognised that the Council is at the start of a necessary improvement journey, and for these “green shoots” to deliver the widespread changes required, the Council’s leadership needs be relentless in its focus in delivering and embedding sustainable change. We note that these 'green shoots' only occurred on appointment of the current interim chief executive and we do not consider that they are embedded in the Council.

Critical to this sustainable change will be the appointment of the right permanent Chief Executive, and the Council must ensure an effective recruitment process, including maximising the chances of attracting a pool of appropriate candidates. Should the appointment of a permanent Chief Executive not be successful the Council should seek to retain the current interim Chief Executive and move this to a full time contract.

KLOE B3: Complaints

The purpose of this KLOE was to consider the appropriateness of complaints made against senior officers and the responses to these complaints.

Background

The Council has arrangements in place setting out how to make a complaint that an elected member has failed to comply with the Council's Code of Conduct. This is in line with the Localism Act 2011 (the Act). The Council's Monitoring Officer, or in their absence or where there is a conflict of interest, the Deputy Monitoring Officer, administers the system for dealing with complaints. The arrangements set out the stages of a complaint should be dealt with: no further action, local resolution or requires investigation.

The Act requires the Council to appoint at least one Independent Person whose views must be sought before it takes a decision on whether an investigation should proceed. The Council has agreed to there being three Independent Persons, who attend the Standards Committee as observers.

There are separate arrangements in place for complaints against senior officers which follow national JNC model procedures, with the Council's Chief Executive (unless conflicted) deciding if the thresholds are met to instigate an investigation.

There are separate procedures for whistleblowing complaints, which do not form part of the scope of this review.

KEY FINDINGS

The Council has had a history of complaints against members, many of which were not found to be circumstances that were in breach of the Code of Conduct. These complaints have been from other members, officers and members of the public.

We note that the Monitoring Officer has been subject to a number of complaints from members which have not met the threshold for investigation, and there is a perception that at least some of these complaints have been spurious and reflect a blame culture. We note that no complaint has been upheld against the monitoring officer. Similarly, in the case of other complaints against officers, rather than complaints relating to breaches of Council policies and procedures, they are based on the dislike of an individual or of an individual's response or actions during meetings.

This forms part of a wider culture and a deterioration in trust and respect between members, and between members and officers. This is arguably also reflected in a culture of written communications in relation to member enquiries. For example, in many instances officers want to have a written record of their response due to the culture of the organisation.

Again, due to the organisational culture, there is a perception that historically for some officer complaints, investigations have been undertaken due to concern of the consequences of deciding no further action was required.

The level complaints at the Council has been described as a "mini industry" which takes up valuable time and resource, should the complaints be spurious.

At its most recent meeting of the Standards Committee on 11 June 2021 an update was provided on live member complaints. There were twelve complaints, which had been received between July 2019 and May 2021, all alleging breaches of the Member Code of Conduct. Investigations had been invoked for all 12 and of these 7 had concluded there had been no breach, 2 had recommended local resolution, 2 could not be progressed (the member was no longer a councillor or the complainant did not engage in the process) with the outcome of one complaint outstanding.

There are signs that the new political administration has moved away from this culture, but this is not yet evident across the wider councillor group.

The Council's senior leadership – both officer and member – must act to change the culture and organisational ethos in relation to complaints, and to restore balance and proportionality.

KLOE B5: Standards Committee

The purpose of this KLOE was to consider the appropriateness of the work undertaken by the Standards Committee.

Background

In 2018, the Committee on Standards in Public Life conducted a review of local government ethical standards and invited the submission of comments and recommendations from local authorities and representative bodies. The Committee published its final report in January 2019, which included a recommendation that the Local Government Association (LGA) should draft a Model Code of Conduct.

The LGA Model Code of Conduct was drafted in consultation with representative bodies of councillors and officers of the local government. The final Code was published in December 2020. The LGA published a supplementary guidance document to support the Code in April 2021.

During the 2020-21 municipal year, the Council's Ethical Standards and Member Development Committee (the Standards Committee) undertook a wide-ranging review of the Members Code of Conduct and associated arrangements. This included the creation of an Ethical Standards Working Group which was established to guide improvement in the Council's Ethical Framework. Engagement with members included five engagement sessions in December 2020. These sessions covered:

- A review of the Member Code of Conduct, and members were supportive of the adoption of the LGA Code of Conduct, subject to an amendment to the interests of family members and close associates.
- The Council's revised social media policy which included ensuring that issues with social media were addressed and appropriate support provided to members.
- Members Interests to ensure that members were confident and clear in understanding disclosure of interests, their obligations, and how to deal with issues if they emerge. Members suggested that greater clarity around the issue of lobbying should be provided. Separately and in line with the recommendations within the LGA Model Code of Conduct, the Council's Gift and Hospitality arrangements were revised, and the limit was lowered from £100 to £50.
- Review of the arrangements for dealing with complaints under the Code of Conduct – these were amended to include an assessment criteria and indicative timescales for monitoring and clarity purposes, including reporting on the progress of the complaint in the case of delays.
- Duty to promote and maintain high standards of conduct, which focused on raising awareness of the role and work of the councillor and promoting high standards, particularly on the specifics relevant to individuals in their respective wards, towns and across the borough

For those members unable to attend these sessions a questionnaire was sent to ensure that all members could contribute. The feedback from the sessions was collated and presented to members at three further sessions held in February 2021.

KEY FINDINGS

March 2021 Standards Committee

At its meeting on 12 March 2021 the Standards Committee recommended the approval of :

- The revised Member Code of Conduct, and that these would be reviewed on an annual basis, alternating between a desk top review and a more detailed review.
- The revised arrangements for dealing with complaints under the Code
- The revised social media policy and that the Monitoring Officer be authorised to make any revisions/updates to the guidance which accompanies the social media policy, in consultation with the Chair of Standards Committee.
- The revised gifts and hospitality guidance
- The protocol for meetings to take place on a regular basis between senior officers, political group leaders and chief whips to talk about standards issues.
- The retention policy for Members' Register of Interests be set for as long as a person remains a Councillor, plus three months which represents the relevant limitation period for disclosure of information.
- A review of the recruitment process for Independent Persons be undertaken, in consultation with the Standards Working Group, and a further report submitted to a future meeting of the Standards Committee.
- a further report be submitted to the Ethical Standards and Member Development Committee/Standards Working Group in respect of DBS Basic Checks for elected Members.
- That a review of the composition of the Ethical Standards and Member Development Committee and operation be undertaken in the new municipal year

These were subsequently approved by full Council with effect from the 2021/22 municipal year

KLOE B5: Standards Committee

The purpose of this KLOE was to consider the appropriateness of actions taken by the Standards Committee.

KEY FINDINGS (Cont'd)

The Standards Committee also agreed that the member development programme be updated to include training on:

- the Code of Conduct;
- members' interests;
- gifts and hospitality;
- lobbying;
- arrangements for dealing with complaints;
- use of social media;
- promoting high standards, and
- that the induction programme for new members to be updated to include the same training, and to incorporate in member Personal Development Plans (PDPs) for any issues on an individual basis.

Progress on actions

The new Code and associated guidance and arrangements have been in place since the start of the 2021/22 municipal year. The Monitoring Officer has not yet needed to update the social media policy.

The training on the Code of Conduct, lobbying, and gifts and hospitality has been completed. A working group of the Standards Committee is updating the member development programme and engaging members on their development needs, including those members who chair committees and are hold appointments to outside bodies.

The Standards Committee working group has completed its review of the recruitment of Independent Persons who attend the Standards Committee as observers. There are currently three Independent Person roles, with one currently vacant.

Changes to how complaints were reported were introduced at the 11 June 2021 meeting of the Standards Committee, to provide assurance that complaints are being dealt with in a timely way and to provide the Committee with updates on progress. Importantly, these updates are reported on the basis of anonymity, and allows the Committee to identify trends and issues based on the nature of complaints raised

A Standards Committee working group has been established to consider the need for DBS checks for members, which has not yet reported to its parent committee

Reopening of old complaints

At its meeting on 11 June 2021 a member of the Standards Committee put forward a resolution to review all previous cases of complaints, to ensure appropriate processes had been followed and to identify any lessons learned. This was not approved due to there being unclear reasons on justifiable cause, and no advice having been sought on the implications of reopening cases which had concluded in line with the Council's policies and procedures.

Conclusions and recommendations

The unsuccessful resolution to reopen closed complaints is an example of the challenge the Council has in moving on from the past, and as highlighted in relation to KLOE B4, in changing the culture and organisational ethos in relation to complaints, to restore balance and proportionality.

More generally, the recent actions being led by the Standards Committee are good practice and are important given the recent history of the Council. More critical than approving the updated Code and related arrangements will be member compliance, and the **member training and development programme must play a key role in ensuring members fully understand the expectations and standards relating to their role.** It will take time for the wider organisation to believe that change is happening and embedded, from observing consistency in member behaviour in line with the Code, and that are all respectful of those they work with and of the Council as a civic institution.

No meetings have yet taken place between senior officers, political group leaders and chief whips. **These meetings should take place to ensure that these stakeholders are able to discuss emerging issues and trends, recognise good behaviours and discuss how to manage behaviours not in line with the Code.**

KLOE B6: Audit Committee

The purpose of this KLOE was to consider the actions undertaken by the Audit Committee during 2021 in relation to the review into the Wragge report.

Background

In Autumn 2014 allegations about the then Deputy Leader were made on social media, which lead to police involvement, a standards complaint being made against the Deputy Leader, which in turn led to an internal audit investigation and senior officers commissioning an independent investigation by Wragge and Co Solicitors. During the course of this investigation a complaint was made in relation to the solicitor conducting the review, which led to the Council engaging a QC to review the investigation.

The report from Wragge and Co (the Wragge report) was eventually finalised in April 2016. Following publication further standards complaints, investigation and legal action took place, including a judicial review on behalf of the (by then) former Deputy Leader. A further internal review was undertaken at the request of the then Leader into the circumstances surrounding the Wragge report and issues which subsequently emerged, which reported in June 2020 (the Cox report).

On the 18 March 2021 the Audit and Risk Assurance Committee (the Audit Committee) met to discuss the Cox report, based on a report from Audit and Governance Panel, which had been established by the Audit Committee Chair with the objective to provide a safe space to consider this long-standing governance matter and to make recommendations to the Audit Committee with a view to determine if the matter had been addressed sufficiently to enable closure, or whether there were further steps or actions necessary to enable the matter to be concluded.

The Audit and Governance Panel report recognised:

- that over recent years the Council has dealt with and continues to deal with a number of governance concerns and issues. Whilst some are historic in nature, a number have had a tendency to resurface periodically sometimes due to concerns over how they may have been addressed previously.
- in order to address these issues effectively and enable the council to move on and focus on its ambitious objectives as detailed within its corporate plan, considerable time and resources have been expended to examine the identified governance issues and related concerns.
- a number of matters have reached a point whereby the Council has to either been able to identify and address shortcomings, or despite its endeavours, it is unlikely that the council will be able to fully understand the history, chronology or be able to restore the council to its previous position. This can be for various reasons, such as key individuals no longer employed by the council.
- the Council needs to ensure that its conducts itself legally and consistently with recognised good governance principles and practices. The Council is required to consider serious allegations in respect of its conduct or behaviours which could give rise to action against it, reputational harm, or lost confidence. The Council is obliged to consider relevant arrangements in relation to which their legality or whether their ongoing continuance could expose the Council to harm or claims. However, the consideration of such allegations needs to be proportionate and in the public interest.

KEY FINDINGS

The meeting of the Audit Committee on 18 March 2021 lasted almost six hours and adjourned before considering the matter in its entirety. The meeting was contentious with members being concerned about the late provision of papers and a lack of consensus on decisions (with the Audit Committee Chair taking the casting vote on a number of decisions). Due to the length of the meeting a decision on the final matter under discussion about the Wragge report was deferred. Following the committee meeting a complaint was raised against the monitoring officer. This has not yet been resolved.

Due to the pre-election period relating to the May local elections, the Audit Committee did not reconvene until 24 May 2021, where discussions were able to conclude.

The Chair and a number of other members of the Audit Committee changed in June 2021 for the new municipal year. The Audit Committee met on 24 June of 2021 and the minutes of the March and May meetings were presented for approval. However, members of the Committee did not approve the minutes as a correct record and requested that they be submitted to a future meeting for further consideration, with a potential for a further review to be undertaken.

At the next meeting of the Audit Committee on 16 September 2021 the minutes of the March and May meetings were approved with the central action to arrange for appropriate apologies to be made where this had been agreed as appropriate to individuals involved in the original Wragge review, and that the Monitoring Officer update the Committee when these apologies have been made.

KLOE B6: Audit Committee

The purpose of this KLOE was to consider the actions undertaken by the Audit Committee during 2021 in relation to the review into the Wragge report.

Conclusions and recommendations

The Wragge and Cox reports concerned significant governance related issues and, as the Audit and Governance Panel stated, the Council needs to ensure that it conducts itself legally and consistently with recognised good governance principles and practices. However, we note that:

- The matters relate to events in 2014.
- The matters have been subject to significant scrutiny since 2014 including a judicial review.
- The review in 2020 and the Audit Panel and Committee in 2021 took place when there were significant service issues within the Council and used a significant amount of member and officer capacity.
- The matters continue to divide opinions and have resulted in a further lengthy process to agree a resolution.

Now that the Audit and Risk Assurance Committee has agreed the actions to bring this long-standing matter to resolution, it will be important that – as the Audit and Governance Panel recognised - the Council manages its position so that the matter does not resurface, so that it can move on and focus on its corporate objectives.

KLOE B7: Financial reporting

The purpose of this KLOE was to consider the Council's response to recommendations raised in our 2019/20 audit findings report.

Background

Our 2019/20 Audit Findings Report (AFR) highlighted a number of concerns about the Council's financial reporting in relation to the 2019/20 financial statements, including late submission of the draft accounts, incorrect working papers, the basis for provisions, a material error between cash and creditors, a material error on the cashflow forecast, and the basis for some asset valuations in particular in relation to leisure centres and the Public sixth form centre, and the impact of this on the Council's group accounts.

Our 2019/20 AFR noted that at that time we did not consider that these were sufficient to warrant a qualification of the VfM conclusion. However, should these matters reoccur in relation to the 2020/21 financial statements audit, we will issue a qualified VfM conclusion on financial reporting and consider the use of our wider reporting powers.

KEY FINDINGS

Management created an AFR action plan in response to the recommendations made as part of our 2019/20 audit and an associated project team to take forward these actions. As some of the key recommendation related to asset valuations, interim resource has been allocated to the asset management and valuations teams to progress associated actions.

We have reviewed this action plan which includes an owner and finance lead relating to each recommendation. The plan also sets out the actions required, delivery timescale and updates on progress.

In total there were 22 recommendations of which 13 were high priority and 9 medium priority. The latest version of the action plan reviewed confirms that ten associated actions had been completed (five each for high and medium priority) with the remainder in progress, with some of these having an inter dependency with the introduction of the new Oracle Fusion ERP system. As such, the delays in implementing the Council's new ERP system have an impact on successfully completing some actions

Four of the recommendations did not include required actions in the action plan, and 5 had no target date for completion

The Council does not currently have a corporate asset management database, instead relying on spreadsheets. The Council is taking steps to procure an asset management system, with a report planned to the December Cabinet. This system will take 12 to 18 months to procure and implement.

Acting up arrangements due to the vacant Director of Finance role until August 2021 has contributed to capacity constraints in delivering financial reporting responsibilities.

RELATED FINDINGS

Whilst the focus of this KLOE concerned the Council's annual financial statements, we identified the following in relation to other aspects of financial planning and reporting in the Council:

- There is not a comprehensive understanding across services of the make up and profile of individual budgets.
- There has not been a culture of undertaking financial benchmarking to help an understanding of unit costs.
- Budget management has been based on service bottom line rather than individual budgets.
- The Leadership Team has not received regular budget monitoring reports.
- Director and service engagement in the annual budget setting process has been limited

The above has been recognised and changes introduced by the new Director of Finance and interim Chief Executive, such as the introduction of financial benchmarking, "star chambers" for budget setting, and more regular budget monitoring by the Leadership Team.

Recommendations

Management should ensure that the AFR action plan sets out actions and completion dates in relation to all recommendations. It should also identify where the new ERP system implementation and the planned asset management system could cause delays or impacts on planned actions.

Management should ensure that the changes in relation to budget setting and budget management recently introduced are sustained, and take steps to manage any weaknesses not yet addressed.

Management should ensure the Finance team has appropriate skills and capacity to manage the Council's financial reporting responsibilities.

Appendices

Appendix A: Improvement recommendations

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE B4: Officer and member relationships	
1.	Embedding the changes that have been made by the Leadership Team and those that are planned will be critical if the Council is to realise its strategic ambition and provide effective governance.	14
2.	Enhancement of the induction programme to new members of Cabinet, including on local government finance and their governance roles is recommended.	14
3.	The Council should ensure that corporate KPIs are agreed so that the implementation of the Corporate Plan can be effectively monitored.	15
4.	The forward plan of the Cabinet should be shared with the Audit Committee and Scrutiny Board to help structure their agenda planning.	15
5.	The Leadership Team should agree key medium-term financial objectives and principles. There should be effective ownership of the principles that underpin the budget setting process, for example the Council's approach to reserves, contingency and Minimum Revenue Provision (MRP).	15
6.	Senior officers and senior members must lead by example to ensure that the "tone from the top" consistently reflects these values and behaviours. This is critical in ensuring that the wider organisation recognises that changes have been made and that all people are confident in adopting these values and behaviours. This should build on recently introduced staff briefings to include a programme of staff engagement including "pulse" checks to benchmark and monitor progress on the organisation's wellbeing.	16
7.	The Council should ensure that the review of the member development programme is appropriate. In particular, thought should be given to how members with special responsibility roles are developed and supported. This should include succession planning for these roles.	16
8.	Further work is required to establish a formal performance management framework and agree a set of key corporate indicators for the Leadership Team to collectively manage, receive appropriate management information to monitor progress, and set out clear lines of accountability, responsibility, and delegated authority.	16
9.	The recent introduction of financial benchmarking will need to be sustained to create a culture of curiosity in services in how nearest statistical neighbours are performing, to support savings identification and to drive improvements	16

Appendix A: Improvement recommendations (cont'd)

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE B4: Officer and member relationships (cont'd)	
10.	The Council should continue its more outward looking approach is sustained and develop key local and sub-regional relationships.	17
11.	When investing in the communications team, the Council should also use this as an opportunity to ensure more effective internal communications, including with back-bench members.	17
12.	There is a need to ensure that members of scrutiny and audit committees are aware of their governance roles including how to interrogate reports and ask the right questions.	17
	KLOE A1: Sandwell Children's Trust	
13.	The Council's senior leadership – both officer and member – should prioritise corporate effort and develop a clear strategy for working with SCT to ensure it remains on its improvement trajectory. This should include: • working with SCT to progress a multi-agency early intervention and prevention strategy. • ensuring SCT has an appropriately resourced and skilled placements team in place to effectively manage the care market. • conducting a review of KPIs to ensure they are effective for current circumstances. • undertaking financial benchmarking in relation to children's social care, and take a realistic and pragmatic view on the level of funding required. • reviewing the governance roles of officers and members in relation to SCT so that they are clear on their responsibilities, avoid duplication, ensure effective communication and that there is a collective understanding of the performance of SCT and how risks and issues are being managed.	21
	KLOE A2: Sandwell Leisure Trust	
14.	The Senior Leadership - both officer and member - must take ownership of this issue, prioritise corporate effort and take urgent steps to either resolve the current position with SLT or consider the options for alternative provision should either party decide to terminate the current contract, to ensure the continuity of future leisure service provision and associated reputational impacts.	23
	KLOE A3: Providence Place	
15.	Where the Council considers similar transactions in future, those charged with making decisions must satisfy themselves that they fully understand the detail of the options being proposed. Council officers and their advisors have a responsibility to ensure that members making decisions do so having fully understood these complexities and risks.	25
16.	The Council should ensure that all future property or land acquisitions and disposals are clearly aligned with relevant Council property related strategies.	25

Appendix A: Improvement recommendations (cont'd)

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE A4: SEND Transport	
17.	The Council's senior leadership – both officers and members – must place priority on agreeing the outcome of the SEND Transport procurement exercise to ensure a further contract extension is not required. This should include: • Not losing the significant progress made on the contract specification's focus on service quality. • Greater support, involvement, dialogue and oversight with the officer teams with responsibility for progressing the procurement. • Ensuring the contract provides the Council with effective management and oversight of the personal transport market.	28
18.	For the conclusion of the SEND Transport procurement and for all future major procurements, the Council should ensure that: • Record keeping and declarations of interest are undertaken in line with Council policies and procedures. • Decision making does not create real or perceived risks in relation to inappropriate procurement decisions. • Procurement timescales provide adequate time for both suppliers to submit high quality bids, and the Council to undertake appropriate evaluation, scrutiny and decision making. This timescale should include appropriate time in advance of the procurement for the council to undertake the necessary strategic thinking and planning required, and mitigate the risk of not making an award in the planned timescale	29
	KLOE A5: Sandwell Land and Property	
19.	The Council should ensure that when considering establishing an arm's length company in the future there is a clear purpose for doing so and that those officers / members of the Council in company director roles are clear of their role and responsibilities in relation to that company.	31
20.	Where arms length companies already exist the Council should gain assurances that company directors fully understand their company roles and responsibilities, that the company administration is properly resourced and appropriate training is provided to company directors. The purpose of the company should be revisited on a regular basis to determine whether the company continues to be of benefit to the Council.	31
	KLOE A6: MADE Festival	
21.	As part of the planned review of the scheme of delegation the Council should ensure that there is clarity of decision making on hosting events, and that the governance arrangements relating to such decisions are effective and clearly communicated.	32

Appendix A: Improvement recommendations (cont'd)

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE A7: Waste Service	
22.	The Council should prioritise corporate effort to ensure that the recovery plans are approved and appropriate senior management oversight is given to monitoring their effective delivery.	35
23.	The Council should ensure robust contract management arrangements are in place, and review the Key Output Targets (KOTs) and work with Serco to ensure they are line with Council expectations and the data is available to allow effective monitoring of contract outcomes.	35
24.	The Council should ensure that the investments specified in the contract with Serco are made, such as a new vehicle fleet.	35
	KLOE A9: Lion Farm	
25.	The Council must ensure that the recent re-engagement with the developer results in agreeing a clear way forward, including an action plan and timescale so there is clarity on the responsibilities for the Council and developer in order to progress the finalisation of the secondary option agreement, or to be clear on the legal process for both parties extricating themselves from the agreement and the associated terms.	38
26.	The Council must ensure that it has taken all necessary steps to ensure that arrangements are in place so that all the issues identified in the external review are appropriately mitigated and managed.	38
27.	The Council should review its procurement regulations and consider updating them to include land sales, including options agreements, to ensure that best value can be achieved.	38
	KLOE A10: Introduction of new ERP System	
28.	The Council must prioritise corporate effort to: • ensure that temporary support is agreed with Oracle for EBS continuity. • have an honest and frank discussion with Inoapps and urgently agree a clear resolution on the way forward. • review governance arrangements so that good practice (such as Managing Successful Programmes) is in place and embedded, including clarity on the SRO role and approach to risk management. • review the resourcing and scope of the implementation to ensure that it is realistic, given current circumstances, focuses on outcomes as well as costs, and there is organisation wide engagement and ownership of the programme. • confirm a realistic and achievable go live date. • ensure for future major projects a full business case is developed and approved.	41

Appendix A: Improvement recommendations (cont'd)

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE B1: Chief Officers	
29.	The Council should ensure that at the very least, appropriate internal and external advice is sought should the departure of a chief officer by mutual consent is agreed..	42
	KLOE B2: Senior Leadership	
30.	Critical to this sustainable change will be the appointment of the right permanent Chief Executive, and the Council must ensure an effective recruitment process, including maximising the chances of attracting a pool of appropriate candidates. Should the appointment of a permanent Chief Executive not be successful the Council should seek to retain the current interim Chief Executive and move this to a full time contract.	43
	KLOE B3: Complaints	
31.	The Council's senior leadership – both officer and member – must act to change the culture and organisational ethos in relation to complaints, and to restore balance and proportionality.	44
	KLOE B5: Standards Committee	
32.	Member training and development programme must play a key role in ensuring members fully understand the expectations and standards relating to their role	46
33.	Meetings between senior officers, political group leaders and chief whips should take place to ensure that these stakeholders are able to discuss emerging issues and trends, recognise good behaviours and discuss how to manage behaviours not in line with the Code	46

Appendix A: Improvement recommendations (cont'd)

This appendix summarises our improvement recommendations by KLOE.

#	Improvement recommendations	Page #
	KLOE B6: Audit Committee	
34.	Now that the Audit and Risk Assurance Committee has agreed the actions to bring this long-standing matter to resolution, it will be important that – as the Audit and Governance Panel recognised - the Council manages its position so that the matter does not resurface, so that it can move on and focus on its corporate objectives.	48
	KLOE B7: Financial Reporting	
35.	Management should ensure that the AFR action plan sets out actions and completion dates in relation to all recommendations. It should also identify where the new ERP system implementation and the planned asset management system could cause delays or impacts on planned actions	49
36.	Management should ensure that the changes in relation to budget setting and budget management recently introduced are sustained, and take steps to manage any weaknesses not yet addressed.	49
37.	Management should ensure the Finance team has appropriate skills and capacity to manage the Council's financial reporting responsibilities.	49

Appendix B: The scope of the auditor's work on value for money arrangements

Revised approach to value for money work for 2020/21

- On 1 April 2020, the National Audit Office introduced a new Code of Audit Practice which comes into effect from audit year 2020/21. The Code introduced a revised approach to the audit of value for money.
- There are three main changes arising from the NAO's new approach:
  - A new set of key criteria, covering financial sustainability, governance and improvements in economy, efficiency and effectiveness
  - More extensive reporting, with a requirement on the auditor to produce a commentary on arrangements across all of the key criteria
  - Auditors undertaking sufficient analysis on the local authority's value for money arrangements to arrive at far more sophisticated judgements on performance, as well as key recommendations on any significant weaknesses in arrangements identified during the audit.
- The Code requires auditors to consider whether the body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources. When reporting on these arrangements, the Code requires auditors to structure their commentary on arrangements under the three specified reporting criteria.

Improving economy, efficiency and effectiveness

Arrangements for improving the way the body delivers its services. This includes arrangements for understanding costs and delivering efficiencies and improving outcomes for service users.

Financial Sustainability

Arrangements for ensuring the body can continue to deliver services. This includes planning resources to ensure adequate finances and maintain sustainable levels of spending over the medium term (3-5 years)

Governance

Arrangements for ensuring that the body makes appropriate decisions in the right way. This includes arrangements for budget setting and management, risk management, and ensuring the body makes decisions based on appropriate information

Potential types of recommendations

A range of different recommendations could be made following the completion of work on the body's arrangements to secure economy, efficiency and effectiveness in its use of resources, which are as follows:

Statutory recommendation

Written recommendations to the body under Section 24 (Schedule 7) of the Local Audit and Accountability Act 2014. A recommendation under schedule 7 requires the body to discuss and respond publicly to the report.

Key recommendation

The Code of Audit Practice requires that where auditors identify significant weaknesses in arrangements to secure value for money they should make recommendations setting out the actions that should be taken by the body. We have defined these recommendations as 'key recommendations'.

Improvement recommendation

These recommendations, if implemented should improve the arrangements in place at the body, but are not made as a result of identifying significant weaknesses in the body's arrangements

© 2021 Grant Thornton UK LLP. All rights reserved.

'Grant Thornton' refers to the brand under which the Grant Thornton member firms provide assurance, tax and advisory services to their clients and/or refers to one or more member firms, as the context requires.

Grant Thornton UK LLP is a member firm of Grant Thornton International Ltd (GTIL). GTIL and the member firms are not a worldwide partnership. GTIL and each member firm is a separate legal entity. Services are delivered by the member firms. GTIL does not provide services to clients. GTIL and its member firms are not agents of, and do not obligate, one another and are not liable for one another's acts or omissions.

CIPFA Financial Management Model

Sandwell Council

January 2022

CONFIDENTIAL

Table of contents

1 Executive Summary 3
1.1 Purpose and scope of the review 3
1.2 Approach adopted 3
1.3 Findings 3
1.4 Next steps and action plan 4
2 Introduction and Background 5
2.1 Objectives of the review 5
2.2 The current financial position 5
2.3 Future challenges 5
3 The Financial management model 6
3.1 The model purpose 6
3.2 The model approach 6
3.3 The model output 7
4 The review findings 8
4.1 Introduction 8
4.2 Leadership 8
4.3 People 11
4.4 Process 14
4.5 Stakeholders 16
4.6 Finance function operation 17
5 Action plan and next steps 18
5.1 Introduction 18
5.2 Outline plan 19
Appendix 1 – List of interviewees 21
Appendix 2- Document review list 22
Appendix 3 – Star rating key criteria and characteristics 25

1 Executive Summary

1.1 Purpose and scope of the review

CIPFA have been commissioned to undertake a review of the financial management and governance arrangements by Sandwell Metropolitan Borough Council using the Financial Management Model (FM Model).

The review is intended to contribute to the development of the Council's financial management operation and arrangements. It assesses the Council's financial management capability, its internal processes, and operations. It also examines how the Council plans its future financial management. This report summarises the findings from the review, provides analysis of the model's constituent elements, and provides a rating against the CIPFA five-star model.

The report also contains a series of recommendations. These can be developed into an action plan to support an improvement process.

1.2 Approach adopted

The review comprises the financial management model's three constituent elements: a survey, a series of interviews with staff and elected members, and a document review. The findings from each of these are entered into the model's framework. This allows findings to be scored against a standard set of statements and questions representing best practice in financial management and governance.

The statements and questions represent management dimensions and financial management styles. There are over 400 questions in total. The response to each is rated as yes, no, partly or don't know. The collective scores for each statement are then combined to produce the overall rating.

1.3 Findings

The findings from the review are presented as a summary table which gives individual scores against key model headings, and as an overall score.

Sandwell Council – January 2022 Position				
	Management dimensions			
Financial management styles	**Leadership**	**People**	**Process**	**Stakeholders**
Delivering Accountability	**	**	**	**
Supporting performance	**	*	*	**
Enabling transformation	**	*	*	****
Overall	**			

The scoring process generates an overall star rating between one and five, five being the highest. Sandwell achieved an overall rating of two stars and would be considered to be a progressive two star authority. In our experience most local authorities are either two or three stars. Sandwell Council has been under extreme pressure due to the COVID pandemic, however this is only a small contributory factor to other underlying issues.

The review and consequent score reflects a point in time. It is evident from the interviews and evidence base that the Authority is on a journey and recognises areas of weakness and those in need of development. The review has concluded that changes have and are being made which will have a positive impact on financial management and governance arrangements at Sandwell. The direction of travel is encouraging. Recent changes in leadership have been noted positively in interviews. While these are in themselves insufficient to overcome longstanding problems immediately, they demonstrate the right improvement intent. The delivery of that ambition will be critical to improving Sandwell's overall five star rating.

At the time of the review CIPFA felt the Authority had an outdated financial management culture, lacked clear engagement and leadership from members on budgeting, and has some poor processes in place, particularly around contract management. The finance function's culture needs to be addressed, especially in the area of business partnering, and there are a few immediate structural steps that can be taken to improve what is a substantial but underperforming team. During the review it became apparent that this was being addressed and improvements were underway. A new draft finance structure has been prepared, removing layers, and providing a greater focus on business partnering. This is due for consultation in early February.

The table above indicates both areas where the Council's performance is positive and those requiring improvement. The body of the report has a detailed analysis of individual scores and findings from the review.

A review of the Authority's published financial statements and the CIPFA resilience index indicate that the authority at present is financially stable and in recent years has been able to contribute towards reserves through achieving a balanced budget or an underspend. Whilst a theme emerged during the review that the authority has lacked ambition and did not previously seek to invest in major regeneration initiatives, there are now 16 Towns Fund projects in progress with final business cases due for submission by the end of March. 'The Sandwell way' was used numerous times to describe given assumptions which restrain ambition and produce a suboptimal budget process, however there is clear indication of a change in both direction and ambition.

This report highlights opportunities to improve and strengthen financial management and governance across the authority which can be achieved through a planned change programme.

1.4 Next steps and action plan

The report includes recommendations aligned to the findings. This initial set of observations and recommendations will be the subject of discussion leading to the agreement of a final report.

The action plan is intended to stimulate debate, suggesting ways to move Sandwell MBC from a two star rating to three stars and beyond.

2 Introduction and Background

2.1 Objectives of the review

The review has the objective of assessing the Council's capability to effectively manage its current finances, internal process, and operations, as well as how it plans future financial management.

The review is required to contribute to the development of the Council's financial management operation and arrangements.

2.2 The current financial position

Sandwell Metropolitan Borough Council is one of the seven local authorities that make up the West Midlands Combined Authority and alone has a population of around 330k. Sandwell is an area of widespread deprivation with a huge and increasing demand for Council services.

A brief review of the finance report to cabinet in March 2021 indicates the forecast level of free balances at the end of 2020/21 is unlikely to reduce from the level of £11.47m which were held at the end of 2019/20. This is equivalent to 4.64% of the Council's net expenditure budget for 2021/22 and is within the prudent parameters set by the Section 151 officer. The estimated General Fund reserve balance as of 31 March 2021 is £74.66m

As indicated earlier a detailed review of the financial position of the authority was outside scope of this review stop. However, given the March 2021 cabinet report, the authority's finances appear to be in a healthy position. This conclusion is supported by conversations during the interview with some commenting that the authority has never struggled to balance budgets and had a 'lazy' approach as 'overspend doesn't matter'.

2.3 Future challenges

Sandwell Council faces numerous future challenges that will have a direct impact on revenue and capital budgets. These include the prospect of further spending cuts, as well as economic uncertainty, the continuing impact of Covid, welfare reform, housing need and an aging population. These will require strategic thinking and innovation.

The general feeling of those interviewed as part of this review was that the authority had, in the recent past, lacked direction and leadership. Its ageing workforce continued to lack appetite for change with some finance officers set in their ways. Significant change had been noticed recently with the introduction of a new s.151 officer and a focus on improvements.

Nearly all interviewees felt the current finance arrangements were not fit for purpose and that the authority would need a new approach, including some structural changes, as well as new personnel to deliver new and innovative finance processes to bring the service up to date. This was being addressed in the preparation of a new structure which is awaiting consultation and should alleviate the feeling that the authority is too reactive and not proactive when it came to financial management and lacked a strategic vision. The reviewers concur with the broad thrust of these comments. They note

however that the structure itself of what is a large finance function is of less immediate concern than certain issues of strategic focus, as well as culture, such as the approach to business partnering.

Member involvement and engagement in budget matters is improving with the recent introduction of budget workshops, designed to build better working relationships, share latest budget positions and to present and discuss savings options. This will help achieve the strategic objectives and vision of portfolio holders in a changing political landscape. Finance must be at the centre of this renewed strategic intent.

3 The Financial management model

3.1 The model purpose

CIPFA's Financial Management Model (FM Model) can be used to support and drive effective performance in financial management and financial governance throughout an authority. It uses an internationally recognised framework and diagnostic tool, enabling authorities to have an independent assessment of their financial management against world class best practices in the public sector to optimise systems, processes, resources, compliance, and reporting.

The FM Model output will identify or substantiate weaknesses (as well as confirm strengths) and then support the development and delivery of a target-driven improvement plan allowing progress to be closely tracked and measured.

The FM Model measures the strengths and weaknesses across the whole of an authority, examining processes, people, leadership, and stakeholders. The model is not just about the finance function. It is about the corporate ownership and accountability for finance.

The model benchmarks the authority's financial management against best practice using a series of statements and principles. It focuses on financial management capability across the whole authority and helps pinpoint priorities for improvement. It can help raise effectiveness and confidence in stewardship, performance, and the ability to implement change.

The framework is fully aligned with today's public sector. It reflects the latest developments and opportunities in business partnering, commercialism, procurement, and governance, and stressed the critical role and prominence of the CFO and the finance team within an authority.

3.2 The model approach

The FM model is based on a series of statements focused on Leadership, Process, People and Stakeholders. Each of these is measured against the pillars of good financial management as follows:

Enabling transformation: the finance team have input into strategic and operational plans taking into account proactive risk management, clear strategic direction, and focus-based outcomes.

Supporting performance: finance teams are actively committed to continuous improvement focused on efficient and effective delivery and authority performance.

Delivering Accountability: financial information is accurate, timely and focusses on controls, probity, compliance, and accountability.

Measurement is based on a series of best practice statements. A score is determined for each statement. Each statement has a number of supporting questions and the response to these is used to assist in the overall scoring process. The process is supported by an Online Diagnostic tool which captures the evidence and is the used to undertake the assessment based on the acquired evidence.

Attached at Appendix 3 is a table that indicates the assessment criteria and characteristics of each of the star ratings.

Evidence is collected through three independent methods:

A review of documents. The purpose of considering these is to gain a view on the formal processes, arrangements, reports, and reporting processes in place. They also provide detail on the financial position and on governance in practice. The document review also helps triangulate other evidence, allowing comparison of process and procedure with what happens in practice. The full list of documents reviewed can be found at Appendix 2 of this report.

A series of interviews with staff and stakeholders. The 36 interviews in total included a range of staff across the Council and elected members. The purpose of each interview was to gain an impression and understanding of the individual's thoughts on the financial management and financial governance arrangements in operation.

An online survey. The survey invited a total of 197 recipients to respond to a series of questions within the model that are based around best practice. The response rate was 59%.

Following completion of these steps the model can be used to score statements and arrive at an overall rating.

The three methods of evidence captured are then used to score the Authority against model and in a triangulated fashion that helps eliminate bias.

3.3 The model output

On completion, the FM Model produces a scoring matrix. This captures the assessment and presents findings back against a series of management dimensions and financial management styles. Scores are based on the three sources of evidence outlined above.

This report findings and conclusions are presented against the management dimensions. The report is a snapshot in time. It is recognised that with any authority there is a process of constant change.

The report includes a headline improvement plan. This responds to key areas identified as requiring attention. The improvement plan, areas, actions, and owners will be agreed as part of finalising the report to ensure there is acceptance of the need to take action.

The scoring matrix also presents a star rating within the range 1* to 5*. This is seen as an indicator of where the authority is against the best practice model. In our experience most authorities we review fall into the range 2* to 3*. Using the review and action plan will help support the authority development and a progression to the next level.

4 The review findings

4.1 Introduction

The overall rating for Sandwell against the FM Model is one star. The matrix below summarises the scoring.

Sandwell Council – January 2022 Position				
	Management dimensions			
Financial management styles	**Leadership**	**People**	**Process**	**Stakeholders**
Delivering Accountability	**	**	**	**
Supporting performance	**	*	*	**
Enabling transformation	**	*	*	****
Overall	**			

Summary ratings in the table are shown for each statement, with an overall final score provided following the use of a conversion and grading metric. For example, 'Leadership / Delivering accountability' shows in summary as **, given the mixed scores against the three underlying headings (set out at the start of section 4.2) while the overall aggregated rating is **.

The sections below will explain in further detail the findings, under the management dimension themes along with conclusions and outline recommendations for improvement.

4.2 Leadership

Delivering accountability

L1	Financial capability is regarded as integral to supporting the delivery of the organisation's objectives. The CFO is an active member of the board, is at the heart of corporate strategy/business decision making and leads a highly visible, influential, and supportive finance team.	***
L2	The organisation has an effective framework of financial accountability that is clearly understood and applied throughout, from the b*oard* through executive and non-executive directors to front line service *managers.*	**
L3	Within an annual budget setting process the organisation's leadership sets income requirements including tax and allocates resources to different activities in order to achieve its objectives. The organisation monitors the organisation's financial and activity performance in delivering planned outcomes.	**
	Overall	**

- This is a relatively low score. It indicates that whilst the role of finance is considered integral to supporting authority objectives and has support from senior staff, the framework for financial accountability and budget setting processes required improvement. The budget process for 22/23 is significantly different to previous years in terms of the approach to identifying and agreeing savings and member engagement and is seen as a positive step in the right direction.

- Consistent feedback suggests the budget setting process has historically lacked member engagement and did not focus on key authority objectives within a good governance framework that included an adequate check and challenge process at a political and operational level, however several Cabinet budget workshops have taken place this year, improving member input.

- Survey responses and interview findings suggest there has previously been poor leadership and clarity around roles and responsibilities of senior officers. However, the recent changes have been recognised with complimentary feedback on the interim CEO and new Section 151 officer.

- The structural review has also suggested that while the finance function overall is large, there is perhaps a lack of strategic capacity. The Head of Finance portfolio is substantial and also contains areas of strategic concern. There may need to be extra capacity introduced here.

Supporting performance

L4	The organisation has a developed financial strategy to underpin medium and longer term financial health. The organisation integrates its business and financial planning so that it aligns resources to meet current and future outcome focussed business objectives and priorities.	**
L5	The organisation develops and uses financial/leadership expertise in its strategic decision-making and its performance management based on an appraisal of the financial environment and cost drivers.	**
	Overall	**

- Overall, this area has scored two stars. This indicates a significant lack of planning and strategy at the time of the review to support business objectives, however it is noted that the corporate plan is undergoing a refresh and that a new approach to business planning is being adopted moving forward, with plans for earlier budget consultation.

- During interviews there were mainly negative responses across the business about financial decision-making and the degree to which it is adequately informed by a detailed understanding of cost drivers and sensitivities affecting the principal activities. The reliance on information contained within disparate and outdated systems was also noted.

- Interviewees repeatedly highlighted the absence of a defined and iterative process whereby political priorities are translated into spending plans, which in turn are measured as outcomes. Developing members' political mandates into a core set of objectives that are then reflected in resource allocations is the essence of sound budgeting.

Enabling transformation

L6	The organisation's leadership integrates financial management into its strategies to meet future business needs. Its financial management approach supports the change agenda and a culture of customer focus, innovation, improvement, and development.	**
	Overall	**

- This section of the model seeks to understand the arrangements in place to meet future business requirements and how the authority adapts and transforms to respond. Sandwell scored two stars in this area, suggesting the authority is unclear on how its operating mode should adapt and evolve.

- The board and senior managers have not used performance and cost measure information, including benchmarking data in the past to identify areas of the business where radical rethinking of delivery is needed. Benchmarking data on unit costs and fees and charges has been used in the 22/23 budget process for the first time and the leadership team now receive monthly budget monitoring information which is seen as a marked improvement.

- The authority provided information on proactive approaches to change management for delivering planned outcomes within budget and realising required service benefits. These included a large upgrade to Oracle Fusion, a system used for HR and Finance that has been under review for approximately two years. The project experienced a number of implementation issues leading to the existing contract to be terminated and a new provider procured. This project included revisiting governance arrangement and reviewing resources of the project board.

- The leadership team has agreed a transformational programme with cross cutting savings projects. Each product has a dedicated leadership team sponsor and embeds cost cutting targets. Business analysts and additional resources have been identified to support each project.

Conclusions

- This section indicates that Sandwell Council has previously had poor financial leadership and accountability, but that recent activity is delivering improvements.

- There is a need to review the current finance culture and make some strategic adjustments. Greater definition around certain roles and responsibilities in strategic and operational finance will be needed to meet future business needs.

- In budgeting, finance's early involvement, especially for new change projects and programmes, will always be critical. Further, there is great value to be derived from using benchmarking and comparative analysis in developing strategies and business cases

Areas for development

- The role of finance and those responsible for strategic leadership should be clearly defined within a new budget culture and arrangements, as well as in the deployment of an Interim Operating Model for finance (see structural review). This will help the authority develop a robust financial strategy to underpin medium and longer term financial health.

- The authority should develop the use of comparative data, benchmarking, and demand management techniques in an increased number of service areas to support building the medium term financial plan.

4.3 People

Delivering accountability

P1	The organisation identifies its financial competency needs and puts arrangements in place to meet them.	*
P2	The organisation has access to sufficient financial skills to meet its business needs.	***
	Overall	**

- This section has delivered a two-star rating overall. This indicates the authority has a reasonable understanding of the financial competence required by finance staff and that overall managers consider that finance have a reasonable level of skill.

- Some of those interviewed felt there was too much reliance placed on experienced staff within the core finance function and insufficient manager self-service, to support sustainability and allow finance to assume a properly strategic partnering/challenging role. There is an opportunity in the design of the new finance arrangements to define the respective responsibilities of finance officers – business partners in particular – and relate them to a revised competency framework.

- An authority should indeed have a financial management competency framework; however, respondents were largely unaware of a competency framework and didn't know whether it applied across finance solely or included budget holders. There may be an opportunity to improve the way that financial management skills are assessed against the framework, within finance and corporately, through appraisal and staff development programmes.

Supporting performance

P3	The organisation manages its finance function to ensure efficiency and effectiveness.	*
P4	Finance staff provide business partner support by interpreting and explaining performance as well as advising and supporting on key business decisions.	*
P5	Managers understand they are responsible for delivering services cost effectively and are held accountable for doing so. Financial literacy is diffused throughout the organisation so that decision takers understand and manage the financial implications of their decisions.	*
	Overall	*

- The authority achieved an overall score of one star for supporting performance. A key area within this section is the relationship with service directorates. There is an opportunity to consider the use of service level agreements and standards to ensure finance is suitably performance managed and that there is clarity about the mutual obligation of the finance service areas.

- Most respondents were unaware of the existence of a finance function development plan for the authority or believed there wasn't one.

- Business partnering arrangements could be developed and improved. In some areas it is evident that business partners need to provide a stronger advisory challenge and support around budget setting, monitoring, and achieving value for money. This is

being addressed as part of a structure review that is due for consultation at the end of January. The adoption of a consistent definition of the business partner role and function can facilitate staff rotation and the spread of good practice across the authority.

- Survey respondents suggested this area would benefit from a more structured approach. They indicated that finance SLAs only existed with external partners and not for internal clients. This meant that the approach to partnering was ad hoc, rather than consistent across directorates.

- Whilst many respondents suggested that managers have an awareness of their budgetary responsibilities and expected performance, and most take them seriously, this was not universally accepted. Interviewees were unclear about the consequences for managers who did not take their financial management responsibilities seriously or performed poorly.

Enabling transformation

P6	The organisation develops and sustains its financial management capacity to help shape and support its transformational programme.	*
	Overall	*

- The final element of the people aspect of the model concentrates on financial managements capacity to help shape change and transformation. The score here again reflects the historic lack of a finance function development plan and consistency of training and development. The service has recently identified training needs on financial reporting and external training has been commissioned to take place during February to improve the accuracy of the 21/22 accounts.

- There is an indication that some finance staff do not have the status and influence to have a transformational impact on the authority as it develops. Consistency is needed in how finance is involved in and challenge strategic planning, policy development and change.

- It is important that Sandwell Council attracts, develops, and retains high quality financial management skills if it is to transform in the future. Again, indications are that the approach is inconsistent. There is an opportunity to consider the knowledge skills and capacity that are required in financial management to support change and transformation, with the finance function tailoring and developing its plans accordingly.

- There were mixed perspectives from interviewees and survey respondents on how the authority learns from best practice, transfers skills and knowledge within the authority and understands learning points. This needs to be improved so the whole authority benefit as it transforms and changes in the future.

- Also related to change and transformation is whether Sandwell Council corporately recognises success in financial management, innovation, and best practice. This doesn't seem to be the case and may be something the Council should consider.

Conclusions

- The people statements within the model seek to assess the finance function and finance environment's skills, capability, and competency, as well as those in the broader authority, particularly among budget holders. It seeks to make sure that there are sufficient skills to meet business needs and support efficient and effective delivery. It also seeks to ensure that there are mutually supportive conditions, in which business

partners support managers and budget holders, while the latter understand their financial management roles and responsibilities clearly. We have suggested that a more unified and comprehensive approach to financial management competency, training and development would be useful in pursuit of this goal. This should be linked to best practice and tested through rigorous performance management, with incentives and sanctions for good and suboptimal financial management achievements.

- Business partnering appears to be ineffective or inconsistent. Finance is seen as a proactive partner in some areas but not in others, where it is considered more transactional. More consistent approaches are needed, related to the mutual responsibility principles set out above and potentially underpinned by SLAs.

Areas for development

- Review, assess, and revise the competency framework, considering the skills and capability necessary for the authority now and in the future.

- Examine arrangements in place to attract and retain high calibre staff. The use of interim staff is always going to be necessary, but this should be limited as far as possible, as it undermines a strong finance environment over time.

- Continue to review and revise the structure and arrangements for business partnering across the authority. This approach should deliver a consistent, standard service in line with business needs. Finance should provide an advisory and challenge function, not, as far as possible, undertake transactional services for directorates. To that end, the responsibilities of budget holders for financial management, including self-management, should be spelt out.

4.4 Process

Delivering accountability

PR1	Budgets are accrual-based and robustly calculated	**
PR2	The organisation operates financial information systems that enable the consistent production of comprehensive, accrual based, accurate and up to date data that fully meets users' needs.	**
PR3	The organisation operates and maintains accurate, timely and efficient transactional financial services (e.g., creditor payments, income collection, payroll, and pensions' administration).	*
PR4	The organisation's treasury management is risk based. It manages its investments and cash flows, its banking, money market and capital market transactions, balancing risk, and financial performance.	****
PR5	The organisation actively manages budgets, with effective budget monitoring arrangements that ensure 'no surprises' and trigger responsive action.	***
PR6	The organisation maintains processes to ensure that information about key assets and liabilities in its balance sheet is a sound and current platform for management action.	*
PR7	Management understands and addresses its risk management and internal control governance responsibilities.	**
PR8	Management is supported by effective assurance arrangements, including internal audit, and audit and risk committee(s).	***
PR9	The organisation's financial accounting and reporting are accrual based and comply with international standards and meet relevant professional and regulatory standards.	*
	Overall	**

- This area of the review produced a two-star rating. There are areas where the Council has scored three or even four stars, however the overall score is brought down by significant weaknesses where only one star was achieved.
- The delivering accountability section seeks to assess some of the basic requirements of good financial management.
- One key area under PR1 that could be developed further is the varying degree to which managers are fully involved with finance in setting their budgets, to ensure ownership and accountability. There is value in considering the budget setting process from an outcome based perspective, and Sandwell have begun to take a zero based budgeting approach to some services in 2022/23. The survey and interviews indicated uneven awareness and use of these budget techniques. Their adoption would help improve the quality and reliability of budgets and forecasting.
- Interviewees reported issues with the financial information system, including the basic accounting and reporting information provided. Members and senior officers commented on a lack of regular reporting for budget monitoring processes, although this has already been addressed. Many officers considered the system out of date, highlighting that the new Oracle implementation project has overrun. This has now been moved forward and a cabinet decision was reached in December 2021 to procure a new delivery partner.
- The systems issue is plainly linked to a question of self-management and budgetary autonomy for budget holders mentioned earlier.

Supporting performance

PR10	The organisation's medium-term financial planning process underpins fiscal discipline, is focussed upon the achievement of strategic priorities, and delivers a dynamic and effective business plan.	**
PR11	Forecasting processes and reporting are well developed and supported by accountable operational management. Forecasting is insightful and leads to optimal decision making.	**
PR12	The organisation systematically pursues opportunities to reduce costs and improve value for money in its operations.	*
PR13	The organisation systematically pursues opportunities for improved value for money and cost savings through its procurement, commissioning, and contract management.	*
	Overall	*

- The medium term financial plan and the process it follows should underpin the delivery of strategic objectives and priorities. It should be dynamic and supported by service delivery plans. It is important to ensure that the medium term financial plan therefore has a direct link to other authority strategies such as technology, capital, workforce, assets, and the corporate plan.

- Although the council was able to set the 2020/21 budget without the need for savings by individual directorates or the use of reserves, the Medium-Term Financial Strategy did include some existing planned savings and budget pressures that were due to be addressed during 2020/21. Some of those interviewed felt this did not support service delivery enough and that it was merely 'bottom line budgeting' with 'top slice' savings targets, however this approach has now been changed for 2022/23.

- Forecasting is a fundamental element of building both the annual budget and medium term financial plan. Some survey respondents and interviewees felt the forecasting and reporting process needed developing and that not enough time is available to deal with data quality issues to support the process, mainly due to high workloads.

Enabling transformation

PR14	The organisation continually re-engineers its financial processes to ensure delivery of agreed outcomes is optimised.	*
PR15	The organisation's financial management processes support organisational change.	*
	Overall	*

- Enabling transformation focuses on an authority's use of regular end to end reviews of processes to ensure that they are as efficient as possible and provide value for money. It is evident from the review that many of Sandwell Council's processes are out of date. Financial management systems also require radical review. They do not yet promote the self-service environment that would reduce budget manager reliance on finance staff for transactional purposes and allow finance to operate more strategically.

Conclusions

- The review has indicated that some financial management processes are weak, but this has already been recognised. Some issues stem from an historic lack of leadership that is being addressed with significant improvements already being made. Further opportunities to improve and develop the delivery of finance through new financial processes and technology are readily available.
- The Authority should schedule end to end process reviews as part of service transformation programme and zero-basing exercises. These would also improve the control structure and define the role of finance more clearly.
- Finance should always take a prominent role in supporting the authority change and develop. To that end, finance should be versed in the latest methodologies and systems for improvement, such as agile.

Areas for development

- Continued review of finance systems to ensure they are fit for purpose and working as intended.
- Implement a programme of end to end process reviews in key business areas, linked to transformation plans, similar to the recent ZBB work to understand cost drivers and areas of persistent overspend.

4.5 Stakeholders

Delivering accountability

S1	The organisation provides external stakeholders with evidence of the integrity of its financial conduct and performance and demonstrates fiscal discipline including compliance with statutory/legal/regulatory obligations.	**
	Overall	**

- This statement concerns Sandwell Council's relationship with external stakeholders and the confidence it can provide them on financial conduct and performance.
- There are some questions within this statement that reduce the score, in particular relating to the statement of accounts being free from material criticism by external auditors.

Supporting performance

S2	The organisation demonstrates that it achieves value for money in the use of its resources.	**
	Overall	**

- As highlighted earlier in the report Sandwell has recently introduced the use of benchmarking for 2022/23, helping finance focus savings targets such as a reduced savings target in Children's services because it is a low spend service compared to

nearest neighbours. The use of further benchmarking techniques and available data should be explored

- Interviewees regularly responded that they have had limited opportunity in the past to highlight better ways of working or to discuss innovative ideas for service improvement with senior staff.

Enabling transformation

S3	The organisation is responsive to its operating environment, seeking and responding to customer and stakeholder service and spending priorities that impact on its financial management.	****
	Overall	****

- This statement seeks to understand how Sandwell Council works with stakeholders in the community to develop priorities and then feeds back to them on its plans.

- It is good practice to seek the views of customers and stakeholders' such as funding authorities or partner delivery bodies about priorities. This insight should be gained in an accessible way through market research, opinion polls, web based surveys or workshops/focus groups for example. The review found evidence that the Council does this to considerable degree. However, this could be enhanced further. On communications, the Council could do more to engage 'hard-to-reach' groups. It could use some lessons from Covid to improve its own communications, in particular the pandemic's transformational impact on technology and on how communities and interest groups interact. Sandwell should also seek further opportunities for co-creation with partners. Recent peer review work has suggested that the Council needs to clarify both its 'offer' to partners and its 'ask' of them to be more effective. Better prioritisation and a member-led and accountable approach to budget management would promote this complementarity in partnering.

Conclusions

- There has been limited engagement with stakeholders in the past, but this has improved recently with the introduction of new senior finance staff.

- The Council actively seeks stakeholder views, but there are opportunities for improvement.

Areas for development

- There is an opportunity to review how an improved budget process can incorporate stakeholder engagement, partnering and co-creation. Sandwell needs to address the offer/ask issue urgently.

- Sandwell should a review of external engagement with stakeholders and its communications strategy in the light of the lessons of Covid.

4.6 Finance function operation

During interviews with council officers a pattern of negative views on the way finance has operated in the past, and to an extent continues to do so came to light. However, it has been widely acknowledged that the authority now has some strong leadership in place in the form of an interim CEO and new section 151 officer that has a vision on how

finance as a function should operate and what is needed to improve the position of the authority.

The Authority is developing its budgeting process and increasing the use of outcome based reviews, outcome budget setting, zero based budgeting and comparative statistics which will improve financial management and performance monitoring. A zero based budget approach and a focus on outcomes will improve the overall budget process, leading to a more strategic and member-led budget.

We have suggested in the structural review some steps that need to be taken towards an interim operating model, while stressing the more urgent issues of budget process, culture, and clarity around the business partnering role and the role of budget managers. Finance should be a strategic service, providing early, active support and challenge to budget holders, working alongside them and not remotely. Finance should be involved routinely in the development of business cases, change projects and transformation planning. It should not, as far as possible, be a transactional service. It should accordingly develop its service knowledge and understanding of modern business processes and associated financial modelling (for instance for agile).

Budget holders should be sufficiently financially literate to benefit from the finance challenge and to ask the right questions of their finance partners. They should be held accountable for their budget management. Wherever possible in budget monitoring and transactions, they should also self-serve. This may entail the provision of better financial system.

Sandwell Council should develop a financial management culture in which success is rewarded and suitable sanctions are applied to poor performance.

These changes should be led corporately, with clear corporate sponsorship and leadership, with the section 151 officer as the SRO.

5 Action plan and next steps

5.1 Introduction

As part of the financial management model review, we have identified a number of potential areas where action could be taken to improve financial management and governance in general.

This section of the report collates these recommendations This can be used to form the basis of a discussion with the authority on the next steps. In developing a plan there may be other areas highlighted as part of the model that would or should be included and some others that are specific to ongoing activity already underway.

This is the authorities plan and is intended to support ongoing improvement.

5.2 Outline plan

This section will be discussed and agreed with the Authority setting out the key recommendations to improve the financial arrangements:

Recommendation description	Planned Activity	Proposed owner	Timescale
Develop a clear consistent role for finance.			
Develop the use of comparative data, benchmarking and demand management techniques.			
Review, assess, and revise where appropriate the competency framework principle considering the skills and capability necessary for the authority now and in the future.			
Review arrangements and practices that can ensure that it attracts high calibre staff and that these are retained.			
Review and revise the structure and arrangements where appropriate for the delivery of business partnering across the authority.			
Develop the skills and capabilities within services around varying budgetary techniques such as outcomes and base budget reviews.			
Establish what skills gaps there are in finance team and the broader finance environments across the authority. Following this produce and deliver a plan of awareness and training for both staff and elected members.			

Recommendation description	Planned Activity	Proposed owner	Timescale
Ensure that any new asset management system delivers the required information on control to manage assets from both a service perspective and a financial reporting strands.			
Consider a programme of end to end process reviews in key business areas.			
Develop and use benchmarking and statistical data comparison to support the development of budgets and their in year monitoring.			
Resolve issues relating to the completion and sign off of final accounts.			
Consider a review of external engagement with stakeholders and the process to feedback			
That the finance function undertakes a change programme, led by the section 151 officer that looks at the issues raised through the review, best practice principles and considers designing a target operating model that responds to current and future challenges.			
That financial governance and decision making arrangements are reviewed and strengthened from both a political and officer perspective.			

Appendix 1 – List of interviewees

Peter Farrow	Chief Internal Auditor & Risk
Kim Bromley Derry	Chief Executive
Cllr Singh	Councillor – Leader
Cllr Crompton	Councillor – Deputy Leader/Finance Portfolio
Cllr Gill	Councillor – Chair of Audit
Cllr Giles	Councillor – Chair of Finance scrutiny
Surjit Tour	Director of Governance and Monitoring Officer
Neil Cox	Director of Business Strategy & Change
Nick Austin	Director of Borough Economy
Mark Stocks	External Auditor
Charlie Davey	Service Finance Manager
Tony McGovern	Head of Economy & Regeneration
Gillian Douglas	Director of Housing
	Head of Procurement
Chris Hilton	Head of Property Services
Simone Hines	CFO (Section 151 Officer)
Rebecca Maher	Head of Finance
Colin Marsh	Service Manager - Adults
Nigel Collumbell	Service Manager - Housing
Sue Moore	Service Manager - Education
Kate Ashley	Strategic Lead - Service Improvement
Tammy Stokes	Services Manager - Regen

Appendix 2- Document review list

Background documents		
	Annual Report	1
	Annual Financial Statements	2
	Finance/business systems	3
Structures		
	Board/Committee structures	4
	Organogram – outline for the whole authority	5
	Organogram – for the finance function	6
Governance		
	Corporate Governance Framework	7
	Annual Governance Statement	8
	Management level governance statements	9
	Policy on fraud and corruption	10
	Policy on whistle-blowing	11
Plans and strategies		
	Corporate Plan	12
	Medium-term Financial Plan	13
	Capital Strategy	14
	Asset Management Strategy	15
	Information Strategy	16
	Procurement Strategy including any savings targets	17
	Business Case Protocols	18
Financial management framework		
	Financial Standards and Regulations	19
	Internal Control Procedures	20
	Scheme of Delegation including authorisation levels for transactions	21

	Service Level Agreements for financial management related services	22
	Asset Register	23
In year management		
	Board/Committee/SMT level reporting	24
	Management level reporting	25
	Key Performance Indicators (KPIs) and related reporting	26
	Finance Performance Indicators	27
	Financial key performance indicators – Benchmarking	28
	Quarterly Data Set returns	29
	Procurement Performance Report	30
External Audit and Inspection		
	External Audit interim/final accounts audit letter	31
	External Audit Management Letter/Report	32
	External Audit Value for Money	33
	External Reports or Assessments	34
Audit and Risk Management		
	Audit and Risk Committee	35
	Internal Audit Plans	36
	Internal Audit Report	37
	Risk Management Policy and Reporting Regime	38
	Risk Registers	39
Human Resources		
	Financial Competency framework	40
	Financial Management Training strategy	41
	Staff Survey	42
	Sample Job Descriptions - Budget Holders	43

Working with other authoritys		
	Financial Memorandum	44
	Financial Memorandum - funding arrangements - outside authority	45
	Framework for establishing relationships with other bodies	46
Stakeholders		
	Customer/stakeholder surveys	47
	Complaint's policy/procedure	48

Appendix 3 – Star rating key criteria and characteristics

Rating	Assessment
*****	The organisation has in place leading edge financial management capability that allows it to anticipate both challenges and key opportunities, driving transformational change in order to optimise its performance and deliver optimal outcomes. Financial strategy is robust and covers medium to longer term and the organisation is fully agile in adapting to unforeseen events without impacting key outcomes. Investment programme management including commercial capabilities are fully integrated with operational requirements and highly effective with significant returns being achieved on improved service delivery. Financial management capability meets global best practice standards.
****	The organisation has in place strong financial management capability which enables it to deliver effective outcomes in challenging times, provides stability through to the medium term, is agile in adapting to unforeseen events, continually identifies opportunities to improve its performance and contributes to organisational transformational change. Most investment programmes are delivered to time and cost. The organisation has strong insight into cost drivers and commercial capabilities are highly evident with strategic and operational planning.
***	The organisation has sound financial management capability and has arrangements in place that are adequate in supporting the organisation under stable conditions and enables it to incrementally develop but is not sufficient for challenging times or driving transformational change. There is a medium term financial strategy and competent investment programme management that ensures that most programmes are implemented although invariably not all projects will come within budget and timescales. Commercial capabilities exist but are only partially developed.
**	The organisation has basic financial management capability. Financial management arrangements are in place that allows the organisation to meet the minimum of practice standards and provides functional capability in the short term, a minimum level of support in the delivery organisational outcomes but does not support organisational transformational change. Financial management style is predominantly stewardship in nature rather than supporting effective decision support. Investment Programme management is rudimentary and there is a disconnect between operational and financial strategies.
*	The organisation has some financial management arrangement in place, but they are inadequate and provide only minimal financial management capability with reactive short term solutions. Basic accountability obligations are minimally covered, and financial management does not meaningfully support effective organisational outcomes of transformational change. Basic stewardship responsibilities are a challenge and financial management capability is not fully embedded within basic decision support.

77 Mansell Street, London E1 8AN
+44 (0)20 7543 5600

CIPFA.org

The Chartered Institute of Public Finance and Accountancy. Registered with the Charity Commissioners of England and Wales No 231060. Registered with the Office of the Scottish Charity Regulator No SCO37963.

LGA Corporate Peer Challenge

Sandwell Council

Monday 31st January to Thursday 3rd February 2022

Feedback report

1. Executive summary 3
2. Key recommendations 9
3. Summary of the peer challenge approach 10
4. Feedback 12
5. Next steps 33

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd

Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

1. Executive summary

There is much to be excited about in Sandwell and there is huge potential to be unlocked in the borough. A key part of this is the regeneration agenda and the £1.3bn economic growth and regeneration pipeline. The council, with partners, is seeking to use this as a platform from which to put Sandwell on the map, shaping a borough where people have better paid jobs, increased skills and opportunities. This ambitious agenda can be aided and built upon further by the council becoming much more visible and engaged at the sub-regional and regional level. There is an open door here, with partners indicating they would welcome what the council is intending in terms of much greater senior-level political and officer involvement.

Compared with the situation sub-regionally and regionally, local operational relationships feel better developed. This has been reinforced and strengthened during the pandemic, which the council is largely seen to have responded well to. The positive relationships that now exist at this level can be built upon, with partners indicating they would welcome a greater emphasis on co-production and the council listening to and engaging them more.

The impact the Leader and the Interim Chief Executive have had in a short period of time is absolutely tangible and the style and approaches they have brought provides huge optimism for the future. In a context of the current Chief Executive operating in an interim capacity, it is imperative to ensure continuity of the approach that he has brought at this level of the organisation. Staff, elected members and partners welcomed the increased stability provided by the permanent appointments at Director level and highlighted the opportunities this provides.

In relation to equality, diversity and inclusion, the council has started a journey but there is much more to be done both within the organisation and across the borough. In the council's 'drive for digital', strategy and delivery need to maximise opportunity for local people socially and economically. Within this, it is crucial to ensure that

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

those not digitally enabled still have ease of access to services, advice and information.

The council's relationships with the Children's Trust and the related governance arrangements are recognised as being strong. The Children's Trust and the council, together with schools and many partners across the borough, are working hard to develop and improve early help and intervention arrangements. The related strategy will be essential in tackling growing demand and successful implementation will require strong governance and the support and engagement of all partners going forward. On a similar theme, addressing health inequalities needs a clear and creative whole system plan founded upon a set of sustained relationships.

We see a clear case for simplifying the governance and partnership arrangements across both the adults' and children's and young people's spheres. A review of these arrangements would need to be undertaken carefully and sensitively but the opportunity exists to establish a revised and streamlined set of arrangements that form a cohesive whole.

The current version of the Corporate Plan is a refreshed version of what went before and reflects a clear overall set of aims at the heart of which sits achieving a 'Fairer Sandwell'. Internal and external communication of the aims and focus within the Plan is at the outset. It will be important to arrive, in due course, at a stage where people across the council and partner organisations can articulate a clear and concise narrative around Sandwell's ambitions through which the council and the borough can be seen to be unashamedly ambitious.

The council financially is in a comparatively resilient position, from which it can progress. To maintain and build upon this, there are changes the council needs to make. There is recognition that the council has had a traditional approach to finance and that many of its procedures and systems need to be reviewed, modernised and improved. Work has been undertaken recently in response to this agenda and what has been delivered thus far means the authority better understands its current financial position.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

One of the key activities that is underway is the development of a revised style of Medium-Term Financial Strategy (MTFS). Putting a comprehensive and robust MTFS in place will provide elected members with the context they require in order to make the difficult strategic decisions that are likely to be needed. While the shape of the emerging budget for 2022/23 and the council's level of reserves mean that the organisation is not in imminent financial danger, the next year will be crucial in rebasing the MTFS and moving towards a more resilient financial position. There is a window of opportunity to make the changes needed.

Along with the work to develop a revised MTFS, there is recognition of the need to develop a robust and realistic Capital Strategy which fully forecasts and plans for capital investment. A refreshed approach to the strategy is particularly important in view of the council's ambitious regeneration and economic growth plans.

There is a plan to revise the council's Constitution in the coming months. This appears to be seen by some simply as a refinement of what already exists and representing a relatively straightforward task. However, something much more fundamental needs to be undertaken, which will require experienced external and independent expert input; extensive engagement of all tiers of managers within the council and across the elected membership; and realistic timescales.

Overview and Scrutiny has a valuable contribution to make going forward. Recent progress in the way it operates and where it focuses has been made and can now be built upon. There is frustration on the part of some elected members in relation to levels of responsiveness from within some parts of the organisation in respect of ward and casework issues. Whilst there is something significant that officers need to get right here, it is also crucial that elected members consistently recognise the constraints and the framework that the organisation is working to.

Council staff are very aware of the elected member behavioural issues that have

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

existed within the council over a long period. People are keen to see these matters confined to the past. It is therefore positive that there is almost universal recognition amongst the staff and elected members that we met that these behaviours are starting to change and exist now only in pockets.

The legacy and impacts of previous behaviours are typical and understandable. With the positive changes in organisational and political leadership seen in recent months, there is now an opportunity for these elements to be considered and addressed further and the related benefits to be realised. Delivering sustained change in organisational culture requires a multi-faceted programme management approach, real investment, and clear whole organisational leadership, and it will take time. However, people spoke of the 'latent capacity' in the organisation which can be freed up through operating in a changed environment.

There is widespread belief amongst people we met both internally and externally that "green shoots" are clearly visible within the culture of the council and the way it operates. There is confidence that with continuity in leadership style and approach these can be sustained and develop further.

There is an increasing organisational self-awareness and current plans for improvement focus largely in the right areas. Inevitably more issues will come to the fore in the months ahead. The emergence of these will place further demands on the organisation and improvement planning will need to adapt accordingly. It is important officers and elected members understand that whilst some improvements can be made relatively quickly, others will take considerably longer. Whole council improvement is a journey and all stakeholders need to be prepared for that.

The council is appropriately planning to consolidate its improvement plans into a single comprehensive plan following our work and that of others recently. This new plan will benefit from being able to be broken down into 'bite-sized chunks' and deliverables sequenced to reflect planned progress over time. Such a plan will be

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

helpful in informing resource and capacity prioritisation. An effective programme management approach and robust monitoring processes will be key.

There is the opportunity for the council to become a real learning organisation in a context of the changed climate it is operating in. This includes looking outward more and examining constructively what doesn't go to plan. This forms a key part of the wholesale organisational culture change that is required and is predicated upon having a more open environment that is conducive to identifying and highlighting issues as soon as they start to arise in order that they can be collectively understood and constructively responded to.

There is a need for greater join-up across the council. The 'One Council, One Team' message within the Corporate Plan is at the early stages of being heard and understood and can be built on over the coming months. There needs to be greater clarity around the status of 'the restructure'. There are clearly a wide variety of views and interpretations of the intentions and progress of this project. People want to know the definitive position. Existing organisational arrangements need to be reviewed in light of priorities, budgets and organisational ambition. It is essential to ensure the organisation is structured in the right way in order to provide the necessary strategic and operational focus and the capacity and the capability in the right places to deliver against the council's ambitions.

A truly 'enabling corporate core' is essential for taking forward a modernisation agenda for the council. Staff recognise the importance of the 'business essentials' necessary to safeguard the organisation and ensure its smooth and efficient running and good governance but wish to see many of the current approaches made more effective, more enabling of service departments and streamlined.

Clarity is required around the thinking, planning and communication of plans for the 'return to the workplace' as the pandemic enters new phases. Achieving an increased workplace presence at an appropriate point will be important in both

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

service delivery and cultural change terms. The council's overall philosophy and expectations around the return of its workforce needs to be effectively communicated and understood by all staff. This should, however, provide scope for teams to shape things to ensure that the benefits they have seen from changed ways of working over the last two years are retained whilst ensuring business needs are met.

Staff that we met from the 'middle management' levels are keen for increased senior leadership visibility, enhanced information flow and more engagement – which they would want the Chief Executive and Leadership Team to be central to. The majority of frontline staff we met provided a compelling and very positive picture of the way they have been invested in over recent years. This takes the form both of opportunities for them to develop and to progress their careers within the authority and the pastoral care and support provided to them by their managers.

Whilst training and development is being provided for elected members and managers, this needs to move to a new level, including:

- Further 'top team' development across Cabinet and Leadership Team – both as individual bodies and collectively
- Elected members – related both to existing roles and the ambitions they may hold for the future. A key element here will be placing a greater emphasis upon, and facilitating increased engagement in, learning from across the sector.
- A comprehensive management development programme will be key in supporting the modernisation agenda for the council, but this needs to be supplemented with a real emphasis on leadership development

There is recognition of the need to develop a more proactive approach to the council's communications – both internal and external. However, there needs to be an increased organisational confidence reflected in this, including greater profiling of achievements and key council activity. The authority currently seems to have a reticence to highlight what it is doing well and the key achievements it is delivering.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

We would encourage bold leadership on this issue in order to enable people to feel more confident in profiling their successes.

2. Key recommendations

There are a number of observations and suggestions within the main section of the report. The following are the peer team's key recommendations to the council:

2.1. It is imperative to ensure continuity of the current approach at Chief Executive level

2.2. We see value in a clear and joint message coming from the Leader and Chief Executive regarding officer and elected member relationships – setting clear expectations and providing reassurance

2.3. We see a clear case for reviewing partnership structures within the 'People's sphere'

2.4. Whilst training and development is being provided for elected members and managers, this needs to move to a new level

2.5. We would encourage the introduction of a comprehensive residents' survey

2.6. There is a plan to revise the Constitution in the coming months – we see something much more fundamental needing to be undertaken, with the Scheme of Delegation as a key component

2.7. The council needs to establish a revised Medium Term Financial Strategy and associated Capital Strategy

2.8. It is essential to ensure the organisation is structured in the right way in order to provide the necessary strategic and operational focus and the capacity and the capability in the right places to deliver against the council's ambitions

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association Company number 11177145 Improvement and Development Agency for Local Government company number 03675577

2.9. The council is appropriately planning to consolidate its improvement plans into a single comprehensive one and it is important that this happens

3. Summary of the peer challenge approach

3.1. The peer team

Peer challenges are delivered by experienced elected member and officer peers. The make-up of the peer team reflected the focus of the peer challenge and peers were selected on the basis of their relevant expertise. The peers were:

- Kath O'Dwyer, Chief Executive, St Helens Borough Council
- Councillor Chris Read, Leader, Rotherham Metropolitan Borough Council
- Viv Geary, LGA Associate – with a background in governance and as a Monitoring Officer
- Kevin Hall, LGA Associate – with a background as a Director of Children's Services
- Mike Poulter, LGA Associate – with a background in both Place and transformation
- Chris West, LGA Associate – with a background in local government finance
- Helen Murray, Principal Adviser (West Midlands and the North-West), LGA
- Alan Finch, Principal Adviser (Finance), LGA
- James Millington, Adviser (West Midlands), LGA
- Chris Bowron, Peer Challenge Manager, LGA

3.2. Scope and focus

The peer team considered the following five themes which form the core components of all corporate peer challenges. These areas are critical to councils' performance and improvement.

1. **Local priorities and outcomes** - Are the council's priorities clear and

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

informed by the local context? Is the council delivering effectively on its priorities?

2. **Organisational and place leadership** - Does the council provide effective local leadership? Are there good relationships with partner organisations and local communities?
3. **Governance and culture** - Are there clear and robust governance arrangements? Is there a culture of challenge and scrutiny?
4. **Financial planning and management** - Does the council have a grip on its current financial position? Does the council have a strategy and a plan to address its financial challenges?
5. **Capacity for improvement** - Is the organisation able to support delivery of local priorities? Does the council have the capacity to improve?

3.3. The peer challenge process

Peer challenges are improvement focused; it is important to stress that this was not an inspection. The process is not designed to provide an in-depth or technical assessment of plans and proposals. The peer team used their experience and knowledge of local government to reflect on the information presented to them by people they met, things they saw and material that they read.

The peer team prepared by reviewing a range of documents and information in order to ensure that they were familiar with the council and the challenges it is facing. The team then spent three and a half days onsite in Sandwell, during which they:

- Gathered information and views from more than 50 meetings, in addition to further research and reading.
- Spoke to more than 100 people including a range of council staff, elected members and external stakeholders.

This report provides a summary of the peer team's findings. In presenting feedback, they have done so as fellow local government officers and members.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

4. Feedback

4.1. Organisational and Place Leadership

There is much to be excited about in Sandwell and there is huge potential to be unlocked. The borough is the third largest in the West Midlands and is located right in the heart of the region, with a population of almost 330,000 and a £6.3 billion economy – which is the largest in the Black Country. The borough is well connected both regionally and nationally. There are around 8,775 businesses employing in the region of 136,000 people. It retains a significant manufacturing sector and has strengths in logistics, health and social care, retail and wholesale. However, employment growth in recent years has generally been in low-skill and low pay occupations.

It is an increasingly ethnically diverse borough, with an estimated 37% Black and Minority Ethnic (BAME) population in 2019. There is a young age profile, with 40% of people aged under 30 in 2019, although some neighbourhoods are rapidly ageing. The number of localities in the most deprived 1% nationally has reduced in recent years but Sandwell remains the eighth most deprived borough nationally. Key challenges in the borough include low skills and educational attainment leading to labour market exclusion; child and family poverty; and poor health and life expectancy.

A key part of the Sandwell regeneration agenda is the £1.3bn economic growth and regeneration pipeline, with key projects underway or planned including the new Midland Metropolitan University Hospital, the Wednesbury to Brierley Hill Metro Extension and the Sandwell Aquatics Centre which will host all of the swimming and diving events for the 2022 Commonwealth Games. The pipeline identified 4,300 new homes to be delivered in the five year period to 2027 through a combination of both council house building and delivery through housing providers and the private sector. The council, with partners, is seeking to use projects such as these and others it has in a ‘pipeline’, as a platform from which to put Sandwell on the map, shaping a

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

borough where people have better paid jobs, increased skills and opportunities. Ambitions for the borough which this pipeline seeks to support include:

- Making Sandwell the home of the successful start-up, bringing new businesses into town centres and high streets
- Accelerating growth in higher value businesses, tapping into the growth of the West Midlands economy, to stimulate wider investment and opportunity
- Delivering net zero carbon emissions in Sandwell by 2041, supporting businesses to become more energy efficient, reducing costs and encouraging the growth of 'circular economies'
- Creating more good jobs by increasing both inward investment and investment from existing businesses – capitalising upon a young population and relatively cheap land
- Working with employers to increase demand for higher level skills and create jobs with good pay and conditions and engaging with education providers to train pupils and students in the skills to meet workforce demands
- Increasing the proportion of the council's expenditure, plus that of local businesses, spent in the local economy, involving revising procurement practices, developing an increased focus on social value and embedding community wealth building
- Supporting the rollout of high-quality digital infrastructure to all parts of the borough, including working with partners to ensure Sandwell maximises opportunities for 5G infrastructure

This ambitious agenda can be aided and built upon further by Sandwell Council becoming much more visible and engaged at the sub-regional and regional level with partners across the Black Country and the West Midlands. Whilst the council is becoming more active at this level, having been described as a previously "absent partner" from certain forums and not having "punched at its weight" at this level for a number of years, this is just at the outset. This can be built upon with the Leader and

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

Interim Chief Executive increasingly being able to look upwards and outwards and permanent post-holders largely now in place at Director level. There is an open door here for the authority, with partners indicating they would welcome what the council is intending in terms of much greater senior-level political and officer involvement.

Compared with the situation sub-regionally and regionally, local operational relationships feel better developed. This has been reinforced and strengthened during the pandemic, which the council is largely seen to have responded well to. Examples include:

- The development of a £1m programme designed to meet increasing emotional well-being and mental health needs of children and young people by expanding capacity in the voluntary sector
- Redeploying council staff to support the Food Hub and vaccination programme
- Pioneering local contact tracing, linking into the national test and trace system, in order to improve engagement rates
- Its contribution to infection prevention and control within care homes, with the death rate in Sandwell being significantly lower than national averages – work that was acclaimed by the Royal College of Nursing
- Work to reduce health inequalities resulting from the pandemic through working with the NHS and voluntary and faith sector organisations to support vaccination uptake in the borough, with a particular focus on black, Asian and minority ethnic groups – leading to the award of 'Public Health Team of 2021' by the Local Government Chronicle
- The council's overall response to the pandemic was identified as an example of best practice by the Department of Health and Social Care

The positive relationships that now exist at the local level can be built upon, with partners indicating they would welcome a greater emphasis on co-production and the council listening to and engaging them more. As a key part of this, we see real value

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

in the authority and voluntary and community sector undertaking a joint piece of work to develop a clear strategic view of the role of that sector going forward and mutual expectations within this. This should include consideration of the approach to future resourcing and funding arrangements, as there is a lack of clarity currently as to why certain services are commissioned from this sector relative to the grant funding arrangements that are applied to others and an overall grant funding pot that hasn't been reviewed for a number of years.

In summary, the overall message from partners at all levels is that they would like greater 'stability, visibility and engagement' from the council. The conditions for this are right now and the council is working to capitalise upon that.

Sandwell is comprised of the six towns of Oldbury, Rowley Regis, Smethwick, Tipton, Wednesbury and West Bromwich, each with its distinctive identity. The council is very cognisant of these differing identities and seeks to respond appropriately, recognising the pride that exists within each and the way in which their communities identify with the specific locality. The council's 'towns focus' is being emphasised and reinforced even more now, reflected in both elected member roles, with a councillor appointed as 'Town Chair' for each and a Cabinet Member also now aligned to each place. Further investment in some localities will be extended through the £67.5m Towns Fund monies recently secured for Smethwick, West Bromwich and Rowley Regis (including parts of Oldbury) for which business cases are in the final stages of development for submission to Government.

Positive reflections regarding the Leader have featured in many of our discussions. The inclusive and collegiate approach she demonstrates, reflected for example in her engagement with Chairs of Overview and Scrutiny and the reaching out she has done across the elected membership in an effort to identify ways in which councillors can become more fulfilled in their roles. The impact she and the Interim Chief Executive have had in a short period of time is absolutely tangible and the style and approaches they have both brought provides huge optimism for the future amongst the people we spoke to internally and externally.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

In relation to equality, diversity and inclusion, the council has started a journey but there is much more to be done both within the organisation and across the borough. It has stated that it recognises it is time to have a fundamental look at what equality and diversity means to Sandwell – from how inequalities and discrimination are addressed to where improvements can be made for the benefit of all the borough's residents, particularly in light of recent events such as the 'Me Too' and 'Black Lives Matter' movements. As a specific issue, both the council and partner organisations that we spoke to are aware of the limited diversity in terms of ethnicity at the senior-most levels of the organisation. There is also recognition of the need to review the council's equality policy, which was last done in 2016.

The authority has established an Equalities Commission with an aim to:

- "Promote equality and challenge discrimination and intolerances in all its forms. To break down barriers prohibiting an inclusive society by confidently tackling unfairness caused by inequality and encouraging community cohesion through increased understanding and awareness."

Also, Council last year agreed to the funding of an Equalities Team, comprising seven posts. Certain equality initiatives have been instigated following these developments as the council seeks to help the borough realise a vision of being an open, fair and inclusive place that embraces and celebrates Sandwell's rich and diverse communities, cultures, and traditions. However, these initiatives are limited in number and scope and are currently largely internally focused. An Equality and Diversity Workforce Action Plan was approved politically and managerially in 2020. Disability staff, LGBTQ+ and ethnic minority staff networks have since been established within the council and there is a plan to engage these groups in a review of the Action Plan.

Black Employees from the Ethnic Minority Network formed a project team to lead on the Black History Month celebrations in October. They were instrumental in creating a website and liaising with local speakers to deliver live or pre-recorded events. In

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

addition, a powerful short video was created of Black councillors describing what Black History Month meant to them. There was also a celebration of LGBT History Month in February this year with various social media messages and internal communications to staff. An 'inclusion calendar' has been developed to help plan and celebrate further such events in an inclusive way. The Equality Commission is leading work for Sandwell to become recognised as a 'Borough of Sanctuary' but the council recognises there is much more to do.

In the council's 'drive for digital', in terms of customer service and access, strategy and delivery need to maximise opportunity for local people socially and economically. Within this, it is crucial to ensure that those not digitally enabled still have ease of access to services, advice and information. This point was emphasised by both council staff and voluntary and community sector partners, with the latter feeling they are being left to 'pick up the pieces' within communities where digital exclusion levels are seen to be comparatively high. The council will need to be mindful going forward of the commitment in the Corporate Plan to ensure such exclusion is addressed when designing services and making key council decisions.

The council's relationships with the Children's Trust and the related governance arrangements, centred on the Sandwell Children's Trust Board and the under-pinning Operational Partnership Board and Strategic Partnership Board, are recognised as being strong. The contract review at the mid-point of the 10-year contract is currently being embarked upon and will run, as a joint initiative, through the early part of the new financial year. At the heart of this is a revised set of performance indicators that have been developed in recent months and are currently being considered.

The Children's Trust and the council, together with schools and many partners across the borough, are working hard to develop and improve early help and intervention arrangements. The Early Help Strategy will be essential in tackling growing demand and successful implementation will require strong governance and the support and engagement of all partners going forward.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

A new procurement process is being run in relation to Special Educational Needs transport provision, with an officer project board within the council overseeing this. Given the legacy issues here, this is a piece of work of significance for the authority which needs to be run very effectively.

We see a clear case for simplifying the governance and partnership arrangements across both the adults' and children's and young people's spheres. Whilst some of the related infrastructure is statutory in nature, such as the Children's Safeguarding Partnership and the Safeguarding Adults Board, other parts of the arrangements seem overly complex and extensive in comparison to other places. A review of these arrangements would need to be undertaken carefully and sensitively but the permanent Director-level appointments within the council provide the opportunity both to undertake this work and establish a revised and streamlined set of arrangements that form a cohesive whole.

On a similar theme, addressing health inequalities needs a clear and creative whole system plan founded upon a set of sustained relationships. Developing the Health and Well-Being Board and a Health and Well-Being Strategy, linked to evolving Integrated Care Systems (ICS) arrangements, will be important steps but these represent pieces of the architecture. Other critically important components will be effective partnerships and relationships and effective delivery will be the key test.

4.2. Local Priorities and Outcomes

The current version of the Corporate Plan – 'Big Plans for a Great Place: The Sandwell Plan' – is a refreshed version of what went before and reflects a clear overall set of aims at the heart of which sits achieving a 'Fairer Sandwell'. Key strands underpinning this are:

- Local investment
- Doing things with the community
- No one gets left behind

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

- Green in everything we do

Internal and external communication of the aims and focus within the Plan is at the outset. It will be important to arrive, in due course, at a stage where people across the council and partner organisations can articulate a clear and concise narrative around Sandwell's ambitions, comprising both the aims above and the exciting agenda and potential that we outlined earlier. This needs to come together as a shared narrative providing a compelling picture and through which the council and the borough can be seen to be unashamedly ambitious.

The council recognises the underpinning framework to the Corporate Plan – the 'golden thread' – now needs to be developed across and throughout the organisation. Work is underway in relation to this, including the development of performance management arrangements that enable what success looks like and progress towards attaining that to be fully understood and responded to by elected members and officers. A key strand of this will be Directorate business plans and it is really positive that some of the staff we met are already translating how their services and functions relate to the Corporate Plan, meaning they will have a really valuable contribution to make as the performance management framework is developed.

The following paragraphs outline performance information drawn from the LG Inform system that the Local Government Association hosts for the sector. The data is the latest available and has been used to benchmark Sandwell with the other 14 single tier and county councils in the West Midlands region in order to outline the relative performance strengths and challenges of some of the council's services.

- Sandwell was judged inadequate by Ofsted (one of two authorities judged to be inadequate across the region). The most recent monitoring visit, in November 2021, found tangible progress in improvements for services to children looked after but notes there is more to do. The appointment of the new Chief Executive to the Children's Trust in April and the appointment of the new Director of

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

Children's Services in November are seen as very positive steps in the improvement journey.

- Sandwell is performing better than the regional average for the percentage of child protection cases reviewed within the required timescale (95.5%), despite the council receiving the third highest level of referrals in the region.
- The percentage of care leavers in suitable accommodation is the lowest regionally, at 81%, and Sandwell records the lowest percentage of care leavers in education, employment or training.
- Within Adult Social care, the council has an excellent record on minimising delayed discharges – with the second lowest level in the region and being significantly lower than the average.
- The proportion of 16 and 17 year olds who are not in education, employment or training (NEET) is the lowest in the region.
- The proportion of the population aged 16-64 qualified to at least Level 2 or higher is the lowest in the region at 56.9%, compared with an average of 74%.
- The number of households on the housing waiting list is under the average for the region.
- In processing housing benefit claims, Sandwell is better than the average for the councils in the region with claims being processed in 8 days on average.
- The percentage of roads that require maintenance is below the average for the region. This is despite the total revenue spending on the highways and transport service being the lowest per head of population.
- The council is collecting the third highest annual amount of residual waste per household across the region. The percentage of waste sent for reuse, recycling and composting, at just over 30%, is below the average in the West Midlands and places the council as second lowest.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

- Physical visits to libraries are the third highest in the region and the number of enquiries to the library service are the highest.

The corporate peer challenge analysis of Sandwell's Corporate Plan suggests the council is aware of its areas of strength and those areas which require improvement and is putting capacity and resources into improving the below average metrics.

4.3. Governance and Culture

We met staff at different levels from across the organisation and they are very aware of the elected member behavioural issues that have existed within the council over a long period and the negative experiences and "bad press" this has entailed. Some of them have experienced such behaviours directly whilst others have observed things from a distance but been very aware of the climate they have created around the council. People are keen to see these matters confined to the past. It is therefore positive that there is almost universal recognition amongst the staff and elected members that we met that these behaviours are starting to change and exist now only in pockets. There is much more to do to embed a wholesale change in the organisational culture but this change represents a key part of what people describe as "green shoots" within the council. To help to cement and advance progress, we see value in a clear and joint message coming over the next few weeks from the Leader and Chief Executive regarding officer and elected member relationships – setting clear expectations and providing reassurance that any matters that arise will be appropriately addressed.

The legacy and impacts of previous behaviours are typical and understandable, including people 'keeping their heads down'; processes having been established that reflect risk aversion – plus a linked issue of the escalation of decision-making within managerial and governance structures; and a reduced staff pride in the organisation. With the positive changes in organisational and political leadership seen in recent months, there is now an opportunity for these elements to be considered and addressed further and the related benefits to be realised. Delivering sustained

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

change in organisational culture requires a multi-faceted programme management approach, real investment, and clear whole organisational leadership, and it will take time. However, people spoke of the 'latent capacity' in the organisation which can be freed up through operating in a changed environment. As one individual said in describing the changed atmosphere: "the council now has a chance of making a difference" – with local communities deriving the benefit.

Those people we met very much value the experience, style and reassurance the Interim Chief Executive provides. This has generated confidence across the organisation and amongst external stakeholders. As we noted earlier, the impact that both he and the Leader have had in a short period of time is absolutely tangible and provides huge optimism for the future. In a context of the current Chief Executive operating in an interim capacity, it is imperative to ensure continuity of the approach that he has brought at this level of the organisation. He and the Leader have been central to new relationships being formed between Cabinet and the individuals forming the Leadership Team as new permanent appointments at Director level. Mutual trust and confidence is building within these relationships but this needs to extend further and become embedded over the coming months.

There is a plan to revise the Constitution in the coming months. This appears to be seen by some simply as a refinement of what already exists and representing a relatively straightforward task. However, something much more fundamental needs to be undertaken, which will require experienced external and independent expert input; extensive engagement of all tiers of managers within the council and across the elected membership; and realistic timescales.

The Scheme of Delegation will form a vital component of this work and is key to more effective financial management. It has been cited as an issue in its current form, both in terms of a lack of clarity over the financial accountabilities devolved to managers and the degree of flexibility senior managers can exercise. This acts as a good example of the way in which something that sounds relatively simple in terms of Constitutional change will actually involve exploring fundamental aspects of how the

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

authority operates, with matters of trust and confidence and respective roles and responsibilities, at the heart of that. Another example would be the opportunity to change procedures for Council meetings in order to simplify decision-making and debate and so engage elected members, plus those observing, more effectively. The significance and scale of the task of changing the Constitution in a meaningful way, via a process of co-production, should not be under-estimated.

Overview and Scrutiny has a valuable contribution to make going forward. Committee chairs are committed to, and enthusiastic about, forging a new direction and the engagement they have had with the Leader around this is positive. Recent progress in the way it operates and where it focuses has been made and can now be built upon, including through wider training and development. One example here is the work undertaken considering the contract with SERCO, whilst another is a study of the impact of the pandemic on children in the borough. There is a sense of an increasing appetite for undertaking meaningful scrutiny as a council, founded upon corporate endeavour and collaborative effort and in a climate that is much more conducive, which would help both to inform policy and hold the Executive to account. A full review of the Constitution provides an opportunity to capture this and embed a reinvigorated scrutiny function linked to the provision of appropriate corporate capacity.

There is frustration on the part of some of the elected members that we spoke to in relation to levels of responsiveness from within some parts of the organisation in respect of ward and casework issues. This is not unique to Sandwell but it is important to identify where such matters exist and then address the underlying causes. Establishing clarity around how this will be achieved will be important. We heard, for example, of the existence of a portal for councillors to use in raising casework matters, which in theory should enable the effective tracking of progress. However, there is clearly a lack of confidence on the part of councillors in this system and work arounds have been developed. Whilst there is something significant that officers need to get right here in terms of responsiveness, it is also crucial that elected members consistently recognise the constraints (in terms of resources) and

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

the framework (in terms of agreed policy) that the organisation is working to. Inappropriate 'work arounds' could inhibit the necessary progress required in resetting a positive and appropriate relationship between officers and members.

4.4. Financial Planning and Management

The council is not in imminent financial danger, with the draft 2020/21 accounts reflecting a comparatively resilient position from which the authority can progress. To maintain and build upon this, there are changes the council needs to make.

There is recognition that the council has had a traditional approach to finance and that many of its procedures and systems need to be reviewed, modernised and improved. Work has been undertaken recently in response to this agenda and, whilst such activity is essentially at the outset, what has been delivered thus far means the authority better understands its current financial position.

One of the key activities that is underway is the development of a revised style of Medium-Term Financial Strategy (MTFS). Integral to this needs to be realistic forecasts of the likely resources required over the coming years, moving away from focusing heavily, as has been the case to date, on the year ahead. The MTFS needs to contain summary information on the national and local financial and economic picture and how that will impact on Sandwell's position. Putting a comprehensive and robust MTFS in place will provide elected members with the context they require in order to make the difficult strategic decisions that are likely to be needed. As the council's thinking on its approaches to its finances shapes up, there needs to be greater clarity of the authority's risk appetite in relation to, for example, borrowing, investments, commercial thinking and capitalisation and how this is reflected in the MTFS.

The council is working towards a budget in 2022/23 that makes around £13m of savings, which balance off a roughly equivalent amount of spending pressures. A

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

balanced budget has been made possible, at least in part, through the new Services Grant in the government settlement, equating to around £7m, but the future of this grant is unclear. While the shape of the emerging budget for 2022/23 and the council's level of reserves mean that the organisation is not in imminent financial danger, the next year will be crucial in rebasing the MTFS and moving towards a more resilient financial position. There is a window of opportunity to make the changes needed.

In the last two years, the impact of the pandemic and the complex range of government support grants has made budgetary control complex and untypical. It is vital that a high standard of budgetary management and discipline is maintained as the pandemic works through and a steadier state hopefully returns. As with other councils, Sandwell needs to ensure that, as temporary funding streams relating to the pandemic tail off, the costs of the services it is supporting are also subject to review.

Along with the work to develop a revised MTFS, there is recognition of the need to develop a robust and realistic Capital Strategy which fully forecasts and plans for capital investment. The current strategy, approved in February 2021, set out detailed plans for the two years ahead but this horizon needs to be extended. A refreshed approach to the strategy is particularly important in view of the council's ambitious regeneration and economic growth plans, which could be vital to the organisation's future financial sustainability and the future of the borough.

In relation to both revenue and capital, the forecasting of resource and spending pressures needs to be enhanced. Benchmarking assumptions and sharing intelligence with other authorities and sector bodies will be essential in informing this. Also, the revised MTFS needs to factor in the full revenue costs of the Capital Strategy and both the MTFS and Capital Strategy need to be closely aligned with the Corporate Plan and whole organisation improvement planning. Ensuring the correct organisational structure exists and the capacity is in place to deliver both the improvement agenda and the ambitions that exist for the borough will require appropriate investment. The council also needs a better understanding of its asset

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

base and to develop an acquisitions and disposals protocol to guide its management of those assets.

Managing the council's finances needs to become more of a shared endeavour between the Finance function and managers across the council, with the latter needing to be appropriately skilled and supported for the task. Central to this will be managers having access to, and being able to utilise effectively, up to date systems that provide reliable information in an easily accessible way. The council has restarted the process to review and upgrade its Enterprise Resource Planning (ERP) system and this presents an opportunity for the council to raise the expectations it has upon managers to control and manage their finances whilst improving the support they receive from an appropriately organised and skilled Finance team. Managers that we spoke to would welcome increased information sharing regarding the council's financial situation and greater insight to some of the decisions made, especially in relation to savings plans. This is key and will help form the basis for involving managers and budget holders more fully in realistic and effective budget setting.

4.5. Capacity for Improvement

There is widespread belief amongst people we met both internally and externally that "green shoots" are clearly visible within the culture of the council and the way it operates. There are a number of dimensions to this, including the style and approaches the Leader and the Chief Executive have brought; the organisation starting to look outwards more; behaviours being seen to be changing and less positive ones being seen only in pockets now; the better understanding that exists of the council's financial position; the work being undertaken to develop a revised MTFS; and the latent capacity that stands to be freed up through staff operating in a changed environment. There is confidence that with continuity in leadership style and approach these, and other elements, can be sustained and develop further.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

There is an increasing organisational self-awareness and current plans for improvement focus largely in the right areas. Inevitably more issues will come to the fore in the months ahead, as a result of the climate becoming more conducive to being open about issues and the new Directors getting to grips with their areas of responsibility. The emergence of these will place further demands on the organisation and improvement planning will need to adapt accordingly. It is important officers and elected members understand that whilst some improvements can be made relatively quickly, others will take considerably longer. The experience within the local government sector is that whole council improvement is a journey and all stakeholders need to be prepared for that.

The council is appropriately planning to consolidate its improvement plans into a single comprehensive plan following our work and that of others recently. This new plan will benefit from being able to be broken down into 'bite-sized chunks' and deliverables sequenced to reflect planned progress over time. Such a plan will be helpful in informing resource and capacity prioritisation. The council's plans generally needing to translate more consistently into tangible action and delivery and this must be the case with the improvement plan. An effective programme management approach and robust monitoring processes will be key.

Staff, elected members and partners we met welcomed the increased stability provided by the permanent appointments at Director level and highlighted the opportunities this provides, including:

- Increased managerial capacity
- Relationships being able to be developed both internally and with partner organisations that are sustainable over time
- Increased longer-term thinking and planning
- Greater external focus and linking into sub-regional, regional and national agendas
- Drawing in and exchanging learning – both through the experiences that those appointed from elsewhere bring with them and through the external forums

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

and activities that it is important they are encouraged and attach value to participating in

There is a wider theme around learning too, with the opportunity for the council to become a real learning organisation in a context of the changed climate it is operating in. This includes looking outward more, actively learning from customer feedback and examining constructively what doesn't go to plan. This forms a key part of the wholesale organisational culture change that is required and is predicated upon having a more open environment that is conducive to identifying and highlighting issues as soon as they start to arise in order that they can be collectively understood and constructively responded to. This represents the exact opposite of a 'blame culture'.

There is a need for greater join-up across the council. People spoke of an organisation with a tendency to operate still in silos – which, again, is not unique to Sandwell. Opportunities exist around an enhanced 'neighbourhoods' focus and locality working – with us assuming when we first heard of neighbourhood teams that these were cross-organisational but subsequently coming to realise they were comprised only of staff within housing-related roles. At Director level there was an expressed need and a desire to adopt more cross-cutting approaches to addressing budget challenges in the months and years ahead – recognising not only the financial and service delivery benefits of this but also what stands to be gained from the relationship-building and enhanced shared understanding that would be derived. There is also much to be gained through ensuring the range of organisational plans and strategies that are being developed are aligned and co-ordinated across the organisation. The 'One Council, One Team' message within the Corporate Plan is at the early stages of being heard and understood and can be built on over the coming months.

There needs to be greater clarity around the status of 'the restructure'. There are clearly a wide variety of views and interpretations of the intentions and progress of this project. This ranges from it having been completed following the recruitment

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

undertaken at Director level through to there being the intention to look at every level of the organisation following a commitment made more than two years ago to do so. People want to know the definitive position.

Existing organisational arrangements need to be reviewed in light of priorities, budgets and organisational ambition. It is essential to ensure the organisation is structured in the right way in order to provide the necessary strategic and operational focus and the capacity and the capability in the right places to deliver against the council's ambitions – which may require additional investment. A key strand to date in delivering the savings challenge has related to 'planned leavers' i.e. those indicating they would consider leaving the organisation under the right circumstances, including early retirement or voluntary redundancy. This has left key gaps in organisational structures and arrangements. This is not a sustainable approach either organisationally or financially and has led to a 'skewing' of structures and what certain roles entail. Role titles and functions need to do 'what they say on the tin' and there needs to be consistency in terminology, spans of control and levels of responsibility. As examples, certain Director titles bear very little relationship with what people are actually responsible for delivering and even people within the organisation struggle to differentiate between roles such as 'Team Manager' and 'Service Manager' given the differentiation across the organisation in how these roles are structured.

A truly 'enabling corporate core' is essential for taking forward a modernisation agenda for the council – there is a need for a move away from the 'red tape' and bureaucracy and old systems and approaches which staff at all levels highlighted to us. As one individual described it: "We are at the start of the journey around transformation". The corporate functions that will be central to this – both in modernising their own approaches and systems and enabling the rest of the organisation to transform too – include IT, HR and OD, finance, procurement and contract management. Capacity to deliver change and improvement, plus project and programme management expertise will also be required. Staff recognise the importance of the 'business essentials' necessary to safeguard the organisation and

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

ensure its smooth and efficient running and good governance but wish to see many of the current approaches made more effective, more enabling of service departments and streamlined. There is a link here to the culture of risk aversion and the escalation of decision-making highlighted earlier, including, for example, multiple signatories being required for relatively minor actions and a lack of proper investment over years in key IT systems.

Clarity is required around the thinking, planning and communication of plans for the 'return to the workplace' as the pandemic enters new phases. Our discussions with staff highlighted individual teams developing their own thinking on arrangements to take effect around March. Achieving an increased workplace presence at an appropriate point will be important in both service delivery and cultural change terms. During the period of the pandemic, investment has been made in the office accommodation in the Council House in Oldbury. This acts as a base for many council staff and the changes have been designed to support new ways of working. The council's overall philosophy and expectations around the return of its workforce needs to be effectively communicated and understood by all staff. This should, however, provide scope for teams to shape things to ensure that the benefits they have seen from changed ways of working over the last two years are retained whilst also ensuring business needs are met.

Staff that we met from the 'middle management' levels are keen for increased senior leadership visibility, enhanced information flow and more engagement – which they would want the Chief Executive and Leadership Team to be central to. There is a desire for increased information sharing regarding the council's financial situation and the potential for involving managers and budget holders more fully in budget setting. They are also a key audience for the message we are encouraging from the Leader and Chief Executive around officer and elected member relationships. Ensuring middle managers are sighted on, and made integral to the taking forward of, the aims within the Corporate Plan, including the 'One Council, One Team' philosophy, and that they are positioned to convey the narrative of the council and the borough, will aid the fulfilment of Sandwell's ambitions. Much of the suggested latent capacity is

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

likely to sit at this level of the organisation.

The majority of frontline staff we met provided a compelling and very positive picture of the way they have been invested in over recent years. This takes the form both of opportunities for them to develop and to progress their careers within the authority and the pastoral care and support provided to them by their managers. A straw poll revealed the impressive extent to which annual performance and development appraisals are undertaken, whilst staff also attached major importance to the much more regular and informal 'catch-ups' they have with their managers. A few highlighted the way in which flexible working arrangements had been developed in order to support them with other key considerations in their lives and this had delivered major benefits for them whilst simultaneously ensuring service requirements were met.

Whilst training and development is being provided for elected members and managers, this needs to move to a new level, including:

- Further 'top team' development across Cabinet and Leadership Team – both as individual bodies and collectively
- Elected members – related both to existing specific roles, for example as committee chairs, and the ambitions they may hold for the future. A key element here will be placing a greater emphasis upon, and facilitating increased engagement in, learning from across the sector. This will need to be a programme delivered across the electoral cycle so as to provide for both new councillors and those taking on new roles.
- A comprehensive management development programme will be key in supporting the modernisation agenda for the council, but this needs to be supplemented with a real emphasis on leadership development

There is recognition of the need to develop a more proactive approach to the council's communications – both internal and external. However, there needs to be an increased organisational confidence reflected in this, including greater profiling of

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association company number 11177145 Improvement and Development Agency for Local Government company number 03675577

achievements and key council activity. The authority currently seems to have a reticence to highlight what it is doing well and the key achievements it is delivering. We understand that this stems from a history of criticism from some quarters but we would encourage bold leadership on this issue in order to enable people to feel more confident in profiling their successes. The benefits to be accrued around developing a better shared understanding and narrative around what the council and the borough is achieving and an increased pride in the organisation are likely to be significant.

Developing a clear rhythm of effective communication and updating of key stakeholders on a regular basis will be important. What is being achieved will form a central element of this, but this is also a key opportunity to share information in relation to future plans and emerging projects. This links to the development of a narrative providing a compelling picture of the ambitions of the council and the borough and the potential that exists. Within this, of course, is the once in a generation opportunity to capitalise upon the borough's Commonwealth Games involvement to 'relaunch' Sandwell.

It is positive that the council is launching a comprehensive staff survey in the coming weeks and the findings from this will be key in identifying well-being issues; pin-pointing pockets where behavioural issues continue to be experienced; obtaining perspectives on how to enhance internal communications; and further informing improvement planning generally.

We would encourage the council to complement the introduction of the staff survey with the commissioning of a comprehensive residents' survey to be undertaken at regular intervals. We recognise the work that has already been delivered to establish a Residents' Panel but feel this can usefully be supplemented with a mechanism to glean a wider range of perceptions and insights to inform plans and prioritisation.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association Company number 11177145 Improvement and Development Agency for Local Government company number 03675577

5. Next steps

It is recognised that the council's senior political and managerial leadership will want to consider, discuss and reflect on these findings.

Both the peer team and LGA are keen to build on the relationships formed through the peer challenge. The CPC process includes a 'check-in' session a few months on from the initial activity, with this providing the opportunity for the council's senior leadership to update peers on its progress against the related improvement planning and discuss next steps.

In the meantime, Helen Murray, Principal Adviser for the West Midlands region, is the main contact between your authority and the Local Government Association. She is available to discuss any further support the council requires – helen.murray@local.gov.uk.

18 Smith Square, London, SW1P 3HZ www.local.gov.uk **Telephone** 020 7664 3000 **Email** info@local.gov.uk **Chief Executive:** Mark Lloyd
Local Government Association Company number 11177145 Improvement and Development Agency for Local Government company number 03675577

This page is intentionally left blank

DIRECTIONS UNDER SECTION 15(5) AND (6) OF THE LOCAL GOVERNMENT ACT 1999

1. The Secretary of State for Levelling Up, Housing and Communities ("the Secretary of State") has carefully considered the following in respect of Sandwell Metropolitan Borough Council ("the Authority"):

    i. The Value for Money Governance Review produced by the Authority's auditor Grant Thornton ("the Report"), given to the Authority on 3 December 2021 and published on gov.uk on 18 January 2022;
    ii. The representation made on 10 February 2022 by the Authority on the Report and on the proposed Directions;
    iii. A representation from the Authority's Conservative Councillor Group dated 11 February 2022;
    iv. A representation from a Sandwell Councillor dated 10 February 2022.
    v. Representations from Shaun Bailey, MP for West Bromwich West, Nicola Richards, MP for West Bromwich East, and John Spellar, MP for Warley, each dated 10 February 2022;
    vi. Representations from eight members of the public and one residents' group received during the representation period (18 January 2022 to 11 February 2022).

2. The Secretary of State is satisfied that the Authority is failing to comply with the requirements of Part I of the Local Government Act 1999 ("the 1999 Act").

3. The Secretary of State, having considered the representations made by the Authority as required by section 15(9) of the 1999 Act, and those listed above, considers it necessary and expedient, in accordance with his powers under section 15(5) and (6) of the 1999 Act, to direct the Authority as set out below in order to secure the Authority's compliance with the requirements of Part I of the 1999 Act, in particular:

    - To continue to rebuild the governance capacity of the Authority, addressing the deep-seated culture of poor governance and leadership;

    - To restore public trust and confidence in the Authority by putting an end to any of the Authority's activities, practices, and omissions which are, or risk being, not compatible with the best value duty.

4. Pursuant to his powers under section 15(5) and (6) of the 1999 Act, the Secretary of State directs:

    i. The Authority to take the actions set out in Annex A to these Directions;

    ii. That the functions of the Authority specified in Annex B to these Directions shall be exercised from the date of these Directions by the Commissioners acting jointly or severally; the Commissioners being persons nominated by the Secretary of State for the purposes of these Directions as long as those nominations are in force;

iii. That, from the date of these Directions, the Authority shall comply with any instructions of the Commissioners in relation to the exercise of the functions specified in Annex B, and shall provide such information and assistance as the Commissioners may require for the purpose of exercising the functions specified in Annex B.

5. These Directions shall remain in force until 22 March 2024 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Signed on behalf of the Secretary of State for Levelling Up, Housing and Communities.

Maxwell Soule
Senior Civil Servant in the Department for Levelling Up, Housing and Communities
Date: 22 March 2022

ANNEX A

ACTION THE AUTHORITY IS REQUIRED TO TAKE

In this Annex “the Authority” includes the Leader of the Council, Cabinet Members, any committee or sub-committee; and any other person who has responsibility for the matter in question.

The actions to be taken by the Authority are:

1. In the first three months prepare, agree and implement an Improvement Plan, to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), with, resource allocated accordingly, activities to implement all the recommendations of the Report, and as a minimum, the following components:

    a) Actions to deliver rapid and sustainable improvements in governance, leadership and culture in the Authority.

    b) Actions to secure improvement in relation to the proper functioning of the scrutiny and associated audit functions.

    c) Actions to secure continuous improvement in all services.

2. To report to the Secretary of State on the delivery of the Improvement Plan at six monthly intervals, or at such intervals as the Commissioners may direct, and adopt any recommendations of the Commissioners with respect to the Improvement Plan and its implementation.

3. To undertake in the exercise of any of its functions any action that the Commissioners may reasonably require to avoid so far as practicable incidents of poor governance that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.

4. To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:

    a) To any premises of the Authority.

    b) To any document relating to the Authority.

    c) To any employee or member of the Authority.

5. To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities under these Directions.

6. To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.

7. To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request.

8. To co-operate with the Secretary of State for Levelling Up, Housing and Communities in relation to implementing the terms of these Directions.

ANNEX B

FUNCTIONS OF THE AUTHORITY TO BE EXERCISED BY THE COMMISSIONERS

In this Annex –

> "statutory officer" means any of: the head of paid service designated under section 4(1) of the Local Government and Housing Act 1989; the chief financial officer designated as having responsibility for the administration of the Authority's financial affairs under section 151 of the Local Government Act 1972; the monitoring officer designated under section 5(1) of the Local Government and Housing Act 1989; and
>
> "the Authority" includes the Leader, Cabinet Members, any committee or sub-committee; and any other person who has responsibility for the matter in question.

The Commissioners shall exercise:

1. All functions associated with the governance and scrutiny of strategic decision making by the Authority.

2. All functions relating to the appointment and dismissal of persons to positions the holders of which are to be designated as statutory officers, and the designation of those persons as statutory officers, to include:

    a) The functions of designating a person as a statutory officer and removing a person from a statutory office.

    b) The functions under section 112 of the Local Government Act 1972 of -

    i) appointing and determining the terms and conditions of employment of an officer of the Authority, insofar as those functions are exercised for the purpose of appointing a person as an officer of the Authority principally in order for that person to be designated as a statutory officer; and

    ii) dismissing any person who has been designated as a statutory officer from his or her position as an officer of the Authority.

This page is intentionally left blank

SANDWELL METROPOLITAN BOROUGH COUNCIL DIRECTIONS UNDER SECTION 15(5) AND (6) OF THE LOCAL GOVERNMENT ACT 1999

EXPLANATORY MEMORANDUM

1. The Secretary of State for Levelling Up, Housing and Communities ("the Secretary of State") has exercised his powers under section 15(5) and (6) of the Local Government Act 1999 ("the 1999 Act") in relation to Sandwell Metropolitan Borough Council ("the Authority") to secure its compliance with the best value duty.

2. This Memorandum is intended as a companion document to the Directions issued on 22 March 2022. It summarises the circumstances in which the Secretary of State has made the Directions, his reasons for this exercise of his powers, and the implications of the Directions for the Authority.

The Context for the Directions

3. The Authority has struggled for many years to resolve a variety of governance issues, including allegations of serious misconduct by both members and officers. The Authority has had six different Leaders in six years and three Chief Executives over the past three years. This instability has led to a breakdown in trust, respect and confidence between those holding governance roles at the Authority.

4. In August 2021 the Authority's external auditors, Grant Thornton, initiated a Value for Money Governance Review into the Authority's arrangements for securing economy, efficiency and effectiveness in its use of resources. This comprehensive Governance Review ("the Report"), based on evidence gathered from 75 interviews over a period of three months, was issued to the Authority on 3 December 2021. The Report makes 45 wide-ranging recommendations, three of which are Statutory Recommendations, and provides a picture of the Authority of the utmost seriousness. Given the extensive nature of this Report and the evidence contained in it, the Secretary of State was satisfied that there was no need to commission an additional Best Value Inspection into the challenges facing the Authority.

5. The Report paints a deeply troubling picture of mismanagement, of ineffective scrutiny and accountability arrangements, and identifies considerable evidence that the Authority has failed to comply with its best value duty under Part I of the 1999 Act over a number of years. In particular, the Report notes how a breakdown in trust between those holding governance roles at the Authority over an extended period has significantly limited the Authority's ability to move away from the past and to manage the challenges and opportunities it faces. While the conclusion of the external auditor is that the Authority is now at the beginning of a fragile improvement journey, it is the Secretary of State's view that the risk of progress stalling or slowing is significant. In his view the proposed intervention is both necessary and expedient to secure compliance with the best value duty.

6. Having considered the findings of the Report, on 18 January 2022 the Secretary of State published the Report and a letter from senior officials to the Authority setting out a proposed intervention package to secure the Authority's compliance with its

best value duty ("the minded to letter"). Representations about the Report and the proposed intervention package were invited from the Authority and any other interested parties on or before 11 February 2022.

7. The minded to letter explained that the proposed intervention package reflected the recommendations of the Report, and contained two key elements:
   a. Proposals to put in place Commissioners to take over functions associated with the governance and scrutiny of strategic decision-making, and functions relating to the appointment and dismissal of statutory officers, and the designation of those persons as statutory officers; and
   b. Actions which the Authority must undertake in order to implement all 45 recommendations of the Report, as well as supporting and facilitating the work of the Commissioners.

8. The minded to letter included a detailed description of the Directions that the Secretary of State proposed to make under section 15 of the 1999 Act. The proposed Directions provided for the Commissioners to exercise, for a time, certain functions of the Authority, gave to the Commissioners certain responsibilities and reserved powers, and required the Authority to take certain actions. This Memorandum explains the content of the Directions as finalised in the light of representations received from the Authority and other interested parties.

Representations

9. Before making Directions, the Secretary of State is required under section 15(9) of the 1999 Act to give the Authority an opportunity to make representations about the proposed Directions, as well as on the Report which served as the basis for them.

10. Representations were received on behalf of the Authority, dated 10 February 2022, from the Interim Chief Executive Officer, Kim Bromley-Derry CBE DL. While the Authority expressed disappointment with the Secretary of State's proposed decision to intervene, the Authority welcomed the Department's support for its improvement journey and confirmed that they look forward to working with the Commissioners. The Authority noted that they have already developed an Improvement Plan in response to the Report. They intend to bring together the findings of this Report with those of a recent Financial Management Review, conducted by the Chartered Institute for Public Finance and Accountancy, and a Corporate Peer Challenge conducted by the Local Government Association, into one overarching Improvement Plan for the Authority. With regards to moving to a four-yearly election cycle, the Authority confirmed that they are in the process of preparing an action plan to progress this matter, which includes details of its consultation and engagement activity, so that an informed decision can be made at Full Council as soon as it is practicable to do so.

11. Representations were also received from:
   a. The Authority's Conservative Councillor Group, led by Cllr Archer Williams (Leader of the Opposition). The Group welcomed the intervention proposals, believing that progress at the Authority to date is inadequate and lacks scrutiny. The representation welcomed the intervention package's focus on strengthening scrutiny and decision-making processes at the Authority, as the

Group believe that the current culture, processes and lack of internal controls are negatively impacting service delivery.

b. One Councillor from the Authority who welcomed the proposed intervention and raised doubts on the current scrutiny and audit functions of the Authority, including the 'green shoots' conclusion in the Report.
c. Shaun Bailey, MP for West Bromwich West, welcomed the proposed intervention, noting that the Government's intervention is the first step needed to right the past failings of the Authority, which have severely impacted on the lives of many local residents.
d. Nicola Richards, MP for West Bromwich East, welcomed the proposed intervention, noting that it is needed to ensure 'green shoots' of improvement are sustained, following long-term disfunction within the Authority and its service delivery for local residents.
e. John Spellar, MP for Warley, opposed the intervention, noting the risks it poses to the continuity of progress made by the Authority's senior leaders and their ability to successfully appoint a new permanent Chief Executive. He made specific reference to the 'green shoots' conclusion of the Report as reasoning for the Authority being allowed to continue to manage its own affairs.
f. Eight members of the public and one residents' group, who welcomed the proposed intervention package. Key themes were a perceived lack of scrutiny or consequences for contract and financial mismanagement, organisational instability and poor-quality customer service. One resident requested an independent inquiry into the legality of certain past practices of the Authority. One expressed doubts in the 'green shoots' conclusion of the Report.

12. This Memorandum, together with the Directions and related material, is published at www.gov.uk.

The Intervention Package

13. Having carefully considered afresh the Report, together with letters from the Authority (10 February 2022), Members of Parliament Shaun Bailey (West Bromwich West, letter dated 10 February 2022), Nicola Richards (West Bromwich East, letter dated 10 February 2022) and John Spellar (Warley, letter dated 10 February 2022), the Authority's Conservative Councillor Group (11 February 2022), one Councillor (dated 10 February 2022), members of the public (various dates) and a residents' group, the Secretary of State is confident that there is a sound basis on which to found his considerations and, accordingly, is satisfied that the Authority is failing to comply with its best value duty.

14. The Secretary of State, having considered the representations made by the Authority as required under section 15(9) of the 1999 Act, considers it necessary and expedient, in accordance with his powers under section 15(5) and (6) of the same Act, to put in place an intervention package to secure the Authority's future and sustainable compliance with its best value duty. This intervention package is in line with his proposals as described in paragraph 7 of this Memorandum.

15. The Secretary of State considers that this package will address the failings identified in the Report. For the avoidance of doubt, the Secretary of State believes that each

individual element of the intervention that he has implemented is individually justified.

Commissioners

16. The package that the Secretary of State has put in place centres on an Authority-led Improvement Plan and a Managing Director Commissioner and Assistant Commissioner to make sure that the Authority meets its duty under Part I of the 1999 Act (anticipated to be in place until March 2024). The Secretary of State has made Directions in relation to the Commissioners, including providing for them to perform certain functions, if necessary, and to have a role in overseeing other functions or actions which the Authority is to perform. The Commissioners are accountable to the Secretary of State in that they have been nominated by him and can have their nomination withdrawn by him. The Commissioners will report to the Secretary of State on the progress of the intervention.

17. The skills and experience of the Commissioners mean that it is both possible and sensible to give them considerable levels of discretion over how they implement their roles and responsibilities under the Directions, in order that they can find the solutions most likely to lead to sustainable improvement in the Authority.

18. The Commissioners are to act jointly or severally, and it will be for them to decide how best to exercise their functions. However, the Secretary of State envisages complementary roles:
    a. a Managing Director Commissioner, whose responsibilities include, but are not limited to, giving direction and leadership to the delivery of the improvements which the Authority is required to make.
    b. an Assistant Commissioner whose responsibilities include, but are not limited to, overseeing the cultural change necessary at the Authority.

19. The Secretary of State has nominated Commissioners with a proven record in leadership, governance and scrutiny, delivering cultural change and transformation. The Commissioners are:

- **Kim Bromley-Derry CBE CL (Managing Director Commissioner)** – Kim has more than 35 years of public sector experience, including eight years as Chief Executive of the London Borough of Newham. He was also Director of Children's Services at both South Tyneside and Leicester City Councils. Kim was appointed Interim Chief Executive of Sandwell Council in August 2021 after being temporarily released from his role as Group Director for Strategic Partnerships at McLaren Construction Group. Kim has been President of the Association of Directors of Children's Services. He has also chaired the Government's Libraries Taskforce, been a Non-Executive Board Member of both the National College of Creative Industries, the National Creative and Cultural Skills Agency and a member of the London 2017 World Athletics and Para Athletics Championships Board.
- **Jim Taylor (Assistant Commissioner)** – Jim Taylor served for six years as Chief Executive of Salford City Council prior to his retirement in 2021. He also fulfilled the role of Interim Chief Executive of Trafford Borough Council simultaneously from July 2018 to February 2019. Prior to this Jim was the Chief

Executive of Rochdale Council having also served as Director for Children's Services at Tameside MBC. In June 2021 Jim was appointed by the Secretary of State to undertake an external assurance review of governance at Slough Borough Council.

The Commissioners are nominated for the period from 22 March 2022 to 22 March 2024 or such earlier or later time as the Secretary of State determines.

20. It is expected that the Commissioners will oversee the appointment of a permanent Chief Executive Officer within 18 months and then step back from the Council. In the interim period the Managing Director Commissioner will make appropriate delegations or arrangements in relation to their existing statutory roles as Interim Chief Executive of the Council, and work with the Council as they consider their Constitution and what amendments are necessary. The Commissioners are accountable to the Secretary of State.

21. The Directions provide that the Commissioners' reasonable expenses and such fees as the Secretary of State determines are to be paid to them by the Authority. The Secretary of State is mindful of the need for Commissioner remuneration to represent value for money for local taxpayers. In recognition of the nature and scale of the intervention, he has determined fees of £1200 a day for the Managing Director Commissioner and £1100 a day for the Assistant Commissioner.

Powers to be exercised by the Commissioners

22. The Report highlight failures in three key areas – the administration of corporate governance, democratic services and scrutiny, and service reform. Alongside this the Report refers to the concerted efforts made by the Authority over recent months, particularly since the appointment of the Interim Chief Executive.

23. For these reasons, the Directions enable the Commissioners to exercise functions in two areas:
    a. All functions associated with the governance and scrutiny of strategic decision making by the Authority. The Report concluded that, until recently, the Authority has failed to take an effective grip of the key issues it faces, and that the Authority's Scrutiny Boards and the Audit and Risk Assurance Committee need improvement. The Report noted how a lack of a clear performance management framework and agreed key corporate indicators has impacted on the ability of the Leadership Team and Cabinet to take an effective grip of the key issues. It also noted how the Leadership Team has not effectively engaged strategic financial planning and budget monitoring, and that a perceived blame culture had contributed to silo working, resulting in a lack of ownership and grip on key challenges. In practice, most decisions are expected to be taken by the Authority; however, the Directions are designed to give Commissioners the power to tackle the weaknesses the Report identified to make sure that the Authority is better equipped to meet the requirements of Part I of the 1999 Act.
    b. All functions relating to the appointment and dismissal of statutory officers (the Chief Executive, Chief Financial Officer (and section 151 officer) and Monitoring Officer), and the designation of those persons as statutory officers.

24. The Secretary of State considers that most decisions should continue to be made by the Authority. Commissioners will uphold proper standards and due process and recommend action to the Authority. The Secretary of State's intention is that the powers he is providing to the Commissioners be used as a last resort should the Authority not satisfy the Commissioners in their improvement processes. This approach reflects the work commenced by the Authority and the confidence the Secretary of State has in the continuation of this work with the support of the Commissioners.

25. The exercise of these functions should enable the Commissioners to make sure that the Authority has made sufficient improvement within the next two years to be able to comply with its best value duty on a sustainable basis.

Directions to the Authority

26. To achieve and facilitate the objectives of the intervention, the Secretary of State has also directed the Authority to take the following actions:

    a) In the first three months prepare, agree and implement an Improvement Plan to the satisfaction of the Commissioners (which may include or draw upon improvement or action plans prepared before the date of these Directions), with resource allocated accordingly, activities to implement all 45 recommendations of the Report, and as a minimum, the following components:
        i. Actions to deliver rapid and sustainable improvements in governance, leadership and culture in the Authority. It is expected that the required programme of cultural change will rebuild trust between Members and Officers by making sure that both Members and Officers understand the scale of the challenge and their respective roles in driving improvement, the way in which the Authority and its activities are regulated and governed, and the way in which this is monitored and breaches rectified.
        ii. Actions to secure improvements in relation to the proper functioning of the scrutiny and associated audit functions.
        iii. Actions to secure continuous improvement in all services.
    b) To report to the Secretary of State on the delivery of the Improvement Plan at six monthly intervals, or at such intervals as the Commissioners may direct, and adopt any recommendations of the Commissioners with respect to the Improvement Plan and its implementation.
    c) To undertake, in the exercise of any of its functions, any action that the Commissioners may reasonably require to avoid, so far as practicable, incidents of poor governance or financial mismanagement that would, in the reasonable opinion of the Commissioners, give rise to the risk of further failures by the Authority to comply with the best value duty.

27. The Directions require the Authority to fully cooperate with the Commissioners in order to facilitate their work:
    a) To allow the Commissioners at all reasonable times, such access as appears to the Commissioners to be necessary:
        i. to any premises of the Authority;
        ii. to any document relating to the Authority: and
        iii. to any employee or member of the Authority;

b) To provide the Commissioners, at the expense of the Authority, with such reasonable amenities and services and administrative support as the Commissioners may reasonably require from time to time to carry out their functions and responsibilities;
c) To pay the Commissioners' reasonable expenses, and such fees as the Secretary of State determines are to be paid to them;
d) To provide the Commissioners with such assistance and information, including any views of the Authority on any matter, as the Commissioners may reasonably request; and
e) To co-operate with the Secretary of State for Levelling Up, Communities and Housing in relation to implementing the terms of the Directions.

Duration of the intervention

28. The Secretary of State considers that any aspect of the Directions should only be in place long enough to achieve the stated objectives of the intervention. The Directions will remain in force until 22 March 2024 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date. The Secretary of State may decide to extend Directions beyond this date, or it may be appropriate to return functions before this time.

29. The Secretary of State has asked for six monthly reports from the Commissioners, or at such other times as he might agree with the Commissioners, which allows for a process for regular review of whether it would be appropriate to expand the functions of the Commissioners or for any function exercisable by the Commissioners to be returned to the Authority. The first report is expected as soon as is practicable within the first three months of the intervention.

30. Where the Authority and Commissioners agree that it would be appropriate for the exercise of a function to be returned to the Authority, Commissioners will report this to the Secretary of State, setting out reasons, including clear evidence as to why the public could be expected to have confidence in the Authority exercising this function in compliance with the best value duty. The Secretary of State will carefully consider any such reports and, if agreed to, further Directions will be issued to this effect amending these Directions made on 22 March 2022. The Secretary of State has not ruled out the possibility that further functions might be brought under the control of the Commissioners.

This page is intentionally left blank

SANDWELL IMPROVEMENT PLAN |

CORPORATE PLAN | BUSINESS PLAN | IMPROVEMENT PLAN

Sandwell Metropolitan Borough Council

SANDWELL COUNCIL
IMPROVEMENT PLAN

Foreword

Leader of Sandwell Council - Cllr Kerrie Carmichael

My vision for Sandwell is a borough that is totally focussed on the needs of our residents, where everyone can fulfil their potential and be proud to live here.

The council has been through significant changes and challenges over the past couple of years. I am immensely proud of the way the council, our partners, residents and businesses have worked together to rise to the challenge of the pandemic crisis. Sandwell has been nationally recognised for our community-based response:

- We pioneered local contact tracing and data to aid the early identification of cases of new COVID variants
- Our care home COVID response was a finalist in the Royal College of Nursing award for outstanding contribution to infection prevention and control
- We won the Local Government Chronicle's Public Health Team of 2021 for our work on reducing health inequalities from the pandemic through the COVID Vaccination Champions Project.
- We supported thousands of our most vulnerable residents to access vital support through our Food Hub and by adapting our services to keep children and adults safe
- Nearly £60m of grants and hardship payments distributed to businesses and residents when they needed it most
- We were the lead authority that successfully established, managed and operated a regional mortuary at Birmingham Airport on behalf of seven other councils
- We developed a £1.1m programme to meet increasing emotional wellbeing and mental health needs of children and young people.

While we were supporting our community through the pandemic, we delivered other key achievements including:

- Completing the Sandwell Aquatics Centre in time for the 2022 Commonwealth Games
- Gaining national recognition for drug and alcohol services, and our partnership working around modern day slavery
- Raising physical activity in children to the highest rate in the region
- Helping raise £8.7m in welfare benefits
- Completing external improvements to 3,500 houses
- Progressing the £30m Birchley Island Transport scheme and £67.5m Towns Fund programme.

The council has been hindered by ongoing governance issues, but we have been making changes. I was pleased that the progress has been recognised in external reviews.

We know there is much for us still to do and we will work very closely with the Government and all our partners to continue to progress and maintain our focus on delivering high-quality services our residents can rely on. I am delighted that Kim Bromley-Derry will continue to work with us in his role as Managing Director Commissioner. He has been so important in the positive changes we've been making and will provide the continuity we need to carry on with the improvements we have already begun putting in place.

I want to thank the council's staff. They have gone above and beyond and have worked tirelessly for Sandwell's residents, and I am immensely proud to work with such dedicated people on a daily basis.

This Improvement Plan sets out our next steps on our improvement journey and I'm looking forward to continuing to progress and maintain our focus on delivering high-quality services our residents can rely on.

Managing Director Commissioner - Kim Bromley-Derry

I am delighted to stay on at Sandwell as the Managing Director Commissioner. This is a different arrangement to Government intervention in local authorities in other parts of the country, in that the 'Managing Director' part of my role means I am retaining many of the same functions I held as Interim Chief Executive. This is recognition that we have already started to make the required improvements.

The leadership team, together with the support from my Commissioner colleague, Jim Taylor, and staff team are all committed to the council's improvement.

This plan is a clear map of the journey the council needs to take and sets out how we will hold ourselves accountable for delivering what is required.

Whilst our improvement journey is about changing the way we work, and our organisational culture, we will not lose sight of the underlying purpose of all this – to provide high quality services to our residents and businesses.

Document Version 1 - June 2022.
The online version of this document will be regularly updated.

Section 1 - Introduction

Sandwell, a borough of vibrant towns, great opportunities and significant challenges…

Sandwell is a large metropolitan borough in the heart of the West Midlands. Home to a diverse population, Sandwell is made up of six historic towns and a patchwork of urban villages and localities that developed with industrialisation, each with a distinctive identity. People are very proud of, and very much identify with, their local community and although the borough is well known as an important part of the wider West Midlands region, it is also at the proud heart of the Black Country.

Looking forward, there are a significant number of exciting opportunities in the borough, including the new Midland Metropolitan University Hospital, a 5G pilot, town centre regeneration, the new Sandwell Aquatics Centre - which will host the swimming and diving events for the 2022 Commonwealth Games, the extension to the Midlands Metro line, and many planned new homes. The council is using these new developments as a platform from which to put Sandwell on the map, shaping a borough where people are proud of their local area, have better paid jobs, increased skills and plenty of opportunities.

We acknowledge that, for a number of years, the Council has experienced ongoing governance issues that have hindered the organisation from both moving forward and seizing opportunities, despite the desire and ambition to do so. Historically, the Council's inconsistent strategic approach and decision-making discipline, along with an unhealthy culture and inappropriate behaviours particularly at senior officer and senior member level, have been central causes of these governance issues. This has been compounded by the turnover of staff at senior management level and political instability at the senior level.

Governance and service issues have been stubborn to resolve, and a significant amount of time has been spent responding to allegations and complaints, distracting the Council from robust forward planning of its business.

At the same time, we have been responding to a global pandemic to provide the fourth emergency service locally. Council staff have been working round the clock to provide vital services, supporting local action and bringing partners together to respond rapidly in the crisis. It is important to acknowledge that throughout both the pandemic and organisational change, we have continued to deliver for our residents and that is something we are immensely proud of.

Our Improvement Journey

Since May 2021, a number of key changes have moved us forward. We have refreshed our strategic framework in the light of the pandemic and our corporate plan reflects the needs of our community and provides a compelling vision for taking the borough forward. The appointment of an interim Chief Executive in August 2021, a new Leader in November 2021, and a new permanent leadership team is now resulting in tangible strides forward and greater stability.

A series of external reviews conducted between August 2021 and February 2022 have helped us prioritise the actions within this Improvement Plan, namely:

- Grant Thornton Value for Money Governance Review (December 2021)
- CIPFA Review of Financial Management and Governance (January 2022)
- LGA Corporate Peer Challenge (February 2022)

August 2021	Autumn 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022
Appointment of Interim Chief Executive	**New Permanent Leadership Team in place**	**Refresh of Council's Corporate Plan**	**New Leader in place**	**Grant Thornton Governance Review Report**	**CIPFA Review of Financial Management and Governance**	**LGA Corporate Peer Challenge**	**Statutory Notice from Secretary of State** **Appointment of Commissioners**

Grant Thornton Value for Money Governance Review – December 2021

In December 2021, Grant Thornton issued their report following a Value for Money Review of the council's governance arrangements. Within the report, three statutory and five key recommendations were made that relate to the overarching governance of the organisation. The report also identifies 37 further improvement recommendations which relate to the individual key lines of enquiry of the review.

The Grant Thornton report highlighted that there were 'green shoots' of recovery in a number of areas, showing a commitment on the part of the council's leadership to move the organisation forward.

A Governance Improvement Plan has been in place since January 2022 setting out the actions to address all the recommendations made by Grant Thornton. These actions have been incorporated within this Improvement Plan.

CIPFA Review of Financial Management and Governance – January 2022

CIPFA were commissioned by the council to undertake a review of the financial management and governance arrangements using the Financial Management Model. The intention of the review was to contribute to the development of the Council's financial management operation and arrangements. It assesses the Council's financial management capability, its internal processes, and operations. It also examines how the Council plans its future financial management.

The report, received in January 2022 set out that the council at present is financially stable and in recent years has been able to contribute towards reserves through achieving a balanced budget or an underspend, but that the authority has previously lacked ambition and innovation and has a very traditional approach to financial management.

The scoring process generates an overall star rating between one and five, five being the highest. Sandwell achieved an overall rating of two stars and is considered to be a progressive two-star authority with an encouraging direction of travel.

CIPFA made 14 recommendations and the actions to address these are contained within this Improvement Plan.

LGA Corporate Peer Challenge – February 2022

The council invited the LGA to conduct a Corporate Peer Challenge focused around five areas which are recognised as critical to councils' performance and improvement:

- Local priorities and outcomes
- Organisational and place leadership
- Governance and culture
- Financial planning and management; and
- Capacity for improvement

The Peer Challenge Team also took an in-depth look at children's services and the place agenda.

The review found that there is much to be excited about in Sandwell. It recognised that our local operational relationships are well developed, and that these have been reinforced and strengthened during our response to the pandemic. The review also emphasised the positive changes that had already been achieved.

The Peer Challenge report included nine recommendations, and raised a series of improvement points for longer term consideration which are addressed within this Improvement Plan.

Statutory Notice – March 2022

In March 2022, Sandwell Council received Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities.

The Directions set out the requirement of the council to develop, agree and deliver an Improvement Plan that addresses:

- All the recommendations in the Grant Thornton Review
- Actions to deliver rapid and sustainable improvements in governance, leadership and culture in the Authority
- Actions to secure improvement in relation to the proper functioning of the scrutiny and associated audit functions
- Actions to secure continuous improvement in all services

As part of the intervention package a Managing Director Commissioner – Kim Bromley-Derry and an Assistant Commissioner – Jim Taylor have been appointed.

While the council was disappointed with the Secretary of State's decision to intervene, the council has welcomed the Department's support for its improvement journey and that Kim Bromley-Derry will be staying on as part of this work providing a continuity of approach.

Structure of Improvement Plan - Phased Approach

Building on the recommendations from all three external reviews, and in line with the Minister's Statutory Direction, the council has built this Improvement Plan around six key themes that prevail throughout all of the reports:

- Organisational Culture
- Corporate Oversight
- Strategic Direction
- Decision Making
- Procurement and Commercial
- Partnership and Relationships

Each theme has a clear set of deliverables and milestones – these will be used to track our progress against expected timescales and achievements.

We recognise that there are elements of activity that require more design before confirming our approach, and that there will be other issues arising that will feed into the Improvement Plan. For example, the council conducted an Employee Engagement Survey in February 2022, the results of which were not due until mid-May. The results of this survey need to be shared with staff to develop a collective approach to addressing the key issues. The local elections in early May has also meant that we have not had time to work with all members, particularly those newly elected, in the development of this Plan.

Consequently, the council has taken a phased approach to developing this Improvement Plan. This is Phase One – capturing the known actions that can be addressed and delivered at this point. The Phase 2 Plan will identify additional areas for improvement that arise through Phase 1 activity.

Section 2 - Communication and Engagement

Our ambition

As the council continues its improvement journey, we will communicate our progress to our residents, staff, partners, businesses and stakeholders.

The council developed a communications strategy in 2021, and both the Grant Thornton Review, and the LGA Corporate Peer Challenge Team have recommended that this strategy is implemented. Work is now underway to deliver this, and a restructure has been completed to align the communications team to five areas that will best support the ambitions of the council: news, marketing, digital and creative services, internal communications and corporate affairs.

If we are to cultivate trust and effectively engage our residents, staff and all other stakeholders it is vital that we provide high-quality communication in the right format and at the right time. We want to proactively inform our community about the range of services provided by the council, both to connect people to services they may need, and to build confidence in the council's ability to support residents.

We are also determined to put Sandwell on the map and create new opportunities for our residents and businesses. Sandwell doesn't currently punch its weight – we're the 34th largest authority by population, but the 8th most deprived and only 72nd for gross value added to the economy.

We now have an opportunity to change this. Working with our construction partner, the Sandwell Aquatics Centre has been delivered on time and on budget for the upcoming Commonwealth Games and will then be turned into a state of the art leisure facility for local residents.

New infrastructure developments like the Midland Metropolitan University Hospital in Smethwick and the new Midland Metro line provide potentially massive catalysts for wider regeneration. Building relationships and communicating effectively, both at the local and regional level will be key to making the most of these opportunities.

Our approach

We will regularly report on the progress in delivering our Improvement Plan and will complement this with a communications plan to keep our staff, residents, partners, businesses and stakeholders informed.

Staff and Members

It is vital that we effectively engage our staff and members in our improvement journey to create and drive organisational cultural change. We want to have an open conversation with our staff and members about the values we need to adopt and embed to take the council forward.

The council has more than 4,000 members of staff, many of whom work on the frontline, and our internal communications must support our staff to understand the relevance of our Improvement Plan to their day-to-day work, and the connection it has to our Corporate Plan and priorities for our residents.

We will communicate with staff in a variety of ways, including regular video and email messages, staff Q&A sessions, manager briefings and staff panels. This will be a two-way conversation with the intelligence gained from staff throughout the organisation used to inform our Improvement Plan.

Residents

We are committed to becoming a listening, responsive council that enables our residents to influence the design of services. We are conducting a residents' survey that will inform our priorities and our future communications with our community, to ensure that we are focussed on the issues our residents care about.

Partners and stakeholders

We are changing the way we work as a council, and in some cases reviewing our partnership arrangements as we continually strive to provide the best possible services. We want to build on the operational relationships with our partners that have been strengthened during the pandemic, and it is crucial that we keep them informed of our progress throughout our improvement journey.

Engagement in Phase 1

In developing this Improvement Plan, we have engaged with staff and members, ahead of a more extensive engagement programme as we develop our plan further. We have held two events with staff (one with our co-production network and one with our staff panel), and a third event with members. We have also discussed the developing plan with Sandwell's MPs.

Organisation culture has been identified as a key theme from engagement sessions and polls. Staff feel the implementation plan needs to be steered in the right direction and that the correct foundations should be created to develop a better organisational culture. Staff want to create a safe place to be heard, to generate a better understanding on what needs to change and the way in which it can be done, taking us away from silo working.

Staff felt there needs to be strong representation with our local partnerships and welcomed the directorate and corporate planning that is in place as a way forward to horizon scan, encouraging directors to share their

plans on what each service area will be working on over the next three years.

Feedback from MP's is that they are happy with the approach and that customer experience should be a key priority.

In relation to the engagement approach for phase two, staff emphasised that they are aware there is a lot of work to be done. However, welcome the opportunity to engage and for their thoughts and ideas to be taken on board, but also be able to share and review ongoing improvement to acknowledge the change Sandwell deserves.

Engagement Approach for Phase 2

Through a series of engagement sessions, Members and staff will help shape the development of the Phase 2 Improvement Plan.

The main strand of engagement will focus on the organisational change programme through wide-ranging engagement to determine the desired culture of the council. We will use a blended approach of face to face and virtual methods, taking the conversations to where staff are.

Our staff panel and Equality, Diversity and Inclusion networks will play a central role in testing the progress of our improvement journey and guiding the overall engagement approach with staff.

Initial Communication and Engagement Milestones

Staff Survey Results	May 2022
All staff live event	26th May 2022
All Member briefing	26th May 2022
Engagement programme part 1: Starting the Conversation	June – July 2022
Engagement programme part 2: Developing the Desired Organisational Culture	August – December 2022

Section 3 - Governance and Assurance

Effective programme management arrangements and robust monitoring processes will be key to Sandwell's successful delivery of this Improvement Plan and achievement of sustainable change. This was highlighted as a gap in all three external reviews, and the council has taken steps to develop a corporate and consistent approach to programme management.

For the council to have oversight of the delivery of this Improvement Plan and achievement of the deliverables, we have established the following comprehensive governance arrangements. This will provide elected members and officers the mechanisms to manage the delivery of the plan, as well as ensuring that the desired impacts are being achieved.

Role of the Commissioners

In his Directions to the council, the Secretary of State for Levelling Up, Housing and Communities appointed two Commissioners with powers to make sure that the council "has made sufficient improvement within the next two years to be able to comply with its best value duty on a sustainable basis". These roles are:

- Managing Director Commissioner, whose responsibilities include giving direction and leadership to deliver improvements that the council is required to take; and
- Assistant Commissioner, one of whose responsibilities is overseeing the cultural change necessary at the council.

The Commissioners will be providing six-monthly reports to the Secretary of State on the council's progress in addressing the matters highlighted by the external reviews. There are several factors that will inform any decision by the Secretary of State to end the period of government intervention at Sandwell Council, and this decision will be based on reports received from the Commissioners. Some of these factors include:

- That the council can demonstrate sustainable improvements in governance and scrutiny of decision making
- That a permanent Chief Executive has been successfully appointed
- The Council has reached a decision on implementing a four-yearly election cycle

Ownership and Accountability

This Improvement Plan has six themes, each with clear objectives, milestones and deliverables. Supporting each theme is a detailed delivery plan setting out activity to achieve the deliverables, identify responsible officer, timescales, and measures of success. The delivery plan also sets out how specific actions address recommendations in the various external reviews, thereby enabling direct reporting for different audiences as required.

It is vitally important to the success of this Improvement Plan to establish collective ownership and responsibility across senior political and officer leadership. This will contribute to the cultural change necessary for sustainable improvement, as set out elsewhere in this document. It is intended to establish a simple matrix mechanism across directors and Cabinet Members that will set out accountability and the ability for peer challenge. Due to the development of this Improvement Plan coinciding with local elections, these arrangements will be agreed at the earliest opportunity following the approval of this Plan.

Reporting Mechanisms

Ensuring that senior officers and members have oversight of delivery against this Improvement Plan is integral to the success of Sandwell's improvement journey.

Progress will be monitored by Leadership Team on a monthly basis. The Managing Director Commissioner will chair this meeting, with the Assistant Commissioner in attendance as an observer. In this way, both Commissioners will have up-to-date insight into the council's progress in achieving the milestones and deliverables set out in this Plan.

Members will have oversight of progress through monthly informal reporting and formal reporting to Cabinet quarterly. This will continue until all actions have been completed and government intervention has been lifted. Member-led committees will be used for decision making and to maintain oversight of implementation of the actions within the Improvement Plan. These will include Governance and & Constitution Review Committee, Audit & Risk Assurance Committee and Scrutiny Committees.

Whilst this Improvement Plan has been developed to address specific recommendations, it is recognised that the Plan will need to evolve over time to address areas of improvement that are yet to be identified. Additions to the Improvement Plan will be monitored through the internal monthly monitoring and approved by Cabinet.

As set out in the Communications Section, we recognise the need to improve how the council communicates progress with its staff, members, partners and residents. Not only does this communication need to be in the right format for the various audiences, it also needs to be at the appropriate time to provide meaningful information. Therefore, we will be sharing progress against the key milestones, deliverables and outcomes in this Improvement Plan on a regular basis.

Corporate Plan 2021-2025

This Improvement Plan sets out what the council must do to improve its governance arrangements and embed that improvement to continue to deliver positive outcomes for residents. It does not cover everything that Sandwell Council is doing to deliver day-to-day services and service transformation required to improve outcomes for people living and working in the borough. Therefore, this Plan must be read in tandem with Sandwell's Corporate Plan 2021-2025. The ultimate test of whether the improvements in how the council functions, as set out in this Improvement Plan, have succeeded will be the delivery of the improved outcomes within the Corporate Plan.

Sandwell Children's Improvement Board

Sandwell Council has in place an existing Statutory Direction from the Department for Education (DfE). This Statutory Direction included the establishment of an independently chaired Improvement Board, the role of which is to ensure sustainable improvements to quality of practice with the aim of improving outcomes for the borough's most vulnerable children and young people. There exists a clear governance structure in place to facilitate reporting up to the DfE, and they will continue to run alongside the council-wide interventions. There will be scheduled updates between Sandwell Children's Trust and the Commissioners through quarterly meetings with the independently appointed Chair of the Trust Improvement Board.

External Assurance

Member-led committees will receive progress reports on the Improvement Plan as part of their normal business. In order to provide the council, the Commissioners, the Secretary of State, and our residents with a further level of assurance on our progress in achieving the objectives of this Improvement Plan, Grant Thornton, CIPFA and the LGA Corporate Peer Challenge Team will be invited back to Sandwell Council to monitor our progress on addressing the recommendations of their reviews. These will provide a check point on our improvement journey and provide a steer on future areas of focus.

The first review update is scheduled for Autumn 2022, and further reviews may be arranged at agreed points throughout Sandwell's improvement journey as required. It is noted that as the council's external auditor, Grant Thornton may increase monitoring activity should they identify any concerns through their normal business activity.

Programme Management Approach

A dedicated team has been established to manage the development and delivery of the plan. The programme management office will provide assurance that the Plan is being delivered, identify variances to the agreed deliverables at the earliest opportunity and work with lead officers to ensure mitigating action is designed and implemented as appropriate.

It will pull on key skills and expertise available across the organisation as necessary, such as communications, organisational development, employee engagement, risk management, democratic services, financial management and internal audit. By engaging with and involving staff across the council in the development and delivery of this plan, we will build the necessary skills and experience to ensure improvements are sustainable.

Section 4 - Risk Management

Risk approach

A risk register will be maintained for the duration of the Improvement Plan. This risk register will underpin the entry on the strategic risk register relating to the council's Improvement Plan (59a 02/22)

An initial risk register has been populated with key risks and an assessment of their impact and severity. This will guide the development of action plans to provide further mitigation, where required.

Risk monitoring

Monthly report of the risk register will be made to the Improvement Review Meeting and quarterly to Cabinet.

Key Risks

The main risks are associated with:

- Resources – for delivery of key components of the plan including the performance management framework, asset management system implementation and culture change programme. The financial resources required have been identified and will be put in place, subject to Council's approval.
- Organisational Culture – if the organisational culture doesn't change, this will limit the improvements that can be made. A theme within the Improvement Plan focuses on organisational culture. It includes our plans for a comprehensive engagement programme with staff and members to define a collectively owned culture. We will then embed the conditions for this culture to thrive.
- Communication – our communications approach is set out within this Improvement Plan and a detailed communication plan will be developed to ensure effective and timely communication with stakeholders.
- Governance Policies and Procedures – Key corporate governance documents are being reviewed and once approved, will provide an important foundation for improvement.
- Performance Management Framework – to ensure that we can effectively monitor progress and evidence improvement. Each theme includes an outline of how success will be evidenced. Processes for monitoring progress and evaluating evidence of improvement will be developed within the governance arrangements.
- Historic Issues – if there is continued focus and resource directed to historic issues this will hinder progress on the improvement plan and corporate plan. This Improvement Plan contains actions to bring historic issues to a conclusion and embed lessons learnt.
- Progress Monitoring and Risk Management approach – if assessment of progress and risk assessment contains optimism-bias this will prevent an accurate and realistic view of progress. Assurance mechanisms will help manage this risk.

Section 5 - Resourcing the Plan

Without directing the right resources to delivering this Improvement Plan, the council will not successfully achieve the necessary changes or embed the improvements made.

In developing the delivery plans for each theme, an assessment has been made on whether existing resources and budgets can be redirected or reshaped to carry out the activity required. In most areas, existing resources have been allocated where available.

The council recognises that in order to ensure rapid and sustainable improvement, investment is required in core areas including; performance management, transformation and organisational development. These areas will enable the council to build on the improvements made over the life of this Improvement Plan and take advantage of opportunities to make the organisation more efficient and effective in the future.

Plans have been developed to address the resource gaps with appropriate levels of funding identified. Following Council approval of the allocation of these resources, these resource plans will be implemented.

Theme 1 – Organisational Culture

Introduction

Effective organisational culture is the collection of values, expectations and practices that guide and enable people to perform well and deliver improved outcomes for residents. The culture of the organisation, from member level through to front-line staff, affects the ability of the council to make the necessary changes across the whole of this Improvement Plan and succeed on its improvement journey.

In their Value for Money Governance Review in Autumn 2021, Grant Thornton identified poor working relationships, lack of trust between officers and members, a culture of silo working and focusing on dealing with historical matters. Grant Thornton highlighted these challenges as central to the governance issues identified in their report and preventing the council from moving forward.

However, the Grant Thornton Review also recognised the 'green shoots' of progress made since the appointment of the Interim Chief Executive in August 2021. The permanent appointment of the senior management team has brought stability, skills and experience to tackle key issues. These 'green shoots' were further recognised by the LGA Corporate Peer Challenge as being clearly visible within the culture of the council and the way it operates. The LGA commented on the tangible strength of leadership being provided by the current Leader and Chief Executive and the importance of maintaining this continuity of style and approach. Enabling the right organisational culture to thrive will be a key part of the recruitment process for the permanent Chief Executive.

The CIPFA Financial Management Review also highlighted the need for clarity on roles and responsibilities in relation to leadership, budget holders and finance specialists to ensure a modern financial management approach was taken.

We recognise that changes to structures and performance management arrangements will not in themselves lead to organisational change without the right culture and individual behaviours in place. The plans we put in place can only succeed when everybody is determined to adopt the behaviours required and to live the new culture. This will require identifying and communicating clear roles and responsibilities and ensuring a consistent use of policies and procedures. To drive this change, we will improve the way we engage with our staff, members and residents by providing high-quality communications in the right way and in a timely manner.

Embedding this culture change will take time to achieve. We have the opportunity at this point in our improvement journey to pause, reflect and collectively determine what culture and behaviours we want to nurture as a whole organisation. Therefore, we will conduct a comprehensive engagement programme with staff and members to define a collectively owned culture and conditions for the right culture to thrive. This programme will be led from the top, maintaining stability and demonstrating the behaviours we expect to see.

A healthy, inclusive culture underpins the successful delivery of the whole Improvement Plan. The work on embedding a positive culture has informed the sequencing of actions across the other themes of this plan. Without appropriate engagement and relationship building being the first step, there is a risk that the council will fail to successfully embed the necessary changes to policy and process. In turn, this will prevent the council making those improvements sustainable.

Objectives

The overall objectives of this theme are:

- For Senior Leadership (Officers and Members) to work together effectively
- That officers receive appropriate support and direction from Senior Leaders
- For the council's organisational culture to change, ensuring sustainable improvement through a focus on improving outcomes for residents, empowering staff to make decisions at the right levels, learning lessons and embedding customer focus throughout the organisation.

Workstreams and Aims

- **Establishing Organisational Culture** – to collaboratively develop the desired organisational culture for Sandwell Council and create the right environment for it to thrive
- **Officer and Member Relationship** – to improve the relationship between officers and members, particularly within the council's senior leadership, enabling increased confidence and appreciation of each other.
- **Officer Learning and Development** – to provide clarity of expectations on officers, particularly leadership and managers, ensuring they have the appropriate skills to perform their roles effectively
- **Member Learning and Development** – to provide clarity of expectations on members, particularly those with roles of special responsibility, ensuring they have the appropriate skills to perform their roles effectively
- **Internal Communication** – setting out a clear vision for and tone of the organisation from the top, and improving internal communication across staff and members
- **Employee Engagement** – to identify actions in response to the findings of the Employee Engagement Survey
- **Chief Executive Recruitment** - To recruit a permanent Chief Executive and provide continuity of approach

Key Milestones:

Budget Holder Role Profile Approved	May 2022
Employee Engagement Survey Report	
New Member Induction	
Employee Engagement Survey Results	
Meeting structures to support regular dialogue between Senior Leadership (Officer and Member) confirmed for new Municipal Year	June 2022
Part 1 Engagement – Starting the Conversation	June-July 2022
Scope of Corporate Governance Training approved	June 2022
Member Development Programme approved	July 2022
Part 2 engagement – determining desired culture	August – December 2022
Corporate Governance Training – Procurement for delivery partner	August 2022
Corporate Governance Training Delivery	Autumn 2022
Approval of document / statement setting out desired organisational culture – 'Our Values: Our Behaviours'	
Organisational Development Strategy and Plan Approved	End 2022
Recruitment process for Permanent Chief Executive commences	By early 2023
Appointment of Permanent Chief Executive	By September 2023

Key Deliverables:

- Employee Engagement Survey
- Member Development Programme
- Document or statement setting out the desired organisational culture - 'Our Values: Our Behaviours'.
- Organisational Development Strategy
- Corporate Governance Training Programme
- Communications Strategy
- Permanent Chief Executive in place

Evidence of Success

When we have made progress towards embedding an effective organisational culture, there will be evidence of:

- Employee engagement results improving
- Managers demonstrating expected behaviours (via employee engagement survey results)
- Members demonstrating expected behaviours
- Officers and Members have confidence in their decisions
- Healthy and regular dialogue between Senior Leaders (Member and Officer)
- Numerous examples of Members and Officers working effectively together
- Improved take-up of Member development programme opportunities
- Improvements in external review outcomes

Organisational Culture Delivery Plan

Workstream	Reference	Lead	Actions (Organisational culture)	Start Date	Due date
Establishing Organisational Culture	Grant Thornton Statutory Rec 3	Director – Business Strategy and Change	**Establish the desired organisational culture for Sandwell Council** ▸ Phase 1 Engagement: Starting the Conversation ▸ Phase 2 Engagement: Determining Desired Culture ▸ Approval of document setting out the desired organisational culture **Create the right environment for that organisational culture to thrive** ▸ Organisational Development Strategy and Plan Approved ▸ Other actions as a result of engagement phases	**May 2022** Jun 2022 Aug 2022 Autumn 2022 TBC	**Dec 2022** Jul 2022 Dec 2022 Autumn 2022 End 2022 TBC
Officer Learning and Development	Grant Thornton Statutory Rec 3 Grant Thornton Improvement Rec 6, 20	Director- Law & Governance Director- Business Strategy & Change	**Develop a clear programme of management development** ▸ Management Development Programme Designed o Budget Holder Role Profile Approved o Incorporate training on company roles and responsibilities in senior officer development plan ▸ Management Development Programme Delivery	Aug 2022 Aug 2022 2023	Dec 2022 May 2022 Dec 2022 2023
	Grant Thornton Statutory Rec 2 Grant Thornton Improvement Rec 15 CIPFA 1.5, 1.6	Director- Law & Governance Director - Finance	**Design and deliver Corporate Governance Training for Officers** ▸ Scope of Corporate Governance Training for Officers approved (including comprehensive finance and governance training tailored to those with different levels of financial responsibility) ▸ Revision of Corporate Induction ▸ Effective decision-making training ▸ Procurement of Delivery Partner ▸ Delivery of Corporate Governance Training ▸ Annual Refresher of Corporate Governance Training	May 2022 Jun 2022 Jul 2022 Jun 2022 Autumn 2022 TBC 2023	Jun 2022 Jul 2022 Sep 2022 Aug 2022 Dec 2022 TBC 2023
Officer and Member Relationship	Grant Thornton Statutory Rec 3 Grant Thornton Improvement Rec 33	Director- Law & Governance Chief Executive Leader Cabinet Members Leadership Team	**Continue regular weekly meetings between Cabinet Members and Leadership Team** ▸ Regular meetings of Commissioners, Monitoring Officer, Section 151 Officer and Chief Whips commence ▸ Meeting structures to support regular dialogue between Senior Leadership (Officer and Member) confirmed for new Municipal Year	May 2022 May 2022	May 2022 Jun 2022
	Grant Thornton Improvement Rec1, 5	Director - Finance	**Continue to adopt star chamber approach for Cabinet Members and Chief Officers as part of budget setting approach**	2021	Summer 2022
	Grant Thornton Statutory Rec 3 Corporate Peer Challenge Rec 4	Chief Executive	**Engage LGA to support Officers and Members to develop the relationship going forward including continuation of LGA Cabinet Member mentoring programme**	May 2022	Dec 2022
	Corporate Peer Challenge (pg 24)	Director- Law & Governance Director- Business Strategy & Change	**Ward and Casework Management** ▸ Process and approach review –completed as part of customer feedback review ▸ Leadership Team conversation to identify mechanisms to embed and sustain the required approach and process forward and case work linked to desired organisational culture	May 2022	Oct 2022

Organisational Culture Delivery Plan

Workstream	Reference	Lead	Actions (Organisational culture)	Start Date	Due date
Member Learning and Development	Grant Thornton Statutory Rec 3 Grant Thornton Improvement Rec 2, 7, 31, 32	Director- Law & Governance	**Deliver Member Development Programme including Finance Training Programme** ▸ Service Showcase ▸ New Member Induction ▸ Approval of Member Development Programme ▸ Deliver Member Development Programme	 May 2022 Jul 2022 Jul 2022	 18 May 2022 Jun 2022 Jul 2022 Mar 2023
	Grant Thornton Statutory Rec 2	Director- Law & Governance Director- Finance	**Design and deliver Corporate Governance Training for Members** ▸ Scope of Corporate Governance Training for Members approved ▸ Effective decision-making training ▸ Procurement of delivery partner ▸ Delivery of Corporate Governance Training ▸ Annual Refresher and inclusion in new Member induction	 Mar 2022 Jul 2022 Jul 2022 Autumn 2022 Sep 2022	 Jun 2022 Sep 2022 Sep 2022 Dec 2022 Oct 2022
	Grant Thornton Key Rec 7	Director – Law & Governance	**Continue forward plan for all Member briefings based on themes of work / areas for development** ▸ Forward Plan for All Member Briefings in place for new Municipal Year ▸ Leadership Team Review of All Member Briefings to ensure they are meeting needs	 May 2022 Mar 2022	 Jun 2022 Ongoing
	Grant Thornton Improvement Rec 29	Director – Law & Governance	Induction training for Leader and Cabinet Members on appropriate processes relating to the employment of Chief Officers, and in particular Statutory Officers	Jun 2022	Jul 2022
Internal Communication	Corporate Peer Challenge 2	Director- Law & Governance Head of Communications	A clear and joint message from Chief Executive and Leader regarding Officer and Elected Member relationship delivered	Dec 2022	Dec 2022
	Grant Thornton Improvement Rec 11	Director- Business Strategy and Change	Deliver the communications strategy to assist with more effective internal communications	Feb 2022	Ongoing
Employee Engagement	n/a	Director – Business Strategy and Change	Actions to respond to employee survey outcomes to be identified and embedded in improvement plan	May 2022	Aug 2022
Chief Executive Recruitment	Grant Thornton Key Rec 5 Grant Thornton Improvement Rec 30	Commissioner	**Recruitment of Chief Executive** ▸ Decision on the timescale to go out for advert for the permanent Chief Executive ▸ Recruitment process takes place	 Dates TBC following Autumn decision	By Sep 2023 Autumn 2022 Dates TBC following Autumn decision

Theme 2 – Corporate Oversight

Introduction

The leadership of the council needs effective corporate oversight of the business to enable it to meet its overall objectives and to encourage a positive culture to thrive. This requires the council to work effectively together to respond to key issues and have the right tools in place to enable this to happen.

The Grant Thornton Review identified a weakness in the council's overall 'corporate grip' on a number of specific service issues. This has resulted in poor practices such as silo working, lack of corporate ownership and accountability, and an absence of intervention and decision making. The review particularly highlighted the lack of a clear performance management framework to provide strategic management and oversight.

All the external reviews have highlighted the lack of a performance management culture being a contributing factor to the council's ability to make effective decisions and moving forward. Having no framework that provides a single version of the truth has led to silo working and a lack of corporate ownership and accountability.

A corporate performance management framework has been approved by Council as the starting point for the culture change required. This framework will now be used to drive collective conversations around performance and accountability at all levels of the organisation.

The LGA Corporate Peer Challenge highlighted the positive style and approach of the Leader and Chief Executive but also the need for greater joining up across the council, the opportunity for the council to be more outward looking, to actively learn when things don't go to plan, and the importance of the corporate core in enabling modernisation.

The CIPFA Financial Management Review' also raised considerations to strengthen the corporate core of the organisation, including the delivery of a finance business partner approach and a programme of end to end finance process reviews.

The council is already implementing strategies to address the service issues highlighted by the Grant Thornton Review, with decisions on a number of these already being taken by Cabinet.

Objectives

The overall objectives of this theme are to:

- Take effective corporate oversight of long-standing service issues and the council's overall improvement journey
- Embed learning from service issues identified in external reviews
- Provide a corporate approach to performance management and the delivery of programmes and projects
- Ensure the role of the corporate core is strengthened to enable front line services and staff to focus on outcomes for residents

Workstreams and Aims

- **Improvement Planning, Monitoring and Learning -** To design, implement and monitor delivery of the Improvement Plan and a continuous improvement plan for the council
- **Performance Management -** To implement the Performance Management Framework and ensure that it is utilised to support the council's improvement journey
- **Organisational Structure and an Enabling Corporate Core –** to complete Directorate level restructuring, and strengthen the enabling role of the corporate core
- **ERP -** To implement Oracle Fusion within agreed timescales and budget
- **Programme and Project Management -** To adopt a Corporate approach to programme and project management that will ensure effective information flow and decision making from Senior Leadership

Key Milestones:

Establish Performance Management Framework	Achieved April 2022
Improvement Plan approved	June 2022
Procure new support provider to deliver Oracle Fusion	July 2022
First Performance Management Report	August 2022
All Directorate-level restructuring completed	December 2022
Oracle Fusion Implemented	April 2023

Key Deliverables

- Oracle Fusion
- Performance management framework
- Performance management reports
- Single Improvement Plan
- Continuous Improvement Plan

Evidence of Success

When demonstrating effective corporate oversight, we will see evidence of:

- Performance information being used by Leadership Team and Members to set strategic direction and respond to issues
- Improvement in performance measures relating to One Council One Team
- Improvement in employee engagement score
- Improvement in views of external reviews

Corporate Oversight Delivery plan

Workstream	Reference	Lead	Actions (Corporate Oversight)	Start Date	Due date
ERP	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 28	Director- Finance Director- Business Strategy & Change Director- Law	**Implement Oracle Fusion** ▸ *Cabinet approval for action plan to continue implementation of Oracle Fusion* ▸ *Terminate implementation partner contract with InoApps* ▸ *Implement robust project management arrangements* ▸ *Review operational team to ensure there are appropriate resources in place during implementation phase* ▸ Project management training for all of project team, including Project Sponsors ▸ Procure new support provider to deliver Oracle Fusion ▸ Support provider in place and delivery commences	**Dec 2021** Jul 2022	**Apr 2023** Complete Complete Complete Complete Jul 2022 Jul 2022 Apr 2023
Improvement Planning, Monitoring and Learning	Grant Thornton Improvement Rec 35 Grant Thornton Key Rec 4, 8 Corporate Peer Challenge Rec 9 CIPFA Rec all	Leadership Team	**Single Improvement Plan Phase 1** ▸ Council approval of Improvement Plan ▸ Commissioners Report prepared ▸ Commissioners Report to Secretary of State **Single Improvement Plan Phase 2** ▸ Council approval of Improvement Plan Phase 2	**Mar 2022** - Jun 2022	**Jun 2022** 7 Jun 2022 by 22 Jun 2022 Jan 2023
	Statutory Direction SN5	Director – Business Strategy and Change	**Continuous Improvement Plan** ▸ Develop a Continuous Improvement Plan	Autumn 2022	Spring 2023

Corporate Oversight Delivery plan

Workstream	Reference	Lead	Actions (Corporate Oversight)	Start Date	Due date
Performance Management	Grant Thornton Statutory Rec 2,3 Grant Thornton Improvement Rec 3, 8, 9, 22, 36 Grant Thornton Key Rec 6 CIPFA Rec 3.3 Rec 4.1	Director- Business Strategy & Change	**Performance Management Framework (PMF)** ▸ *Council approval of PMF* ▸ Q1 performance report	**Sep 2022**	**Ongoing** Complete Aug 2022
	Grant Thornton Improvement Rec 36 CIPFA Rec 3.3 Rec 3.1	Director- Finance	**Budget Monitoring** ▸ *Report format agreed by Leadership Team* ▸ Q1 budget report to Leadership Team, Cabinet and Scrutiny ▸ Monthly Budget monitoring	**Mar 2022**	**Ongoing** Complete Aug 2022 Ongoing

Workstream	Reference	Lead	Actions (Corporate Oversight)	Start Date	Due date
Organisational Structure and Enabling Corporate Core	Corporate Peer Challenge Rec 8 , 19	Leadership Team	**Restructuring** ▸ Directorate Level restructuring	**Dec 2021**	**Dec 2022**
	CIPFA Rec 1.1 Rec 1.3 Rec 1.4 Rec 1.6	Director- Finance	**Embedding Finance Business Partner role** ▸ Restructure of financial services section to provide a greater focus on business partnering completed ▸ Expectations on financial services section established ▸ Workforce development plan implemented for financial services section ▸ KPIs and standards developed for financial services section	**Jan 2022**	**Aug 2022** Jun 2022 Jun 2022 Sep 2022 Aug 2022
	CIPFA Rec 3.1 Rec 3.4	Director- Finance	**Reduction of financial transactional activity** ▸ *Business process re-engineering resources approved* ▸ Review of internal charges ▸ Review of corporate debt recovery processes completed ▸ Programme of end to end process reviews	**Jan 2022** May 2022	**Mar 2023** Complete Jun 2022 Jul 2022 Mar 2023
	CIPFA Rec 3.2 Grant Thornton Improvement Rec 37	Director- Finance	**Resolve issues relating to the completion and sign off of final accounts.** ▸ *External review of 2020/21 Statement of Accounts* ▸ *New suite of working papers to support the 2021/22 year end process agreed* ▸ Additional resources in place for 2021/22 year end process ▸ *Training for key members of the Finance Team complete*	**Jan 2022**	**May 2022** Complete Complete Complete Complete

Workstream	Reference	Lead	Actions (Corporate Oversight)	Start Date	Due date
Programme and Project Management	Grant Thornton Statutory Rec 2 Grant Thornton Improvement Rec 28	Director- Business Strategy & Change	**Programme and Project Management** ▸ *Agree a Corporate approach to Project Management, including requirement of full business cases for major projects* ▸ Suite of Programme and Project Documentation Agreed ▸ Corporate Transformation PMO established ▸ Programme and Project Management System Implementation	**Dec 2021**	**Late 2022** Complete May 2022 Late 2022 Late 2022

Theme 3 – Strategic Direction

Introduction

The objective of this theme is to build processes and mechanisms that help the council to stay focused on our longer-term goals and implement principles within the Corporate Plan. This is especially important during this period of rapid organisational change.

The Grant Thornton Review identified the disproportionate amount of time spent in recent years on 'fire-fighting' which has limited the space to think clearly about the long-term plans and undertake the strategic thinking required. The Corporate Peer Challenge remarked on the huge potential to be unlocked in the Borough commenting that a key part of this is the regeneration agenda. The Regeneration Strategy and Pipeline received approval in March 2022 setting out how future needs across housing, transport, education and skills will be achieved.

Effective long-term planning across all areas of council business is essential. The refresh of the Corporate Plan was a significant milestone achieved in 2021 which provides a clear overall set of aims for the council. Central to achieving this is the review of the Medium-Term Financial Plan which will ensure that resources are in place to enable us to meet our priorities, and a set of key strategies which will help to set out the route map to achieve our longer-term goals.

This theme also includes actions to ensure that the budget setting process and our understanding of how we are performing considers the results from public consultation and engagement. The commitment to run a regular Resident Survey will provide a means to maintain ongoing engagement with the community in order to inform key decision making.

Good progress has already been made, with a series of key strategies approved in early 2022 which have now moved into the delivery phase.

Objectives

The overall objectives of this theme are to:

- Ensure that focus is maintained on longer-term direction through effective strategies being in place to support our Corporate Plan outcomes
- Ensure that sustainable financial planning is in place that is aligned to our priorities
- Conduct consultation and use the findings to inform budget setting and our understanding of how the council is performing.

Workstreams and Aims

- **Medium Term Financial Plan and Capital Strategy –** to put in place a sustainable financial plan aligned to priorities
- **Strategy development and refresh –** to develop or refresh key strategies in response to service issues and opportunities identified by the external reviews
- **Locality Working –** to develop a model for locality working
- **Consultation and engagement –** to utilise public consultation outcomes to shape the budget setting process, and inform our intelligence around how the organisation is performing

Key Milestones:

Approval of Communications and Corporate Affairs Strategy Approval of Regeneration Strategy and Pipeline Early Help Strategy approved and launched	Achieved March 2022
Review of Medium Term Financial Plan completed Corporate Procurement Strategy approved Commercial Strategy Approved Regular Resident Survey in place Equalities Policy approved	July 2022
Public Consultation to be carried out as part of budget process Approval of Medium-Term Financial Plan and Capital Strategy Equality, Diversity and Inclusion Strategy approved	Autumn 2022
Corporate Asset Management Strategy Approved Corporate Parenting Strategy Refresh Approved	September 2022
HRA 30 Year Business Plan approved	Spring 2023
Model for Locality Working Approved	Spring 2023

Key Deliverables

- Strategies:
  - Regeneration Strategy and Pipeline
  - Early Help Strategy
  - Corporate Parenting Strategy
  - Corporate Asset Management Strategy
  - HRA 30 Year Business Plan
  - Corporate Procurement Strategy
  - Communications and Corporate Affairs Strategy
  - Commercial Strategy
  - Equality Policy
  - Equality, Diversity and Inclusion Strategy
- Medium Term Financial Plan
- Resident's Survey
- Public Consultation outcomes around budget setting
- Model for locality working

Evidence of Success

When we are maintaining focus on our long-term plans, we will see evidence of:

- Improvements to the Corporate Plan outcome measures
- Sustainable financial planning in place, aligned to priorities
- Consultation and engagement, shaping strategic direction and financial planning
- Examples of Sandwell's national profile showcasing the good work of the council

Strategic Direction Delivery plan

Workstream	Reference	Lead	Actions (Strategic Direction)	Start Date	Due date
Strategy development and refresh	Grant Thornton Statutory Rec 1	Director- Regeneration & Growth	**Regen Pipeline Development and Delivery** ▸ *Cabinet Approval of Regen Strategy and Pipeline 2022-27* ▸ Pipeline projects monitored on a 6-monthly basis ▸ Internal infrastructure established for delivery - o Programme and Project Management Structures in place o Programme Management Software Procurement o Project Management Software procurement o Microsite creation for information around priority projects for stakeholders	**Autumn 2021** Mar 2022	**2027** Complete Ongoing Mar 2023
	Grant Thornton Statutory Rec 2 Grant Thornton Improvement Rec 15, 16	Director- Regeneration and Growth	**Corporate Asset Management Strategy Development** **Work Place Vision** ▸ Confirmation of funding for remaining Workplace Vision components **Transforming Local Services** ▸ *Cabinet Workshop to provide steer* ▸ Options for hub locations identified **Asset Review** ▸ *Procurement of asset database* ▸ Implementation of new Asset Database **Surplus Assets & commercial estate** ▸ Maximising Value out of surplus assets portfolio – Cabinet report ▸ Corporate Asset Management Strategy Approved	**Autumn 2021** Mar 2022 Jun 2022 May 2022	**Sep 2022** Autumn '22 linked to MTFP Complete Sep 2022 Complete Dec 2022 Jul 2022 Sep 2022
Strategy development and refresh	Grant Thornton Key Rec 5 Grant Thornton Improvement Rec 11 Corporate Peer Challenge Rec 21	Director- Business Strategy and Change	**Communications and Corporate Affairs Strategy Development and Delivery** ▸ *Corporate Communications Strategy approved* ▸ Communications Team restructure concluded to focus resources on key workstreams of Communications Strategy	**Autumn 2021**	**Ongoing** Complete May 2022
	Grant Thornton Statutory Rec 2	Director- Finance	**Refresh and embed the Corporate Procurement Strategy** ▸ Procurement & Contract Procedure Rules approved ▸ Training developed ▸ Training delivered	**Autumn 2021** Autumn 2022	**Jul 2022** May 2022 Dec 2022
	Grant Thornton Statutory Rec 2	Director- Finance	**Develop and implement the Commercial Strategy** ▸ Commercial Strategy Approved ▸ Business Cases Presented for commercial workstreams	**Autumn 2021**	**Jul 2022** Jul 2022 Jun 2022
	Grant Thornton Statutory Rec 2	Director- Housing	**HRA 30 year Business Plan** ▸ Review of compliance and stock data ▸ HRA Business Plan developed ▸ HRA Business Plan approved (in line with budget approval 2023-24)	**Autumn 2021** May 2022	**Apr 2023** May 2022 Mar 2023 Apr 2023
	Grant Thornton Statutory Rec 1	Director- Children & Education	**Refresh the Early Help Strategy** ▸ *Launch of Early Help Strategy*	**Autumn 2021**	**Mar 2022** Complete
	Grant Thornton Statutory Rec 1	Director- Children & Education	**Refresh Corporate Parenting Strategy** ▸ Re-focusing of strategic priorities ▸ Corporate Parenting Strategy approved	**Jan 2022**	**Sep 2022** Sep 2022

Strategic Direction Delivery plan

Workstream	Reference	Lead	Actions (Strategic Direction)	Start Date	Due date
Equality and Diversity	Corporate Peer Challenge Rec12	Director- Law & Governance	**Equality and Diversity**	**Autumn 2021**	**Ongoing**
			▸ Continue to embed Equality, Diversity and Inclusion (EDI) staff networks	Ongoing	Ongoing
			▸ Establish Women's network and Faith & Belief staff network	Jun 2022	Dec 2022
			▸ Continue to deliver on Equalities Commission Board priorities	Ongoing	Ongoing
			▸ Equality Policy reviewed	May 2022	Jun 2022
			▸ Equality Policy approved	Jul 2022	Jul 2022
			▸ EDI Workforce action plan review	Jun 2022	Dec 2022
			▸ Approval of EDI Workforce plan	Mar 2023	Mar 2023
			▸ Review approach to Equality Impact Assessments	Summer 2022	Autumn 2022
			▸ Review of Council EDI decision making process	Summer 2022	Autumn 2022
			▸ Equality, Diversity and Inclusion Strategy approved	Autumn 2022	Autumn 2022
			▸ Embed equalities, diversity and inclusion within Member and Officer Development Programmes	Early 2023	Early 2023
Locality Working	Corporate Peer Challenge Rec 18	Director – Housing Director – Business Strategy and Change	**Developing a model for locality working**	**Mar 2022**	**TBC**
			▸ *Cabinet Workshop to provide steer on community hubs model*	Complete	Complete
			▸ Pilot of Town Co-ordinator role commences	Summer 2022	Summer 2022
			▸ Customer Access Strategy Development Commences	Sep 2022	Sep 2022
			▸ Business Cases for hub locations progressed, as appropriate	Sep 2022	Spring 2023
MTFP & Capital Strategy	CIPFA 4.3	Director- Finance	**Fundamental review of the Medium Term Financial Plan (MTFP) and Capital Strategy**	**Jan 2022**	**Autumn 2022**
			▸ Review concluded		Jul 2022
			▸ Approval of MTFP and Capital Strategy		Autumn 2022
Consultation and Engagement	CIPFA 4.4	Director- Finance and Director Business Strategy and Change	**Public Consultation to be carried out as part of budget process for 2023/24**	**Jan 2022**	**Autumn 2022**
			▸ Procurement concluded to provide capacity for a regular Resident's Survey		May 2022
			▸ Public Consultation undertaken	Autumn 2022	Autumn 2022
			▸ Public Consultation outcomes inform budget setting		Autumn 2022
	Corporate Peer Challenge 5, Grant Thornton Key Rec 6	Director - Business Strategy and Change	**Incorporate Public Consultation Results into Performance Management Framework**	**Autumn 2022**	**May 2023**
			▸ First Resident's Survey conducted	Autumn 2022	Autumn 2022
			▸ First report from Resident's Survey	Autumn 2022	Autumn 2022
			▸ Survey results embedded within PMF and used to inform insight into how the Council is performing	Autumn 2022	May 2023

Theme 4 – Decision Making

Introduction

Effective decision making covers many strands and impacts on every aspect of the council's business. Fundamentally, our structure and how we are governed and managed needs to be transparent and fit for purpose and we must be clear how our communities inform the decisions we take. Delivering improvements to our decision making processes will ensure that the right checks, balances and internal challenge is in place whilst at the same time ensuring that the systems in place do not hinder or stifle progress.

The Grant Thornton Review highlighted a perception of poor progress in resolving service and governance issues, a lack of trust between key individuals charged with governance and of reviews being reopened, such as the reopening of previous standards reviews. The Review stated that these issues had clearly impacted upon the council's ability to focus on service improvement. It went on to suggest that the scheme of delegation and the involvement of senior members in key decision making had resulted in a lack of empowerment of officers and a lack of agility to enable the council to make prompt decisions when required.

The LGA Corporate Peer Challenge stated that a review of the Constitution was required and stressed that this must be fundamental in nature, drawing on experienced external input with extensive engagement of managers across the council and elected members. They also recommended that the Scheme of Delegation should be a key component of this review. In addition, the Corporate Peer Challenge identified the valuable contributions to be gained from an effective scrutiny function.

The CIPFA Financial Management Review identified that the budget setting process had historically lacked member engagement and did not focus on key authority objectives within a good governance framework that included an adequate check and challenge process at a political and operational level. They also recommended that financial governance and decision-making arrangements are reviewed and strengthened from both a political and officer perspective.

Work is already underway to address the issues highlighted by these external reviews. For instance, a Governance Review Project is being delivered which looks to review decision making structures and constitutional arrangements. This includes the review of corporate governance documents policy and procedures to ensure alignment with national best practice and the Council's Corporate Governance Framework. Our approach to this project has been strengthened by taking on board the comments in these external reviews. Recognising the need to develop a good organisational culture, we will engage with members on roles and expectations so that our decision making framework reflects the new culture. We are also exploring moving to a four-yearly election cycle with options due to be considered by Leadership Team in June 2022.

Objectives

The overall objectives of this theme are to:

- Review and refresh key corporate governance documents laying the foundations for robust decision-making audit and scrutiny and culture change
- Create a clear and strong role for scrutiny and audit and embed in practice
- Explore options around a four yearly electoral cycle

Workstreams and Aims

- **4 yearly election cycle-** Explore options around a four yearly electoral cycle
- **Constitution and Governance Framework -** Review and revise corporate governance documents
- **Role and Function of Scrutiny and Audit -** Refresh the roles of scrutiny and audit bringing them to the fore of the council's governance assurance, and policy development framework

Key Milestones:

Review of scrutiny arrangements	April 2022
Approval of any changes to scrutiny (if required following review)	May 2022
Options Paper to Leadership Team for 4 yearly election cycle Scrutiny work planning event	June 2022
Council Decision on options for alternative election cycle	Date TBC following options paper to Leadership Team in June 2022
Revised Procurement and Contract Procedure Rules agreed Revised Financial Regulations agreed Revised Council Procedure Rules	July 2022
Revised Sale of Land and Buildings Protocol	August 2022
Implementation of Scrutiny Recommendations for SEND (Special Educational Needs and Disability) Transport and Waste	September 2022
Completion of ARAC report and recommendations in relation to governance issues raised (SEND Transport, Waste Contract) Revised scheme of Delegations agreed	October 2022

Key Deliverables

- Decision on election cycle
- Updated Key Governance Documents
- Revised Procurement and Contract Procedure Rules
- Revised Financial Regs
- Revised scheme of Delegations
- Revised Council Procedure Rules
- Revised Sale of Land and Buildings Protocol
- Scrutiny Work Programme

Evidence of Success

When demonstrating clear and effective decision-making, we will see evidence of:

- Decision reports written which set out options and an assessment of their impact on outcomes for residents
- Evidence of effective scrutiny work through robust scrutiny review / input into priority areas
- Audit input driving assurance and improvement
- Commissioners' role embedded and understood across the Council

Decision Making Delivery plan

Workstream	Reference	Lead	Actions (Decision making)	Start Date	Due date
4 yearly election cycle	Statutory Direction	Director- Law Governance	**Implement 4-yearly election cycle** ▸ Options Paper to Leadership Team ▸ Council Decision to implement	**May 2022**	**Sep 2023** June 2022 TBC
Constitution and Governance Framework	Grant Thornton Statutory Rec 1, 2. Grant Thornton Improvement Rec 15,19, 21, 27 CIPFA 4.2, Corporate Peer Challenge Rec 6	Director- Law Governance	**In-depth review and revision to Corporate Governance Documents** ▸ Effective Decision Making Training ▸ Revised Procurement and Contract Procedure Rules agreed ▸ Revised Financial Regs agreed ▸ Revised Council Procedure Rules ▸ Revised Sale of Land and Buildings Protocol ▸ Revised Scheme of Delegations agreed	**Dec 2021** Jul 2022	**Oct 2022** Sep 2022 Jul 2022 Jul 2022 Jul 2022 Aug 2022 Oct 2022
	Grant Thornton Improvement Rec 19, 20	Director- Law & Governance	**Refresh existing arrangements for arms-length companies** ▸ Identify existing arms-length companies, company directors and company administration ▸ Conduct review to ensure appropriate resources are allocated to these organisations ▸ Implement annual reporting arrangements	**Jan 2022** Apr 2022 May 2022	**Jul 2022** Apr 2022 Jul 2022 Jul 2022

Workstream	Reference	Lead	Actions (Decision making)	Start Date	Due date
Role and Function of Scrutiny and Audit	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 4, 12, 17, 22	Director- Law Governance	**Refresh decision making-arrangements including the role of Scrutiny** ▸ *Review of scrutiny arrangements* ▸ Scrutiny Work Planning event ▸ Approval of any changes to scrutiny (if required following review)	**Dec 2021**	**July 2022** Complete Jun 2022 Jul 2022
	Grant Thornton Improvement Rec 17, 22	Director- Law Governance Director- Children & Education Scrutiny	**Implementation of Scrutiny Recommendations relating to key issues** ▸ SEND Transport recommendations relating to procurement concluded ▸ Recommendations relating to Waste Contract concluded	**Dec 2021** Early 2022	**Sep 2022** Sep 2022 Dec 2022
	Grant Thornton Improvement Rec 34	Chief Executive Director- Law & Governance	**Manage position on historic issues through work with ARAC chair**	**Dec 2021**	**Ongoing**
	Grant Thornton Improvement Rec 4, 17, 34	Director- Law & Governance	**ARAC report and recommendations in relation to SEND Transport** ▸ Completion of report and recommendations	**Dec 2021**	**Oct 2022** **Oct 2022**

Theme 5 – Procurement and Commercial

Introduction

Effective procurement, commercial decisions and contract management are important to the council to make sure that value for money is achieved and that our commercial decisions focus on outcomes for residents.

Procurement and commercial decisions have been a factor identified in many of the key issues facing the council - in relation to major contracts (such as Sandwell Leisure Trust, Serco and Sandwell Children's Trust), procurements (including SEND Transport) and property related-issues (including Lion Farm).

The Grant Thornton Review identified common themes around procurements that had been either poorly specified, had insufficient timescales, or decision-makers had not been fully aware of context and detail. In addition, key contracts were found to have been impacted by:

- A lack of clear contract management responsibility
- Poorly defined approaches to contract management
- A lack of appropriate focus on performance indicators, service quality or outcomes.

Immediate steps have been taken following the Grant Thornton Review and decisions have already been made by Cabinet to resolve the specific procurement and contract issues raised. This includes decisions being made around Lion Farm, SEND Transport, Sandwell Leisure Trust and the Oracle Fusion delivery contract.

Actions now need to focus on concluding delivery of some these issues, embedding changes, and conducting effective procurement around systems that will support delivery of the Improvement Plan.

Objectives

The overall objectives of this theme are to:

- Conclude procurement and commercial matters in relation to key legacy issues
- Ensure that learning in relation to issues around commercial decisions, procurement and contract management are understood across the council
- Ensure corporate ownership and effective contract management of major contracts
- Ensure that major contracts have an effective focus on service quality and outcomes
- Conduct effective procurement for the new systems that are needed to support the delivery of the council's improvement plan

Workstreams and Aims

- **Leisure Contract -** to plan for the future delivery of leisure facilities that will enable increased participation in leisure activities
- **SEND Transport –** to award the contract within timescales to ensure focus on service quality and flexibility of provision meets the needs of children and young people
- **Lion Farm –** to implement agreed action plan to provide a future for the site
- **Waste Contract –** to implement effective contract management arrangements that enable improvements in street cleansing and bin collections
- **Performance Management System –** to assess options and procure, as appropriate, a Performance Management System that supports the council to manage performance effectively
- **Asset Management System –** to procure and implement a system that delivers the required information to improve asset management and financial reporting

Key Milestones:

Termination notice for SLT contract approved by Cabinet	February 2022
Revised contract governance arrangements in place for Serco contract Asset Management System Procured	March 2022
SEND Transport procurement published	May 2022
Waste and Recycling recovery plan – Implementation complete	June 2022
Option appraisal for future leisure management options	Summer 2022
Street Cleansing Recovery Plan: • Approved; and • implemented	 July 2022 March 2023
Serco contract performance reporting embedded in PMF	August 2022
Review of Serco contract completed New SEND Transport contract in place SEND Transport Contract Monitoring arrangements in place Implementation of Asset Management System	September 2022
Lion Farm report to Cabinet on determination of position of developer	Dec 2022
Arrangement in place for future delivery of leisure services	May 2023
Fleet replacement complete	Mid 2023

Key Deliverables

- Options appraisal for future delivery of Leisure Services
- Contract Governance Arrangements for Serco contract
- Review of Serco Contract
- SEND Transport Contract
- Asset Management System
- Performance Management System
- Lessons learnt around procurement, commercial and contract issues documented

Evidence of Success

When we have robust systems and processes around procurement, commercial matters and contracts, we will see evidence of:

- Key contracts being effectively managed
- Improved outcomes from key contracts and commercial decisions as demonstrated by performance indicators for leisure, and waste
- Lessons learnt documented

Procurement and Commercial Delivery plan

Workstream	Reference	Lead	Actions (Procurement and Commercial)	Start Date	Due date
Waste Contract	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 23	Director - Borough Economy	**Introduction of a more focused framework for contract monitoring** ▸ *Contract Monitoring Framework agreed* ▸ Contract Management framework in place and embedded in PMF reporting – (in line with Q1)	**Autumn 2021**	**Aug 2022** Complete Aug 2022
	Grant Thornton Statutory Rec 1	Director - Borough Economy	**Review of the contract to refocus our communications and contract monitoring in areas of poor performance and to ensure the council receives the full provisions within the contract from Serco** ▸ Procurement of support to review contract ▸ Review of contract completed ▸ Recommendations reviewed ▸ Recommendations adopted, as appropriate ▸ Delivery of recommendations – as appropriate	**Autumn 2021**	**Jan 2023** May 2022 Sep 2022 Oct 2022 Jan 2023 TBC
	Grant Thornton Improvement Rec 22	Director - Borough Economy	**Waste and Recycling Recovery Plan – completion and implementation** ▸ Implementation Complete		Jun 2022
	Grant Thornton Improvement Rec 22	Director - Borough Economy	**Street Cleansing Recovery Plan – completion and implementation** ▸ Recovery Plan approved by Waste Management Board ▸ Recovery plan implemented	**Autumn 2021**	**Mar 2023** Jul 2022 Mar 2023
	Grant Thornton Improvement Rec 24	Director - Borough Economy	**Manage the delayed Serco Fleet replacement programme in line with the requirements of the contract** ▸ *Fleet replacement schedule in place* ▸ Fleet replacement complete	**Autumn 2021**	**Mid 2023** Complete Mid 2023
SEND Transport	Grant Thornton Improvement Rec 17, 18	Director – Children & Education Director- Finance	**Plan in place to ensure new contract commences prior to expiry of current arrangements and appropriate records in place** ▸ *Cabinet approval* ▸ *Procurement commenced* ▸ Contract Review with DfE ▸ Procurement published for framework ▸ Expiry of current arrangements – end of 2021-22 Academic Year ▸ New contract in place ▸ Contract Monitoring Arrangements in Place	**Jan 2022**	**Sep 2022** Complete Complete May 2022 May 2022 Jul 2022 Sep 2022 Sep 2022
	Grant Thornton Improvement Rec 17	Director- Law & Governance Scrutiny Director – Children & Education	**Implementation of recommendations from Audit and Scrutiny in relation to SEND Transport** ▸ *Scrutiny Recommendations embedded in plans for new arrangements* ▸ *Update to Education Scrutiny* ▸ Recommendations related to procurement embedded in procurement process ▸ ARAC recommendations implemented	**Autumn 2021**	**Sep 2022** Complete Complete Sept 2022 Oct 2022

Workstream	Reference	Lead	Actions (Procurement and Commercial)	Start Date	Due date
New system procurement	Grant Thornton Key Rec 6	Director- Business Strategy & Change	**Explore implementation of a corporate performance management system** ▸ Options Appraisal ▸ Business Case and Implementation Plan Considered	**Jun 2021**	 Sep 2022 TBC based on selected option
	Grant Thornton Statutory Rec 2 CIPFA Ref 2.1	Director – Regeneration & Growth	**Procurement of new asset management system** ▸ *Market Research* ▸ *Procurement Concluded* ▸ Implementation	**Autumn 2021**	**Dec 2022** Complete Complete Dec 2022

Workstream	Reference	Lead	Actions (Procurement and Commercial)	Start Date	Due date
Lion Farm	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 25, 26	Director – Regeneration & Growth	**Action plan to agree way forward and resolve matter** o *Brief Cabinet on options* o *Presentation of proposal by developer to Cabinet* o *Options appraisal report to Cabinet for approval of way forward* ▸ Implement approved way forward ▸ Responsibilities of both council and developer clarified within action plan	**Dec 2021** Feb 2022	**TBC** Complete Complete Complete Est. Dec 2022
Leisure Contract	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 14	Director - Borough Economy	**Governance arrangements to manage, develop and support the current and future delivery of leisure services across the borough, including the new Aquatic Centre** ▸ *Governance arrangements in place* ▸ *Termination of existing Contract* ▸ Step-in provider in place ▸ Option appraisal for future facility management options– Cabinet report ▸ Arrangement in place for future delivery of leisure facilities	**Autumn 2021**	**May 2023** Complete Complete Summer 2022 May 2023

Theme 6 – Partnerships and Relationships

Introduction

The council needs strong effective working relationships with all its partners in Sandwell and the region to deliver the best possible outcomes for residents and the whole borough. This theme is seeking to further develop our connections and strengthen our relationships so that they are sustainable over time and are built on mutual respect and trust.

The LGA Corporate Peer Challenge praised the council's relationships at a local level stating that these had been consolidated and strengthened during the pandemic. The review also recognised that the council's relationships and related governance arrangements with Sandwell Children's Trust were strong and that the council was working hard with schools and many partners across the Borough to improve early intervention arrangements.

The LGA recommended simplifying the governance and partnership arrangements across both the children's and adults' spheres along with a "clear and creative whole-system plan" to address health inequalities. In regard to the voluntary sector, the LGA suggested that the authority and the voluntary and community sector undertake a joint project to develop a clear strategic view of the role of that sector going forward and mutual expectations within this.

Sandwell has made good progress on its improvement journey in respect of partnerships and relationships so far. The council has now established joint strategic planning meetings with Sandwell Children's Trust which is strengthening the constructive working relationship. The Sandwell Health and Social Care Partnership (SHCP) has been established for agencies to come together and agree practical approaches to delivering services. There is a clear relationship in place between the SHCP and the Health & Wellbeing Board to ensure that these two partnerships work in tandem to focus on improving outcomes for Sandwell's residents.

In terms of Sandwell's ambitious economic agenda, the Sandwell Aquatics Centre has been delivered on time and on budget for the upcoming Commonwealth Games. New infrastructure developments such as the Midland Metropolitan University Hospital and the new Midland Metro line provide catalysts for wider regeneration.

The LGA stated that the council needed to become much more "visible and engaged at the sub-regional and regional level with partners across the Black Country and the West Midlands" but recognised that the council is becoming more active at this level. The CIPFA Financial Management Review suggested that the council needed to clarify its offer to and ask of partners to be more effective.

The council will re-establish itself as an active partner in key regional and sub regional partnerships such as West Midlands Combined Authority, West Midlands Growth Company and Black Country Local Enterprise Partnership. Sandwell is actively participating in the trailblazer devolution deal with a clear set of 'asks' now in place so that Sandwell can benefit from the devolution of powers, responsibilities and resources from central government especially in relation to achieving net carbon zero.

The council is taking staff, residents, partners and members with it on this improvement journey and this will build trust and confidence in its joint ability to deliver.

Objectives

The overall objectives of this theme are to:

- Improve Sandwell Council's standing with key partners and professional bodies at national, regional and local level
- Improve corporate approach to partner relationships
- Determine the future relationship between Sandwell Council and the VCS and the approach to funding

Workstreams and Aims

- **Sandwell Children's Trust** – to establish a corporate approach to working with SCT on shared issues and continue with robust governance arrangements ensuring accountability of SCT to deliver improved outcomes for children and young people.
- **Regional and Sub-regional presence –** continue to develop relationships with regional and sub regional bodies in order to raise Sandwell Council's profile.
- **Effective Local Structures –** to review partnership structures within the 'People's sphere' and use a whole-system approach to working on shared issues with partners.
- **VCS relationship –** to review the relationship with VCS including the funding approach

Key Milestones:

Regular cross-SMBC/SCT Leadership meetings in place	Achieved Feb 2022
City Region Sustainable Transport Scheme approved by CA Board Sandwell asks of trailblazer devolution deal agreed Officer representation agreed to key regional and sub-regional meetings and clear	Achieved March 2022
VCS Grants review update report to Leadership Team	May 2022
Member representation to key regional and sub-regional meetings agreed	June 2022
Health and Wellbeing Strategy	July 2022
SCT Contract performance reporting embedded within Council PMF	August 2022
Review of SCT Contract concludes	Summer 2022
Quarterly system-wide deep dives conducted for health inequality	March 2023
VCS Strategy formation commences	2023

Key Deliverables

- Revised KPI suite for SCT contract
- SCT contract review
- CRSTS allocation
- Trailblazer devolution deal
- Health and Wellbeing strategy
- VCS Strategy
- Revised partnership structures in children's area of People's sphere

Evidence of Success

When we have effective partnerships and relationships at all levels, we will see evidence of:

- Improved outcomes for children and young people in Sandwell evidenced in KPIs
- Improved external review outcomes
- Regular and active presence at regional and sub regional meetings resulting in more opportunities linked to Sandwell's priorities (e.g. Sandwell's financial asks realised)
- Improved performance in outcomes on the impact of health inequalities on individuals
- Clear understanding of the relationship between the Council and the VCS that is embedded in practice – evidenced by feedback from VCS

Partnerships and Relationships Delivery plan

Workstream	Reference	Lead	Actions (Partnerships and Relationships)	Start Date	Due date
Sandwell Children's Trust	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 13	Director Children & Education	**Continue with robust governance arrangements in place ensuring the accountability of SCT to deliver improved outcomes for children and young people in Sandwell in line with the contract** ▸ Performance reporting embedded within Council PMF ▸ KPI Suite reviewed ▸ Revised KPI suite agreed ▸ Review of Contract concludes	**Autumn 2021** Jan 2022 Mar 2022 Summer 2022	**Ongoing** Aug 2022 and then quarterly Summer 2022 Summer 2022 Summer 2022
	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 13	Director Children & Education	**Establish and maintain positive relationship between SMBC and SCT at senior officer and member level** • Continuation of regular cross- SMBC/SCT Leadership meetings in place (including Chair of Trust Board, Lead Member, CEO of the Trust and DCS) • Confirm Member participation in Governance Arrangements for new Municipal Year	Autumn 2021	Ongoing Ongoing Jun 2022
	Grant Thornton Statutory Rec 1 Grant Thornton Improvement Rec 13	Director Children & Education	**Establish corporate approach to working with SCT on shared issues, such as corporate parenting and delivery of Early Help service** ▸ Continuation of arrangements for strategic priorities to be shared across the partnership and include a series of joint work. Initial focus areas are corporate parenting and early help. ▸ Assurance that approach to working together is effective through regular programme of performance reports	Autumn 2021	Ongoing Ongoing Aug 2022 and then ongoing

Workstream	Reference	Lead	Actions (Partnerships and Relationships)	Start Date	Due date
Regional and Sub-regional presence	Grant Thornton Improvement Rec 10 Corporate Peer Challenge pg13	Director- Regeneration & Growth Cabinet Chief Executive	**Continue to develop the relationship with and actively participate in regional and sub-regional bodies (e.g. WM Combined Authority, Black Country LEP) to maximise opportunities for Sandwell** ▸ *Officer representation agreed to attend key meetings and a clear agenda set for each forum* ▸ *Sandwell asks of trailblazer devolution deal agreed* ▸ *Participation in Investor Conference* ▸ *CRSTS allocation (transport) approved by CA Board* ▸ Member representation to attend key meetings agreed and agenda for each forum shared	**Jan 2022**	Complete Complete Complete Complete Jun 2022
Effective Local Structures	Corporate Peer Challenge Rec 3	Director – Children and Education Director-Adult Social Care Director- Public Health	**Review partnership structures within the 'People's sphere'** ▸ *Partnership structures in relation to transition from children's to adults in place* ▸ Initial scoping of work with partners around partnership structures in the children's sphere	Mar 2022	*In place* Sept 2022
	Corporate Peer Challenge Rec 14	Director-Adult Social Care Director- Public Health	▸ Develop Health & Wellbeing Strategy that builds on existing whole system approach to addressing health inequalities ▸ Test adequacy of partnerships and integration through Health Outcomes Framework and system-wide thematic deep dives	Apr 2022 Apr 2022	Jul 2022 Jul 2022
VCS relationship	Corporate Peer Challenge Rec 11	Leadership Team	**Relationship with Voluntary & Community Sector (VCS) and Funding to Voluntary & Community Sector.** ▸ Corporate review of grant funding ▸ VCS Strategy formation commences	**Mar 2022** Mar 2022 2023	**2023** Sep 2022 2023

Appendix 4 - Improvement Plan Costs and Funding

Improvement Plan Reference	Spend activity	Estimated Cost (£)	Funding Source	One Off / Permanent	Comments
Corporate Oversight	Performance Management salary costs - 2 posts	120,000	Earmarked Reserve	Permanent	2022/23 costs to be funded from reserves. Long term costs to be built into budget setting process. Performance Management system costs TBC
Corporate Oversight	Establish Project Management Office	120,000	Earmarked Reserve	Permanent	2022/23 costs to be funded from reserves. Long term costs to be built into budget setting process.
Corporate Oversight	Interim Transformation Assistant Director	200,000	Earmarked Reserve	One-off	2 year fixed term
Corporate Oversight	Business Intelligence salary costs - 2 posts	140,000	Earmarked Reserve	One-off	2 year fixed term
Procurement & Commercial	Resource to implement Corporate Asset Management system	60,000	Earmarked Reserve	One-off	Fixed term appointment
Organisational Culture	Organisational Culture Change Programme	300,000	Earmarked Reserve	One-off	Consultant support for engagement, data analysis and creation of a behaviour framework
Organisational Culture	Leadership Development	300,000	Earmarked Reserve	One-off	To support implementation workshops and initial leadership development around the Behaviour Framework
Organisational Culture	Finance Improvement Plan	100,000	2021/22 carry forward	One-off	To support implementation of Finance Improvement Plan, particularly to deliver training to officers and members
Decision Making	Interim support for the Governance Review	168,000	2021/22 carry forward	One-off	
Decision Making	Additional Legal resources to progress key projects identified in Improvement Plan	60,000	2021/22 carry forward	One-off	
Strategic Direction	Regeneration Pipeline	200,000	2021/22 carry forward	One-off	
	Total spend requirements	**1,768,000**			

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Report to Council

7 June 2022

Subject:	Proposed departure from the development plan at Land At West Bromwich Street, Oldbury B69 3AT
Director:	Tony McGovern - Director of Regeneration and Economy
Contact Officer:	Carl Mercer – Principal Planner carl_mercer@sandwell.gov.uk

1 Recommendations

1.1 That approval be given to an exception to the development plan in respect of planning application DC/21/66339 - Proposed 13 No. dwellings including amendment to plot 197 approved under planning application DC/20/64152- land at West Bromwich Street, Oldbury.

2 Reasons for Recommendations

2.1 The site forms part of a mixed-use allocation in the development plan which has not come to fruition. A major residential development has been approved and is under construction on the adjacent site (which was previously approved by Planning Committee and Council), and this development of an additional 13 houses would complement the larger scheme. The departure of the land use from mixed-use to residential is therefore considered to be acceptable.

3 How does this deliver objectives of the Corporate Plan?

	Quality homes in thriving neighbourhoods.

4 Context and Key Issues

4.1 At the meeting of Planning Committee held on the 11 May 2022 consideration was given to planning application DC/21/66339, which sought approval for residential development on land allocated for mixed-use in the development plan.

4.2 At the meeting Planning Committee approved the planning application with conditions, subject to the departure from the development plan (mixed-use to residential) being considered and ratified by Council.

4.3 The purpose of this report is to discuss the departure from the development plan only. Council should not reconsider the wider planning merits of the application which have already been considered by Planning Committee.

4.4 The application has been publicised by neighbour notification letter, site and press notice without response.

4.5 All relevant statutory consultees have been notified and have commented on the proposal. No objections were received which could not be overcome by conditions.

4.6 On the basis that there is no planning policy objection to the proposal it is recommended that the exception to the development plan be approved.

5 Alternative Options

5.1 Refusal of the application is an option if there are material planning reasons for doing so. Given that no significant objections are raised to the proposal, it is considered that refusal of the application would not be defensible at appeal.

6 Implications

Resources:	None.
Legal and Governance:	The decision to grant permission for the proposal would be contrary to the development plan. Consequently, if Planning Committee recommend approval, it is due process for Council to consider and ratify the departure, should it resolve to.
Risk:	None.
Equality:	None.
Health and Wellbeing:	None.
Social Value	New housing.

7. Appendices

None.

8. Background Papers

Planning application reference – DC/21/66339.

Sandwell
Metropolitan Borough Council

Report to Planning Committee

11 May 2022

Application Reference	DC/21/66339
Application Received	17 November 2021
Application Description	Proposed 13 No. dwellings including amendment to plot 197 approved under planning application DC/20/64152.
Application Address	Land At West Bromwich Street Oldbury B69 3AT
Applicant	Taylor Grange (Oldbury) Ltd and Lovell Partnerships Ltd
Ward	Oldbury
Contact Officer	Carl Mercer carl_mercer@sandwell.gov.uk

1 Recommendations

1.1 That, subsequent to ratification by Council of the departure from 'mixed-use', planning permission is granted subject to the following conditions relating to:

(i) External materials;
(ii) Finished floor levels;
(iii) Contamination;
(iv) Drainage;
(v) Acoustic glazing and ventilation;

(vi) Energy statement;
(vii) Boundary treatments;
(viii) Landscaping;
(ix) Open space management plan;
(x) Electric vehicle charging;
(xi) Construction method statement;
(xii) Removal of permitted development rights; and
(xiii) Retention of parking.

2 Reasons for Recommendations

2.1 The proposal raises no significant concerns from a policy, design or highway perspective and would deliver housing in a sustainable location, in conjunction with the adjacent housing site currently under construction.

3 How does this deliver objectives of the Corporate Plan?

	Quality homes in thriving neighbourhoods – The design of the proposal is acceptable in respect of national and local planning policy.

4 Context

4.1 The application is being reported to your Planning Committee because the site is part of a mixed-use allocation in the development plan which does not include residential use. As such, the proposal is a departure from the development plan and requires the further approval of Council, should Planning Committee resolve to approve.

4.2 Additionally, in the interests of transparency, the agent for the application is a former Director of Regeneration and Economy at Sandwell Council.

4.3 To assist members with site context, a link to Google Maps is provided below:

West Bromwich Street, Oldbury

5 Key Considerations

5.1 The material planning considerations which are relevant to this application are:

Government policy (NPPF);
Layout and density of buildings;
Design, appearance and materials;
Access, highway safety, parking and servicing;
Contamination by a previous use;
Noise;
Coal mining legacy (stability); and
Flood risk.

6. The Application Site

6.1 The application relates to a parcel of land in the northwest corner of a larger development site bounded by West Bromwich Street. Two storey dwellings are situated across the road to the north, industrial units to the west and an associated major housing scheme is currently under construction on the adjacent site to the east and southeast.

7. Planning History

7.1

DC/20/64152	Proposed Development of 152 No.2,3,4 bedroom dwellings and 82 No.1 and 2 bedroom apartments together with associated roads, car parking, open	Approved - 10.02.2021

	space and associated works.	

8. Application Details

8.1 The development proposes 13 dwellings inclusive of an amendment to plot 197 approved under planning application DC/20/64152. Plot 197 was approved as a detached dwelling and this application proposes its removal in place of a pair of semi-detached dwellings (plots 246 and 247). Supporting documentation states that the application is for 12 additional dwellings in acknowledgment that the one dwelling has already been approved as part of the larger site. However, the plot to be amended is part of the site area of this planning application and has accordingly been included in the description of development for completeness.

8.2 The development proposes a mix of two, three and four bed house types, of semi-detached and terrace design and of two and two and a half storeys in height.

8.3 Amended plans have been received which address minor layout issues raised by Urban Design.

9. Publicity

9.1 The application has been publicised by neighbour notification letter, site and press notice without response.

10. Consultee responses

10.1 Planning and Transportation Policy

No objection. The policy officer has stated that, at 13 units, the site triggers the NPPF requirement for affordable home ownership. However, this requirement has not been adopted into development plan policy by

way of a plan review; and therefore, I am of the understanding that, in this circumstance, it is not appropriate to enforce compliance with NPPF policy if it has not been formally adopted into the development plan. The development is liable for Community Infrastructure Levy (CIL).

10.2 **Highways**

No objection.

10.3 **Urban Design**

No objection. The long-term maintenance of the open space to the north of the site has been questioned. The developer has confirmed that the open space and associated landscaping would be privately managed areas. A management plan for the larger site has been submitted which would be expanded to include the additional plots if the application is approved. This can be requested by condition.

10.4 **Lead local flood authority**

Further detail required. It is considered that surface flood matters are not insurmountable and will be addressed by the submission of further detail before the decision is issued or can be ensured by condition. The larger scheme addressed this matter, so it is evident that the issue can be resolved.

10.5 **Severn Trent**

No objection subject to condition.

10.6 **Public Health (Air Quality)**

No objection. Electric vehicle charging, low NOx boilers and construction method statement required by condition. However, low NOx boilers have not been ensured on the larger site, and therefore I do not think it is appropriate to ensure them in this instance.

10.7 **Public Health (Contaminated Land)**

No objection subject to condition.

10.8 **Public Heath (Noise)**

No objection subject to a similar condition being imposed as with the consent for the larger site; namely, submission of a specification for acoustic glazing and acoustic ventilation for properties fronting onto West Bromwich Street to safeguard residents of the proposed dwellings from road traffic noise.

10.9 **West Midlands Police**

No objection.

10.10 **Coal Authority**

No objection. The Coal Authority is satisfied with documentation received from the developer informing it that mine entries affecting the site and associated shallow workings have been stabilised.

11. National Planning Policy

11.1 National Planning Policy Framework promotes sustainable development but states that local circumstances should be taken into account to reflect the character, needs and opportunities for each area.

12. Local Planning Policy

12.1 The following polices of the council's development plan are relevant:

BCCS

CSP4 – Place Making

DEL1 – Infrastructure Provision
HOU1 - Delivering Sustainable Housing Growth
HOU2 – Housing Density, Type and Accessibility
EMP5 - Improving Access to the Labour Market
TRAN2 – Managing Transport Impacts of New Developments
TRAN4 - Creating Coherent Networks for Cycling and for Walking
ENV3 – Design Quality
ENV5 – Flood Risk, Sustainable Drainage Systems / Urban Heat Island
ENV7 – Renewable Energy
ENV8 – Air Quality

SADD –

SAD H2 - Housing Windfalls
SAD EMP 2 - Training and Recruitment
SAD EOS 9 - Urban Design Principles
SAD DC 6 - Contaminants, Ground Instability, Mining Legacy

12.2 In respect of CSP4 the design of the development is influenced by the context of the local area and would enhance the attributes the area offers in terms of its local character.

12.3 Infrastructure provision, in this case EVC bays, would be ensured by condition (DEL1). The proposal is CIL liable.

12.4 Whilst land is identified and allocated in the development plan to meet the borough's sustainable housing growth, under policy HOU1 additional housing capacity will also be sought elsewhere through planning permissions on suitable sites. As such, this proposal would assist with providing much needed housing within the borough.

12.5 The proposal meets the requirements of policy HOU2 in that it proposes a range of types and sizes of accommodation which would be accessible by sustainable transport to residential services. The proposal would also achieve high quality design with minimal amenity impact.

12.6 Training and recruitment opportunities should be provided as part of any new development (EMP5 and SAD EMP 2). The Employment and Skills officer has confirmed that, due to the commitments made by the developer on the larger site, a further condition would not be required.

12.7 Highways raise no objection to the traffic generation attributed to this development (TRAN2).

12.8 Sufficient amenity space is provided to allow for cycle parking provision (TRAN4).

12.9 The proposal raises no significant concerns in respect of design and is therefore compliant with policy ENV3 and SAD EOS 9.

12.10 Drainage can be addressed by the submission of further information and/or a compliance condition (ENV5).

12.11 It is likely that the requirements of policy ENV7 can be met by a ‘fabric first’ approach, which aims to minimise the need for energy consumption through building design and is generally considered to be more sustainable than relying on energy saving technology, or renewable energy generation. A statement is required by condition to this effect.

12.12 In respect of air quality (ENV8), electric vehicle charging points can be ensured by condition.

12.13 The proposed dwellings would be a windfall, subject to SAD H2. The proposal meets the requirement of the policy as it is previously developed land, suitable for residential development, and capable of meeting other plan policies.

12.14 Contamination can be addressed by condition; the Coal Authority has no objection in respect of stability (SAD DC 6).

13. Material Considerations

13.1 National and local planning policy considerations have been referred to above in sections 11 and 12. With regards to the other material considerations, these are highlighted below:

13.2 **Layout and density of buildings / Design, appearance and materials**

The Urban Design officer has confirmed that the layout of the proposal is broadly in line with the council's residential design guidance. The scale of the development would be two storeys, and the proposal continues the style and appearance of the adjacent site.

13.3 **Access, highway safety, parking and servicing**

The development meets with the approval of the highway authority and parking spaces are in accordance with the requirements of council design guidance.

13.4 **Contamination by a previous use**

No significant issues anticipated. The matter can be addressed by condition.

13.5 **Noise**

Matters raised can be addressed by condition.

13.6 **Coal mining legacy (stability)**

No objection from the Coal Authority.

13.7 **Flood risk**

Further information awaited but can be addressed by condition.

14 Alternative Options

14.1 Refusal of the application is an option if there are material planning reasons for doing so. Given that no significant objections are raised to the proposal, it is considered that refusal of the application would not be easily defensible at appeal.

15 Implications

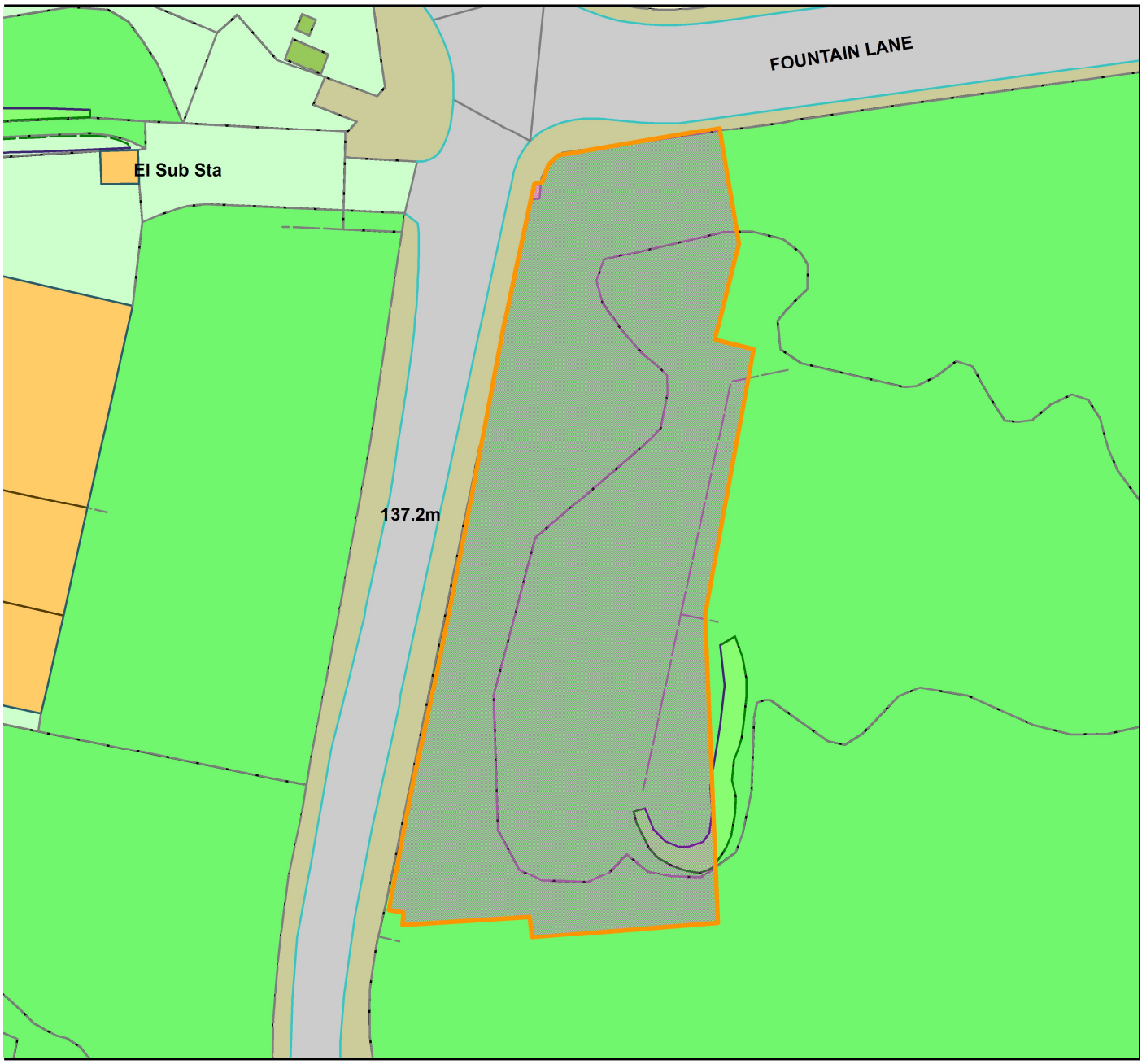
Resources:	When a planning application is refused the applicant has a right of appeal to the Planning Inspectorate, and they can make a claim for costs against the council.
Legal and Governance:	This application is submitted under the Town and Country Planning Act 1990.
Risk:	None.
Equality:	There are no equality issues arising from this proposal and therefore an equality impact assessment has not been carried out.
Health and Wellbeing:	None.
Social Value	Jobs and apprenticeships ensured by previous consent.

16. Appendices

Site Plan
Context Plan
401 Rev 06
410 Rev 02

DC/21/66339

Land At West Bromwich Street, Oldbury



Legend

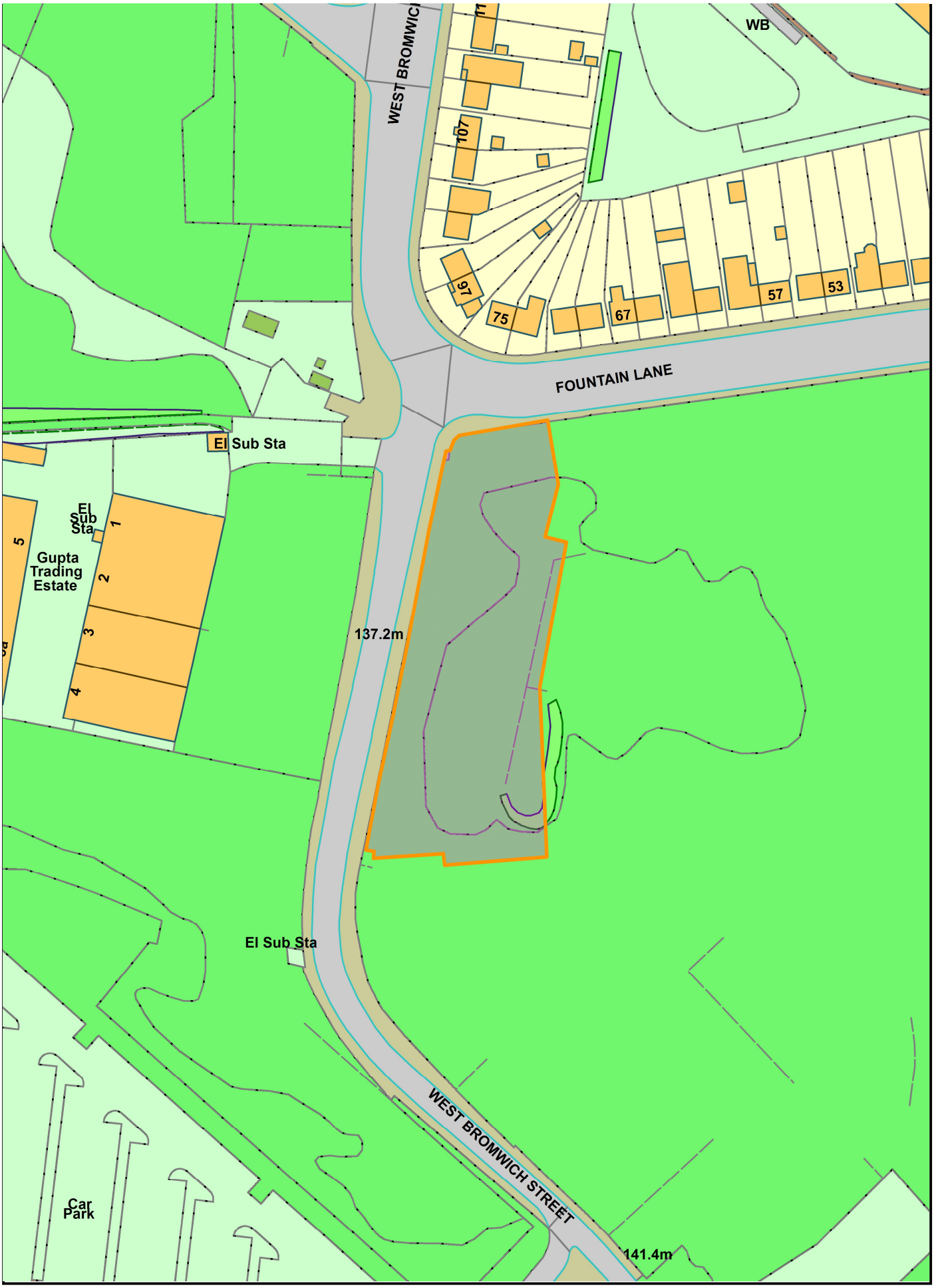
Scale 1:904

m 11 22 33 44 55

© Crown copyright and database rights 2019
Ordnance Survey Licence No 100023119

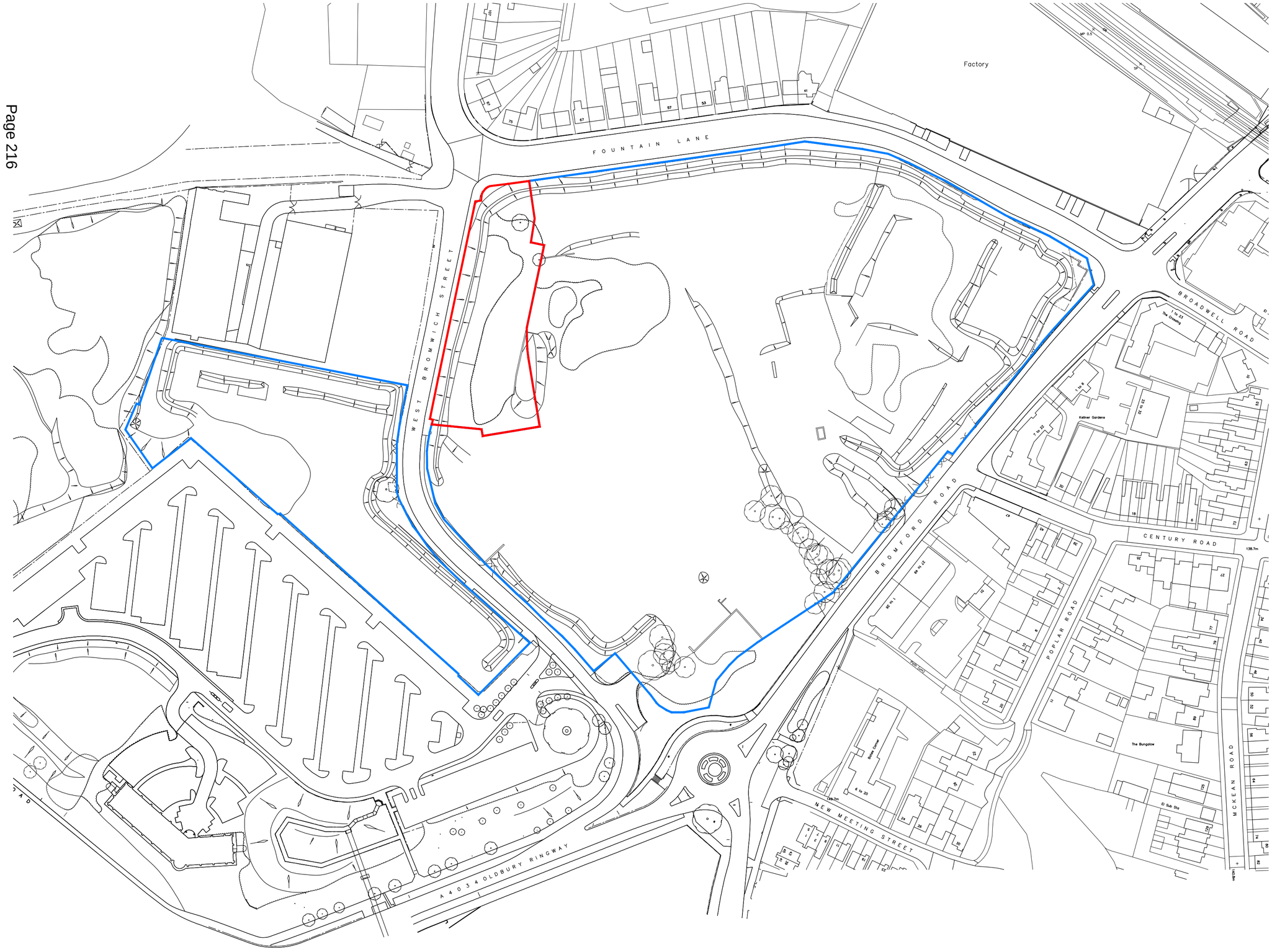
Organisation	Not Set
Department	Not Set
Comments	Not Set
Date	21 April 2022
OS Licence No	

Sc 1:903



Crown copyright and database rights 2012 Ordnance Survey Licence No 100032119

Sandwell Metropolitan Borough Council



The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Scale Bar (Meters)

0 5 10 20 30 40

NORTH

KEY

- Site application area - 0.42ha
- Approved 'Full' application scheme (ref no. DC/20/64152)

REV	DATE	NOTES	CHK
03	27.10.21	Amended in line with Client's comments	SP
02	26.10.21	Amended in line with Client's comments	SP
01	01.07.21	Red line boundary amended following Client comments.	SP

Client

LOVELL

Project

FOUNTAIN LANE, OLDBURY
ADDITIONAL LAND

Drawing Title

LOCATION PLAN

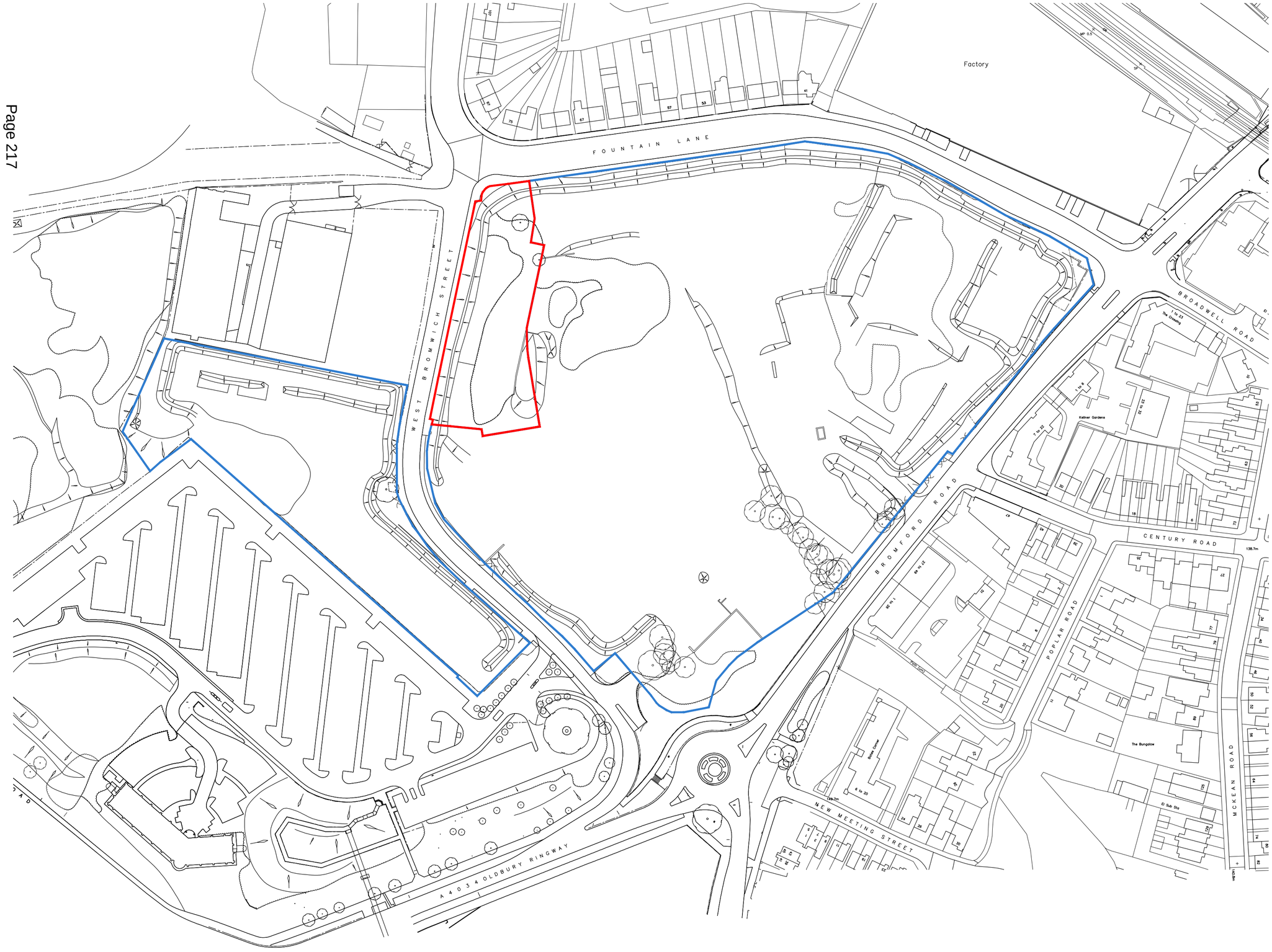
Drawn	Checked	Paper Size	Scale	Date
TS	LL	A2	1:1250	APRIL 2021

Project No.	Drawing No.	Revision
18644	400	03

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com



The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Scale Bar (Meters)

0 5 10 20 30 40

NORTH

KEY

- Site Boundary - Application Site
- Site Boundary - Consented Parcels

REV	DATE	NOTES	CHK
03	27.10.21	Amended in line with Client's comments	SP
02	27.10.21	Amended in line with Client's comments	SP
01	01.07.21	Red line boundary amended following Client comments.	SP

Client

LOVELL

Project

FOUNTAIN LANE, OLDBURY
ADDITIONAL LAND

Drawing Title

COMPOSITE LOCATION PLAN

Drawn	Checked	Paper Size	Scale	Date
SP	LL	A2	1:1250	APRIL 2021

Project No.	Drawing No.	Revision
18644	414	03

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

NORTH

SCHEDULE OF ACCOMMODATION			
	Area	N°	Total Area (ft²)
703 - 2 bed, 2 storey	703	3	2,109
789 - 2 bed, 2 storey	789	2	1,578
871 - 3 bed, 2 storey	871	4	3,484
912 - 3 bed, 2 storey	912	2	1,824
1173 - 4 bed, 2.5 storey	1209	2	2,418
Total:		13	11,413
	Hectares		Acres
Site Area (gross):	0.42		1.04
Site Area (net):	0.29		0.72
Public Open Space:	0.13		0.32
Density (plots/net area):	44.8		18.06

KEY

- Site Boundary - Application Area
- Existing dense planting to be removed
- Indicative mineshaft locations with 20m no build stand off
- 900mm high railings to front defensible spaces
- 1.8m high brick screen walls to enclose private spaces
- Estate railings to public open spaces

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Scale Bar (Meters)

0 5 10 20 30 40

REV	DATE	NOTES	CHK
04	27.10.21	Amended in line with Client's comments	SP
03	27.10.21	Amended in line with Client's comments	SP
02	01.07.21	Slight amendment to the red line boundary and plot 236's parking.	SP
01	22.06.21	Minor amendment to Schedule of Accommodation.	SP

Client

LOVELL

Project

FOUNTAIN LANE, OLDBURY
ADDITIONAL LAND

Drawing Title

PROPOSED SITE PLAN

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A1	1:500	APRIL 2021

Project No.	Drawing No.	Revision
18644	401	04

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

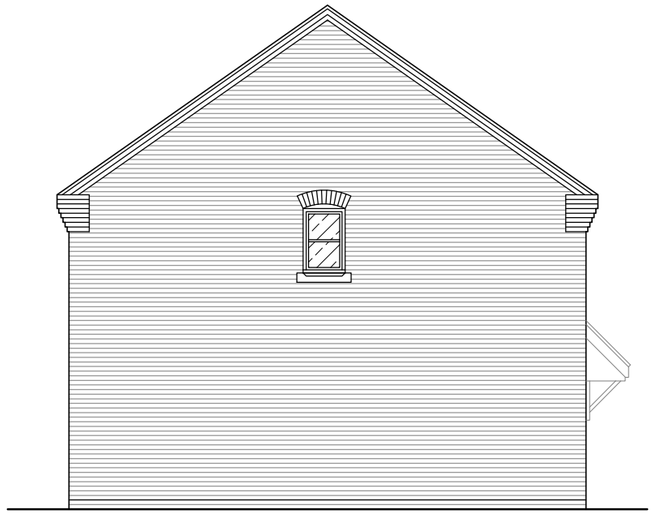
Plot Numbers:

Semi-detached - 235 & 237

Scale Bar (Meters)

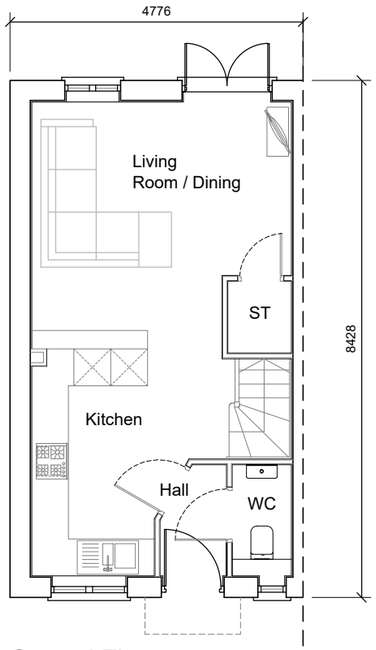
0 1 2 3 4 5

Front Elevation

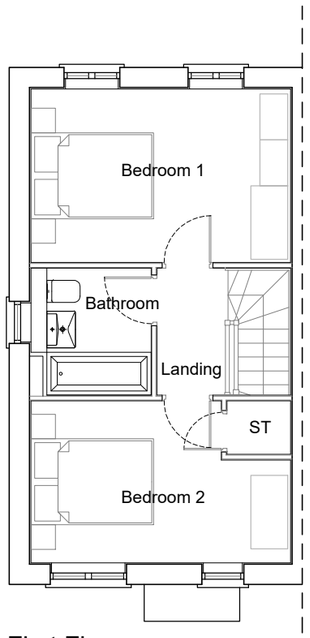


Side Elevation

Rear Elevation



Ground Floor



First Floor

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 703
OPEN PLAN ARRANGEMENT

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

Project No.	Drawing No.	Revision
18644	403	00

CORSTORPHINE +WRIGHT ARCHITECTS
Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin
The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

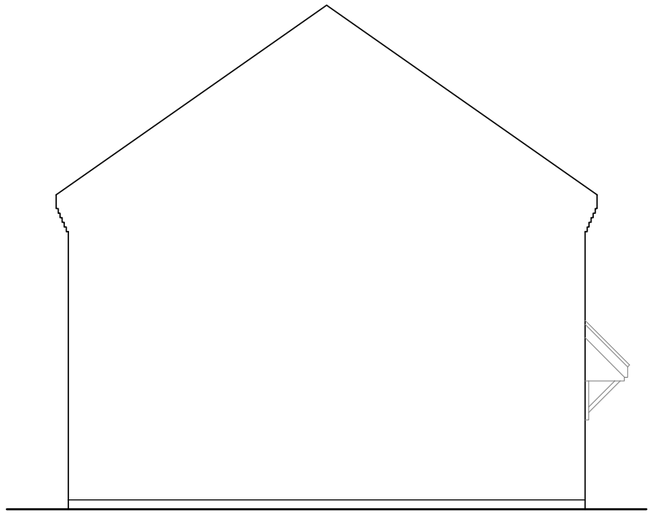
Plot Numbers:

Mid terrace - 236

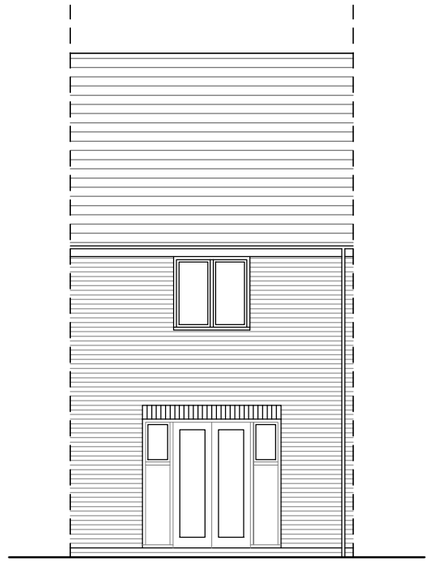
Scale Bar (Meters)

0 1 2 3 4 5

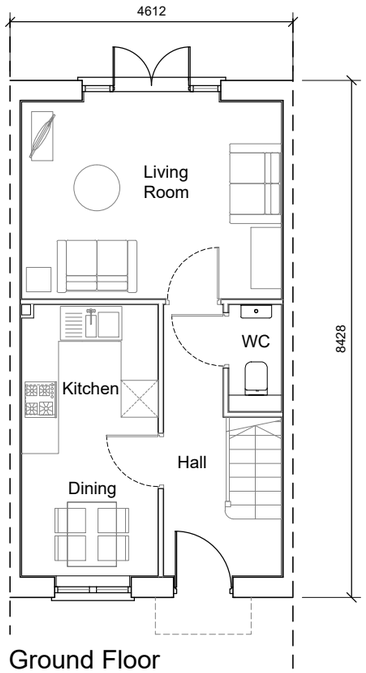
Front Elevation



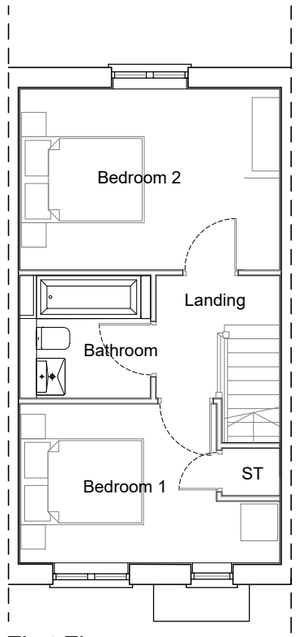
Side Elevation



Rear Elevation



Ground Floor



First Floor

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 703

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

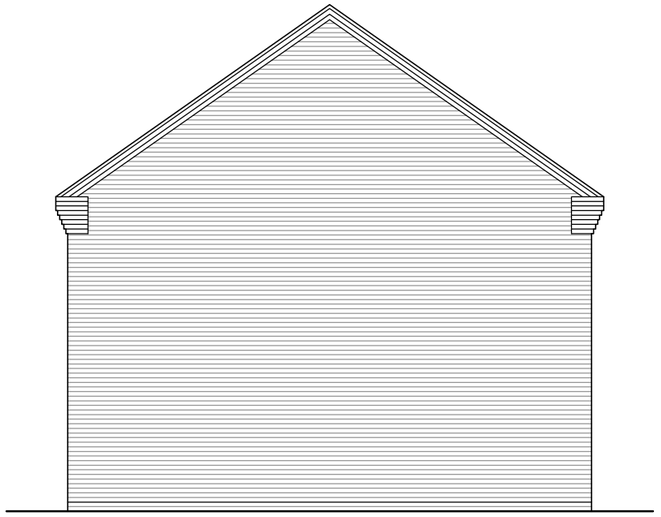
Project No.	Drawing No.	Revision
18644	402	00

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

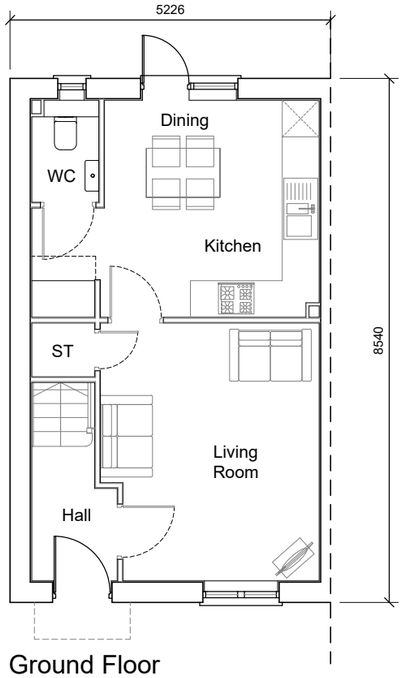
The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

Front Elevation

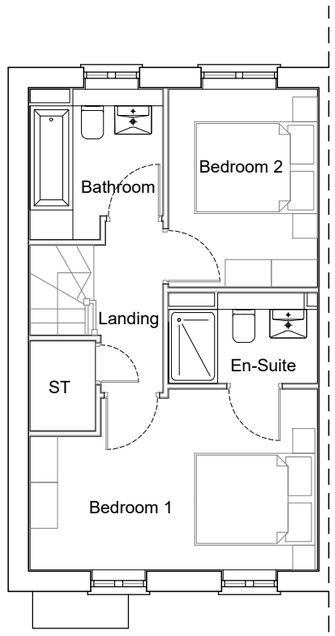


Side Elevation

Rear Elevation



Ground Floor



First Floor

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Plot Numbers:

Semi-detached - 241 & 242

Scale Bar (Meters)

0 1 2 3 4 5

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 789

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

Project No.	Drawing No.	Revision
18644	404	00

CORSTORPHINE +WRIGHT ARCHITECTS

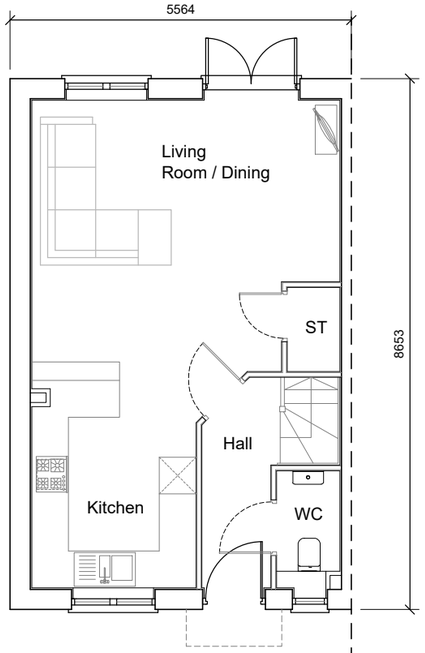
Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

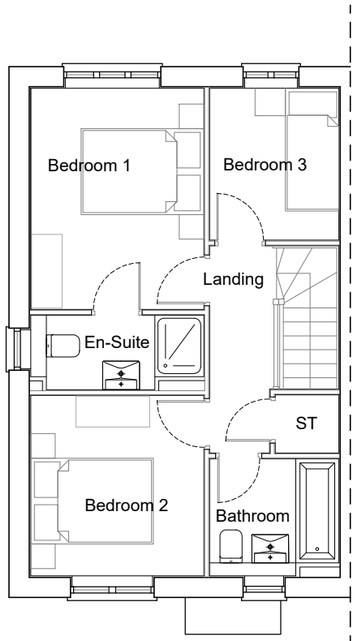
Front Elevation

Side Elevation

Rear Elevation



Ground Floor



First Floor

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Plot Numbers:

Semi-detached - 244 & 245

Scale Bar (Meters)

0 1 2 3 4 5

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 871
OPEN PLAN ARRANGEMENT

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

Project No.	Drawing No.	Revision
18644	406	00

CORSTORPHINE +WRIGHT ARCHITECTS
Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin
The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

NOTES:

Plot Numbers:

Semi-detached - 240 & 243

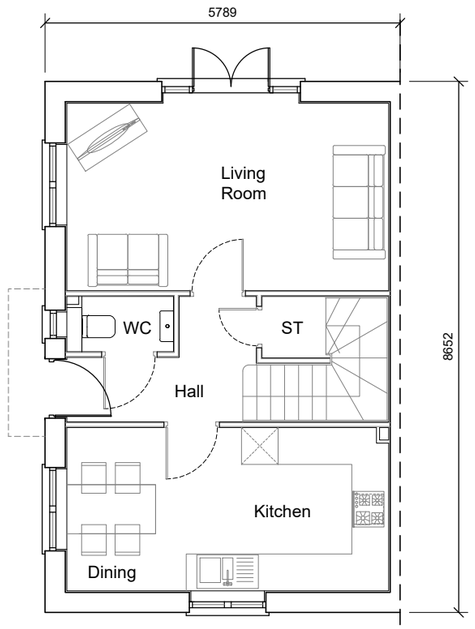
Scale Bar (Meters)

0 1 2 3 4 5

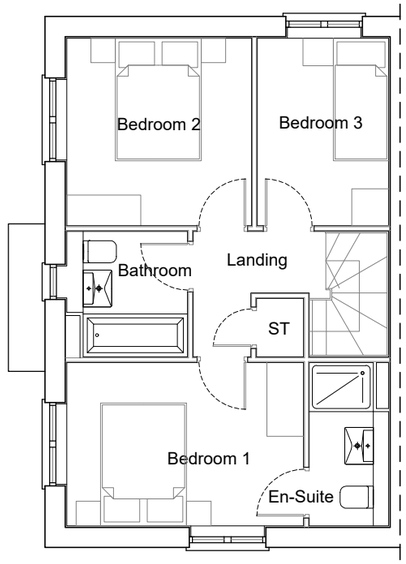
Front Elevation

Front / Side Elevation

Rear / Side Elevation



Ground Floor



First Floor

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 912

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

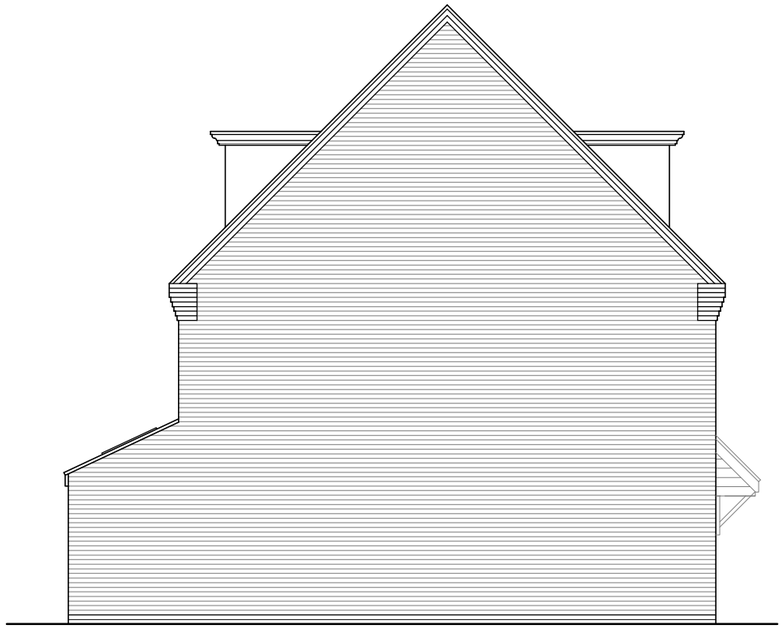
Project No.	Drawing No.	Revision
18644	407	00

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

Front Elevation



Side Elevation

Rear Elevation

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

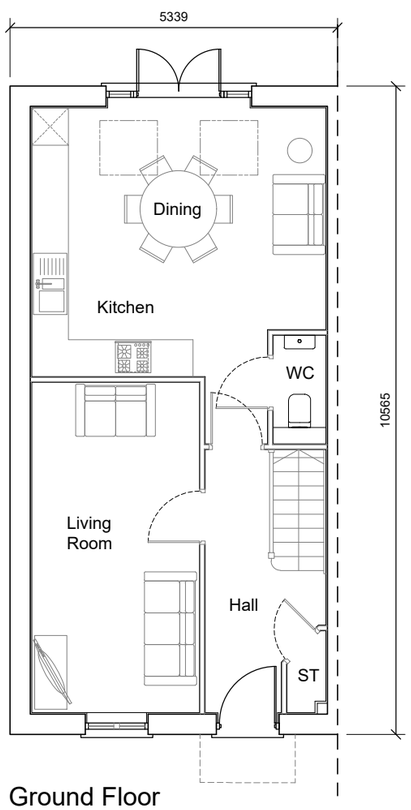
NOTES:

Plot Numbers:

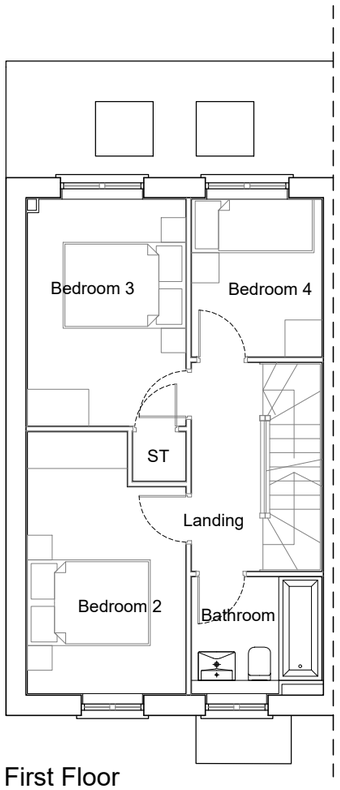
Semi-detached - 246 & 247

Scale Bar (Meters)

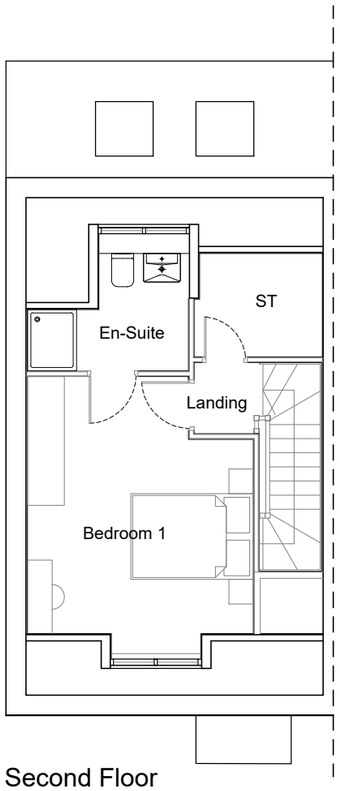
0 1 2 3 4 5



Ground Floor



First Floor



Second Floor

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

HOUSE TYPE 1173

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A3	1:100	APRIL 2021

Project No.	Drawing No.	Revision
18644	408	00

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

The copyright of this drawing is vested with Corstorphine + Wright Ltd and must not be copied or reproduced without the consent of the company.

Figured dimensions only to be taken from this drawing. DO NOT SCALE. All contractors must visit the site and be responsible for checking all setting out dimensions and notifying the architect of any discrepancies prior to any manufacture or construction work.

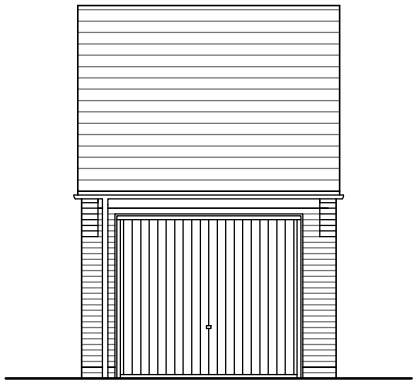
NOTES:

Plot Numbers:

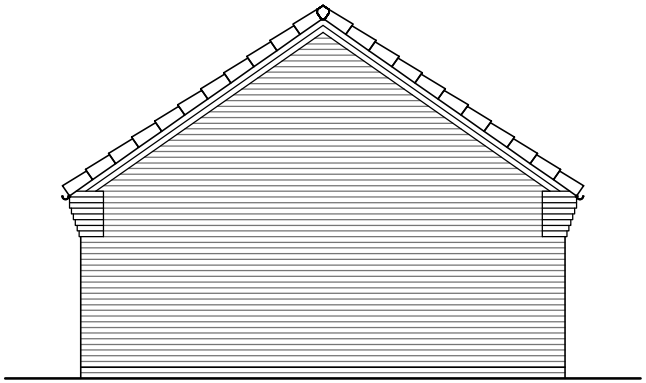
246 & 247

Scale Bar (Meters)

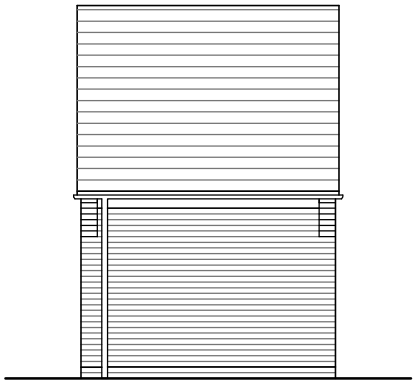
0 1 2 3 4 5



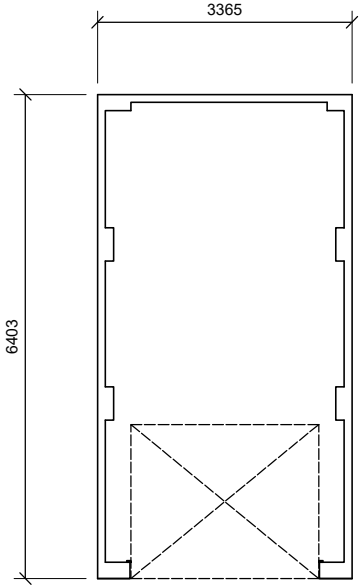
Front Elevation



Side Elevation



Rear Elevation



Floor Plan

For plot specific materials please refer to the Materials Plan (dwg no. 18644 / 411)

REV	DATE	NOTES	CHK

Client

LOVELL

Project

FOUNTAIN LANE
OLDBURY

Drawing Title

SINGLE GARAGE
FLOOR PLANS AND ELEVATIONS

Drawn	Checked	Paper Size	Scale	Date
TS	LL	A4	1:100	APRIL 2021

Project No.	Drawing No.	Revision
18644	409	00

CORSTORPHINE +WRIGHT ARCHITECTS

Warwick
London
Birmingham
Manchester
Leeds
Canterbury
Glasgow
Dublin

The Old Library Hagley Road Stourbridge DY8 1QH
Tel. 01384 909850 www.corstorphine-wright.com

LEGEND: SOFT LANDSCAPING

GROUND COVER: deciduous shrub ground cover planting with specimen shrubs.

GROUND COVER: evergreen shrub ground cover planting with specimen shrubs.

GROUND COVER: herbaceous ground cover planting with specimen shrubs.

GROUND COVER: ornamental grass ground cover planting as detailed.

GROUND COVER: coniferous ground cover planting as detailed.

HEDGE: evergreen shrub hedge as detailed.

NATIVE HEDGE: shrub hedge as detailed, reinforced with timber post & wire fence where indicated.

SPECIMEN SHRUBS: specimen shrub planting as detailed.

SPECIMEN CLIMBERS: specimen climbing plants as detailed.

GRASS (PLOT FRONTAGES): cultivated turf to road frontages, existing areas to be made good with seed.

GRASS (POS AREAS): cultivated turf to road frontages, existing areas to be made good with seed.

WILDFLOWER MEADOW AREAS: to be seeded with Germinal Seeds Amenity mix as agreed; refer to notes.

BULB PLANTING: scattered in proposed grassed areas, under trees and adjacent to and/or in shrubbed areas.

WOODLAND PLANTING: native screen planting mix as detailed.

TREE PLANTING: deciduous tree planting with NHBC radii. Tree Canopy spread illustrated at 25 years growth. Root barriers to be used where within 1.5m of highway.

TREE PLANTING: evergreen tree planting with NHBC radii. Tree Canopy spread illustrated at 25 years growth. Root barriers to be used where within 1.5m of highway.

PROPOSED PERIMETER RAILINGS: Refer to Architects information.

EXISTING OFF SITE TREES

EXISTING TREES:
Existing retained/ removed trees not shown on the landscape proposal drawings. It is assumed all existing self set trees and vegetation within the development area are to be removed to facilitate development (subject to an arboricultural survey). It is also assumed larger, more mature perimeter trees may be retained.

NHBC Guidelines 2020 Chapter 4.2 'Building near trees':

NHBC tree radii illustrated based on Medium soils assuming foundation depth of 0.9m. Buildings within the NHBC tree radius should be designed so that their foundations are to a suitable depth in accordance with the NHBC guidelines.

Asterisk (*) on planting tags identify shrubs with a mature height above 1.5m where adjacent foundation should be designed by Engineers in accordance with NHBC guidelines 2020 Tables 3 or 5 of sections D & E.

5 4 3 2 1 0 5 10 15m

PLANNING NOTES (SOFT LANDSCAPE):

1. SOILS: Subgrade / subsoil to be prepared in accordance with BS 8601:2013 and BS 4428:1989 and scarified or ripped to 300mm depth prior to spreading topsoil to alleviate compaction and promote drainage. Imported and as saved topsoil to be in accordance with BS 3882: 2015 'Multipurpose Grade' with minimum soil organic matter contents 1% greater than the minima value (or as approved). Imported topsoil (and 'as saved' if requested) is to be laboratory tested to BS 3882:2015 and ameliorated as required to meet the required characteristics as detailed within Table 1 of BS 3882:2015 specification. Grass areas to be a minimum depth of 150mm, Shrub beds 450mm depth and forestry / transplants 300mm depth. Any weed / grass growth to be sprayed out with appropriate herbicide at least 10 days prior to cultivation. Incorporate proprietary non peat compost to BSI PAS 100 to 50mm depth evenly worked into soil.

N.B Proposed services (electric, water, gas etc) in landscape areas should be installed as a minimum below the required topsoil depths and clearly identified in accordance with service / utility requirements.

2. BUILDING FOUNDATION DESIGN: All landscape proposals are to be referred to by the structural engineer during foundation design.

3. PROPOSED PLANTING: Should planting be required outside of the planting season (October - March) any bare root or rootballed stock specified is to be replaced with containerised stock to an appropriate or similar specification to the approval of the landscape architect prior to ordering.

4. EXISTING TREES: Where trees are to be retained they should be subject to a full arboricultural inspection to assess condition and safety. Retained trees shall be protected from damage by erection of 2.3m weldmesh fencing on a scaffold framework in accordance BS 5837:2012 Figure 2. These barriers shall be maintained in position and in good condition until works are complete. Fencing to be located in accordance with Table D.1 at a radius of 12 times the stem diameter (single stem trees) or based on the combined stem diameter for multistem trees (trees with more than one stem arising below 1.5m above ground level) refer to Clause 4.6. Further precautions are to be taken as detailed within BS 5837:2012 6.2.4.

5. TREE SURGERY / REMOVAL: Tree surgery and tree removal to be carried out by an Arboricultural Association approved Tree surgeon in accordance with BS 3998:2010. Arisings to be removed to a licensed tip.

6. TREE PLANTING: All trees to be in accordance with BS 3936 and The National Plant Specification – 'Rootballed Trees' recommendations. Trees to be planted in accordance with BS 4428:1989 and double staked (10-12cm - 14-16cm girth trees) or triple staked (16-18cm - 18-20cm girth trees) and tied in prepared pits. Tree pits in open field / un-compacted ground conditions to be 1000mm x 1000mm (at least 75mm greater than that of the root system) with pit depth to be based on the planting depth of the tree (distance from root flare to underside of rootball) in accordance with BS 8545:2012. Topsoils and subsoils to be excavated and stored separately for reuse. Tree pit to be backfilled with stored subsoil and topsoil at depths to replicate the existing soil horizons. Topsoil to be mixed enriched with 40L of peat free tree planting compost. Root balls to be encircled by Root Rain Metro or similar irrigation pipe. Well water after planting. The base of trees to planted in grass areas are to be covered with 75mm amenity grade bark mulch such as Melcourt 'Amenity' Bark Mulch (or similar approved by the landscape architect) to 1.0 metre diameter and kept weed free.

In confined urban areas i.e car parks & housing estates where trees are to be planted in heavily compacted ground, Small tree pits (Mature canopy 3m) should have a minimum of 4.24m3 soil rooting volume, Medium tree pits (Mature Canopy 5m) should have a minimum of 11.8m3 soil rooting volume, Large tree pits (Mature canopy 8m) should have a minimum of 24m3 soil rooting volume (OR to latest GreenBlue Urban Soil Volume Guide). Tree pits are to be excavated to achieve the above uncompacted growing volume with pits without cells being approximately 2.5m x 2.5m backfilled with excavated subsoil and topsoil (as described above) mixed with 160L of peat free tree planting compost. Where groups of trees or avenues are planted the pits are to be combined to achieve the required growing volume. Tree pits in poorly draining soils are to be positively drained, connecting into the surface water drainage system to engineers details.

Suitable foundations are to be provided to accommodate proposed tree planting and retained trees in accordance with the NHBC Standards. The NHBC radii are illustrated as a guide only; based on an assumed medium soil volume change potential and minimum foundation depths; this information should not be relied upon for construction purposes. In locations close to footpaths and roadways linear root barriers GreenBlue Urban, ReRoot or similar are to be installed in accordance with manufacturers instructions. Where proposed tree locations conflict with services, trees are to be relocated in accordance with the appropriate utilities guidance notes subject to client / local authority approval. Proprietary root barrier GreenBlue Urban, ReRoot or similar to be installed in accordance with manufacturers instructions where relocation is not considered appropriate.

7. SHRUB & HERBACEOUS PLANTING: plants to be in accordance with BS 3936 and handled in accordance with CPSE guidelines and planted in accordance with BS 4428:1989. Nursery stock supplier to be approved by the Landscape Architect. All shrubs to have a minimum of three breaks, except Hedera with a minimum of two. Well water plants immediately after planting and prior to spreading of mulch. Planting areas to be covered with 75mm depth amenity grade bark mulch such as Melcourt 'Amenity' Bark Mulch (or similar approved by the landscape architect) and kept weed free.

8. CLIMBING PLANTS: plants to be in accordance with BS 3936 and handled in accordance with CPSE guidelines and planted in accordance with BS 4428:1989. For non self supporting plants heavy duty fan timber trellis 1.8m x 900mm is to be installed. All plants to have a minimum of three breaks. Well water plants immediately after planting and prior to spreading of mulch.

9. HEDGE PLANTING: plants to be in accordance with BS 3936 and handled in accordance with CPSE guidelines and planted in accordance with BS 4428:1989. Hedge plants to be pit planted in double staggered rows 300mm apart at 450mm centres (or as scheduled). Well water plants immediately after planting and prior to spreading of mulch. Planted areas to be covered with 75mm depth bark mulch and kept weed free. Where necessary plants to be protected from rabbits with rabbit fence and / or individual rabbit mesh guards securely staked. Unless otherwise indicated on the drawing it is assumed that all hedges are to be maintained at a maximum height of 1.5m for the purposes of the NHBC guidelines.

10. TURFING: Grass turf areas to be Tillers 'Arena' or similar approved cultivated turf, laid in accordance with BS 4428:1989. Topsoil to be rototvated and levelled as required and any debris or stones greater than 50mm diameter removed. Pre-turfing fertiliser to be applied in accordance with manufacturers instructions. Turf to be laid from planks with broken joints well butted up, pegged to slopes where required. Well water after laying to avoid shrinkage.

11. SEEDING: grass areas to be seeded in accordance with BS 4428:1989 during March, April or September. Topsoil to be rotovated and levelled as required and any debris or stones greater than 20mm diameter removed. Pre-seed fertiliser to be applied in accordance with manufacturers instructions. Lightly rake areas after sowing. Seed to be Germinal Seeds mix A19 'All Purpose Landscaping' sown at 35g/m2, including:

14. WILDFLOWER SEEDING: grass areas to be seeded in accordance with BS 4428:1989 during March, April or September. Unimproved topsoil to be imported, rotovated and levelled as required and any debris or stones greater than 20mm diameter removed. Lightly rake areas after sowing. Seed to be Germinal Seeds mix WFG4 'Neutral Soils' sown at 5.0 g/m².

15. BULB PLANTING: each bulb to be planted at a depth of approximately twice its height; base in contact with bottom of hole. Backfilled with finely broken soil, lightly firmed to existing ground level. In existing grassed areas scatter bulbs where they fall; existing turf to be plugged and replaced. Bulbs should be firm and entire, not dried out; and free from pests, diseases and fungus.

16. GRAVEL: Gravel areas to be ornamental gravel, from local source 10-20mm, laid on geotextile membrane to a depth of 50-75mm.

17. MAINTENANCE: To be carried out at approximately monthly intervals to include the following:
   a. Eradicate weeds by hand or appropriate chemical means.
   b. Cut out dead or / and damaged stock or branches, prune as required.
   c. Ensure all shrubs and trees are firmed in, securely staked and tied.
   d. Collect litter, sweep and tidy site.
   e. Apply suitable non-residual pesticides, fungicides, fertilisers and water as required.
   f. Carry out grass mowing to turf when attained 100mm, cut to 35mm (50mm for shaded areas).
   g. All hedges to plot frontages be maintained at a max height of 1.0m. Hedges and shrub planting within visibility splays to be maintained in accordance with current highways design guidelines.

18. PRUNING: to be carried out in accordance with BS 7370 Part 4, ensuring site operatives are fully trained. Recommendations are based on general pruning required to maintain plant health and vigor. Broad pruning principles are classified as follows within the plant schedule, refer to RHS Pruning Groups and species information for further details:

PG 1 Light Pruning
PG 2 Early-Flowering Shrubs
PG 3 Basal Shooting Shrubs
PG 4 Summer Flowering Shrubs
PG 5 Winter / Early Spring Flowering Shrubs
PG 6 Summer / Autumn Flowering Shrubs
PG 7 Pruning for Stems and Foliage
PG 8 Early Flowering Evergreen Shrubs
PG 9 Late Flowering Evergreen Shrubs
PG 10Evergreen Shrubs
PG 11Vigorous Climbers
PG 12Moderately Vigorous Climbers
PG 13Wall Trained Shrubs

PG C1 Clematis Pruning Group
PG C2 Clematis Pruning Group
PG N Pruning Generally Not Required
PG F Fruit Tree Pruning (specific to species)
PG BC Bamboo Cultivation
PG HB Herbaceous (specific to species)
PG GR Grasses (specific to species)
(Roses) Specific Requirements for Roses

19. WATERING: all plant material to be watered in dry periods until established during April through to September with a fine rose until the water penetrates the topsoil to at least 5cm depth and achieves field capacity. Frequency of watering regime to de determined by weather conditions, soil conditions and underlying geology, all plant beds to be watered to ensure soil is consistently moist to promote successful establishment. As a guide only it is suggested that during hot, dry periods, plants are to be watered every six to ten days. For individual trees it is suggested that 18 watering visits per year are carried out commencing late March (prior to budburst) and utilising a minimum of 50 litres of water per tree. Soil probe to be used to determine soil saturation to full depth of root ball.

PLANT SCHEDULE: Bromford Road (Phase 2)

Trees

No.	Species Name	Specification	Girth	Height	Density
1 -	Betula utilis jacquemontii	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted
1 -	Prunus avium	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted
1 -	Quercus robur	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted
1 -	Sorbus aria	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted
1 -	Sorbus aucuparia	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted
3 -	Tilia cordata	3x :Extra Heavy Standard :Clear Stem 175-200 :5 brks :RB :PG 1	14-16cm	400-450cm	Counted

Hedging

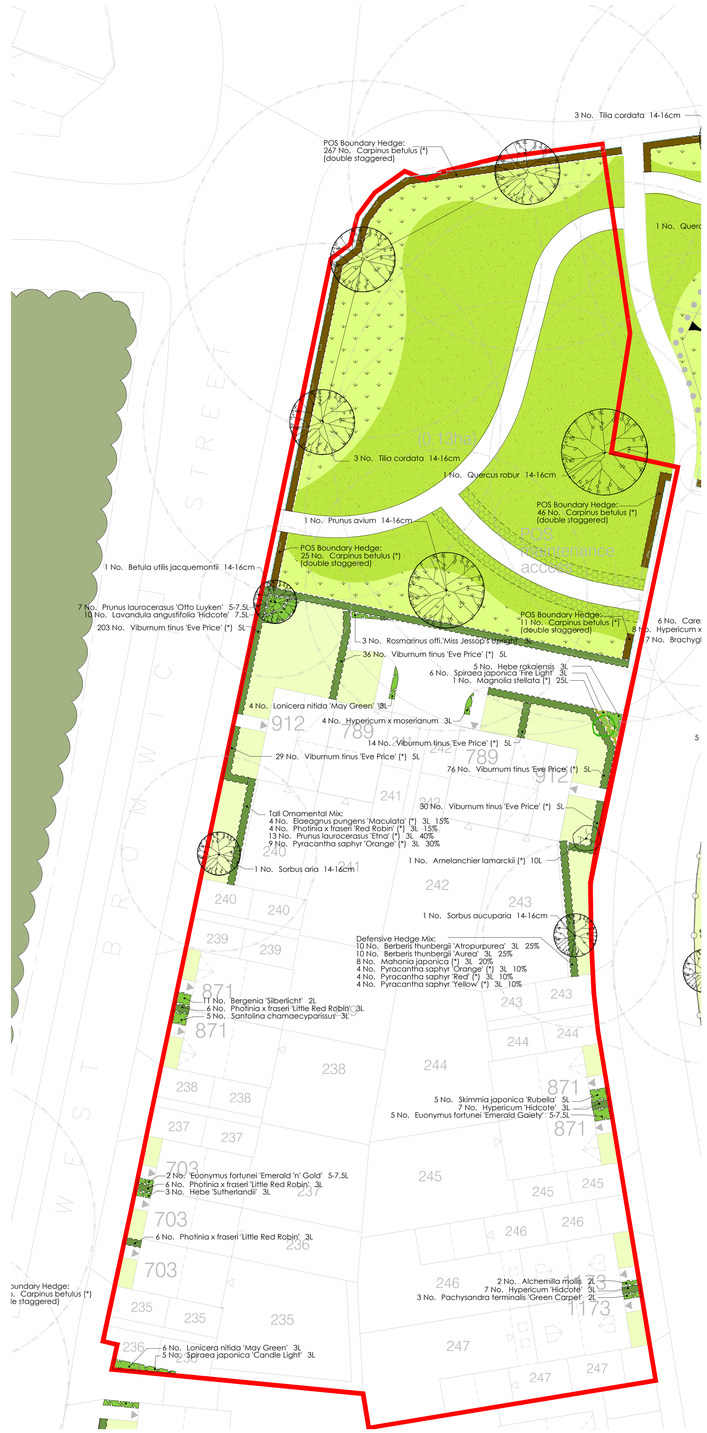
No.	Species Name	Specification	Girth	Diameter	Height	Pot Size	Density
10 -	Berberis thunbergii 'Atropurpurea'	Bushy :5 brks :C			30-40cm	3L	0.3Ctr
10 -	Berberis thunbergii 'Aurea'	Bushy :3 brks :C			30-40cm	3L	0.3Ctr
349 -	Carpinus betulus (*)	I+1 :Transplant :BR :PG 1			80-100cm		0.4Ctr Double Staggered at 0.35m offset
4 -	Elaeagnus pungens 'Maculata' (*)	Branched :3 brks :C			30-40cm	3L	0.3Ctr
14 -	Hypericum 'Hidcote'	Bushy :5 brks :C :PG 8			30-40cm	3L	0.45Ctr Double Staggered at 0.35m offset
8 -	Mahonia japonica (*)	Branched :3 brks :C			30-40cm	3L	0.3Ctr
18 -	Photinia x fraseri 'Little Red Robin'	Bushy :6 brks :C :PG 1			30-40cm	3L	0.45Ctr Double Staggered at 0.35m offset
4 -	Photinia x fraseri 'Red Robin' (*)	Branched :6 brks :C		15-20cm	30-40cm	3L	0.3Ctr
13 -	Prunus laurocerasus 'Etna' (*)	Bushy :4 brks :C			40-60cm	3L	0.3Ctr
4 -	Pyracantha saphyr 'Orange' (*)	Branched: 4 brks: C			60-80cm	3L	0.3Ctr
9 -	Pyracantha saphyr 'Orange' (*)	Leader With Laterals :4 brks :C			40-60cm	3L	0.3Ctr
4 -	Pyracantha saphyr 'Red' (*)	Branched: 4 brks: C			60-80cm	3L	0.3Ctr
4 -	Pyracantha saphyr 'Yellow' (*)	Branched: 4 brks: C			60-80cm	3L	0.3Ctr
374 -	Viburnum tinus 'Eve Price' (*)	Bushy :5 brks :C :PG 1			30-40cm	5L	0.45Ctr Double Staggered at 0.3m offset

Shrubs

No.	Species Name	Specification	Diameter	Height	Pot Size	Density
1 -	Amelanchier lamarckii (*)	Branched :6 brks :C :PG 1		80-100cm	10L	Counted
2 -	Euonymus fortunei 'Emerald 'n' Gold'	Bushy :9 brks :C :PG 8	30-40cm	25-30cm	5-7.5L	3/m²
5 -	Euonymus fortunei 'Emerald Gaiety'	Bushy :9 brks :C :PG 8	30-40cm	25-30cm	5-7.5L	3/m²
3 -	Hebe 'Sutherlandii'	Bushy :5 brks :C :PG 9	20-30cm		3L	4/m²
5 -	Hebe rakaiensis	Bushy :5 brks :C :PG 9	20-30cm		3L	3/m²
4 -	Hypericum x moserianum	Bushy :7 brks :C :PG 8		30-40cm	3L	4/m²
10 -	Lavandula angustifolia 'Hidcote'	Bushy :9 brks :C :PG 10		30-40cm	7.5L	3/m²
10 -	Lonicera nitida 'May Green'	Bushy :6 brks :C :PG 2	30-40cm		3L	3/m²
1 -	Magnolia stellata (*)	Branched :5 brks :C :PG 1		80-100cm	25L	Counted
3 -	Pachysandra terminalis 'Green Carpet'	Several shoots :7 brks :C :PG 8	15-20cm		2L	4/m²
7 -	Prunus laurocerasus 'Otto Luyken'	Bushy :5 brks :C :PG 8		40-60cm	5-7.5L	3/m²
3 -	Rosmarinus offi. 'Miss Jessop's Upright'	Bushy :4 brks :C :PG 9		30-40cm	3L	3/m²
5 -	Santolina chamaecyparissus	Bushy :7 brks :C :PG 10		20-30cm	3L	3/m²
5 -	Skimmia japonica 'Rubella'	Bushy :4 brks :C :PG 8		30-40cm	5L	3/m²
5 -	Spiraea japonica 'Candle Light'	Bushy :6 brks :C :PG 6		30-40cm	3L	3/m²
6 -	Spiraea japonica 'Fire Light'	Bushy :6 brks :C :PG 6		30-40cm	3L	3/m²

Herbaceous

No.	Species Name	Specification	Diameter	Height	Pot Size	Density
2 -	Alchemilla mollis	Full Pot :C :PG HB			2L	3/m²
11 -	Bergenia 'Silberlicht'	Full Pot :C :PG HB			2L	7/m²



This drawing and the design it depicts are copyright and may not be copied or reproduced without written permission from Bea Landscape Design Ltd. No liability will be accepted for amendments made by others. This drawing is to be read in conjunction with the landscape specification and other relevant drawings.

Contains Ordnance Survey Data © Crown Copyright and Database Right 2020. © Crown Copyright. All rights reserved 100018739.

Do not scale from this drawing. Figured dimensions only to be used. Refer any query to office of origination.

rev	date:	amendments:	alt:
-	-	-	-

cdm 2015: designers residual risk information

In addition to the risks & hazards normally associated with the type of work detailed on this drawing the following residual risks should be noted:

Construction:

Standard Soft Landscape Works Only. No Additional Identifiable Risks.

Maintenance:

Standard Soft Landscape Works Only. No Additional Identifiable Risks.

It is assumed that works will be carried out by competent contractor working, where appropriate to an approved method statement.

bea landscape design ltd

client:
LOVELL

project:
BROMFORD ROAD (PHASE 2), OLDBURY

title:
DETAILED SOFT LANDSCAPE PROPOSALS

status:
PLANNING

date:	drawn:	number:
MAY '21	DR	20-018-04
scale@A0:	checked:	revision:
1:200	TGW	-

Bea Landscape Design Ltd
132A 'The Westlands', Compton Road,
Wolverhampton, WV3 9Q8
T: 01902 424 950 / 01902 425 001
E: info@bealandscape.co.uk
W: www.bealandscape.co.uk

Landscape Institute Registered Practice

Sandwell
Metropolitan Borough Council

Report to Council

7th June 2022

Subject:	Proposed departure from the Development Plan at Ervin Amasteel, George Henry Road, Tipton
Director:	Tony McGovern Director of Regeneration & Growth - Neighbourhoods
Contact Officer:	Anjan Dey Planning Officer Anjan_dey@sandwell.gov.uk

1 Recommendations

1.1 That approval be given to an exception to the Development Plan in respect of planning application DC/21/65853 planning application for part demolition of existing buildings and proposed change of use from foundry to scrap metal recycling centre, comprising of new building and installation of sheer, pre-shredder, shredder and downstreamer and boundary treatment – Ervin Amasteel, George Henry Road, Tipton.

2 Reasons for Recommendations

4.1 The land is allocated for employment uses (Class E, B2 and B8; the proposed is a waste use (sui generis), and as such is contrary to adopted council policy.

The application site is a vacant foundry site that is 33,907 square metres in area and is located on the eastern side of George Henry Road, Tipton. The site is in an established area of industrial and commercial units with wider area to the east of the site characterised by residential properties. The proposal would bring a large vacant site back into use.

3 How does this deliver objectives of the Corporate Plan?

	A strong and inclusive economy

4 Context and Key Issues

4.1 Planning Committee granted conditional approval on the meeting held 11th May 2022, which considered planning application DC/21/65853 planning application for part demolition of existing buildings and proposed change of use from foundry to scrap metal recycling centre, comprising of new building and installation of sheer, pre-shredder, shredder and downstreamer and boundary treatment.

4.2 The application was publicised by neighbour notification letters, site notice and press notice with objections which are contained within the original planning committee report attached.

4.3 Planning Committee Members approved the application on the 11th May 2022, and now Council will need to approve the departure from the Development Plan before planning permission can be granted.

4.4 The site is currently allocated for employment use under the Site Allocations and Delivery Plan Policies Map and has been in private ownership for a number of years. The site has remained undeveloped and is surrounded by industrial uses. It is necessary for the Council to consider whether or not to grant an exception to adopted policy to allow the application to proceed.

4.5 The purpose of this report is to discuss the 'departure' from the Development Plan only. It is not the role of Council to reconsider the wider planning merits of the application which have already been considered by Planning Committee.

4.6 The application has been publicised by neighbour notification letters, and site and press notice, with response. The Council's Highways, Planning Policy, and Environmental Health teams have also been consulted on the proposal. No overall objections have been received from consultees which cannot be overcome by condition.

5 Alternative Options

5.1 Refusing the departure is an option, in doing so clear planning justification would have to be provided as any refusal of planning permission could result in an appeal and costs being awarded against the Council.

6. Implications

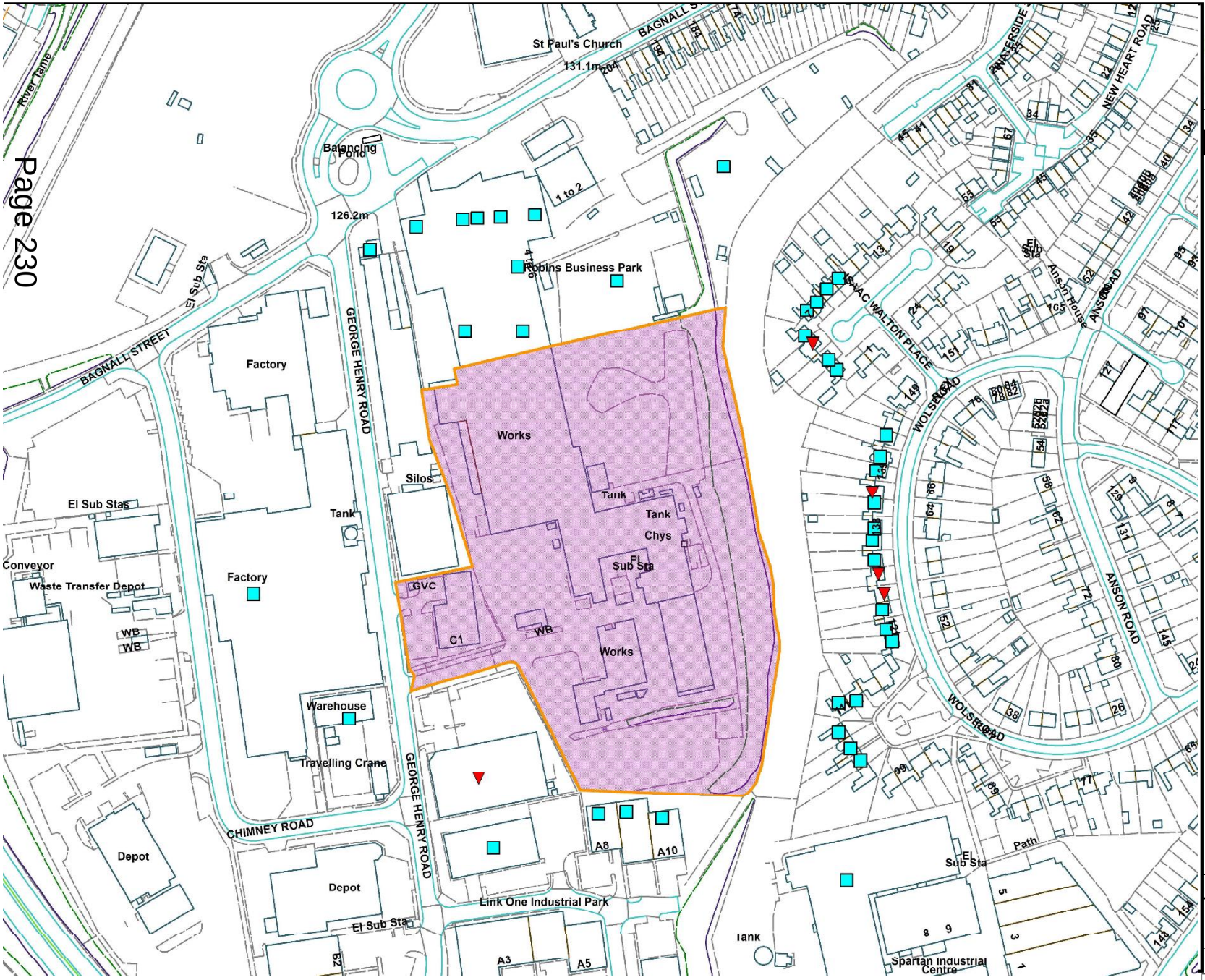
Resources:	The granting of exceptions to the Development Plan would not have any implications for the resources of the Council.
Legal and Governance:	The Planning Committee has delegated powers to determine planning applications within current Council policy. The decision to grant permission for this proposal would be contrary the Development Plan. Consequently, the Committee has referred the application to the Council to consider whether or not an exception to the development plan should be granted.
Risk:	None Relevant.
Equality:	None Relevant.
Health and Wellbeing:	None Relevant.
Social Value	The proposal would create jobs and apprentices during the construction phase.

7. Appendices

None

8. Background Papers

8.1 Planning application reference DC/21/65853.



Site Notice Location* Expiry: 16/08/21
Ervin Amasteel, George Henry Rd, Tipton

© Crown copyright and database rights 2019 Ordnance Survey Licence No 100023119

Sandwell Metropolitan Borough Council

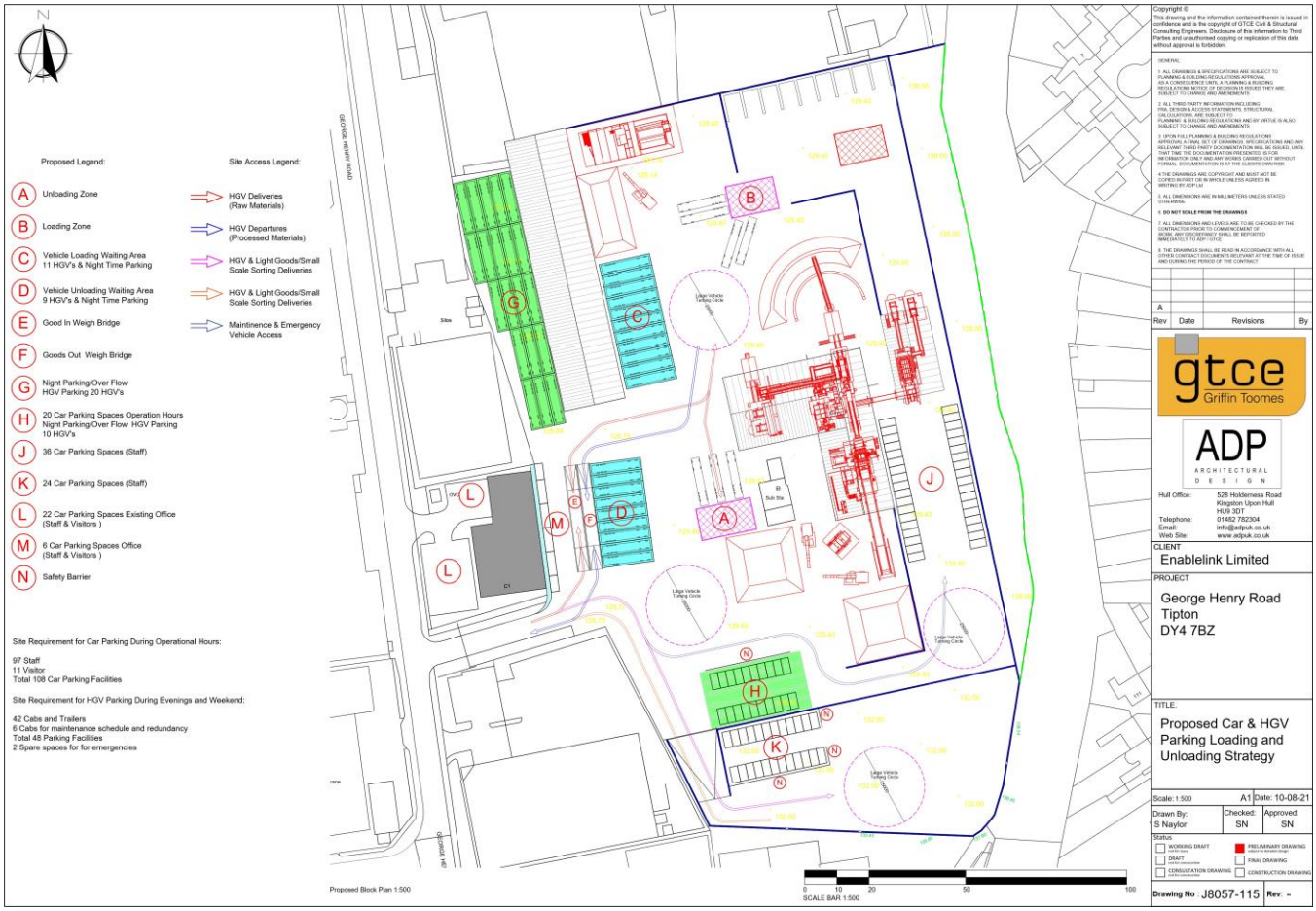
Legend

Scale	1:1950

Scale 1:1951

m 25 50 75 100

Organisation	Sandwell MBC
Department	Development Management
Comments	DC/21/65853
Date	16 May 2022


Proposed Legend:
A Unloading Zone
B Loading Zone
C Vehicle Loading Waiting Area 11 HGV's & Night Time Parking
D Vehicle Unloading Waiting Area 9 HGV's & Night Time Parking
E Good In Weigh Bridge
F Goods Out Weigh Bridge
G Night Parking/Over Flow HGV Parking 20 HGV's
H 20 Car Parking Spaces Operation Hours Night Parking/Over Flow HGV Parking 10 HGV's
J 36 Car Parking Spaces (Staff)
K 24 Car Parking Spaces (Staff)
L 22 Car Parking Spaces Existing Office (Staff & Visitors)
M 6 Car Parking Spaces Office (Staff & Visitors)
N Safety Barrier
Site Access Legend:
HGV Deliveries (Raw Materials)
HGV Departures (Processed Materials)
HGV & Light Goods/Small Scale Sorting Deliveries
HGV & Light Goods/Small Scale Sorting Deliveries
Maintinence & Emergency Vehicle Access
Site Requirement for Car Parking During Operational Hours:
97 Staff
11 Visitor
Total 108 Car Parking Facilities
Site Requirement for HGV Parking During Evenings and Weekend:
42 Cabs and Trailers
6 Cabs for maintenance schedule and redundancy
Total 48 Parking Facilities
2 Spare spaces for for emergencies
GEORGE HENRY ROAD
Proposed Block Plan 1:500
SCALE BAR 1:500
0 10 20 50 100
Copyright ©
Rev Date Revisions By
A
gtce Griffin Toomes
ADP ARCHITECTURAL DESIGN
Hull Office: 528 Holderness Road Kingston Upon Hull HU8 3DT
Telephone: 01482 782304
Email: info@adpuk.co.uk
Web Site: www.adpuk.co.uk
CLIENT
Enablelink Limited
PROJECT
George Henry Road Tipton DY4 7BZ
TITLE:
Proposed Car & HGV Parking Loading and Unloading Strategy
Scale: 1:500 A1 Date: 10-08-21
Drawn By: S Naylor
Checked: SN
Approved: SN
Status
WORKING DRAFT
DRAFT
CONSULTATION DRAWING
PRELIMINARY DRAWING
FINAL DRAWING
CONSTRUCTION DRAWING
Drawing No J8057-115
Rev: –

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Minutes of Governance and Constitution Review Committee

Friday 27 May 2022 at 11.30am
In Committee Room 1, Sandwell Council House, Oldbury

Present: Councillor Carmichael (Chair);
Councillors Akpoteni, W Gill, McVittie, Padda, Piper.

Also present: Surjit Tour (Director of Law and Governance and Monitoring Officer), Elaine Newsome (Service Manager – Democracy), Suky Suthi-Nagra (Democratic Services Manager) and Ant Lloyd (Democratic Services Officer).

1/22 Apologies for Absence

Apologies were received from Councillors Hinchliff and Rollins.

2/22 Members to declare any interests in matters to be discussed at the meeting

Councillor McVittie declared an interest in Minute No. 5/22 below (Constitution Review – Review of Cabinet Advisor Roles) in the basis he was a Cabinet Advisor.

3/22 Urgent Business

There were no additional items of business to consider.

5/22 Democratic Governance Review

Consideration was given to proposals to set up a cross party working group with extended membership to review and make recommendations on proposed governance and constitutional related issues.

The external reviews undertaken by Grant Thornton, the LGA and Cipfa had made a number of recommendations relating to the council's governance framework and arrangements. In response, the Council had combined resultant activity into a single action plan.

The governance review was the vehicle on which many of the recommendations would be addressed. The review itself was multi-faceted, with the overarching ambition to deliver an effective and efficient governance infrastructure, that was embedded across the organisation. To support the successful realisation of this ambition, the review would also incorporate a development programme for officers and elected members.

The review programme had been divided into phases with an indicative timescale for each strand.

A programme of wider elected member engagement in relation to review themes would also support the development of recommendations to be considered by the Committee.

Having considered the proposals, the Committee was of the view that:-

- any changes to council procedure rules should encourage engagement with members as well as raising awareness;
- as part of the scrutiny review strand, there had been a positive improvement in communication and work produced by Boards, however, more needed to be done to ensure that committees were aware of the direction of travel and key issues to be considered over the year as part of the work programming process;
- joined up working with other members across committees/boards was key in helping to deliver the governance review;
- consider a more bespoke personal development plan for members to assist them in their roles on committees as

well as looking at introducing a skills matrix to ensure the right members with an interest in a particular role, was appointed to a committee;

- visiting other local authorities to complement the benchmarking work already undertaken to ensure shared learning and best practice.

Having considered the proposals and terms of reference for the Governance and Constitution Member Working Group, the Committee was minded to approve that the Governance and Constitution Member Working Group, which was cross party, with extended membership, comprise of all members of the Committee and two additional Conservative Group members. This was considered an effective mechanism to provide a range of input from across all political groups and member roles and would lead on review activity with officer support.

Resolved:-

(1) that a cross-party working group comprising of all members of the Governance and Constitution Review Committee and two Conservative Group members (10 in total) be established to progress the democratic governance review;

(2) that in connection with Resolution (1) above, additional membership of the working group, external to the Committee, be approved;

(3) that the Director of Law and Governance, in consultation with the Chair of the Governance and Constitution Review Committee, be authorised to appoint additional members to the working group, in line with the review themes;

(4) that the terms of reference for the Governance and Constitution Member Working Group, as set out in Appendix 1, be approved;

(5) that the proposed approach, programme and timeline for the Democratic Governance Review, as now submitted, be approved.

6/22 Constitution Review - Cabinet Advisors

The Committee gave consideration to proposals to revise the role descriptions for Cabinet Advisors and for their roles to be renamed Performance Champions.

The purpose of the Cabinet Advisor role was to provide alternative views, opinions and advice on wider, often cross-cutting issues and matters, to the Executive with a view to supporting and enabling more informed policy and strategy development. The roles enabled Cabinet Advisors to share their own experiences, areas of expertise and views/opinions from wider

The Cabinet Advisors did not form part of the Executive. However, the Executive could seek their views and engage them in relation to relevant matters and issues so that important insight, ideas, thoughts and views could be harnessed when executive functions were considered.

In June 2021, the former Leader aligned the Cabinet Advisors to the corporate objectives outlined below:

- Business Ambassadors and Community Wealth
- Clean & Green
- Crime & Community Safety
- Digital Inclusion and 5G
- Wellbeing & Mental Health
- Young People and Skills

However, following a review of the roles of Cabinet Advisors, it was proposed that they be renamed Performance Champions and their responsibilities be reprofiled to support the Council's key objectives.

- Safer Community
- Greener Community
- Cleaner Community
- Our economy
- External partnerships
- Neighbourhoods – Lead Champion

In response to a question raised regarding the titles of the new Performance Champions, the Chair clarified that the titles were now aligned to the performance measures contained within the Improvement Plan and Corporate Plan. The current Cabinet Advisor roles had too much cross over with scrutiny and therefore the role descriptions of the Champions would enable key pieces of work to be produced.

In response to a further query in relation to the route of accountability for Performance Champions, it was agreed to amend the role description for the Performance Champion – Neighbourhoods and Lead Member so that they produced a bi-annual report to Full Council on the work of all Performance Champions.

Resolved: That Full Council be recommended to approve the revised role descriptions for Cabinet Advisors and that they be renamed Performance Champions, as attached at Appendix 2, with the Performance Champion – Neighbourhoods and Lead Member providing a bi-annual report to Full Council on the work of the Performance Champions.

(Councillor McVittie left the room during consideration of this matter)

Meeting ended at 12.20 pm

Contact: Democratic Services
Democratic_services@sandwell.gov.uk

Governance and Constitution Member Working Group

Terms of Reference

Scope

1. To consider proposals in relation to changes and amendments to the Council's Constitution (including any relating/relevant protocols, appendices, guidance).

2. To engage with Elected Members (including those holding SRA positions and at a Political Group level) and/or relevant Committee (as deemed necessary and appropriate) in respect any changes and amendments proposed in relation to the Council's Constitution (whilst acting consistently with the Terms of Reference of Council Committees, Boards and other Fora).

3. To engage and work with Council officers in the review of the Council's Constitution as deemed appropriate.

4. To engage with the LGA and other external bodies to assist with the review of the Council's Constitution as deemed appropriate.

5. To make recommendations to the Governance and Constitution Committee in respect of proposed changes to the Council's Constitution (including any relating/relevant protocols, appendices, guidance).

6. To make recommendations to the Chairperson of Ethical Standards and Member Development Committee concerning items for consideration in respect of the Member Development Plan.

7. To undertake other such action as necessary to help ensure the effective and efficient review of the Council's Constitution (including any relating/relevant protocols, appendices, guidance) consistent with the above.

Membership

Subject to the paragraphs below, the working Group shall comprise of the membership of the Governance and Constitution Committee and two additional Conservative Group Members, thereby increasing the working group membership to 10 members.

The additional Group Members referred to above shall be appointed (and removed) by the Conservative Group Leader (or in their absence the Deputy Conservative Group Leader).

Each Political Group Leader shall have the discretion to substitute a member(s) of working group with another member(s) of their respective political group (as may be required from time to time).

Chairperson and Vice-Chairperson

The Chairperson and Vice-Chairperson shall be the same Members as per the Governance and Constitution Committee.

In the event that neither Chairperson or Vice-Person is available, the Chairperson shall have the discretion to appoint another Member for that relevant meeting from amongst the membership of the Working Group.

Meetings

Meetings of the working group shall be convened as deemed necessary by the Chairperson (or Vice-Chairperson in their absence).

The Access to Information Rules do not apply to meetings of the working group.

The Chairperson (or the Vice-Chairperson in their absence) shall decide whether the meeting of the working group shall be in person, via MS Teams, or a hybrid meeting.

Quorum

The working group shall be quorate providing at least quarter of the total membership is in attendance at the meeting.

Subject to the meeting being held via MS Teams/Hybrid, attendance via MS Teams shall be deemed attendance for the purposes of determining quorum.

Voting

All members of the working group present and able to vote shall have a vote on any proposal/amendment moved and seconded which shall be any method that clearly confirms to the Chairperson/Vice Chairpersons each member's voting intention.

In the event of a tie, the Chairperson (or in their absence the Vice-Chairperson) shall have a casting vote.

Confidentiality and Transparency

The working group provides a confidential space for members, officers and other contributors to candidly discuss governance and constitutional issues, changes and proposals.

Reports, minutes and other information shared with the working group are confidential (unless already in the public domain).

The council is committed to openness and transparency and that will be achieved through reports and recommendations from the working group being considered by the Governance and Constitution Committee whose meetings shall be in public (unless subject to Sch12A Local Government Act 1972).

Support
The working Group shall be supported by the Director of Law and Governance and Democratic Services.

Other Council officers shall support the work of the working group as appropriate and necessary.

Role Description for Lead Performance Champion – Neighbourhoods

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop the neighbourhoods agenda, ensuring the needs and assets of each town are taken into account, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

4. To produce a bi-annual report to Full Council on the work of all Performance Champions.

Duties:

5. To liaise with Cabinet and Town Leads on all aspects associated with their performance champion role.

6. To report progress on a regular basis to the Deputy Leader.

7. To liaise as required with the other Performance Champions and the relevant Cabinet member

8. To develop productive collaborative working with the community and relevant agencies/partners.

9. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

10. To meet regularly with Town Leads to share data and intelligence in relation to their performance champion role

11. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

12. To liaise with the other performance champions to share intelligence and joint areas of interest

13. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

14. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

15. To comply with the Member/Officer protocol as set out in the Constitution.

16. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

Role Description for
Performance Champion – Safer Communities

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop the safer communities agenda, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

Duties:

4. To liaise as required with the Lead Performance Champion and the relevant Cabinet member.

5. To develop productive collaborative working with the community and relevant agencies/partners.

6. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

7. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

8. To liaise with the other performance champions to share intelligence and joint areas of interest

9. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

10. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

11. To comply with the Member/Officer protocol as set out in the Constitution.

12. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

Role Description for
Performance Champion – Cleaner Communities

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop the cleaner communities agenda, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

Duties:

4. To liaise as required with the Lead Performance Champion and the relevant Cabinet member.

5. To develop productive collaborative working with the community and relevant agencies/partners.

6. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

7. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

8. To liaise with the other performance champions to share intelligence and joint areas of interest

9. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

10. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

11. To comply with the Member/Officer protocol as set out in the Constitution.

12. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

Role Description for
Performance Champion – Greener Communities

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop the greener communities agenda, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

Duties:

4. To liaise as required with the Lead Performance Champion and the relevant Cabinet member.

5. To develop productive collaborative working with the community and relevant agencies/partners.

6. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

7. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

8. To liaise with the other performance champions to share intelligence and joint areas of interest

9. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

10. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

11. To comply with the Member/Officer protocol as set out in the Constitution.

12. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

Role Description for
Performance Champion – Our economy

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop the “our economy” agenda, raising awareness of council activity in the community and contributing to the Council’s Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

Duties:

4. To liaise as required with the Lead Performance Champion and the relevant Cabinet member.

5. To develop productive collaborative working with the community and relevant agencies/partners.

6. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

7. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

8. To liaise with the other performance champions to share intelligence and joint areas of interest

9. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

10. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

11. To comply with the Member/Officer protocol as set out in the Constitution.

12. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

Role Description for
Performance Champion – External Partnerships

Corporate Responsibilities:

1. A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.

2. To promote and develop external partnerships, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.

3. Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

Duties:

4. To liaise as required with the Lead Performance Champion and the relevant Cabinet member.

5. To develop productive collaborative working with the community and relevant agencies/partners.

6. To gather data, intelligence and all other forms of information that assist with reporting and decision making at Cabinet level.

7. To liaise with Council officers, partners and other agencies to ensure appropriate communication and engagement associated with their performance champion role.

8. To liaise with the other performance champions to share intelligence and joint areas of interest

9. To be aware of legislation and ongoing local and national developments on matters relevant to their performance champion role.

10. Promoting equality in service provision, in consultation with appropriate Cabinet Members in relation to the safer community agenda.

11. To comply with the Member/Officer protocol as set out in the Constitution.

12. To take part in training and development programmes to ensure that this role is undertaken as effectively as possible.

This page is intentionally left blank

Sandwell
Metropolitan Borough Council

Report to Council

7 June 2022

Subject:	Appointment of Independent Member to the Audit and Risk Assurance Committee
Director:	Director – Law and Governance, Monitoring Officer - Surjit Tour
Contact Officer:	Trisha Newton Senior Democratic Services Officer Trisha_newton@sandwell.gov.uk

1 Recommendations

1.1 That Council considers the extension of the appointment of Mr Jay Hussain as Independent Member to the Audit and Risk Assurance Committee for the four year period ending 15 July 2026.

2 Reasons for Recommendations

At Council on 17 July 2018 it was approved that Mr Jay Hussain be appointed as Independent Member to the Audit and Risk Assurance Committee, for a four year period ending on 16 July 2022. The term was due to come to an end and Mr J Hussain had indicated that he would be happy to extend his term of office in the role.

3 How does this deliver objectives of the Corporate Plan?

	The Audit and Risk Assurance Committee examines and reports on the state of the council's governance, risk management and internal control environment.

4 Context and Key Issues

4.1 At the Council meeting on 4 April 2017, as part of the 2017/18 Governance (Committee and Scrutiny Board Structure) review, it was agreed to appoint a further Independent Member to the Audit and Risk Assurance Committee.

4.2 At its meeting on 16 October 2018 Council gave approval to increase the membership of the Audit and Risk Assurance Committee to include one additional Independent Member (three Independent Members in total).

4.3 Two suitable candidates were identified at that time. Mr J Hussain was appointed as one of them and this was approved by Council at its meeting on 17 July 2018.

5 Implications

Resources:	The role of Independent Member is a voluntary position and no annual allowance is paid in respect of this appointment. However, travelling and subsistence expenses are paid at the appropriate rate. The cost of advertising is met from within existing budgets.
Legal and Governance:	The Audit and Risk Assurance Committee operates to an approved terms of reference, based upon a model from the Chartered Institute of Public Finance and Accountancy. Local authorities should have regard to section 13 of the Local Government and Housing Act 1989 which relates to the voting rights of non-elected committee members. Where the audit committee is operating as an advisory committee under the 1972 Act, making recommendations rather than policy, then all members of the committee should be able to vote on that recommendation. If the council wishes to delegate decisions to the committee, for example the adoption of the financial statements, then the independent member will not be able to vote on those matters for decision.
Risk:	CIPFA strongly recommend the appointment of independent members to audit committees.

Equality:	There are no direct implications arising for equality.
Health and Wellbeing:	There are no direct implications arising for the proposals on health and wellbeing of our communities.
Social Value	There were no direct implications arising for social value

This page is intentionally left blank