

Agenda Council

You are hereby summoned to attend a meeting of the Sandwell Metropolitan Borough Council, to be held on Tuesday, 13 December 2022 at 6.15 pm (or on the rising of the Extraordinary Meeting of Council) 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).

2 Declarations of Interest

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

3 Minutes

15 - 32

To confirm as a correct record, the minutes of the extraordinary and ordinary meetings of Council held on 8 November 2022.

4 Urgent Business

To consider any urgent business (with prior approval by the Mayor).

5 Mayor's Announcements

33 - 34

To receive announcements from the Mayor.



6 Petitions

To receive petitions under Standing Order No. 8.

7 Written Questions

35 - 36

To consider written questions under Standing Order No. 9 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.

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| 8 | Sandwell Council Improvement Plan | 37 - 108 |
| | To consider the Sandwell Council Improvement Plan updates. | |
| 9 | Governance Review - Proposed Changes to the Council's Constitution | 109 - 310 |
| | To consider proposed changes to the Council's Constitution. | |
| 10 | Proposed departure from the Development Plan at Leabrook Road, Wednesbury | 311 - 316 |
| | To consider a departure from the Development Plan. | |
| 11 | Performance Champions - Progress Report | 317 - 328 |
| | To receive a progress report from Performance champions. | |
| 12 | Constitution and Political Balance of Committees and Boards | 329 - 334 |
| | To consider the political balance for the remainder of the municipal year. | |
| 13 | To receive the minutes of Cabinet | 335 - 420 |
| | To receive the minutes of the meeting of the Cabinet held on 16 November 2022 and consider the recommendation arising:- | |
| | (a) Review of Garden Waste Collection. | |
| 14 | To receive the minutes of the Budget and Corporate Scrutiny Management Board | 421 - 428 |
| | To receive the minutes of the Budget and Corporate Scrutiny Management Board held on 29 November 2022. | |

- 15 **To receive the minutes of the Audit and Risk Assurance Committee** 429 - 436

To receive the minutes of the Audit and Risk Assurance Committee held on 29 September 2022.

- 16 **To receive the minutes of the General Purposes and Arbitration Committee** 437 - 440

To receive the minutes of the General Purposes and Arbitration Committee held on 24 November 2022 and consider the recommendations arising:-

- (a) Review of Polling Places and Polling Stations 2022/23;
- (b) Nomination for Honorary Alderwoman (see Extraordinary Meeting of Council).

- 17 **To receive the minutes of the Ethical Standards and Member Development Committee** 441 - 444

To receive the minutes of the Ethical Standards and Member Development Committee on 1 November 2022.

- 18 **Notice of Motions**

To consider the following motions received under Standing Order No. 12:-

18(a) Opt-out HIV Testing

Proposer: Councillor Chapman
Seconder: Councillor Dunn

This council notes that:

1. The government has committed to ending new HIV transmissions in England by 2030.
2. As part of the roadmap to reaching zero by 2030, the HIV Commission recommended that opt-out HIV testing

become routine across the health service.

3. As part of the HIV Action Plan 2022-25, the Government made £20 million available from NHS England for opt-out testing in areas classified by the UK Health Security Agency to be areas of 'very high prevalence' on HIV and 'high prevalence' areas in London.
4. Sandwell is part of the next tier, as an area of high prevalence of HIV outside of London, with between 2-5 people per 1000 living with HIV.
5. In the Adult HIV Testing Guidelines, the British Association of Sexual Health and HIV and the British Association of HIV recommends HIV testing for all individuals who have not previously tested who are:
 - a. Accessing healthcare in areas of high HIV prevalence (2–5 per 1000) and undergoing venepuncture (a blood test);
 - b. Accessing healthcare in areas of extremely high HIV prevalence (>5 per 1000), whether or not they are undergoing venepuncture for another indication.
6. Opt-out testing has been successful. In the first 100 days of opt-out HIV testing in London, Manchester, Brighton and Blackpool, 102 people were newly diagnosed with HIV and a further 60 found who were lost to care.
7. Opt-out testing has also been effective in diagnosing hepatitis B and C. In 100 days, 328 people have been newly diagnosed with Hepatitis B and 137 newly diagnosed with Hepatitis C.

8. Opt-out HIV testing is an effective tool for addressing inequalities and works for people who don't traditionally access other ways of testing. People of Black African heritage, women and older people who are more likely to be diagnosed late are also more likely to be diagnosed through opt-out testing than other methods (for example in sexual health services or through postal testing).

This Council believes:

1. Finding undiagnosed people in Sandwell will be central to meeting the target of ending new HIV transmissions by 2030.
2. Anyone leaving A&E in Sandwell without knowing their HIV status is a missed opportunity.

This council resolves to request the Leader to:

1. Write to the Secretary of State for Health to ask for funding for opt-out testing for Sandwell and all other high prevalence areas.
2. Propose that opt-out testing is discussed at the next meeting of NHS Black Country ICS and that work is undertaken to explore implementing this across Sandwell.
3. Approach our local MPs, community groups and stakeholders, and leaders of other high prevalence areas in the Black Country and Birmingham to mobilise a campaign to bring opt-out HIV testing to the area.

18(b) Housing Safety

Proposer: Councillor W Gill

Seconded: Councillor Fisher

That this Council places on record that we are deeply saddened by the death of Awaab Ishak and is committed to ensuring that lessons are learnt to ensure that such a tragedy cannot happen again.

Therefore, this Council resolves to:

- Recognises the duties it has in the Housing Act 2004 to improve the housing quality for both social and private tenants.
- Commit to ensuring that all people in the Borough do not live in poor quality housing.
- Use the powers it has to ensure that all accommodation in Sandwell, whether private or social, is of high safety and quality standards.
- Commit to carry out a review of housing conditions in Sandwell and supply the Department for Levelling Up, Housing and Communities with an assessment of damp and mould issues affecting privately rented properties.
- Assess action that may need to be taken in relation to damp and mould issues affecting privately rented properties in the Borough and supply the Department for Levelling Up, Housing and Communities with this assessment.
- Welcome the government's plans to enable a rigorous new regime that holds all landlords to account for the

decency of their homes and the service they provide.

- Prioritise enforcement of housing standards and ensure that there is a strong and up-to-date plan to ensure there is adequate enforcement capacity to drive up standards in the private rented

18(c) Safe working, transport and enforcement.....

**Proposer: Councillor Suzanne Hartwell
Seconded: Councillor Hinchliff**

Shift work is widespread in many industries particularly hospitality, as well as health and care workers, and many National Health Service workers – all are expected to work or have a degree of late night working.

Late night working increases at this time of year (December). For those who work in retail, these workers are often women or students who work part time or to avoid child care costs.

Many workers of all genders and ages are increasingly worried of attack but especially women who are afraid of attack and sexual assault/harassment.

We would like to acknowledge the tremendous job that our local officers do to protect the residents of Sandwell but there are many weaknesses with enforcement of the law against sexual assault and harassment - this is appalling and together with the reduction of officers over the last decade which is an absolute disgrace makes this a difficult combination for women to feel safe.

This councils call upon the Leader to write to the Mayor of the West Midlands Combined Authority and ask him to provide assurances on the following:

- To make sure improvement to late night and off-peak transport by making sure time schedules are relevant, kept to and that cancellations are at a minimum with just reason.
- Because of the Cost of Living Crisis, ensure fares are kept to a minimum at an affordable level so as not to exclude the low paid such as nurses.
- Not to cut services in areas where it is known that late working is absolute or possible such as retail or hospitals
- Ensure all drivers and other public transport workers are trained to be aware of what Sexual Harassment is and know what to do in the event that it happens.
- Liaise with Trade Unions as necessary to prevent strike action that would stop transport

And to write to Simon Foster – the Police and Crime Commissioner:

- Requesting that he makes representations to the government on strengthening the law regarding sexual harassment, and to lobby the government for more officers to strengthen enforcement in Sandwell to prevent any rise in harassment.

18(d) Cost of Living Emergency

Proposer: Councillor Carmichael
Seconder: Councillor Piper

In April 2022 this Labour administration brought a motion to this council regarding


the Cost-of-Living Crisis. Since then, we have had a further TWO budgets and seen inflation rise to the highest it has been in forty years. This council now finds itself looking at discretionary services as part of its budget cuts.

This council thanks our officers for all the additional work already done to support residents in this crisis and to also note that we know that the council is doing all it can to protect our vulnerable residents including.

- Signposting of benefits and other support
- Exploring all ways to ensure that grants received go the most vulnerable
- Providing extra funding to food banks, school voucher scheme, Ukraine hosts
- Setting up a Cost of Living Webpage and the recent set-up of a cost-of-living WhatsApp service
- Setting up Sandwell's warm spaces and supplying grants to organisations

This council believes that there is still more that will need to be done to help out our residents and this council resolves to:

- Escalate our established Cost of Living Crisis status and declare a 'Cost of Living Emergency' this highlighting the massively difficult situations many residents are facing
- Continue to explore ways in the councils' budget to ensure our most vulnerable receive help, even though we recognise the governments cuts over the last decade.
- Convene a cost-of-living summit in this council and invite partners, businesses, organisations, trade unions, MPs to help this council address the situation.



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

Distribution

Councillor R Jones

Councillors Abrahams, Ahmed, Akhtar, Akpoteni, Allcock, Allen, Anandou, Ashman, H Bhullar, Bostan, Carmichael, Chambers, Chapman, Chidley, Choudhry, E Costigan, Crompton, Davies, Dhallu, Dhariwal, Dunn, Fenton, Fisher, Gavan, Giles, E A Giles, L Giles, E M Giles, G Gill, M Gill, S Gill, W Gill, Hackett, Hartwell, Hinchliff, Hughes, A Hussain, Z Hussain, Jalil, O Jones, S Jones, Kalari, Kaur, Kausar, Khatun, Lewis, Mabena, Mayo, McVittie, Melia, Millard, Millar, Moore, Owen, Padda, Piper, Preece, Rahman, Randhawa, Rollins, Shaeen, Simms, N Singh, V Smith, Taylor, Trumpeter, Uddin, J Webb, Wilkes and Williams

Contact: democratic_services@sandwell.gov.uk

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Minutes of Extraordinary Meeting of Council

Tuesday 8 November 2022 at 6.00pm
At Council Chamber – Sandwell Council House, Oldbury

Present: His Worshipful The Mayor, Councillor R Jones;
Deputy Mayor, Councillor Taylor;

Councillors Abrahams, Ahmed, Akhtar, Akpoteni, Allcock, Allen, Anandou, Ashman, Bostan, Carmichael, Chambers, Chapman, Chidley, Choudhry, Crompton, Dhallu, Dhariwal, Dunn, Fenton, Fisher, Gavan, E M Giles, E A Giles, J Giles, L Giles, M Gill, S Gill, W Gill, Hackett, Hinchliff, Hughes, A Hussain, Z Hussain, Jalil, S Jones, Kaur, Kausar, Khatun MBE, Lewis, McVittie, Melia, Millar, Moore, Owen, Padda, Piper, Preece, Rahman, Randhawa, Rollins, Shaeen, Simms, Smith, Trumpeter, Uddin, Webb, Wilkes, Williams.

Also present: Kim Bromley-Derry – Managing Director Commissioner, Surjit Tour – Director of Law and Governance and Monitoring Officer; Elaine Newsome – Services Manager – Democracy; Suky Suthi-Nagra – Democratic Services Manager; Stephnie Hancock – Senior Democratic Services Officer; Trisha Newton – Senior Democratic Services Office; Connor Robinson – Democratic Services Officer; Kennedy Brown – Sergeant at Arms.

114/22 **Apologies for Absence**

Apologies for absence were received from Councillors Bhullar, Costigan, G Gill, Hartwell, O Jones, Kalari, Mayo, Millard, N Singh and Shackleton.



115/22 **Declarations of Interest**

No declarations of interest were received.

116/22 **Council Election Cycle - Consultation to explore a change to the current schedule of elections in Sandwell**

The Leader of the Council presented the report on the Council's Election Cycle Consultation.

At its meeting on 26 July 2022, the Council had approved arrangements for public consultation in connection with the possible change of the election cycle from the current system of 'election by thirds' to 'whole council elections' occurring once every four years. This followed directions by the Secretary of State for Levelling Up, Housing and Communities that the council review its current elections cycle.

The Council undertook a public consultation, which ran for six weeks from the 1 August to 16 September 2022.

The consultation question was: "How often would you prefer to elect councillors to Sandwell Metropolitan Borough Council?" The possible answers were – Option 1 – by thirds, Option or 2 – whole council elections.

Public comments emphasised the benefits of either option. Some of the repeated reasons given by consultees for preferring elections by thirds was that it provided for a regular refresh of political debate and political ideas, and newly elected members can work alongside more experienced councillors.

Meanwhile some of the reasons given by consultees for preferring whole council elections related to that cycle providing a better use of public resources and providing more stability over a longer political period.

In total, 487 people responded to the consultation. 470 responded online and 17 responded via the paper survey.



Of those responses, 338 (69.4%) favoured Option 1 – by thirds, in contrast 149 (30.6%) favoured Option 2 – whole Council.

Local elections in Sandwell had continued to elect councillors by thirds since 2004. Each year a councillor was elected to one seat in all 24 wards. Currently, and subject to no change to the current cycle, the next local elections would take place on the 4 May 2023.

The Council had been informed in September 2021 that the Local Government Boundary Commission for England intended to undertake an electoral review in Sandwell. The last review of this kind in Sandwell was in 2004. The Council had been advised that the review would commence following the local elections in 2023 and the implementation of the review would take effect in 2026 with whole Council elections and all seats contested.

In accordance with Standing Order No. 11, Councillor Fisher proposed a motion. The motion was seconded by W Gill and was put to the vote. The motion was approved and it was:

Resolved:-

- (1) that Council considers this report and notes the findings and outcome of the public consultation detailed in Appendix A;
- (2) that Council notes the limited response to the public consultation which has garnered the views of less than 0.25% of residents on this matter and therefore resolves to retain the Council's current election cycle in thirds and agrees that a further review of the council's electoral cycle be undertaken, which is to be run alongside the scheduled Local Government Boundary Review to enable Sandwell residents a further opportunity to outline their views on the matter;
- (3) that a report on the future elections cycle in Sandwell be brought back to Full Council for consideration as soon as possible after the election cycle review referred to in (2) above has been completed.



Meeting ended at 6.33pm

Contact: democratic_services@sandwell.gov.uk



Minutes of Council

**Tuesday 8 November 2022 at 6.30pm
at Council Chamber – Sandwell Council House, Oldbury**

Present: His Worshipful The Mayor, Councillor R Jones;
Deputy Mayor, Councillor Taylor;

Councillors Abrahams, Ahmed, Akhtar, Akpoteni, Allcock, Allen, Anandou, Ashman, Bostan, Carmichael, Chambers, Chapman, Chidley, Choudhry, Crompton, Dhallu, Dhariwal, Dunn, Fenton, Fisher, Gavan, E M Giles, E A Giles, J Giles, L Giles, M Gill, S Gill, W Gill, Hackett, Hinchliff, Hughes, A Hussain, Z Hussain, Jalil, S Jones, Kaur, Kausar, Khatun MBE, Lewis, McVittie, Melia, Millar, Moore, Owen, Padda, Piper, Preece, Rahman, Randhawa, Rollins, Shaeen, Simms, Smith, Trumpeter, Uddin, Webb, Wilkes, Williams.

Also present: Kim Bromley-Derry – Managing Director Commissioner, Surjit Tour – Director of Law and Governance and Monitoring Officer; Elaine Newsome – Services Manager – Democracy; Suky Suthi-Nagra – Democratic Services Manager; Stephnie Hancock – Senior Democratic Services Officer; Trisha Newton – Senior Democratic Services Office; Connor Robinson – Democratic Services Officer; Kennedy Brown – Sergeant at Arms.

117/22 **Apologies for Absence**

Apologies for absence were received from Councillors Bhullar, Costigan, G Gill, Hartwell, O Jones, Kalari, Mayo, Millard, N Singh and Shackleton.



118/22 **Declarations of Interest**

Councillors Allcock, Akhtar, Choudhry, Gavan, Jalil, R Jones, Kaur, Kausar, McVittie, Preece and Trumpeter declared a pecuniary interest and Councillor Webb declared a non-pecuniary interest in the matter referred to at Minute No. 137(a)/22 – Motions (NHS) in that they were NHS employees, or related to an NHS employee.

119/22 **Minutes**

Resolved that the minutes of the meeting of Council held on 26 July 2022 be approved as a correct record and signed by the Chair.

120/22 **Additional Item of Business**

There were no additional items of business to consider.

121/22 **Queen Elizabeth II Reflection and King Charles III Proclaimed**

The Council observed a minute silence and reflected on the public service of Her Majesty Queen Elizabeth II.

The Council wished His Majesty King Charles III a long, prosperous and happy reign.

122/22 **Mayor's Announcements**

Details of Mayoral and Deputy Mayoral engagements since the last meeting of Council had been circulated to members.

The Council noted the success of the 2022 Commonwealth Games and highlighted the contribution to the Games of the world class venue of the Aquatics Centre in Smethwick.



The Deputy Mayor talked about the success of Black History Month in Sandwell.

The Council recognised the work done to support care leavers and children in care and noted the success of the Forum for Independent Young Adults Awards.

123/22 **Petitions**

No petitions were received under Standing Order No. 5.

124/22 **Written Questions**

Questions received under Standing Order No. 6 were asked of the relevant members and responses provided.

125/22 **Governance Review - Proposed Changes to the Council's Constitution**

The Council had commenced a review of the Council's governance arrangements following the Grant Thornton Governance Review, LGA Corporate Peer Review and CIPFA Review. These reviews had identified a number of key governance issues that had to be addressed.

The reviews had specifically identified the requirement to address underlying constitutional and procedural deficiencies that directly and indirectly undermined or hindered the Council's governance arrangements, decision making ability and key working relationships.

An Officer Governance Review Project Team had been established to help coordinate and oversee the delivery of the Governance Review. Support had also been provided by the Local Government Association, Centre for Governance and Scrutiny, Chartered Institute of Public Finance and Accountancy and the Commissioners.



The Governance and Constitution Review Committee, on 27 May 2022, had established a cross-party Member Working Group to oversee the process for and coordination of constitution revisions and proposals. The Working Group considered the proposed changes to the Constitution at meetings on 15 September and 13 October 2022 and approved them for wider consultation with elected Members during September and October.

Demonstrating progress in respect of the Governance Review was a key area of focus for the Secretary of State and ensuring necessary changes to the Council's Constitution were delivered at pace was considered critical to the Council's improvement.

Resolved:-

- (1) that approval be given to the proposed revisions to the constitution including:
 - Part 3 - The Scheme of Delegation to Officers
 - Part 4 - Council Procedure Rules
 - Part 4 - Executive Procedure Rules and associated Articles: 7 – The Executive and 13 – Decision Making
 - Part 4 - Access to Information Procedure Rules
 - Part 4 – Officer Employment Procedure Rules
 - Part 5 – Officer Code of Conduct
 - Part 5 - Protocol for Member/Employee Relations
- (2) that approval be given to the protocol for public questions at Council meetings;
- (3) that, subject to the approval of the above recommendations, the Director of Law & Governance/Monitoring Officer be authorised to make all necessary consequential changes to the Constitution to give effect to the approved changes.



Sandwell Council had not undertaken a comprehensive review of its overview and scrutiny arrangements for a number of years. Good practice advocated that a review should be undertaken at reasonable intervals to ensure the overview and scrutiny arrangements remained fit for purpose and aligned to the desired outcomes of Elected Members and the Council.

The Centre for Governance and Scrutiny (CfGS) had identified four key principles that should underpin the work of the Overview & Scrutiny Committee at all times and should:-

- provide a culture of ‘critical friend’ challenge to decision makers;
- enable the voice and concerns of the public and its communities to be heard;
- conduct the scrutiny function by independent-minded members who will lead and own the process;
- drive improvements on services.

Statutory Guidance had been released in May 2019 by the former Ministry of Housing, Communities and Local Government. This guidance placed a strong emphasis on scrutiny/executive relationship and early and regular engagement between the Cabinet and Scrutiny which was critical to scrutiny's success as well as approaches on what effective scrutiny looks like and how to conduct it.

Undertaking the review, consideration was given to the statutory guidance and it was examined how the Council's overview and scrutiny arrangements, including scrutiny outcomes, could be improved so as to reflect recognised good practice. Importantly, the review had sought to embed a strong and positive culture amongst Elected Members in relation to the real opportunities that effective overview and scrutiny provided.

To support the improvement and good practice that continued to be made and adopted by Scrutiny Boards over the past couple of years, a Scrutiny Improvement Plan had been developed in consultation with the Chair of the Budget and Corporate Scrutiny Management Board. The Scrutiny Improvement Plan set out a framework for embedding positive working relationships between



Scrutiny Boards and the Executive, and Scrutiny Boards and officers. The changes would elevate the status of scrutiny by promoting its importance and ensuring parity of esteem with the Executive, and ensuring Members continued to engage in scrutiny through more strategic and dynamic work programmes that were outcome focussed.

It had also proposed to amend the membership of the Budget and Corporate Scrutiny Management Board, which currently consisted of all scrutiny chairs and one opposition member, to also now include all scrutiny vice chairs and an additional opposition member and to also appoint a Vice Chair on the Board (which was consistent with other scrutiny boards, subject to political proportionality being maintained) the Vice Chair role would not receive a Special Responsibility Allowance. The additional members on the Board would help ensure greater resilience and enable a more rich debate and discussion, whilst and promoting and facilitating the desired culture, relationships and work programme that scrutiny is aiming to achieve.

The Centre for Governance and Scrutiny (CfGS) and the Local Government Association (LGA) continued to be involved in the Council's overview and scrutiny improvement plan and in the future further reviews would continue to be undertaken to ensure overview and scrutiny continued to add value and be valued in Sandwell.

Resolved:-

- (1) that the work undertaken to date on the scrutiny review be considered;
- (2) that Council, following the improvements identified as part of the scrutiny review 2022:
 - a. agrees to all scrutiny vice chairs being appointed to the Budget and Corporate Scrutiny Management Board;
 - b. that Council agrees to increasing the membership of the Budget and Corporate Scrutiny Board to include the four vice-chairs of



- the other Scrutiny Boards and that the political proportionality seat allocations be amended accordingly;
- c. subject to the approval of (a) above, agrees to the Budget and Corporate Scrutiny Board being authorised to appoint a vice chair from amongst the revised Board membership, with no Special Responsibility Allowance applicable;
 - d. agrees the role descriptions for Chairs, Vice Chairs, Overview and Scrutiny Elected Members and Co-opted members as now submitted;
 - e. the following protocols, as now submitted, in order to support and promote healthy working relations:-
 - Scrutiny Chairs, Vice Chairs and Scrutiny Elected Members with the Executive; and
 - Scrutiny Chairs, Vice Chairs and Scrutiny Members with Officers;
 - f. Authorise the Director of Law and Governance and Monitoring Officer to make all necessary consequential changes to the Constitution to give effect to the approved changes.

127/22

Constitution and Political Balance of Committees and Boards and Revised Appointments to Committees, Boards and Other Bodies

Council considered revisions to the appointments to committees, boards and other bodies.

Resolved:-

- (1) that approval be given to the dis-establishment of the Select Committee for Policy Review;
- (2) that, subject to approval of the Scrutiny Review as referred to in 126/22 above, in addition to the four Scrutiny Vice Chairs, Councillor Trumpeter be appointed to the Budget and Corporate Scrutiny Management Board;



- (3) that approval be given to the revised political balance of the committees, boards and other fora for the remainder of 2022-23, as now submitted;
- (4) that Councillor Chidley be appointed to the vacant seat on the Land & Asset Management Committee;
- (5) that any revision to the appointments to committees and boards be approved with immediate effect.

128/22 **Annual Report of Scrutiny Boards 2021-2022**

The Chair of the Budget and Corporate Scrutiny Management Board presented the Scrutiny Annual Report for the municipal year 2021-22.

Over the course of the year, 33 Scrutiny Board meetings had been held, two joint Health Overview and Scrutiny meetings with Birmingham City Council had been held, there had been eight Working Group meetings and three Scrutiny Reviews carried out.

The Scrutiny Annual Report was received by the Council.

129/22 **Annual Report of the Audit and Risk Committee 2021-2022**

The Chair of the Audit and Risk Assurance Committee presented the Audit and Risk Assurance Committee Annual Report 2021/22.

The Chair of the Audit and Risk Assurance Committee emphasised the commitment to playing a key role and working with colleagues to ensure that the recommendations in the Council's Improvement Plan were addressed in a meaningful and timely manner during the 2022/23 year.

The Audit and Risk Assurance Committee Annual Report 2021/22 was received by the Council.



130/22 **West Midlands Fire and Rescue Authority Update**

Council received an update on the work of the Fire Authority from Councillor Jalil, the member nominated pursuant to Section 41 of the Local Government Act 1985 to report on the activities of the West Midlands Fire and Rescue Authority.

131/22 **Transport for West Midlands Update**

Council received an update on the work of the Transport Authority from Councillor Webb, on behalf of the member nominated pursuant to Section 41 of the Local Government Act 1985 to report on the activities of Transport for West Midlands.

132/22 **West Midlands Police and Crime Panel**

Council received an update on the work undertaken by the West Midlands Police and Crime Panel from Councillor McVittie, the Council's representative on the Panel.

133/22 **West Midlands Combined Authority**

Council received an update on the work undertaken by the West Midlands Combined Authority from the Leader of the Council.

134/22 **To receive the minutes of Cabinet**

The minutes of the meetings of the Cabinet held on 20 July, 17 August and 28 September 2022 were received.

134/22(a) **Proposal to Declare the Whole of Sandwell as a Smoke Control Area**

Consideration was given by Council to the Proposal to Declare the whole of Sandwell as a Smoke Control Area.



Resolved:-

- (1) that Sandwell MBC 'Declare' the whole Borough of Sandwell as a Smoke Control Area (SCA) under the Clean Air Act 1993 and replace the existing 51 Smoke Control Areas and ensure that all properties in the Borough are subject to the same legal requirements in relation to the prevention of smoke from building chimneys;
- (2) that subject to (1) above, the Director of Public Health be authorised to revoke the existing 51 Smoke Control Orders and making a single Borough-wide Smoke Control Order, with the Smoke Control Area coming into operation on the date specified in the Order which will not be earlier than six months from the date of confirmation.

135/22 To receive the minutes of the Budget and Corporate Scrutiny Management Board

The minutes of the meetings of the Budget and Corporate Scrutiny Management Board held on 8 August, 22 September and 13 October 2022 were received.

136/22 To receive the minutes of the Audit and Risk Assurance Committee

The minutes of the meeting of the Audit and Risk Assurance Committee held on 21 July 2022 were received.

137/22 Notice of Motions

The Council proceeded to consider motions received under Standing Order No. 7.



Councillor Ashman declared a pecuniary interest in the matter to be discussed.

Councillors Ashman, Allcock, Akhtar, Choudhry, Gavan, Jalil, R Jones, Kaur, Kausar, McVittie, Preece and Trumpeter left the Council Chamber.

(Deputy Mayor in the Chair)

An amended motion was moved by Councillor Padda and seconded by Councillor Webb:-

“This council notes:

1. The vital role played by NHS staff and other essential workers during the Covid-19 pandemic in the UK.
2. The demands by the Royal College of Nursing for urgent action by governments across the UK to tackle the issues of nursing shortages and fair pay for nursing staff.
3. A recent survey of 150 hospital chief executives, by NHS Providers, revealed 27 per cent have set up food banks to support staff.
4. Only 56% of new people joining the UK nursing register in 2021 were educated and trained in the UK, exposing a longstanding over-reliance on international recruitment potentially at a cost to other countries needing to retain their workforce.

Giving nurses a fair pay rise would be cheaper than recruiting new nurses from abroad as nursing staff seek opportunities elsewhere.

This Council calls upon the Leader of the Council to write to the Prime Minister and the Secretary of State for Health and Social Care urging them to take action to deal with the issue of low pay amongst nursing and other NHS staff by agreeing to a pay increase in line with inflation in order to prevent the drift away from



nursing, and avoid having to recruit from abroad or using agency staff to fill vacancies”.

On being put to the vote, the motion was carried and it **RESOLVED** accordingly.

Councillors Ashman, Allcock, Akhtar, Choudhry, Gavan, Jalil, R Jones, Kaur, Kausar, McVittie, Preece and Trumpeter returned to the Council Chamber.

(Mayor in Chair)

137/22(b) **17(b) Road Closures for Coronation**

An amended motion was moved by Councillor W Gill and seconded by Councillor Dunn:-

“That this Council recognises the historical significance of the coronation of HRH King Charles III which is planned for May 6th, 2023, and therefore resolves to invite the executive to consider waiving the fees for temporary road closures over this weekend to allow the residents of Sandwell to come together to celebrate”.

On being put to the vote, the motion was carried and it **RESOLVED** accordingly.

138/22 **To receive the recommendations of the Chief Officers Terms and Conditions Committee**

On 28 July 2022 the Chief Officers Terms and Conditions Committee approved recommendations to commence the process of appointment for a new Chief Executive for the Council. The Committee also approved that the Managing Director/Commissioner, Kim Bromley-Derry and Director of Business, Strategy and Change, with the Head of Human Resources and in consultation with the Leader, be authorised to work with the engaged recruitment consultants, Penna, to undertake all stages up to final interview.



The Committee met on 4 October 2022 which shortlisted and unanimously selected three candidates to proceed to final assessment, including final panel interview.

This final assessment stage culminated in panel interviews with the Chief Officer Terms and Conditions Committee on 20 October 2022.

Following the interviews and after careful consideration of candidate responses to Committee questions, the Committee unanimously agreed to recommend that the Council offer the position to Shokat Lal, currently Executive Director of Core Services at Barnsley Metropolitan Borough Council.

Resolved that approval be given to the appointment of Shokat Lal to the position of Chief Executive, Head of Paid Service, Returning Officer (RO) and the Electoral Registration Officer (ERO).

Meeting ended at 8.40pm

Contact: democratic_services@sandwell.gov.uk



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EVENTS ATTENDED SINCE 9 November 2022

- **Tough Enough to Care, Peer support group, Wednesbury Museum and Art Gallery**
- **Two Minute Silence, Oldbury Civic Square**
- **Poppy Appeal at Wednesbury**
- **Armistice Event at Lightwoods House**
- **Remembrance Sunday**
- **Remembrance Service at St. Luke's Church Memorial Gardens**
- **Safer 6 Launch, Oldbury Council House**
- **46th Sandwell Scout Group Parliament Week**
- **Single Point Event**
- **Tenants & Leaseholders Conference**
- **Citizenship Ceremony**
- **Sandwell Autism Café at the Clock**
- **Sandwell Hate Crime Policy Jam**
- **Woodgreen Nursing Home Christmas Fete**
- **Oldbury Christmas Tree Lights Switch On**
- **Annual Curry Luncheon - Soldiers Charity**
- **Sandwell Visually Impaired Forum**
- **Visit to 888 Oldbury RAFAC Squadron**
- **Photo Launch for Black Country Santa Appeal**
- **Smethwick Christmas Lights Switch On**
- **Stars in our Schools**
- **Essex Avenue Residents**
- **Tipton Community Hub Christmas Lights Switch On**
- **Tipton Christmas Tree of Light Switch On**
- **Wednesbury Christmas Lights Switch On**
- **Langley Christmas Lights Switch On**
- **Warley National Model Railway Exhibition**
- **Citizenship Ceremony**
- **Warley Woods Community Trust - Pot from Queens Jubilee**
- **Photo shoot for Black Country Santa Appeal with the Leader**

- **World Aids Day Vigil at Sandwell Council House**
- **Christmas Candlelight Evening at Haden Hill House Museum**
- **Morning Tea at Brandhall Primary School**
- **At Home event - Walsall Mayor**
- **Blackheath lights switch on**
- **BUDS Christmas Fayre, Barlow Community Centre**
- **EPIC CIC Christmas Party, Wood Lane Community Centre**
- **Dialogue Society Christmas Dinner, St Hilda's Church, Abbey Road, Smethwick**
- **The new testament Church of God, Appreciation Day, Church Street, Oldbury**
- **Annual Justice Service - High Sheriff of the County of the West Midlands**
- **SIPS countdown to Christmas at West Bromwich Town Hall**
- **Opening and Blessing of Chapel and refurbished Walsh funeral home, Heath Lane, West Bromwich**
- **Citizens Advice AGM, Wednesbury**
- **Charity Curry Night, Little Bangla**
- **Official Opening of the Lodge SEND, Uplands Primary School**
- **Joint meeting with West Midlands Lieutenancy**
- **Sandwell Twinning Christmas Event, Langley**
- **A very, Merry Victorian Christmas, Central Library, West Bromwich**
- **SENSE 20 years anniversary, Horton Street Residential Home, West Bromwich**
- **Christmas Market at St Marks Church, Smethwick**
- **Walsall Civic Carol Service**
- **St John Ambulance Carol Service**
- **Sandwell Changes Christmas Party, St Marks Church, Smethwick**
- **Opening of Yew Tree & Tame Bridge Community Centre Christmas Grotto**
- **Wednesbury Community Association Christmas party**

Report to Council

13 December 2022

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

The following written questions have been received:-

7(a) From Councillor Uddin to the Cabinet Member for Environment Services

The development of new Midlands Metropolitan Hospital site already caused a lot of distress and inconvenience for the residents in the surrounding area whilst the construction work was underway.

Residents are still concerned about the lack of information/consultation in relation to this entire development and would like to know what arrangements has been taken by the Council to ensure only local residents will be allowed to park on their roads, not visitors to the new hospitals?

7(b) From Councillor Chapman to the Cabinet Member for Housing

It has been brought to my attention by residents in my ward, that during the recent much needed upgrades to resident's properties, residents are only being allocated a maximum of 3 keys for the new front doors.

Due to the nature of the new secure doors and locks, additional keys cost approximately £20 each which is money that some of our most vulnerable residents cannot afford.

Will this Council consider discounting the cost of additional keys, and in some circumstances make these free of charge, so that all residents are able to access their properties when required?



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Report to Council

13 December 2022

Subject:	Sandwell Council Improvement Plan
Cabinet Member:	Leader of the Council, Cllr Kerrie Carmichael
Director:	Managing Director Commissioner, Kim Bromley-Derry
Key Decision:	No
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 receive a recommendation from Cabinet (subject to Cabinet’s consideration on 7 December) that the Improvement Plan Progress Reports (included at Appendix 1 and Appendix 2) and the accompanying letter (included at Appendix 3) be submitted to the Secretary of State for Levelling up, Housing and Communities to form the Council’s six-monthly update on progress against the Improvement Plan.
- 1.2 That Council note the significant progress made to deliver the actions within the Improvement Plan.

- 1.3 That Council note the findings from the LGA Corporate Peer Challenge Follow-up visit and that the council's response to the findings will be made in conjunction with the forthcoming findings from the Grant Thornton and CIPFA follow-up reviews, along with any additional recommendations from the Secretary of State.







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 A single Improvement Plan was agreed by Council on 7 June 2022.
- 2.3 Under the Statutory Directions, the council is required to report progress against the Improvement Plan to the Department of Levelling Up, Housing and Communities every six months. The next report is due for submission in December 2022.
- 2.4 Cabinet considers the progress of the Improvement Plan on a quarterly basis and will receive their next quarterly progress report on 7 December. The publication date for Council papers takes place prior to Cabinet's consideration of the quarterly progress report and therefore the Leader will provide an update to Council on Cabinet's recommendation to Council.
- 2.5 Significant progress has been made in delivering the actions contained within the Improvement Plan.
- 2.6 The council has invited Grant Thornton, the LGA and CIPFA to conduct follow-up reviews in Autumn 2022. The findings from the LGA have been received. The findings from Grant Thornton and CIPFA will be available in due course.

2.7 Once the findings from all three external reviews have been received, the council's response will be considered, along with any additional recommendations from the Secretary of State.

3 How does this deliver objectives of the Corporate Plan?

3.1 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.

	Best start in life for children and young people
	People live well and age well
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	A strong and inclusive economy
	A connected and accessible Sandwell

4 Context and Key Issues

4.1 Background

- 4.1.1 A single Improvement Plan was agreed by Council on 7 June 2022 to address recommendations from a Value for Money Review into the council's governance arrangements, a CIPFA financial management review, an LGA Corporate Peer Challenge, and Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities. The single Improvement Plan replaced the Governance Review Improvement Plan which was approved by Council in January 2022.
- 4.1.2 To ensure that senior officers and members have oversight of delivery against the Improvement Plan, Council approved that progress will be monitored by Leadership Team monthly and reported to Cabinet quarterly. This will continue until all actions have been completed, or changes have been embedded into business as usual.
- 4.1.3 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes. The Improvement Plan report to Council in June 2022 set out that changes (which may include the addition of new workstreams or objectives, or the amendment of timescales for delivery of actions) will be tracked through programme management mechanisms and that Cabinet will retain oversight of changes through regular formal reporting.
- 4.1.4 A summary of changes is provided in the quarterly reports to Cabinet and provided in full as an appendix. This quarter, one of the changes within the plan has been to add a workstream around the Customer Journey. At their meeting on 22 September 2022, Budget and Corporate Scrutiny Management Board commented on its absence from the Improvement Plan despite this being a focus of the Commissioners.
- 4.1.5 Cabinet considered the first quarterly update on progress of the Improvement Plan on 28 September 2022.
- 4.1.6 The second quarterly update on progress of the Improvement Plan is being considered by Cabinet on 7 December 2022 and is included at Appendix 1. This report sets out:
- Progress against each of the six Improvement Plan themes including an outline of key achievements this quarter, an overall status rating, and a summary of any issues

- Progress against the three statutory recommendations made by Grant Thornton in their Value for Money Governance Review
- An outline of the governance arrangements including the regular review of the Improvement Plan from Audit and Risk Assurance Committee and Scrutiny, and monthly monitoring from Leadership Team
- Findings from the LGA follow-up review visit in October 2022
- The external follow-up review visits from Grant Thornton, and CIPFA – the findings of which are due in forthcoming weeks
- An update on the use of one-off funding to progress improvement plan actions agreed by Council in June 2022.
- The current status of risks associated with the Improvement Plan
- Details of changes to the Improvement Plan as per the agreed change control process

4.1.7 The accompanying draft letter to the Secretary of State sets out:

- the significant progress made to deliver the actions within the Improvement Plan including in relation to key service issues raised in external reviews
- the achievement of key milestones including the appointment of a permanent Chief Executive and a decision taken by Council in relation to a 4-yearly election cycle
- that there is now a tangible sense of stability in leadership and member and officer relationships are significantly improving, which has been acknowledged in the recent LGA review
- acknowledgement of the amount of work ahead to continue the council's improvement, but that the council has the drive and determination to see through and embed the required improvements

4.2 External Assurance

4.2.1 External assurance continues to play a part in our improvement journey. The council has invited Grant Thornton, LGA and CIPA to monitor our progress in addressing the recommendations in their reviews. Grant Thornton and the LGA conducted their follow-up review activities over September and October 2022 and CIPFA are conducting their review in November 2022.

4.2.2 The feedback report from the LGA has been received and is attached at Appendix 4. The LGA have recognised the significant progress that has been made in a number of key areas to the good governance and management of the council. The LGA also stressed that the council is on a journey that will take time and there is still a long way to go to embed the improvements required.

4.2.3 The findings from the Grant Thornton and CIPFA follow-up reviews are expected to be received shortly.

4.3 Improvement Plan – Next Steps

4.3.1 There is still work to do in putting the customer front and centre of the council's business, living our desired organisational culture, embedding our changes so they achieve the desired impact, and building continuous improvement into our normal business. This will be the focus in the next stage of our journey.

4.3.2 A further update to the Improvement Plan will take place in early 2023 once the council has had the opportunity to reflect on the findings from Grant Thornton, LGA and CIPFA as a result of their follow-up visits, along with the outcomes of the culture listening exercise and any additional recommendations from the Secretary of State. As the Improvement Plan combined the recommendations from all three initial external reviews, the council's response to each return visit must be considered together. This will ensure that any revisions to the Improvement Plan are aligned and complementary, and will contribute to achieving the aim of sustained improvement.

5 Alternative Options

5.1 Alternative formats for reporting to the Secretary of State could be adopted, however the proposal to submit a covering letter along with the quarterly reports made to Cabinet makes use of existing reports. The Department for Levelling Up, Housing and Communities confirmed that this would be an acceptable format to them and contains the information that they require.

6 Implications

<p>Resources:</p>	<p>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.</p> <p>There are no land or building implications of this report.</p>
<p>Legal and Governance:</p>	<p>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.</p> <p>One of the Directions included that the council should report progress to the Secretary of State on a six-monthly basis. This report outlines the contents of this six-monthly report.</p> <p>The delivery of the Improvement Plan and achievement of the desired outcomes will meet the remainder of the Directions.</p> <p>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.</p>
<p>Risk:</p>	<p>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</p>

	<p>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.</p> <p>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 is reported monthly to Leadership Team and quarterly to Cabinet.</p>
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 its 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
Climate Change	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. 'Green in everything we do' is one of the Fairer Sandwell

	<p>principles running throughout the Corporate Plan. Any improvements to the council's governance structures will strengthen the council's ability to embed this principle and further the climate change agenda.</p>
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7. Appendices

1. Improvement Plan Progress Report to Cabinet December 2022
2. Improvement Plan Progress Report to Cabinet September 2022
3. Draft letter to Secretary of State for Levelling Up, Housing and Communities
4. LGA Corporate Peer Challenge Progress Review November 2022

8. Background Papers

- Approval of Sandwell Council Improvement Plan [Report to Council 7 June 2022](#)
- [Sandwell Council Improvement Plan](#)
- Quarterly Monitoring Reports to Cabinet:
 - [December 2022](#)
 - [September 2022](#)
- Improvement Plan Progress Reports:
 - To Audit and Risk Assurance Committee:
 - [November 2022](#)
 - [September 2022](#)
 - [June 2022](#)
 - To Budget and Corporate Scrutiny Management Board
 - [November 2022](#)
 - [September 2022](#)

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Report to Cabinet

7 December 2022

Subject:	Improvement Plan Progress
Cabinet Member:	Leader of the Council Cllr Kerrie Carmichael
Director:	Managing Director Kim Bromley-Derry
Key Decision:	No
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 progress against the Improvement Plan up to 3 November 2022 be received.
- 1.2. To receive the Improvement Plan Risk Register.
- 1.3. To receive changes to the Improvement Plan.
- 1.4. To receive any recommendations or comments made by Audit and Risk Assurance Committee, and Budget and Corporate Scrutiny Management Board in relation to the Improvement Plan progress.
- 1.5. To recommend to Council that this report along with the September progress report and an accompanying letter be submitted to the Secretary of State for Levelling up, Housing and Communities to form



the Council's 6 monthly update on progress against the Improvement Plan.







2. Reasons for Recommendations

- 2.1 This report provides a quarterly update on progress against the Improvement Plan agreed by Council on 7 June 2022. The Improvement Plan incorporates all recommendations from the Grant Thornton Governance Review, the LGA Corporate Peer Challenge and the CIPFA Financial Management Review, as well as the Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities.
- 2.2 Risk management is embedded within the council's programme management of the Improvement Plan. A risk register has been developed which underpins the council's strategic risk relating to the Improvement Plan (59a 02/22). Cabinet is asked to receive the Improvement Plan Risk Register to provide assurance that risks are being managed effectively and to provide contextual information for future decision making.
- 2.3 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes. Changes to the Improvement Plan are tracked through programme management mechanisms. Cabinet is asked to receive the changes.
- 2.4 As part of the governance and assurance arrangements for the Improvement Plan, Audit and Risk Assurance Committee and Budget and Corporate Scrutiny Management Board review progress of the Improvement Plan and utilise the plan for work programming purposes. Both Committees are due to consider progress at their meetings in November. Any recommendations or comments they wish to make to Cabinet will be presented during the meeting for Cabinet's consideration.
- 2.5 Under the Statutory Directions, the council is required to report progress against the Improvement Plan to the Department of Levelling Up, Housing and Communities every six months. The first report is due for submission by 22 December 2022. It is proposed that this report, along with the quarterly update received by Cabinet in September will form the basis of the report to the Secretary of State along with a covering letter. Council are responsible for approving the report made to the Secretary of State and Cabinet will make a recommendation to Council.



3. How does this deliver objectives of the Corporate Plan?

3.1 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.

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4 Context and Key Issues



4.1 Background

- 4.1.1 A single Improvement Plan was agreed by Council on 7 June 2022 to address recommendations from a Value for Money Review into the council's governance arrangements, a CIPFA financial management review, an LGA Corporate Peer Challenge, and Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities. The single Improvement Plan replaced the Governance Review Improvement Plan which was approved in January 2022.
- 4.1.2 To ensure that senior officers and members have oversight of delivery against the Improvement Plan, Council approved that progress will be monitored by Leadership Team monthly and reported to Cabinet quarterly. This will continue until all actions have been completed, or changes have been embedded into business as usual.
- 4.1.3 This report is the second quarterly update on progress of the Improvement Plan. The first quarterly update was considered by Cabinet in September 2022.

4.2 Improvement Plan Progress

- 4.2.1 Over this quarter, significant progress has been made to deliver the actions within the Improvement Plan. This includes the appointment of a permanent Chief Executive and a decision taken by Council in relation to moving to a 4-yearly election cycle. Both of which were key requirements of the Government's Statutory Directions.
- 4.2.2 A comprehensive monitoring tool has been developed to include both a risk rating for each main action within the Improvement Plan and a progress status rating for all actions. The Improvement Plan Monitoring Tool is included at Appendix 1. The monitoring tool provides quick reference around which actions are on track for delivery, as well as highlighting areas that may require remedial action or additional levels of assurance.
- 4.2.3 Progress against each theme of Improvement Plan is summarised within Appendix 2. This includes an overall status rating, a description of workstream progress, commentary on progress against milestones and achievements. Along with an outline of key achievements this quarter, the theme ratings and a summary of any issues is provided below.



4.2.4 Organisational Culture Theme

4.2.4.1 Achievements:

- Recruitment of a permanent Chief Executive
- Staff engagement carried out to determine the cultural values and behaviours of the council.
- Multiple training sessions delivered to Officers and Members focusing on Corporate Governance and the Officer and Member relationship. These will continue into next quarter
- Actions to respond to the Employee Engagement Survey embedded in the Improvement Plan and Directorate-level action plans
- Internal communications methods such as Director live events and all staff briefings now more established and being used to share information and reinforce key messages

4.2.4.2 Theme Status Rating Green – Progress is being made across all workstreams. Slippage is being experienced in a couple of areas that are classed as medium risk, one of which is due to the impact of the by-election held in October 2022 and rescheduling of decision making meetings.

4.2.4.3 Organisational Culture Progress Issues - Areas with slippage are:

- **Organisational Development Strategy and Plan** (action being redefined as Workforce Strategy). Action is dependent on the outcomes of the culture listening groups which will conclude in October. Dates reprofiled through change control.
- **Design and deliver Corporate Governance Training for Members:** Effective decision-making training (delay due to change of Council date due to by-election). Training will commence following November Council.

4.2.5 Corporate Oversight Theme

4.2.5.1 Achievements

- Support provider in place for the Oracle Fusion project and implementation underway



- Monitoring and oversight of the Council's improvement has become more established - second quarterly report prepared and work commenced to embed and sustain key actions into business as usual
- Quarter 1 Performance Management Report delivered, and preparations are well underway for the Q2 report.
- Corporate Transformation Approach agreed

4.2.5.2 Theme Status Rating: Green. Progress is being made across all workstreams.

4.2.5.3 One action has a red risk rating in this theme. This relates to **Performance Management Framework**. All sub-actions have been completed. The Q1 report was presented to Cabinet, Scrutiny and an all-Member Briefing during this quarter. Preparations are on track for Q2 report to be presented to Cabinet in December.

4.2.6 Strategic Direction Theme

4.2.6.1 Achievements

- Approval of the Corporate Parenting Strategy
- Preparations for reporting to Cabinet on the Corporate Asset Management Strategy, Equality Policy, Medium Term Financial Plan and the progress of the Regeneration Strategy and Pipeline.
- Customer Journey Programme established and included within the Improvement Plan to reflect this priority focus
- Residents' Survey and consultation on the budget taken place and insight is being used to inform the Medium-Term Financial Plan and business planning.

4.2.6.2 Theme Status Rating: Red. Progress is being made, however some delays and specific issues have emerged around the EDI agenda, which along with the anticipated decision to adopt the LGA equalities framework review are impacting on the ability to deliver on the actions to the original timescales. There has also been slippage in the delivery of the development of the Commercial Strategy, although work has progressed in this area.



4.2.6.3 In relation to the EDI Agenda, there are 2 actions with a red risk rating (significant slippage/issues), and 3 with an amber risk rating (medium slippage/issues):

- **Review of council EDI decision making process** – this focused on the Equality Impact Assessment (EIA) Review which has now been completed. Updated EIA forms and guidance have been issued.
- **Approval of EDI strategy** - Slippage is due to the proposal to adopt the LGA Equalities Framework which requires a longer delivery time. Cabinet approved the Equalities policy in November and agreed to the adoption of the LGA Equalities Framework. Timescales for delivering the strategy have been reprofiled through October's change control.
- **Continue to embed Equality, Diversity and Inclusion (EDI) staff networks** – Work is ongoing. Some networks are functioning better than others. Womens' network and a Faith and Belief network are being established.
- **Continue to deliver on Equalities Commission Board priorities** - EDI legacy issues are resurfacing which is impacting on operation of staff networks and delivery on Equalities Commission Board priorities. A report on these matters is due to Leadership Team in the coming weeks, and all these actions will be included within the adoption of the LGA Equalities Framework.
- **Equality Policy approved**- The policy was approved by Cabinet in November 22. There had been a delay due to the by-election.

4.2.6.4 There has been a medium level of slippage in relation to the **Development and Implementation of the Commercial Strategy**. A Leadership Team discussion around the draft strategy took place in early November and will be presented to Cabinet in early 2023. The timescales have been agreed to be reprofiled through October's change control.

4.2.7 Decision Making Theme

4.2.7.1 Achievements

- Consultation completed, and decision taken in relation to the 4-yearly election cycle
- Key decisions taken around changes to the constitution with final changes due to be considered by Council in December.



- Scrutiny Review completed and agreement from Council to adopt changes.
- Scrutiny and Audit Committees continuing to focus on their improvement

4.2.7.2 Theme Status Rating: Green. All areas progressing with some medium slippage which are predominantly due to delays as a result of the by-election.

4.2.7.3 In relation to the **In-depth review and revision to Corporate Governance Documents** and the **Refresh of decision making-arrangements including the role of Scrutiny** there has been medium slippage caused due to delays associated with the by-election. In November, Council approved the Scheme of Delegations and the Scrutiny Review. Training in effective decision-making will commence from November linked to the Council approvals.

4.2.7.4 Slippage has also been experienced relating to the **revised Financial Regulations**. Preparations are being made to report to December Council. As the key changes to financial regulations were approved in July, the risk and impact of the slippage of the outstanding components is very low. Timescales were agreed to be reprofiled through October's change control.

4.2.7.5 The revision of the **Council Procedure Rules** has experienced significant slippage due to omission from change control in July which would have altered the delivery timetable. The Council Procedure Rules were approved by Council in November.

4.2.8 Procurement and Commercial Theme

4.2.8.1 Achievements

- Delivery of a new framework for SEND Transport that addresses concerns raised around resilience and value for money.
- Continued focus on contract management (Serco, SCT, SLT) and contract performance embedded in the Performance Management Framework for quarterly reporting.
- Approval of the Street Cleansing Recovery Plan



- Decision made around the future delivery of leisure services and a Local Authority Trading Company (LATC) is in the process of being established
- Work has continued this quarter around Lion Farm and the matter is being progressed through an Expert Determination process.

4.2.8.2 Theme Status Rating: Green. Progress is being made across all workstreams

4.2.8.3 The **Lion Farm Options Agreement** is experiencing medium slippage/issues. This is due to the delivery timescales for the Expert Determination process being decided by a third party. Papers have been submitted to the external party that will conduct the expert determination and the process commenced.

4.2.8.4 The **Corporate Performance Management System** is green risk rated, but is currently experiencing a significant level of slippage. This has not progressed past soft market testing due to project management capacity. A further demonstration with another provider is taking place in November. The size and scale of system will be considered to scope of project, and project management capacity reviewed.

4.2.9 Partnerships and Relationships Theme

4.2.9.1 Achievements

- Delivery of the Early Help and Corporate Parenting Strategies has continued across partners.
- Work has progressed to agree the KPI suite as part of the SCT contract and Cabinet decision was taken not to invoke the contract break clause.
- Health and Wellbeing Strategy has been approved by partners
- Deep-dives are taking place and are informing the priorities of the SHCP Board and Integrated Care Board.
- Attendance and participation with key regional and sub-regional groups (including WMCA, ABCA, and BCLEP) has continued
- Review of VCS Grants is complete and work has commenced to develop the VCS Strategy.



- 4.2.9.2 Theme Status Rating: Amber. Progress is being made across workstreams with some slippage in relation to the SCT KPI review, and work around the transition from children's to adult's services.
- 4.2.9.3 In relation to the **Sandwell Children's Trust KPI Suite** - this is now due to be complete December 2022 for implementation in April 2023. The dates have been reprofiled due to decision not to invoke the contract break clause.
- 4.2.9.4 Slippage has occurred in the review of partnership structures relating to the **Transition from children's to adult's services**. The review and remodelling of the pathway is due to commence in November and timescales agreed to be reprofiled through October's change control

4.3 Statutory Recommendations

- 4.3.1 The Value for Money Governance Review made three statutory recommendations that the council has a legal obligation to respond to. These recommendations are incorporated into the single Improvement Plan and are embedded across each of the six themes.
- 4.3.2 To provide an overview of progress against these three specific recommendations, Appendix 3 extracts the key actions that respond to each of the recommendations and they are summarised below.

4.4 Statutory Recommendation 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.

Progress update:

- Continuing to implement strategies to address the service issues highlighted in the Grant Thornton report.
- SLT – progressing the approach agreed by Cabinet in June 2022 to transfer services to a Local Authority Trading Company.



- SCT – Governance arrangements remain in place. Joint work in place with SCT in relation to corporate parenting and early help. Revised contract will commence in April 2023
- Waste Contract – Contract Monitoring framework progressing well and embedded in PMF reporting. Review of the Contract is complete.
- ERP (Oracle Fusion) – support provider in place and implementation commenced. Project Management and Governance arrangements are in place.
- Lion Farm – expert determination process has commenced. Formal document detailing the respective roles and responsibilities of Council and the developer complete.
- Regeneration Strategy and Pipeline to underpin significant regeneration in Sandwell approved by Cabinet 23 March 2022. First monitoring update due in November.

4.5 Statutory Recommendation 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.

Progress Update

- The Governance Review of key documents within the council's Constitution is nearing completion. Approval in July to revised Procurement and Contract Procedure Rules, thresholds for decisions and Sale of Land and Buildings Protocol. Approval in November to revised Scheme of Delegations. Refresh of Financial Regulations will be presented to Council in December.
- Corporate Governance Training - Programme of training and development commenced in September 2022 on effective decision-making, good governance, and revised contract procedure rules
- Commercial Strategy in draft and due to be considered by Cabinet in early 2023.
- Corporate Asset Management Strategy due for Cabinet consideration in November.



4.6 Statutory Recommendation 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.

Progress Update

- Member Development – New Member induction complete and Member Development Programme is being delivered and regularly reviewed by Ethical Standards and Member Development Committee.
- Officer Development – A consolidated programme of fundamental training for managers on Corporate Governance matters has commenced. A broader Management Development Programme will be rolled out in 2023 following the approval of the Workforce Plan.
- Organisational Culture – Outcomes of the listening exercises to be considered by Leadership Team in November.
- Meeting structures to facilitate Cabinet Member and Leadership Team cross-working in place and meeting needs.

4.7 Reporting Framework, Governance and Assurance

4.7.1 To ensure that senior officers and members have oversight of delivery, Council approved the reporting mechanism for the Improvement Plan in June 2022. This set out that progress will be monitored by Leadership Team monthly and reported to Cabinet quarterly until all actions have been completed, or changes have been embedded into business as usual. The diagram included at Appendix 4 sets out the governance framework.

4.7.2 Two quarterly updates on progress of the Governance Improvement Plan were provided to Cabinet in April 2022 and July 2022. The first quarterly update on the Improvement Plan was considered by Cabinet in September 2022. This report forms the second quarterly update to



Cabinet on the Improvement Plan. Leadership Team have reviewed progress against the plan every month.

4.7.3 The Government Directions require reporting on the delivery of the Improvement Plan at six monthly intervals to the Secretary of State from the council and the Commissioners. The next report is due in December 2022 and will be considered by Council in December. Council is responsible for approving the report made to the Secretary of State, and Cabinet will make a recommendation to Council.

4.7.4 Member-led committees, such as the Governance & Constitution Review Committee, Audit & Risk Assurance Committee and Scrutiny Committees, are used for decision making and maintaining oversight of the actions and implementation of the Improvement Plan.

4.7.5 The Governance & Constitution Review Committee and cross-party Working Group have been integral to the development and review of the governance documents, ahead of decisions taken by Council in July and due in November and December this year.

4.7.6 Audit & Risk Assurance Committee received an introduction to the Improvement Plan and the Improvement Plan Risk Register in June 2022 and have received a quarterly progress report and the risk register in September 2022 and November 2022.

4.7.7 Budget & Corporate Scrutiny Management Board has included several elements of the Improvement Plan on their work programme as well as regular reports on overall progress. The first report on overall progress was considered on 22 September 2022. The next progress report will be considered by Budget and Corporate Scrutiny Management Board in November. Following the September report, Budget & Corporate Scrutiny Management Board requested a 'deep dive' focus on the work under the Organisational Culture theme and engagement with the workforce. This is due to take place in early December.



4.7.8 Following consideration of the progress report to Audit & Risk Assurance Committee and Budget & Corporate Scrutiny Management Board, those members will identify areas for further exploration and reporting. Any recommendations or comments from these committees for Cabinet's consideration will be presented to Cabinet

4.8 External Reviews

4.8.1 External assurance continues to play a part in our improvement journey. The council has invited Grant Thornton, LGA and CIPA to monitor our progress in addressing the recommendations in their reviews. Grant Thornton and the LGA conducted their follow-up review activities over September and October 2022 and CIPFA will conduct their review in November 2022.

4.8.2 The feedback report from the LGA has been received and is included at appendix 5. The LGA have recognised the significant progress that has been made in a number of key areas to the good governance and management of the council. The LGA also stressed that the council is on a journey that will take time and there is still a long way to go to embed the improvements required.

4.8.3 Key points raised by the LGA in relation to Corporate Oversight and Strategic Direction were that:

- Much greater stability can now be seen both politically and managerially
- Cabinet and Leadership Team are working increasingly well together
- Praise for the Leaders' and Chief Executives' styles and approaches
- Staff feel much better communicated with from the corporate level
- There is an absence of a whole organisation view of the scale of the financial challenge facing the council
- External partners are seeing the council now being much better engaged
- Cabinet is building a track record of taking difficult decisions and are showing a commitment and willingness to face the further tough decisions
- The injection of additional capacity in key areas has helped to drive improvement
- There needs to be a stocktake around the level of available resource, pace and capacity going forward.



4.8.4 Key points raised by the LGA in relation to Governance and Decision-Making were that:

- An inclusive process has taken place to develop the changes to the Constitution
- One of the most noticeable changes in recent months is a much-improved set of relationships between officers and elected Members.
- There is an emerging risk around the organisational responsiveness to the customer and to casework issues brought forward by Elected Members
- Members have valued the training offered through the Member Development Programme
- Scrutiny is going from strength to strength
- Mature engagement between the Leader, Cabinet, Committee Chairs and officers is providing for good planning and work programming across the different committees
- There is a sense of a 'maturing politics' within the council

4.8.5 Key points raised by the LGA in relation to Customer Journey and Organisational Culture were that:

- There is a long way to go in the work on the customer journey and organisational culture
- The customer journey, Equalities Diversity and Inclusion, and organisational culture are major pieces of inter-related work that are fundamental to future success. They require a clear plan and sense of deliverability.

4.8.6 The findings from the Grant Thornton and the CIPFA follow-up reviews are expected to be received shortly. A further update to the Improvement Plan will take place in early 2023 once the council has had the opportunity to reflect on the findings from Grant Thornton, LGA and CIPFA as a result of their follow-up visits, along with the outcomes of the culture listening exercise and any additional recommendations from the Secretary of State.

4.9 Resources



4.9.1 In the development of the Improvement Plan, a review of the resources available to deliver the Plan was carried out. Resources to deliver the Improvement Plan have been allocated from within existing commitments in the majority of cases. Council approved funding of approximately £1.768m for one-off funding to progress improvement plan actions.

4.9.2 Recruitment to key positions has taken place including interim corporate transformation capacity to establish programme and project management governance arrangements. Other elements of recruitment are underway. Consultants have been commissioned to support the council's work on organisational culture and resources have been deployed to support the implementation of finance improvements and the Governance review. A summary of the Q2 position on all Council reserves is provided within the Q2 budget monitoring report.

4.10 Risk Management

4.10.1 The Improvement Plan Risk Register underpins the council's strategic risk relating to the council's Improvement Plan (59a 02/22) and is currently rated as an overall Amber risk. The risk register is reported monthly to Leadership Team and quarterly to Cabinet and Audit & Risk Assurance Committee.

4.10.2 The current risk register is attached as Appendix 6. 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 were approved by Council in June.
- **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 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** – to ensure everyone is aware of their respective roles and responsibilities. Communication is taking place through a range of methods including briefings, live events, and regular messages.
- **Constitutional Changes** – key corporate governance documents are being reviewed and the first set were approved in July with others to follow in November and December. Once approved, these policies 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 are in place, and processes for capturing and using evidence of improvement will be developed.
- **Historic Issues** – if there is a continued focus on and resource directed towards historic issues this will hinder improvement. The improvement plan contains actions to bring historic issues to a conclusion and embed lessons learnt.

4.10.2.1 Since the last quarterly report to Cabinet, the risk relating to Investment and Financial Resources (IP6) has reduced from a Red 12 rating to an Amber 8 rating. Appointment of interim corporate transformation capacity has taken place and this is providing capacity to establish programme and project management governance arrangements as well as moving forward key transformational activity.

4.11 Changes to the Improvement Plan

4.11.1 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes.

4.11.2 The Improvement Plan report to Council in June 2022 set out that changes (which may include the addition of new workstreams or



objectives, or the amendment of timescales for delivery of actions) will be tracked through programme management mechanisms and that Cabinet will retain oversight of changes through regular formal reporting.

4.11.3 The list of all changes is provided in Appendix 7. Where new actions have been added to the Improvement Plan, these are displayed within the monitoring tool with green font colour. One of the changes within the plan has been to add a workstream around the Customer Journey. At their meeting on 22 September, Budget and Corporate Scrutiny Management Board commented on its absence from the Improvement Plan despite this being a focus of the Commissioners.

4.11.4 The changes made are summarised below.

- 3 changes made to descriptions of actions
- 42 changes made to action delivery timescales
- 1 new workstream has been added to reflect the priority of customer journey
- 6 main-actions have been added
- 29 sub-actions have been added
- 28 assurance actions have been added to ensure that an approach / action is becoming embedded in the organisation
- 8 actions were agreed as closed. They are summarised below with the rationale.

Change Ref	Action Title	Rationale for closure
81	Continue to adopt star chamber approach for Cabinet Members and Chief Officers as part of budget setting approach	Star Chambers all completed by 28th September. Approach will be used for future budget setting.
82	Ward and Casework Management	Main action to be incorporated within the new workstream focusing on customer experience
83	Deliver Member Development Programme including Finance Training Programme	This has moved into regular business of the Ethical Standards and Member Development Committee. Immediate requirements have been met for the



		purposes of the IP. ES&MDC review MDP on a regular basis.
86	Actions to respond to employee survey outcomes to be identified and embedded in improvement plan	Main action to close and new main action (to monitor Employee Engagement Survey Action Plan) will be added to Corporate Oversight- IP workstream.
87	A clear and joint message from Chief Executive and Leader regarding Officer and Elected Member relationship delivered	Comms messages have taken place and training sessions held have reinforced the messages around the relationship. Approach to action has been different to how drafted. Attendance records and engagement with training help demonstrate that message has been delivered.
119	Developing a model for locality working	Closure of main action to incorporate into 'Customer Journey Programme'
131	Refresh existing arrangements for arms-length companies	Workstream closure – only arms-length company is SCT and covered with contract managementt arrangements. These are reported through PMF.

5 Alternative Options

- 5.1** The Value for Money Governance Review was undertaken as part of the external auditor's role to provide assurance on the council's arrangements for securing economy, efficiency and effectiveness in its use of resources. As the report includes statutory recommendations the council has a legal obligation to respond appropriately.
- 5.2** 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.
- 5.3** Reviewing progress against the Improvement Plan enables senior officers and members have oversight of delivery, and take corrective action, as necessary.
- 5.4** Alternative formats for reporting to the Secretary of State could be adopted, however the proposal to submit a covering letter along with the quarterly reports made to Cabinet makes use of existing reports. The Department for Levelling Up, Housing and Communities confirmed that this would be an acceptable format to them.



6 Implications

Resources:	<p>Resources to deliver the Improvement Plan have been allocated from within existing commitments in the majority of cases. Where one-off funding is required to deliver improvements, this will either be funded from the Improvement and Capacity Fund or from earmarked reserves created from 2021/22 underspend position. Allocation of this funding was approved by Council with the Improvement Plan on 7 June 2022.</p> <p>Where funding is required for longer-term change, this will be incorporated into the Medium-Term Financial Strategy.</p> <p>There are no land or building implications associated with the Improvement Plan as a whole.</p>
Legal and Governance:	<p>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.</p> <p>The regular reporting 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.</p> <p>The delivery of the Improvement Plan and achievement of the desired outcomes will meet the remainder of the Directions.</p> <p>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.</p>



<p>Risk:</p>	<p>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.</p> <p>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 is reported monthly to Leadership Team, quarterly to Cabinet, and will be regularly reported to Audit and Risk Assurance Committee.</p>
<p>Equality:</p>	<p>The successful delivery of the 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.</p>
<p>Health and Wellbeing:</p>	<p>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.</p>
<p>Social Value</p>	<p>Within the Improvement Plan, the council is committed to developing its Social Value Policy in conjunction with the refresh of the Procurement & Contract Procedure Rules. Through strengthening our</p>



	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.
Climate Change	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. Green in everything we do is one of the Fairer Sandwell principles running throughout the Corporate Plan. Any improvements to the council's governance structures will strengthen the council's ability to embed this principle and further the climate change agenda.

7. Appendices

1. Improvement Plan Monitoring Tool October 2022
2. Improvement Plan Theme Progress Summary October 2022
3. Statutory Recommendations Reporting October 2022
4. Improvement Plan Governance Diagram
5. LGA Corporate Peer Challenge Progress Review November 2022
6. Improvement Plan Risk Register October 2022
7. Changes to the Improvement Plan October 2022
8. Improvement Plan Progress Report to Cabinet September 2022
9. Draft Letter to Secretary of State for Levelling Up, Housing and Communities

8. Background Papers

- [Sandwell Council Improvement Plan](#)
- Approval of Sandwell Council Improvement Plan [Report to Council 7 June 2022](#)
- Quarterly Monitoring Reports to Cabinet:
 - [September 2022](#)
- Improvement Plan Progress Reports:
 - To Audit and and Risk Assurance Committee
 - [November 2022](#)
 - [September 2022](#)
 - [June 2022](#)



- To Budget and Corporate Scrutiny Management Board
 - November 2022 (due for publication)
 - [September 2022](#)



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Report to Cabinet

28 September 2022

Subject:	Improvement Plan Progress
Cabinet Member:	Leader of the Council Cllr Kerrie Carmichael
Director:	Managing Director Kim Bromley-Derry
Key Decision:	No
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 progress against the Improvement Plan up to 4 August 2022 be received.
- 1.2. To receive the Improvement Plan Risk Register.
- 1.3. To receive the changes made to the Improvement Plan.
- 1.4. To receive any recommendations or comments made by Budget and Corporate Scrutiny Management Board following their meeting on 22 September, and to note that any comments or recommendations made by Audit and Risk Assurance Committee at their meeting on 29 September will be reported to a future Cabinet meeting.









2. Reasons for Recommendations

- 2.1 This report provides a quarterly update on progress against the Improvement Plan agreed by Council on 7 June 2022. The Improvement Plan incorporates all recommendations from the Grant Thornton Governance Review, the LGA Corporate Peer Challenge and the CIPFA Financial Management Review, as well as the Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities.
- 2.2 Risk management is embedded within the council's programme management of the Improvement Plan. A risk register has been developed which underpins the council's strategic risk relating to the Improvement Plan (59a 02/22). Cabinet is asked to receive the Improvement Plan Risk Register to provide assurance that risks are being managed effectively and to provide contextual information for future decision making.
- 2.3 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes. Changes to the Improvement Plan are tracked through programme management mechanisms. Cabinet is asked to receive the changes to provide assurance that changes are being managed effectively.
- 2.4 As part of the Governance and assurance arrangements for the Improvement Plan, Audit and Risk Assurance Committee and Budget and Corporate Scrutiny Management Board will review progress of the Improvement Plan and utilise the plan for work programming purposes. Both Committees are due to consider progress at their meetings in September. Any recommendations or comments they wish to make to Cabinet will be presented during the meeting for Cabinet's consideration.

3. How does this deliver objectives of the Corporate Plan?

- 3.1 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.



	Best start in life for children and young people
	People live well and age well
	Strong resilient communities
	Quality homes in thriving neighbourhoods
	A strong and inclusive economy
	A connected and accessible Sandwell

4 Context and Key Issues

4.1 Background

4.1.1 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 of this review to Full Council in January 2022. In response, Council approved a Governance Improvement Plan in January 2022 to address the recommendations made by Grant Thornton and the proposed reporting mechanisms to ensure progress is managed effectively.

4.1.2 Since the approval of the Governance Improvement Plan findings were received from the CIPFA financial management review, LGA Corporate Peer Challenge along with the Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities.



- 4.1.3 A single Improvement Plan was agreed by Council on 7 June 2022 which addresses the recommendations from all the external reviews and the Statutory Directions. The Improvement Plan provides the organisation with a clear direction for sustainable improvement under six thematic headings. The single Improvement Plan has superseded the Governance Improvement Plan.
- 4.1.4 To ensure that senior officers and members have oversight of delivery against the Improvement Plan, Council approved that progress will be monitored by Leadership Team monthly and reported to Cabinet quarterly. This will continue until all actions have been completed, or changes have been embedded into business as usual. As part of the Governance and assurance arrangements for the Improvement Plan, Audit and Risk Assurance Committee and Budget and Corporate Scrutiny Management Board will review progress of the Improvement Plan and utilise the plan for work programming purposes.
- 4.1.5 This report is the first quarterly update on progress of the Improvement Plan. Quarterly progress updates on the Governance Improvement Plan were provided to Cabinet in April 2022 and July 2022.

4.2 Improvement Plan Progress

4.2.1 Summary of achievements:

- Significant progress made on long-standing service issues to implement decisions taken by Cabinet between December 2021 and July 2022: Sandwell Leisure Trust and establishment of Arms-Length Trading Company, Sandwell Children's Trust, the waste service, the ERP system and Lion Farm
- SEND Transport Contracts awarded and preparations for commencement from September 2022. The procurement has incorporated lessons learned from previous procurement
- Regular meeting structures in place to enable development of positive and constructive working relationships between officers and members
- Learning taken from commercial decisions, procurement and contract management and national best practice is being included in refresh of Corporate Governance Documents. The first wave of



policies were approved by Council in July 2022 with others to follow this calendar year.

- Regular reporting on budget monitoring, performance information and Improvement Plan in place
- Approval of Performance Management Framework that underpins the delivery of the Corporate Plan. Q1 performance report will be made to Cabinet in September
- Approval of the single Improvement Plan that addresses the recommendations of all three external reviews and aims to improve how the council operates
- Approval of Regeneration Strategy and Pipeline to encourage and deliver significant investment in Sandwell
- Launch of the Early Help Strategy with partners
- Employee engagement survey conducted and being used to shape culture theme
- Council representatives actively participating in key regional and sub-regional bodies
- Capacity in Finance – specialist training delivered, and a restructure completed to ensure there is sufficient capacity to manage the council’s financial reporting responsibilities.
- Completion of New Member induction
- Review of Arms-Length Companies complete
- Children’s Services Ofsted judgment and specific comments around the improved governance and effective relationships between Council and Trust
- Commencement of Consultation on 4-yearly election cycle following Council’s approval in July
- Commencement of Consultation in relation to the Budget
- Search Consultancy engaged to commence Chief Executive recruitment



4.2.2 A comprehensive monitoring tool has been developed to monitor progress of the Improvement Plan. This tool includes both a risk rating for each main action within the Improvement Plan and a progress status rating for all actions. The Improvement Plan Monitoring Tool is included at Appendix 1. The monitoring tool provides quick reference around which actions are on track for delivery, as well as highlighting areas that may require remedial action or additional levels of assurance.

4.2.3 Progress against each theme of Improvement Plan is summarised within Appendix 2. This includes an overall status rating, a description of workstream progress, commentary on progress against milestones and achievements. The theme ratings and a summary of any issues is provided below.

4.2.4 Theme 1 - Organisational Culture

4.2.4.1 Overall Status Rating Green – Progress is being made across all workstreams. Of the 7 actions with an amber risk rating, all sub-actions to deliver the action are on track

4.2.4.2 Organisational Culture Progress Issues: None to report – all workstreams on track.

4.2.5 Theme 2 - Corporate Oversight

4.2.5.1 Overall Status Rating Amber: Progress is being made across all workstreams with some slippage/issues.

4.2.5.2 1 action has a red risk rating, but actions are all on track. This relates to **Performance Management Framework**.

Performance Management Framework

- The risk status is red due to need to recruit a dedicated corporate performance management resource. Whilst the dedicated resource is being recruited to, significant progress has been made to further embed the corporate performance management framework agreed by Council in April 2022, with the first quarterly performance report due to be presented to Cabinet on 28 September 2022

4.2.5.3 One area of amber risk, is experiencing a medium level of slippage and/or issues. This relates to **Oracle Fusion**.



ERP (Oracle Fusion)

- Procurement of the new Oracle Fusion provider evaluation period being extended by 3 weeks, due to the need for further financial evaluation, clarification needed from bidders.
- Due to the evaluation period extension, there is slippage on the support provider being in place and delivery.

4.2.6 Theme 3 - Strategic Direction

4.2.6.1 Overall Status Rating Red – Progress is being made across workstreams but there are many areas with slippage/issues

4.2.6.2 There are 6 actions with an amber risk rating. Of the 6 actions with an amber risk rating:

- 2 have sub-actions that have or will experience significant slippage or issues. These actions relate to **Equality Policy approval** and **Locality Working: Pilot of Town Co-ordinator role**
- 4 have sub-actions that have or will experience medium slippage or issues. These actions relate to **Corporate Asset Management Strategy Development, Commercial Strategy, Corporate Parenting Strategy, and Review of Equality and Diversity policy**

Equality and Diversity

- There has been slippage in the approval of Equality Policy due to consideration of best practice models. Policy is being prepared for October approval

Developing a model for locality working

- Pilot of town co-ordinator role has not taken place due to recruitment issues and is being reconsidered in line with community hubs approach

Corporate Asset Management Strategy Development

- Strategy is being prepared for September in line with original schedule.



- Confirmation of funding for remaining Workplace Vision components is pending
- Surplus Assets Portfolio Cabinet report has been delayed but is being prepared September Cabinet
- Implementation of asset database is on track however risk of slippage

Develop and Implement the Commercial Strategy

- Work ongoing with Commercial Strategy but slippage from original timescales
- Strategy is in draft and will be reviewed following training with CCO and approval by Leadership Team. 5 potential workstreams are within the draft. LATC (in relation to leisure provision) will be added to the draft workstreams.

Refresh of Corporate Parenting Strategy

- Strategic priorities to be confirmed by Corporate Parenting Board ahead of September Board. Corporate parenting strategy due to be approved in September 22 by Board Members.

4.2.7 Theme 4 - Decision Making

4.2.7.1 Overall Status Rating Amber: Progress is being made across all workstreams with significant progress made this month through Council's approval of first wave of changes to Corporate Governance Documents, and agreement to consult on 4-yearly election cycle.

4.2.7.2 Of the 5 main actions with an amber risk rating:

- 1 sub-action has or will experience significant slippage or issues. This action relates to **Revised Financial Regulations**
- 1 sub-action has or will experience medium slippage or issues. This relates to the completion of ARAC recommendations in relation to SEND Transport.
- 1 sub-action has or will experience medium slippage or issues which is due to an error in the dates recorded. This relates to **Approval of changes to scrutiny**

Revised Financial Regulations



- Financial Regulations are being reviewed. Priority for change was in relation to thresholds for decisions which were approved by Council in July. Further amends to Financial Regulations will be presented to Council in October.

Completion of ARAC recommendations in relation to SEND Transport

- All contracts have now been offered and accepted in line with commencement from new academic year. Issues were encountered due to providers returning contracts which has been resolved. Internal audit has included a review of compliance with contract procedure rules as part of their work programme. Lessons learnt regarding procurement exercises to take place.

4.2.8 Theme 5 - Procurement and Commercial

4.2.8.1 Overall Status Rating Amber: Progress is being made but there is some slippage in delivery timescales.

4.2.8.2 Of the 5 actions with an amber risk rating, there are 2 sub-action that have or will experience medium slippage or issues. These relate to: **Lion Farm Options Agreement, and Completion of ARAC recommendations in relation to SEND Transport.**

Lion Farm Options Agreement

- Some slippage due to legal representatives of both sides taking longer than expected to agree terms for the Expert Determination process

Completion of ARAC recommendations in relation to SEND Transport

- All contracts have now been offered and accepted in line with commencement from new academic year. Issues were encountered due to providers returning contracts which has been resolved. Internal audit has included a review of compliance with contract procedure rules as part of their work programme. Lessons learnt regarding procurement exercises to take place.



4.2.9 Theme 6 - Partnerships and Relationships

4.2.9.1 Overall Status Rating Amber: Progress is being made but there is some slippage in delivery timescales.

4.2.9.2 Of the 4 actions with an amber risk rating: 4 have sub-actions that have or will experience medium slippage or issues. These actions relate to: **SCT Governance Arrangements, Review partnership structures within the 'People's sphere', Corporate Review of Grant Funding**

SCT Governance Arrangements

- SMBC have drafted KPIs (Key Performance indicators) which were reviewed in July and confirmed KPIs will be included in the revised contract.
- Review of contract to be concluded in Autumn (change to original timescale) to take into account the ability to be more flexible, and to align with DfE (Department for Education) schedule.
- Monthly four-way meetings diarised throughout the year.
- Ofsted Judgement 'require improvement to be good' with comments around the improved governance and effective relationships between Council and Trust.

Review partnership structures within the 'People's sphere'

- Project manager to be appointed to the partnership restructures to transition from children's to adults in place- post has been advertised.
- Partnership discussions taking place for scoping of work with partners around partnership structures in children's sphere.
- Joint approach between HWBB and SHCP (Sandwell Health & Care Partnership).
- Health and Wellbeing Strategy in draft form and will be present to the next Health and Wellbeing Board in September
- Substance Misuse deep dive presented to SHCP board and currently being written up as a stakeholder report.

Corporate Review of Grant Funding

- Desktop assessments completed of all council funded voluntary and community sector grants to understand how current funding aligns with the council's strategic priorities and to ensure that investment in the sector represents value for money for Sandwell. Where this review has identified that funding should come to an



end, communication with affected organisations has commenced. Plans are being developed to meet the savings identified within the council's budget for 2023/24.

4.3 Statutory Recommendations

4.3.1 The Value for Money Governance Review made three statutory recommendations that the council has a legal obligation to respond to. These recommendations are incorporated into the single Improvement Plan, and are embedded across each of the six themes.

4.3.2 To provide an overview of progress against these three specific recommendations, Appendix 3 extracts the key actions that respond to each of the recommendations and they are summarised below.

4.3.3 **Statutory Recommendation 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.

Progress update:

- Continuing to implement strategies to address the service issues highlighted in the Grant Thornton report.
 - SLT – progressing the approach agreed by Cabinet in June 2022 to transfer services to a Local Authority Trading Company.
 - SCT – Governance arrangements remain in place. Joint work in place with SCT in relation to corporate parenting and early help.
 - Waste Contract – Contract Monitoring framework progressing well. Review of the Contract has commenced.
 - ERP (Oracle Fusion) – Tender evaluation period has been extended for support provider. Project Management and Governance arrangements are in place.
 - Lion Farm – action plan to implement Cabinet decision made on 12 January 2022 is on track. Responsibilities for council and developer are clearly set out.



- Regeneration Strategy and Pipeline to underpin significant regeneration in Sandwell approved by Cabinet 23 March 2022. First monitoring update due in November.

4.3.4 Statutory Recommendation 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.

Progress Update

- The Governance Review of key documents within the council's Constitution is well underway. Approval in July to revised procurement and contract procedure rules, financial thresholds for key decisions, sale of land and buildings protocol.
- Corporate Governance Training - Programme of training and development commencing in September 2022 on effective decision-making, good governance, and revised contract procedure rules
- Development of a Commercial Strategy continues
- Corporate Asset Management Strategy in development.

4.3.5 Statutory Recommendation 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.

Progress Update

- Member Development – New Member induction complete and Member Development Programme is being delivered.
- Officer Development – A consolidated programme of fundamental training for managers on Corporate Governance matters is being developed for delivery from Autumn onwards
- Organisational Culture – consultancy engaged and champion recruitment underway
- Work has commenced to design the Senior Leadership Team development programme which will feed into the new Management



Development Programme to ensure consistency across all levels of management.

- Meeting structures to facilitate Cabinet Member and Leadership Team cross-working re-established following election.

4.4 Reporting Framework and Governance

4.4.1 To ensure that senior officers and members have oversight of delivery, Council approved the reporting mechanism for the Improvement Plan in June 2022. This set out that progress will be monitored by Leadership Team monthly and reported to Cabinet quarterly until all actions have been completed, or changes have been embedded into business as usual. The diagram included at Appendix 4 sets out the governance framework.

4.4.2 Two quarterly updates on progress of the Governance Improvement Plan were provided to Cabinet in April 2022 and July 2022. This report forms the first quarterly update to Cabinet on the single Improvement Plan.

4.4.3 The government Directions require reporting on the delivery of the Improvement Plan at six monthly intervals to the Secretary of State from the council and the Commissioners. The next report is due in December 2022.



- 4.4.4 The report to Council seeking approval of the Improvement Plan stated that 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.
- 4.4.5 The Governance & Constitution Review Committee and cross-party Working Group have been integral to the development and review of the governance documents, ahead of decisions taken by Council in July and due in October this year.
- 4.4.6 Audit & Risk Assurance Committee received an introduction to the Improvement Plan and the Improvement Plan Risk Register on 28 June 2022 to support the committee's work programming. The Improvement Plan Risk Register and overall progress will be reported to the Audit & Risk Assurance Committee regularly. The Committee will focus primarily on assurance and risk management of the Plan. The next report to Audit & Risk Assurance Committee will take place on 29 September 2022.
- 4.4.7 Scrutiny Boards have now developed their work programmes. Budget & Corporate Scrutiny Management Board has included several elements of the Improvement Plan on their work programme as well as regular reports on overall progress. The first report on overall progress will be made on 22 September 2022.
- 4.4.8 Following the first progress report to Audit & Risk Assurance Committee and Budget & Corporate Scrutiny Management Board, those members will identify areas for further exploration and reporting. Any recommendations or comments from these committees for Cabinet's consideration will be presented at Cabinet's meeting on 28 September.
- 4.4.9 External assurance will continue to play a part in our improvement journey. Grant Thornton, CIPFA and the LGA have been invited back in Autumn 2022 to monitor our progress in addressing the recommendations in their reviews.

4.5 Risk Management

- 4.5.1 The Improvement Plan Risk Register underpins the council's strategic risk relating to the council's Improvement Plan (59a 02/22) and is currently rated as an overall Amber risk. The risk register is reported monthly to Leadership Team and quarterly to Cabinet.



4.5.2 The current risk register is attached as Appendix 5. 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 were approved by Council in June.
- **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 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** – to ensure everyone is aware of their respective roles and responsibilities. A detailed communication plan will be developed to ensure effective and timely communication with stakeholders
- **Constitutional Changes**– key corporate governance documents are being reviewed and the first set were approved in July with others to follow in October. Once approved, these 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 are in place, and processes for capturing and using evidence of improvement will be developed.
- **Historic Issues** – if there is a continued focus on and resource directed towards historic issues this will hinder improvement. The 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.

4.6 Changes to the Improvement Plan

4.6.1 The Improvement Plan is intended to be a live document updated to take account of progress and relevant changes.

4.6.2 The Improvement Plan report to Council in June 2022 set out that changes (which may include the addition of new workstreams or



objectives, or the amendment of timescales for delivery of actions) will be tracked through programme management mechanisms and that Cabinet will retain oversight of changes through regular formal reporting.

- 4.6.3 Changes are considered by Leadership Team on a quarterly basis. Appendix 6 contains details of all the changes made to the Improvement Plan this quarter and are summarised as follows:
- 3 changes made to address errors in the Improvement Plan
 - 15 changes made to amend delivery timescales
 - 1 change to add a new action
 - 1 change to amend the delivery lead

5 Alternative Options

- 5.1 The Value for Money Governance Review was undertaken as part of the external auditor's role to provide assurance on the council's arrangements for securing economy, efficiency and effectiveness in its use of resources. As the report includes statutory recommendations the council has a legal obligation to respond appropriately.
- 5.2 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.
- 5.3 Reviewing progress against the Improvement Plan enables senior officers and members have oversight of delivery, and take corrective action, as necessary.
- 5.4 There are no alternative options to consider.

6 Implications

Resources:	Resources to deliver the Improvement Plan have been allocated from within existing commitments in the majority of cases. When the Improvement Plan was approved by Council in June 2022, one-off funding was approved to enable the delivery of improvements.
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	<p>Where funding is required for longer-term change, this will be incorporated into the Medium-Term Financial Strategy.</p> <p>There are no land or building implications associated with the Improvement Plan as a whole.</p>
<p>Legal and Governance:</p>	<p>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.</p> <p>The regular reporting 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.</p> <p>The delivery of the Improvement Plan and achievement of the desired outcomes will meet the remainder of the Directions.</p> <p>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.</p>
<p>Risk:</p>	<p>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.</p>



	A risk register is being 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 is reported monthly to Leadership Team, quarterly to Cabinet, and will be regularly reported to Audit and Risk Assurance Committee.
Equality:	The successful delivery of the 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 its 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. Improvement Plan Monitoring Tool July 2022
2. Improvement Plan Theme Progress Summary July 2022
3. Statutory Recommendations Reporting July 2022
4. Improvement Plan Governance Diagram
5. Improvement Plan Risk Register July 2022
6. Changes to the Improvement Plan



8. Background Papers

Sandwell Council Governance Improvement Plan

- [Adopted January 2022](#)
- [Quarterly Monitoring April 2022](#)
- [Quarterly Monitoring July 2022](#)

Sandwell Council Improvement Plan [Report to Council 7 June 2022](#)

Appendices:

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



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*DRAFT Letter to Rt Hon Michael Gove, Secretary of State for Levelling Up,
Housing and Communities*



Sandwell Metropolitan Borough Council
Council Leader – Cllr Kerrie Carmichael

As part of the government's support to our improvement journey, we welcomed Kim Bromley-Derry, Jim Taylor and their staff to Sandwell in March 2022.

To set out a clear direction for sustainable improvement, Council agreed a [single Improvement Plan](#) on 7 June 2022. This plan brought together the recommendations from the LGA's Corporate Peer Challenge, Grant Thornton's Value for Money Governance Review and CIPFA's Financial Management Review, as well as the government's Statutory Directions. We now have a clear programme under six thematic headings that enable us to track our progress and the impact that these changes are having on our organisation.

Now 6 months on from the approval of the Improvement Plan, there is a tangible sense of stability in leadership and member and officer relationships are significantly improving. The improvement has been acknowledged by the LGA in their recent follow-up visit. Scrutiny and Audit Committees are working more effectively and remain committed to continuous improvement.

Key milestones have been reached including the recruitment of a new chief executive, consideration of a move to 4-yearly elections, revisions to the Council's constitution, approval of the scrutiny review and a suite of strategies. Support has also been commissioned and work is underway to assist us in developing a positive organisational culture.

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CLLR KERRIE CARMICHAEL
COUNCIL LEADER

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We now have a new SEND Transport framework in place which has delivered against the concerns in relation to service resilience and value for money which were raised in the Grant Thornton review and also through a Children and Education Scrutiny Review. Lessons learnt from previous procurements were embedded in the approach. The contract is now in full operation (September 2022) and we are operating as business as usual.

The council now has a much better grip on the key issues that were identified previously, and leadership oversight has been greatly improved by establishing a new performance management framework and the mechanisms to effectively manage issues. This includes ensuring we are delivering the priorities in the Corporate Plan to improve outcomes for our residents. Practical steps have been taken to improve communication at all levels of the council and this remains a focus for improvement.

We have been working to improve the quality of our partnership work with external organisations, and tangible improvements have been seen in a range of work areas. For example, the development of a shared outcomes framework and strategy between the Integrated Care System and the Health and Wellbeing Board, as well as NHS investment in key council programmes (such as the Sandwell Language Network) has been enabled by the Director of Public Health acting as a Senior Responsible Officer within the Integrated Care Partnership. Senior Officers and Members are proactively engaged with key regional and sub-regional bodies, the progress against which was acknowledged by the LGA in their recent follow-up visit.

This Summer, during the Commonwealth Games, Sandwell had its proud moment in the international spotlight and rose to the opportunity with aplomb. Host to 11 days of swimming and diving competition, the Sandwell Aquatic Centre had been delivered on time and within budget to a world class standard, despite the significant challenges that building during the pandemic posed. Sandwell was at the centre of positive media attention and the council was commended by those involved in the Games for managing logistics seamlessly around the Aquatic Centre. The profile of the Games and the excitement around it has served to build Sandwell's sense of pride and this is providing a base from which to [celebrate Sandwell's](#) achievements more generally.

[ILO: UNCLASSIFIED]

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We have programme management and governance arrangements in place to keep us focused on delivering the actions within the Improvement Plan. We value external perspective and assurance and invited Grant Thornton, LGA and CIPFA to follow-up from their reviews undertaken in 2021 and early 2022 to review our progress against their areas of recommendation.

Accompanying this letter are the quarterly progress reports to Cabinet made in September and December 2022. They set out key achievements against the Improvement Plan, highlight any progress issues, and report on risks, resources and changes to the Improvement Plan.

We recognise that there is still work to do in putting the customer front and centre of our business, living our desired organisational culture, embedding our changes so they achieve the desired impact, and building continuous improvement into our normal business. This will be the focus in the next stage of our journey.

Importantly, the Council has the drive and determination to see through and embed the required improvements and has proven that collectively we have the capability and capacity to make effective change at pace.

We are immensely proud of the progress made in this short space of time and there continues to be a clear focus and determination to deliver what needs to improve.

Yours sincerely

DRAFT

Cllr Kerrie Carmichael
Council Leader

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LGA Corporate Peer Challenge – Progress Review

Sandwell Council

26th and 27th October 2022

Feedback





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1. Introduction

The council undertook a Local Government Association (LGA) Corporate Peer Challenge (CPC) across the four days from 31st January to 3rd February 2022. The council published the related report on 7th June 2022, with this forming part of a wider report to Full Council on the council's Improvement Plan which was produced in response to the statutory direction of the Secretary of State and the findings from the various forms of external challenge that the council has undertaken over the last year or so.

The progress review that the peer team has undertaken now is an integral part of the peer challenge process. It is designed to provide the opportunity for the council to:

- Update peers on the progress made in relation to the recommendations made by the peer team and to receive feedback on this
- Consider the peers' reflections on any new opportunities or challenges that may have arisen since the peer team were on-site, including any further support needs
- Discuss impact and learning from the progress made to date

The LGA would like to thank Sandwell Council for their commitment to sector led improvement. This progress review was the next step in an ongoing, open and close relationship that the council has with the LGA and sector-led support.

2. Summary of the approach

The progress review at Sandwell Council took place across the two days of Wednesday 26th and Thursday 27th October. The following individuals, drawn from the original peer team, were involved:

- Kath O'Dwyer, Chief Executive, St Helens Council
- Councillor Chris Read, Leader, Rotherham Metropolitan Borough Council

- Viv Geary, LGA Associate with a background in governance and a former Monitoring Officer
- Helen Murray, Principal Adviser (West Midlands), LGA
- Chris Bowron, Peer Challenge Manager, Local Government Association

The following written feedback is provided using a framework that reflects a number of the key themes in the council's Improvement Plan.

3. Progress Review - Feedback

Strategic Direction, Corporate Oversight and Partnership and Relationships

Much greater stability can now be seen in the council, both politically and managerially. There were a number of changes at Cabinet level in May this year, following the elections, with these involving a combination of new appointments and people having a change in their portfolio. The recently recruited Director team are now well settled in their roles.

The Leader received glowing endorsements during our discussions with stakeholders both internally and externally. People particularly highlighted her inclusive and supportive approach. She is seen to be a Leader for Sandwell who is engaged in all the right places – internally, locally, sub-regionally and nationally.

People really value the Managing Director's style and what he has brought to the council and to the borough. He will be a tough act to follow but there is excitement at the impending permanent Chief Executive appointment. Whilst this transition will represent change in the short term it will add to the sense of stability in due course.

External partners we spoke to within the sub-region are seeing the council now being much better engaged at that level, with a notable difference made in just a few short months. Sandwell's voice is now being heard more widely and the council and its leadership is felt to be making an effective contribution. The political leadership has also demonstrated a willingness to give a 'contra view' where, on a limited number of occasions, that has been appropriate as it has sought to act in the best interests of

the borough. There is appropriate and consistent council representation in key strategic fora, although Sandwell remains less visible below Leader, Cabinet, Chief Executive and Director level in networks and bodies at more of a working group and networking level.

Cabinet is forming well following the recent changes and in meeting them they demonstrated a strong sense of 'team', appropriately balancing the respecting of individuals' areas of responsibility with ensuring collective understanding, responsibility and decision-making. The managerial Leadership Team has settled following its' completion but now has to become central to a 'One Council, One Team' approach and driving key organisational-wide agendas. These include improving customer service and establishing the desired organisational culture.

The leadership stability that now exists has enabled a clearer approach to internal communications to be established. As a result of this and the communications channels that have been put in place, staff are feeling much better communicated with from the senior leadership level – albeit with a recognition that moving to more two-way communication will be beneficial.

Cabinet and Leadership Team are working increasingly well at both a bilateral and collective level. At the heart of this sits a 'no surprises' principle. Cabinet members outlined to us that they now feel much better apprised of emerging issues and senior officers indicated a greater confidence in drawing elected members' attention to challenging issues.

The officers and elected members that we met are open about the need for continued change and improvement in the way the organisation functions and are committed to delivering it. A single Improvement Plan has been developed responding to the statutory direction of the Secretary of State and the findings from the various forms of external challenge that the council has undertaken over the last year or so. The Plan was approved at the Full Council meeting on 7th June this year and is designed to provide the organisation with a clear direction for its improvement journey and aid the continued delivery of the council's strategic priorities reflected in the Corporate Plan 2021-2025. Governance mechanisms to oversee the delivery of the Improvement Plan are outlined within it. Reporting on progress against the Plan is reassuring Cabinet, whilst officers that we met from a range of levels within the

organisation believe the changes that are being seen will be sustained this time around, contrasting with what has been experienced previously.

A new performance management framework has been established, with this having been approved by Full Council on 12th April this year. It is enabling a much better understanding of how the council is performing. This links to the ‘no surprises’ principle and Cabinet reflected that they are now gaining insights to issues more, and at an earlier stage, compared with before. Quarterly reporting to Cabinet on the four key components within the framework commenced last month. These components are ‘Improvement’ (including delivery of the Corporate Plan), ‘Customer Experience’, ‘Financial Performance’ and ‘Organisational Health’. The quarterly report additionally features the council’s Strategic Risk Register. The framework, and the information and insights it provides, act as a prime example of the way in which an increased evidence-base for decision-making can be seen in the council. It also provides the basis for a ‘golden thread’ that enables the links to be made between the council’s strategic objectives and the plans at directorate and service level. This thread can be articulated at Director, Assistant Director and Service Manager level but not yet below that.

Key achievements across the council in recent months include:

- Children’s Services progressing to ‘Requires Improvement’
- The relationship between the council and the Children’s Trust being seen to have continued to progress and the contract having been extended
- The delivery on time and budget of the Sandwell Aquatic Centre and the contribution of the borough and the council to the success of the 2022 Commonwealth Games – with this positively impacting on reputation and confidence
- The smooth letting of the special educational needs and disabilities (SEND) transport contract, capitalising on learning from before
- Improved management of the council’s waste contract
- Plans developing for a shift to leisure facilities and related services being delivered through a local authority trading company

- The creation of an integrated health and care facility (Harvest View) – within a broader picture of good relationships with health, including positive engagement with NHS ‘place’ arrangements
- Coping with everything that has been thrown at the organisation, including supporting communities and businesses during the pandemic and the growing cost of living crisis; responding to the Ukrainian refugee situation; and managing the implications of the economic challenges for the council’s finances

The council commissioned a residents’ survey this year and there are a number of positive findings that the organisation will hope to see repeated in future years. This includes satisfaction with the council being slightly higher than the national average (66% compared to 62%); trust in the council standing at 67% compared to a national average of 58%; and 60% of respondents indicating they feel the council acts on the concerns of local residents compared to 52% nationally. Satisfaction with waste services; street cleaning; maintenance of both roads and pavements; sport and leisure services; and services and support for children and young people were all higher than the national average although the reverse was true for library services; services and support for older people; and parks and open spaces.

An employee engagement survey has also been undertaken this year, following that from 2018 and with 61% of staff responding to it. The results have been widely shared and are being used to inform discussions and thinking at directorate and team levels and there has been a corporate response to them. The latter includes placing ‘organisational culture’ at the heart of the Improvement Plan and the enhancing of internal communications, as touched on earlier. Both the residents’ survey and the employee survey will be built on through ‘pulse’ surveys – a brief and regular set of questions posed to people – being undertaken going forward.

Cabinet is building a track record of taking difficult decisions. A prime example is that of approving plans for the building of a primary school, 190 homes and a public park on the site of the former Brandhall Golf Course which is currently being scrutinised as part of a Call-In of the Cabinet decision. Another example is the introduction of charging for the collection of green garden waste which is due to be considered by Cabinet in November. What this approach in recent months reflects is Cabinet maintaining a focus on ‘doing the right thing’ as it sees it, even when the going gets

tough. This is in contrast with a view that criticism from ‘the loudest voices’ might have driven some decisions previously.

Cabinet are showing a commitment and willingness to face the further tough decisions that will undoubtedly be required over the coming months and years as the financial challenge facing the council continues. Whilst there is clear recognition amongst all those we spoke to that the financial challenge is only likely to worsen over the next year and beyond, there is currently an absence of a whole organisation view of both the scale of this and how it will be addressed. Establishing a clear shared understanding of the extent of the budget gap (we recognise the fluid situation that exists at present makes establishing certainty difficult) will be important in focusing effort and attention and identifying and implementing a whole-council approach to solutions. In a context of the ‘One Council, One Team’ philosophy acting as a key driver for the organisation, ensuring a corporate and cross-cutting approach to addressing the financial challenge will be important in order to avoid retrenchment on the part of individual areas functions and services and the resulting siloed thinking and action.

As we touched on earlier, people have coped with everything that has been thrown at the organisation in recent times. This has been taking its toll, but the demands on the organisation and its people aren’t going to dissipate. All councils are experiencing increased demand around ‘business as usual’ and having to adapt to deal with change in what ‘business as usual’ represents and how it is delivered. They are also all facing very significant financial challenges. Sandwell is having to cope with all of this but additionally is delivering an extensive Improvement Plan.

The injection of additional capacity in key areas has helped to drive improvement. Examples include governance expertise to inform and support Constitutional revisions; project and programme management specialists; additional communications professionals; and support with the development of the performance management framework. Often in our discussions, people indicated that the injection of additional capacity would be the answer to the challenges within their spheres but there needs to be a much greater sense of realism around this, given the financial picture facing the council. Thus, in order to make things feel as achievable as possible going forward, there needs to be a stocktake of the level of available

resource, the pace and phasing of change that will be required going forward and where any additional capacity that can be secured will deliver the greatest impact.

Governance and Decision-Making

A key strand of the council's Improvement Plan relates to the 'Constitution and Governance Framework'. An inclusive process developing changes to the Constitution, involving cross-party engagement, saw those changes put before Full Council in July this year being agreed very smoothly. This included revisions to the Procurement and Contract Procedure Rules; Financial Regulations; and Council Procedure Rules. Things appear on track for further revisions to be agreed through Full Council in November and December, including elements relating to the Scheme of Delegations; Access to Information Procedure Rules; and the Protocol for Member/Employee Relations. An annual review of the Constitution going forward has been agreed in order to enable on-going refinement and adaptation of the way the council operates.

One of the most noticeable changes in recent months is the much-improved set of relationships between officers and elected members. The training linked to this has been highly valued and has played an important role. The positive way Cabinet and the Leadership Team engage with one other is modelling the way.

There is a note of caution to signal here though, with an emerging risk around the poor organisational responsiveness to the customer, and to casework issues brought forward by elected members, starting to generate tensions on the part of both councillors and officers, thus undermining the good progress that has been made in relationships. This needs to be avoided through on-going and intensive focus on the 'Ward and Casework Management' element of the Improvement Plan and the work around the 'customer journey' that is being embarked upon.

In the same way that training in respect of officer and elected member relationships has been highly valued, the development activity relating to public speaking and chairing skills – delivered through an external facilitator – has also gone down very well with councillors. This forms part of a very positive story in relation to elected

member training and development more generally, including the induction programme put in place following the elections in May and 'all member briefings' on key issues. There is a comprehensive training and development programme now in place, informed by personal development plans for councillors. The programme is ensuring increased knowledge and understanding and is injecting external perspectives. Councillors are supplementing this with increasingly getting 'out and about' to draw in learning, including a recent visit to Leeds to look at customer contact centre arrangements there and linking up as Cabinet members with opposite numbers in neighbouring boroughs.

The council is committed to reviewing the elected member development programme at regular intervals going forward. It will be important to ensure that the pace of delivery is made to feel sustainable, with some councillors the peer team spoke to reflecting an intensity to it in recent months that risks being too demanding in terms of their time.

A revision of the role of, and approach to, Overview and Scrutiny also represents an important element of the council's Improvement Plan. This was embarked upon in the latter part of last year and it is clear from people we spoke to that this key strand of the council's governance arrangements is going from strength to strength. Regular meetings between members of Overview and Scrutiny and the Cabinet, along with discussions with senior officers, enables the exploration of opportunities for Overview and Scrutiny to help to shape strategy and policy at the pre-decision-making level. Recommendations from Overview and Scrutiny are also regularly now being considered by Cabinet and flowing into Leadership Team. The Committee Chairs are reporting regularly to Full Council on the work and impact of their respective Overview and Scrutiny Committee. 'Job roles' and a framework to guide the way Overview and Scrutiny works, at both an individual and Committee level, have also been developed and have been supplemented with a range of training.

The renewed sense of energy and drive that is being seen with Overview and Scrutiny is replicated across other key committees and the Chairs are integral to this. Mature engagement between the Leader, Cabinet, Committee Chairs and officers is providing for good planning and work programming across the different committees. One example is the mapping of their respective remits between Overview and

Scrutiny and Audit Committee in relation to monitoring progress in the delivery of the Improvement Plan.

There is also a sense more widely of a 'maturing politics' within the council. This is reflected in the considered approach taken by the Opposition; the cross-party working that has been taking place on the revisions to the Constitution; and the way in which the Call-In of the Cabinet decision on the Brandhall site was handled by all involved. Standards complaints have dropped significantly, which could be used as a proxy indicator of the improvements that have been seen in relation to elected member behaviour and governance.

Full Council in November will consider whether there is a shift to a four yearly electoral cycle. A report outlining the key considerations, including the public consultation outcome on the matter, will be presented by the Director of Law and Governance to inform the thinking and decision-making of elected members.

'Customer Journey' and 'Organisational Culture'

The work to be delivered in relation to improving the 'customer journey' is being widely talked about in the council. There is a long way to go on this, with organisational responsiveness to customers and casework, raised by elected members on behalf of residents, still being a major issue.

The message has come through loud and clear that addressing the issues that exist is a major priority for the council. Staff that we spoke to are welcoming of this but there is, as yet, a lack of clarity about what this will entail and the way forward. This includes what a 'whole council' programme and approach will look like; what the expectations on services and directorates are and the roles that they are required to play; and who is leading the work and where the related accountability sits.

At a more basic level, there needs to be a quickly established shared understanding regarding what the council's service standards and timescales for responding are currently and/or will be going forward.

It is recognised that it is only in recent weeks that the prioritisation of the improvement of the 'customer journey' has been communicated. It is important now

to cement the commitment that has been given and capitalise upon the enthusiasm that has been generated, by establishing clear leadership of the agenda.

'Organisational culture' forms the first theme in the council's Improvement Plan. Activity is already underway in relation to this, including the identification of 'culture champions' and their involvement in 'listening events' which will link to work on values and behaviours. However, things feel very much at the outset in relation to this key strand of work and clarity is still required in key respects. This includes what the 'organisational culture' change agenda in Sandwell will cover; how it links to the work on the 'customer journey' – given the inter-related nature of these two key strands of work; and the connection with the whole organisation transformation plan that the council has indicated it intends to develop.

Currently it is difficult to see what an 'organisational culture' change programme does or will entail. Driving forward the 'One Council, One Team' philosophy would logically form a key component of it. Another strand might usefully relate to the 'return to the office' arrangements post-pandemic which require further focus and clarification of expectations. People spoke of the way in which corporate guidelines have been provided around the presence of people and teams in the office and some valued the freedom they had been given in finding ways to balance meeting these requirements with the needs and preferences of their staff, whilst others sought greater clarity on expectations and greater equity. It is, however, clear that approaches are evolving and that learning is taking place. This could all usefully be drawn together to inform a further round of corporate guidance to support meeting customer need; maximising the effectiveness of the use of office space; and maintaining and enhancing relationships within and between teams.

Whether workforce planning constitutes part of the organisational culture change programme also needs to be clarified. The original corporate peer challenge report outlined the need for role titles and functions to better describe 'what they say on the tin' and a requirement for consistency in terminology and managerial spans of control and levels of responsibility. There remains a lack of clarity around this. Additionally, recruitment and retention challenges are biting, as they are everywhere, and there are no easy answers, with concerted effort and creativity, possibly encompassing other councils and sectors, being required to develop solutions. There is also an

issue of succession planning to be addressed, linked to the age profile of the workforce.

Equality, diversity and inclusion (EDI) represents another key area of work that has been identified as an organisational priority. There is a clear commitment to the EDI agenda, reflected in the investment that has been made in creating a team to drive it, but things are still very much at the outset. The EDI agenda must be made integral to the work around 'organisational culture'.

Essentially, the 'customer journey', EDI and 'organisational culture' are major pieces of inter-related work that are fundamental to future success and require a clear plan and sense of deliverability.

4. Final thoughts and next steps

The LGA would like to thank Sandwell Council for its engagement in both the corporate peer challenge and the progress review. We recognise that the senior managerial and political leadership of the council will want to reflect on the findings and how to utilise them to support the council's improvement journey.

Under the umbrella of LGA sector-led improvement, there is an on-going offer of support to councils. The LGA is well placed to provide additional support, advice and guidance on a number of the areas identified for development and improvement and we would be happy to discuss this. Helen Murray (Principal Adviser for the West Midlands) is the main point of contact between the authority and the LGA and her e-mail address is helen.murray@local.gov.uk

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Report to Council

13 December 2022

Subject:	Governance Review – Proposed Changes to the Council’s Constitution – Phase 3
Director:	Surjit Tour Director of Law and Governance & Monitoring Officer
Contact Officer:	Elaine Newsome Service Manager – Democracy

1 Recommendations

1.1 That approval be given to the proposed revisions to the constitution including:

- Articles 1 to 5, 8 to 12
- Part 4 Financial Procedure Rules
- Part 4 Budget and Policy Framework

1.2 That, subject to the approval of the above recommendations, the Director of Law & Governance/Monitoring Officer, be authorised to make all necessary consequential changes to the Constitution to give effect to the approved changes.





2 Reasons for Recommendations

2.1 The Council commenced a review of the Council’s governance arrangements following the Grant Thornton Governance Review, LGA Corporate Peer Review and CIPFA Review. These reviews identified a number of key governance issues that need to be addressed.



- 2.2 The reviews specifically identified the requirement to address underlying constitutional and procedural deficiencies that directly and indirectly undermine or hinder the Council’s governance arrangements, decision making ability and key working relationships.
- 2.3 An Officer Governance Review Project Team has been established to help coordinate and oversee the delivery of the Governance Review. Support has also been provided by the Local Government Association, Centre for Governance and Scrutiny, Chartered Institute of Public Finance and Accountancy and the Commissioners.
- 2.4 The Governance and Constitution Review Committee, on 27 May 2022, established a cross-party Member Working Group to oversee the process for and coordination of constitution revisions and proposals. The Working Group considered the proposed changes to the Constitution at meetings on 17th November 2022 and approved them for wider consultation with elected Members during November and December.
- 2.5 The changes to the Constitution proposed in this report have been recommended by the cross-party Member Working Group. In order for any of the changes to take effect Full Council approval is required.
- 2.6 Demonstrating progress in respect of the Governance Review is a key area of focus for the Secretary of State and ensuring necessary changes to the Council’s Constitution are delivered at pace considered critical to the Council’s improvement.

3 How does this deliver objectives of the Corporate Plan?

	An effective governance framework supports delivery of all the objectives within the Corporate Plan.
	Best start in life for children and young people People live well and age well
	Strong resilient communities Quality homes in thriving neighbourhoods
	A strong and inclusive economy A connected and accessible Sandwell





4 Context and Key Issues

BACKGROUND

- 4.1 Earlier this year, the Council commenced a review of its governance arrangements following the Grant Thornton Governance Review, LGA Corporate Peer Review and CIPFA Review. These reviews identified a number of key governance issues that required consideration and refresh.
- 4.2 The review also identified a need to address underlying cultural and behaviour issues that directly and indirectly undermined the Council's governance arrangements, decision-making ability and key relationships.
- 4.3 An Officer Governance Project Team has been established to help coordinate and oversee the delivery of the Governance Review. Support has also been provided by the Local Government Association, Centre for Governance and Scrutiny, Chartered Institute of Public Finance and Accountancy and the Commissioners.
- 4.4 The Governance and Constitution Review Committee has met and established a cross-party Member Working Group consisting of 10 members – namely, all the members of the Committee and two additional Conservative Group members. The Working Group has considered a series of draft constitution proposals and worked with other Committees and Boards/Groups to ensure proposed change are joined up, for example, any development and training needs are being fed into the Member Development Programme as training and development needs are identified.



KEY AREAS OF FOCUS

- 4.5 The Governance Review is refreshing the Council's decision-making mechanisms and updating the constitutional arrangements to enable: the achievement of the Council's strategic direction and ambition, in particular:
- efficient and effective decision-making;
 - a more open, transparent and accountable Council;
 - greater engagement with residents, communities and stakeholders in relation to democratic functions;
 - more effective support to Elected Members to enable them to be confident and successful in their various roles;
 - corporate governance documentation, policies and procedures to be updated and revised so that they are consistent with national guidance, align to best practice and are fit for purpose;
 - strong and healthy relationships between Elected Members and Officers.
- 4.6 The Governance Review will review all elements of the Council's Constitution, the timetable for which is set out below:

Timetable

Phase 1 of the review concluded in July 2022 with Council approval of the revised Key Decision Thresholds, Contract and Procurement Procedures and the Sale of Land & Buildings Protocol.

Phase 2 of the review concluded in November 2022, with Council approval of the Scheme of Delegation to Officers, Council Procedure Rules, Executive Procedure Rules, Access to Information Rules, Officer Employment Procedure Rules, Protocol Member and Employee Relations and the Officers' Code of Conduct. In addition, Council approved the introduction of public questions at Council meetings, in line with the objective of wider public participation in democratic functions.



Phase 3 proposals are presented for consideration by Council. These include a series of changes to the following elements of the Constitution:

- Articles 1 to 5 and 8 to 12
- Financial Regulations
- Budget & Policy Framework

Articles of the Constitution

4.7 The Articles provide an overview or snapshot of other more detailed parts of the Constitution. They establish:

- the roles and responsibilities of Members, including the Mayor
- the role of Officers,
- the rights of citizens,
- an overview the Councils decision making structure including joint or partner working arrangements
- how the constitution should be used and how may be changed

4.8 The majority of the articles have been subject to a light touch administrative review to capture changes arising from phases 1&2 of the Constitution review or have been updated to reflect current arrangements. These are attached at appendix 1. Articles 2 (Councillor Call for Action) and 6 (Scrutiny Boards) will be reviewed during the next phase of scrutiny review activity.

Financial Regulations

4.9 The Councils Financial Regulations establish the collective and individual responsibilities of Members and Officers in relation to the effective and lawful management of the Councils financial resources.

The current financial regulations have been reviewed and updated to reflect current arrangements for collective and individual cabinet member decisions. Additional changes include:

- strengthening and clarity around the prevention of fraud and corruption;



- arrangements for the management of external funding including grants.

4.10 The proposed revised Financial Regulations are attached at Appendix 2.

4.11 The proposed changes have influenced respective minor administrative changes to Article 4 relating to the Budget and Policy Framework which have been amended to reflect proposals.

Part 4 - The Budget & Policy Framework

4.12 The Budget & Policy Framework establishes the decision making routes for key corporate policies and strategies and the Councils annual budget. These arrangements are in line with the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, that establishes those functions reserved for decision by Full Council (or a committee of the Council), shared responsibility between the Executive and Full Council and discretionary, or “local choice” functions where Full Council is able to determine whether they should rest with the Executive or another decision making body.

4.13 Most functions of the Council have been long established in legislation as Executive functions that are determined by Cabinet, with some notable exceptions. These include setting of the annual budget, including setting the council tax and the approval of core strategies and plans. The Budget & Policy Framework outlines these alongside additional policies that Council has reserved for approval under “local choice” arrangements.

4.14 Whilst no significant changes are proposed, a number of administrative changes have been identified alongside quality checks to ensure that strategy and policy titles remain accurate.



5 Implications

Resources:	There are no direct resources implications arising from this report. However, the changes proposed enables more effective decision making, greater financial oversight and management. The changes ensure greater clarity around obligations, approach and expectations which are essential to promote and embed good governance.
Legal and Governance:	<p>The proposals will enable high standards of decision making across the authority and addresses the recommendations contained within the Council's Improvement Plan.</p> <p>The council must ensure good governance underpins its decision making which needs to be informed and timely. The proposed changes seek to achieve this whilst striking a balance between the necessary safeguards necessary tom provide assurance to the Council.</p> <p>Any constitutional changes require Full Council approval.</p>
Risk:	The proposed changes will reduce the Council risk of challenge as more informed and effective decision making will be achieved. Mitigation of risks associated with decision making is essential and protects the council from avoidable challenge and reputational harm.
Equality:	There are no direct equality implications arising from this report save that all decision making needs to be compliant with the Equality Act 2010 and the public sector equality duty. All decisions must therefore consider relevant equality, diversity and inclusion implications.
Health and Wellbeing:	There are no direct implications for health and wellbeing from this report.



Social Value	The changes proposed to the Contract and Procurement Rules promote and emphasise the need to ensure social value is properly considered and encouraged wherever possible.
Climate Change	The proposals will not have a detrimental impact on climate change. However, a fit for purpose Constitution will play an important role to ensure the council drives and delivers upon its climate change objectives and targets.

6 Appendices

1. Appendix 1 Articles of the Constitution
2. Appendix 2 Financial Regulations

7. Background Papers

Constitutions of Salford City Council, Manchester City Council, Brent LBC, Birmingham City Council, Durham County Council, Nuneaton and Bedworth Borough Council, Gateshead Metropolitan Borough Council, Nottinghamshire County Council, Hertfordshire County Council, Liverpool City Council.



Article 1 - The Constitution

1.01 Powers of the Council

The Council will exercise all its powers and fulfil its duties in accordance with the law and this Constitution.

1.02 The Constitution

This Constitution, and all its appendices, is the Constitution of Sandwell Metropolitan Borough Council. The electronic copy of the Constitution appearing on the Council's website is to be regarded as the master copy of the Council's Constitution.

1.03 Purpose of the Constitution

The purpose of the Constitution is:

1. to enable the Council to provide clear leadership to the community in partnership with citizens, businesses and other organisations through the implementation of the Sandwell Plan;
2. to support the active involvement of citizens in the process of local authority decision-making;
3. to help councillors represent their constituents more effectively;
4. to enable decisions to be taken efficiently and effectively;
5. to create a powerful and effective means of holding decision-makers to public account;
6. to ensure that no one will review or scrutinise a decision in which they were directly involved;
7. to ensure that those responsible for decision-making are

clearly identifiable to local people and that they explain the reasons for decisions; and

8. to provide a means of improving the delivery of services to the community.

1.04 Interpretation and Review of the Constitution

Where the Constitution permits the Council to choose between different courses of action, the Council will always choose that option which it thinks is closest to the purposes stated above.

The Council will monitor and evaluate the operation of the Constitution as set out in Article 15.

Article 2 – Members of the Council

Aims

This Article sets out the composition of the Council, eligibility to stand for election as a member of the Council and the form of election to be used.

This Article also deals with the rights and duties of members, especially as they affect access to land, buildings, documents and information and any confidentiality requirements surrounding documents and information.

2.01 Composition of the Council and Eligibility to be a Councillor

- (a) The Council comprises 72 elected members, otherwise called councillors. The councillors for each ward are elected by the voters of that ward in accordance with a scheme drawn up by the Electoral Commission and approved by the Secretary of State (currently 3 per ward).
- (b) Only registered voters of the district; those living or working in the district; or those who own property in the area are eligible to hold the office of councillor as specified in the Local Government Act 1972.

2.02 Election and Terms of Office of Councillors

Within Sandwell, the ordinary local election of one third of all councillors is normally held on the first Thursday in May in each year with no local election held in the fourth year. The terms of office of councillors is for four years, commencing at the start of the fourth day after being elected and finishing at the start of the fourth day after the date of the regular election four years later.

2.03 Roles and functions of all councillors

- (a) **Key Roles.** All councillors:
 - (i) will collectively be the ultimate policy makers and carry out a number of strategic and corporate management functions;

- (ii) will represent their communities and bring their views into the Council's decision making process, i.e. become the advocate of and for their communities;
- (iii) will deal with individual casework and act as an advocate for constituents (Sandwell residents) in resolving particular concerns or grievances;
- (iv) may use the councillor call for action process introduced by the Local Government and Public Involvement in Health Act 2007 , the Police and Justice Act 2006 and the Localism Act 2011, as the councillor sees fit, to resolve issues and problems on behalf of those who live or work in the ward.
- (v) will balance different interests identified within the ward or electoral division and represent the ward or electoral division as a whole;
- (vi) will be engaged in decision making as a community representative and as appropriate to any role they may be appointed to by the Council;
- (vii) will recognise and accept their responsibilities as a corporate parent and seek for those children in the care of the local authority, the same outcomes that a good parent would want for their own children;
- (viii) will be available to represent the Council on other bodies;
and
- (ix) will maintain the highest standards of conduct and ethics.

(b) Rights and Duties

- (i) Councillors will have such rights of access to documents, information, land and buildings of the Council as are necessary for the proper discharge of their functions and in accordance with the law.

- (ii) Councillors will not disclose or cause to be disclosed information which is confidential or exempt without the consent of the Council or divulge information given in confidence to anyone other than a councillor or officer entitled to know it.
- (iii) For these purposes, "confidential" and "exempt" information are defined in the Access to Information Procedure Rules in Part 4 of this Constitution.
- (iv) Councillors will abide by the principles of the Data Protection legislation and will be independently responsible under the legislation for their actions as a registered data controller otherwise under the same terms and conditions as would apply to an employee when processing data provided to them by the Council, its partners or agents.

2.04 Conduct

Councillors will at all times be guided by the Members' Code of Conduct and the Protocol on Member/Officer Relations set out in Part 5 of this Constitution.

2.05 Allowances

In recognition of their personal commitment to residents as a local councillor and to reflect any special responsibilities placed on them by the Council, councillors will be entitled to receive allowances in accordance with the Members' Allowances Scheme set out in Part 6 of this Constitution.

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Article 3 – Citizens of the Council

Article 3 - Citizens and the Council

Aim:

The Council's Constitution seeks to engage the public wherever possible. This article sets out what citizens can expect from the Council and what rights they have. However, with rights come responsibilities, and the Constitution shows how the Council expects to be treated by its citizens in return.

3.01 Citizens' Rights

The Citizens of Sandwell have the following rights. Their rights to information and to participate are explained in more detail in the Access to Information Procedure Rules in Part 4 of this Constitution:

- (a) **Voting** - Citizens included on the electoral register for the area have the right to vote in Local, and Parliamentary elections and any other elections or Referenda which may from time to time be called for.
- (b) **Information** - Citizens have the right to:
 - (i)(a) attend meetings of the Council and its committees, and the Cabinet. Citizens may not attend for that part of a meeting where the public are formally excluded because exempt or confidential information is likely to be disclosed;
 - (i)(b) record that part of the proceedings of the Council, Cabinet and committees of the Council in accordance with the protocol for recording meetings detailed in section 3.03 below.
 - (ii) view the statutory notice of the intention of the Council's executive (the Cabinet) to:-

- (a) consider a matter in private session and, in accordance with the process set out in the Access to Information Procedure Rules, make representations as to why the matter should be considered in public;
 - (b) make a key decision;
 - (iii) see reports and background papers, (except where confidential or exempt information may be disclosed) and any records of decisions made by the Council, its committees, the Executive and officers acting under delegated powers;
 - (iv) inspect the Council's accounts and make their views known to the external auditor;
 - (v) request a permanent copy of the personal information held about them under the provisions of the UK GDPR and Data Protection Act 2018, subject to any of the exemptions to disclose contained in that Act applying;
 - (vi) request information held by the Council relating to Council business under the provisions of the Freedom of Information Act 2000 and Environmental Information Regulations 2004, subject to any of the exemptions to disclosure contained within the respective legislation applying.
- (c) **Participation** - Citizens have the right to ask questions of the Council where this facility is included on the agenda for any of the Council's meetings and contribute to investigations by scrutiny boards, committees and panels when invited to do so.
- (d) **Councillor Call for Action** – Citizens have the right to request their ward member to pursue the councillor call for action process in respect of a problem occurring in the electoral ward.

This process, introduced by the Local Government and Public Involvement in Health Act, 2007 allows a councillor to ask for a matter to be considered by the appropriate scrutiny body when all other methods to resolve the issue have failed. The process covers Council services and services provided by partner organisations but is subject to some statutory exclusions.

A ward councillor has the right to refuse to champion a resident's issue but must give reasons for doing so.

The councillor call for action process also covers crime and disorder matters in accordance with the relevant provisions of the Police and Justice Act, 2006. If the ward councillor declines to champion a crime and disorder matter through the councillor call for action process, the citizen may refer the issue direct to the Cabinet Member for Communities who shall consider the matter and respond to the citizen, indicating what action they intend to take, or shall refer it to the Safer Neighbourhoods and Active Communities Scrutiny Board [the designated Crime and Disorder Committee] to be considered under the councillor call for action process.

More information about the councillor call for action process is set out under Part 4 – Scrutiny Procedure Rules.

- (e) **Complaints** - Citizens have the right to complain to:
- (i) the Council itself under its complaints scheme;
 - (ii) the local government Ombudsman after completing the Council's own complaints scheme;
 - (iii) the Council's Ethical Standards and Member Development Committee [through the Council's Monitoring Officer] about the conduct of a local elected councillor. The Members' Code of Conduct is set out in Part 5 of the Council's Constitution;

- (v) the office of the Information Commissioner where the citizen feels their rights under the UK GDPR or Data Protection Act have been breached or where the citizen considers the Council has failed to deal with a request under the Freedom of Information Act properly and the Council's own review process has been concluded.
- (f) **Petitions** – Citizens have the right to:
- (i) ask a member of the Council to present a petition to the Council on their behalf if it relates to a strategic policy issues or issues which are of Borough-wide significance;
- (ii) present petitions relating to issues of local concern to:
- A ward councillor
 - The appropriate Town Lead Member
 - The Head of Paid Service [the Chief Executive] or the offices of the relevant service area
 - The local Neighbourhood Forum
- (iii) Such petitions will be dealt with in accordance with the Council's petitions scheme which is appended to this Article, and includes the right to request a scrutiny body to review the adequacy of the steps taken by the Council in response to a petition.
- (g) **Local Governance** – Citizens on the electoral register for the area have the right to sign a petition to request a referendum for an elected mayor or a directly elected executive, within the provisions of the Local Government Act 2000 (as amended by the Local Government and Public Involvement Act 2007).

3.02 Citizens' Responsibilities

Citizens must not be violent, abusive or threatening to councillors or officers, whether in person or through the mail, social media or other means of communication.

Citizens must not wilfully or without due regard for the consequences, remove, damage, destroy or harm or cause to be damaged, destroyed or harmed, things owned by or in the possession of the Council, councillors or officers and must respect any confidentiality that is afforded to them in the provision of information.

3.03 Recording the Proceedings at Meetings

(i) Recording by the public and press

Members of the public and press are now allowed by law, to film, audio record, take photographs, blog or tweet the public session proceedings of meetings of the Council, its committees and the Cabinet.

The person chairing the meeting will ask if anyone is intending to film record or take photographs. This is to allow any member of the public present to say whether they consent to being filmed, or to sit where they cannot be filmed, or to allow them to leave the meeting if they prefer.

A person intending to film or record may only film or record the councillors and officers who are taking part in the proceedings of the meeting, and must not, in law, film any member of the public unless the person has given their specific consent.

Citizens filming the meeting must do so without interfering with or causing disruption to the meeting and must cease recording if permission is not granted or withdrawn. The decision of the person chairing the meeting is final and cannot be challenged at the meeting.

Citizens who film or record the proceedings must not edit or otherwise manipulate any recording with the intention of portraying the events at a meeting of the Council, its committee or the executive in any manner that is not a true reflection of the proceedings.

The Council reserves the right to take appropriate action against any person so doing.

(ii) Rights of Persons attending the meeting

Citizens and members of the public generally have a right not to be filmed. If a person does not wish to be filmed they should bring this to the attention of an officer when first attending the meeting or to the attention of the person chairing the meeting at the commencement of the meeting.

Under no circumstances should any person film a child or vulnerable adult without the consent of the adult, a parent, guardian or other person in whose care the child or vulnerable adult is, during the filming.

If the person chairing the meeting considers that these requirements are not being met, the Chair will instruct that all filming or recording being carried out by the citizen, must cease.

(ii) By the Council

The Council may record the proceedings of its meetings for its own purposes and for webcasting. The person presiding will announce at the start of the meeting that filming is taking place in order to allow any member of the public present the opportunity to sit where they cannot be filmed, or to allow them to leave the meeting if they prefer.

To this end, the public gallery within the Council Chamber at the Sandwell Council House is not filmed.

The recordings made by the Council will remain the property of the Council. The Council reserves the right to broadcast images or recordings of any person attending a meeting where they have not exercised their right to be excluded from such.

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Article 4 - Full Council

Aim:

Full Council is the primary decision making body of the Council (with the exception of executive functions). Comprised of all 72 Members, full Council retains decision making responsibility for major strategic decisions, known collectively as the policy framework, and is also responsible for approving the budget. It retains responsibility for regulatory functions and has a role in holding the Executive to account. The Council also has a key role in providing and facilitating community leadership.

A list of the statutory and recommended plans and strategies which make up the policy framework is outlined below.

The functions reserved for full Council decision are defined in this article. This makes clear what authority full Council has in relation to other parts of the Constitution and other decision making bodies of the Council.

The Budget and Policy Framework Procedure Rules in Part 4 of this Constitution detail the process by which the policy & budget framework is agreed.

The Council Procedure Rules (Standing Orders of the Council) contain the detail for three types of Council meeting: the annual meeting, ordinary meetings and extraordinary meetings.

4.01 Meanings

- (a) **Policy Framework.** The policy framework means the following plans and strategies:-
 - i) those reserved in law for decisions by full Council from the list of plans and strategies which may not be the

sole responsibility of the executive specified in Schedule 3 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended):

- Library Position Statement;
- Corporate Plan;
- Children and Young People's Plan
- Crime and Disorder Reduction Strategy;

Sustainable Community Strategy

- Licensing Authority Policy Statements [Licensing Act 2003 and Gambling Act 2005];
 - Local Transport Plan;
 - Development Plan documents and other Local Development documents that comprise the Local Development Framework;
 - Youth Justice Plan.
- (ii) additional plans and strategies which should be adopted by the Council as part of the Policy Framework:
- The Corporate Parenting Strategy;
 - Housing Strategy Statement/Investment Programme;
 - Local Agenda 21 Strategy;
 - The Economic Plan;

- The Cultural Prospectus;
 - Equality, Diversity and Inclusion Strategy;
 - Municipal Waste Management Strategy;
 - Air Quality Action Plan.
- (iii) there may be other plans and strategies which the Council may from time to time decide should be adopted by full Council as a matter of local choice.
- (b) **Budget** - The budget includes the allocation of financial resources to different services and projects, proposed contingency funds, setting the council tax and decisions relating to the control of the Council's borrowing requirement, the control of its capital expenditure and the setting of virement limits.
- (c) **Housing Land Transfer** - Housing Land Transfer means the approval or adoption of applications (whether in draft form or not) to the Secretary of State for approval of a programme of disposal of 500 or more properties to a person under the Leasehold Reform, Housing and Urban Development Act 1993 or to dispose of land used for residential purposes where approval is required under Sections 32 or 43 of the Housing Act 1985.

4.02 **Functions of the Full Council**

Full Council will exercise the following functions:

- (a) adopting and changing the Constitution (including (e), (l) and (m) below;
- (b) approving or adopting the policy framework, the overall Council budget and any application to the Secretary of State in respect of any Housing Land Transfer;

- (c) subject to the urgency procedure contained in the Access to Information Procedure Rules in Part 4 of this Constitution, making decisions on any executive function where the decision would be contrary to the agreed policy framework, there is no policy in effect or it is contrary to/or not wholly in accordance with the budget;
- (d) appointing the Leader;
- (e) the composition, appointment and terms of reference of committees including overview and scrutiny boards except where the function has been delegated to the Executive or a committee;
- (f) the appointment of representatives to other bodies except where the appointment is within the functions of the Executive, or has been delegated to an officer or committee;
- (g) adopting a Members' Allowance Scheme;
- (h) decisions to change the name of the Council,
- (i) conferring the title of honorary /woman or awarding the Freedom of the Borough;
- (i) confirming the appointment of the Head of Paid Service, Returning Officer and Electoral Registration Officer;
- (j) making, amending, revoking or adopting by-laws;
- (k) power to promote or oppose local or personal Bills;
- (l) powers to make or amend standing orders (Part 4 Council Procedure Rules);
- (m) powers to make or amend Standing Orders relating to Contracts (Part 4 Financial Regulations and Procedures);

- (n) the discharge of non-executive functions - these can also be delegated to other appropriate committees and bodies;
- (o) approving key strategic plans and documents;
- (p) election of the Civic Mayor and Deputy Mayor who are the Chair and Vice Chair of Council respectively.

4.03 Council Meetings

There are three types of Council meeting:

- (a) the annual meeting;
- (b) ordinary meetings;
- (c) extraordinary meetings;

and they will be conducted in accordance with the Council Procedure Rules in Part 4 of this Constitution (Standing Orders).

4.04 Responsibility for Functions

Full Council will confirm any delegation of its powers to Committees, Boards and other fora. These responsibilities will be outlined in Part 3 of this Constitution. This does not apply to those functions that are the responsibility of the Executive as these will be confirmed by the Leader of the Council.

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Article 5 – The Mayor of the Council

5.01 Role and Function of the Mayor

The Mayor and the Deputy Mayor will be elected annually by the Council. The Mayor and in their absence, the Deputy Mayor, will have the civic and ceremonial roles and functions set out in the following paragraphs.

5.02 Chairing Meetings of Full Council

The Mayor will have the following responsibilities:-

1. to uphold and promote the purposes of the Constitution, and to interpret the Constitution when necessary;
2. to preside over meetings of the Council so that its business can be carried out efficiently and with regard to the rights of councillors and the interests of the community;
3. to ensure the efficient dispatch of business in accordance with Standing Orders;
4. to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which members who are not on the Executive are able to hold the Executive members to account;
5. to ensure the thorough conduct of scrutiny, when undertaken by the Council in accordance with the procedure rules set out in Part 4 of the Constitution;
6. to promote public involvement in the Council's activities;
7. to be the conscience of the Council.

5.03 First Citizen

The Mayor shall be the first citizen of the Borough of Sandwell, representing and promoting the Council as a whole, in all civic and ceremonial matters and acting as a focal point for the community. As such, the status of the Mayor during their year of office, shall be non-political.

5.04 Ceremonial Role

The Mayor will undertake many of the ceremonial functions of the Council, acting as an ambassador and figurehead. The role of the Mayor is a symbol of the authority, a symbol of an open society and an expression of social cohesion.

5.05 Promotion of the Council

The Mayor will, together with the Executive and other members of the Council, promote the Borough of Sandwell and act as a focal point for the community.

The Mayor will attend such civic and ceremonial functions as the Council and they determine appropriate.

Article 8 - Regulatory and Other Committees

8.01 The Council will establish a number of committees and other bodies for the purpose of exercising those functions which may not be exercised by the Executive, and those of “local choice” functions which it has determined shall not be the responsibility of the Executive. This arm of the political management structure includes the Council itself and is referred to as the “constitutional arm”.

8.02 The Council will itself retain certain strategic functions. These are detailed in Article 4 - The Full Council.

8.03 For the purpose of executing the remaining functions, the Council will establish the following committees and other bodies:-

- Audit and Risk Assurance Committee
- Planning Committee
- Licensing Committee
- Licensing Sub Committees
- Ethical Standards and Member Development Committee
- General Purposes and Arbitration Committee
- Chief Officers Terms and Conditions Committee
- Education School Appeals Panel
- Emergency Committee
- Health and Wellbeing Board
- Land and Asset Management Committee

8.04 An outline of the functions allocated to each of these bodies, their terms of reference, membership and details of further delegation of those functions are set out in Part 3 - Responsibility for Functions of the Constitution.

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Article 9 - The Ethical Standards and Member Development Committee

9.01 Ethical Standards and Member Development Committee

The Council has a duty under Section 27 of the Localism Act 2011 (“the Act”) to promote and maintain high standards of conduct by members and co-opted members of the authority. To implement the provisions of the Act and the Members’ Code of Conduct, the Council has decided to retain a ‘standards committee’.

9.02 Composition

The Ethical Standards and Member Development Committee will comprise eight members of the Council.

9.03 Role & Function

The Ethical Standards and Member Development Committee will have the following roles and functions:-

- (a) To promote and maintain high standards of conduct and ethical governance by Members and co-opted Members of the Council.
- (b) To appoint Sub-Committees with delegated power to consider and deal with matters in accordance with the Council’s Arrangements for dealing with complaints against Members.
- (c) To deal with the recruitment and appointment of Independent Person(s) as defined under the Localism Act 2011.
- (d) To grant dispensations to Members and co-opted Members from requirements relating to interests set out in the Members’ Code of Conduct for Members and co-opted Members.

- (e) To oversee, approve, revise and monitor the implementation, progress and success of the Member Development Plan.
- (f) To periodically review Members Gifts and Hospitality Register and Declarations of Interests arrangements to ensure they remain fit for purpose.
- (g) To periodically review arrangements and make recommendations to Council, the Executive or other relevant bodies relating to Member personal safety, security and well-being.
- (h) To review, monitor and make recommendations to Council with regards to DBS checks (or their equivalent) for Elected and Co-opted Members of the Council.
- (i) To respond to any Government or other relevant consultation relating to the Ethical Framework.
- (j) To exercise any functions which the Council may consider appropriate from time to time.

Article 10 - Area Committees and Forums

10.01 Area Committees

The Council at its Annual Meeting in May 2009 chose to cease the operation of its six area committees [known as Town Committees] as a vehicle for local engagement in its decision making process, following dwindling public interest and poor attendance by the public.

The Council subsequently established Town Service Improvement Boards from May 2013, however it was felt that the system of neighbourhood engagement, championed and driven by the Town Lead Members was the most effective process for public involvement at a town and neighbourhood level.

The Council is committed to maintaining a strong emphasis on local engagement with residents through this approach to partnership working and public consultation.

10.02 Neighbourhood Engagement

The Council, in association with its partner organisations will hold two public meetings per year for each ward which will focus on the overall priorities for each Ward.

The first public meeting, 'In Your Neighbourhood Consultation Events' will focus on gathering information from local residents to develop key priorities and actions for the Ward to be known as Ward Pledges. The second public meeting 'Face the People Events' will focus on the public announcement of the Ward Pledges and officers involved in the pledges will provide progress reports.

The meeting will be led by the relevant Neighbourhood Officer who will be supported by Ward Councillors and partner organisations.

In addition the Council have introduced bi-monthly Ward meetings across all 24 Wards known as Neighbourhood Partnership Group Meetings. These meetings are led by the Neighbourhood Officer and provide a structured way of bringing the elected members, partners and the community together (the terms of reference for this meeting are appended to this article).

10.03 **Town Lead Members**

In order to continue and build on community links established by the Chairs of the former Town Committees, the Council has appointed a Town Lead Member for each of its designated six Towns. The main responsibilities of the Lead Member are to:

- Ensure the effective working of the Neighbourhood Engagement Model, encouraging the participation of members of the public in town and ward meetings, and facilitating ward members in representing their communities at community meetings.
- Report to the Council on activities in the town and communicating the views and interests of the town and local community groups at Borough level.
- Provide political and community leadership and to represent the Council's interests in the town at Borough level.

The Town Lead Members will work with the appropriate Cabinet Member(s) and appropriate officers in carrying out this role. The Town Lead Members will ensure that all local avenues have been exhausted in resolving local issues before a Call for Action is instigated by a Ward Councillor; and will be one of the first points of contact for local people wishing to present petitions to the Council.

The detailed portfolio for the Town Lead Member is as follows:

- (1) To undertake the responsibilities of Town Lead Member including:
 - Chairing and ensuring effective working of the Quarterly Councillor Meetings (the terms of reference for this meeting are appended to this article)
 - Facilitating the role of ward members in representing their communities and constituents at Neighbourhood Partnership Group Meetings (the terms of reference for this meeting are appended to this article)
 - Encouraging the participation of members of the public in Town/Ward meetings as necessary;
 - Reporting to the Council on the activities of the Town.
- (2) To provide, in partnership with the Cabinet Member for Neighbourhoods, political and community leadership and to represent the Council's interests in the Town.
- (3) To ensure, in partnership with the Cabinet Member for Neighbourhoods, that the views and interests of the Town and local community groups are promoted at Borough level.
- (4) To cascade information as appropriate to ward colleagues, particularly on issues affecting individual wards or neighbourhoods.
- (5) To encourage the full involvement of local people and communities in neighbourhood working.

- (6) To keep abreast of current issues and developments in the Town area.
- (7) To ensure, in partnership with the Cabinet Member for Neighbourhoods, that town issues and developments are appropriately promoted and publicised.
- (8) To establish good working relationships with the Cabinet Member for Neighbourhoods and attend regular monitoring meetings.
- (9) To establish good working relationships with Officers within the Neighbourhood Directorate.
- (10) To ensure that all local avenues have been exhausted in resolving local issues before a Call for Action is instituted by a Ward Councillor.
- (11) To be a first point of contact for local people wishing to submit petitions to the Council and to be responsible for progressing the petition through the Council's structures and to ensure that such petitions are formally recorded and monitored.
- (12) To actively promote community cohesion and associated initiatives in the town.
- (13) To undertake such other duties and roles as may from time to time be assigned to the position by the Leader or the Cabinet.

Special Conditions

1. Town Lead Members must dedicate a minimum of sixteen hours per week to undertake their duties.
2. Town Lead Members must regularly attend quarterly meetings for all Town Lead Members with the Cabinet Member for Neighbourhoods.

3. Town Lead Members must regularly attend quarterly meetings for all Town Lead Members with the Leader and Cabinet.
4. Town Lead Members must attend regular individual meetings with the Leader and the Cabinet Member for Neighbourhoods.
5. Town Lead Members must commit to a bespoke personal development programme.

Protocol for the relationship between the Town Lead Member and the Communities Unit

The Town Lead Member will provide political guidance and an informal steer to strategic area working based on their priority functions of Community Engagement and Community Cohesion.

The Service Manager Neighbourhoods is responsible for operational management of neighbourhood working.

The Service Manager Neighbourhoods will ensure that all relevant information regarding neighbourhood working within the town is passed to the Town Lead Member in a timely manner.

Quarterly Councillor Meetings

Terms of Reference

Purpose

Quarterly Councillor Meetings bring together Ward Councillors, Council and partners in the town to identify and address issues and priorities of relevance to the local area.

Councillor meetings do not have decision making powers but are influential and should play a vital role in ensuring that the voice of the local community is fed into decision making within the Council where it affects a Ward.

Roles and responsibilities

Quarterly Councillor Meetings provide a forum to discuss all issues of importance to the local community and town. In particular, meetings should:-

- i. For the Council and partners to bring items of local importance to meetings to seek views and steer
- ii. Share information on what's going on in the town/ward – community events, local consultation, changes to services, etc
- iii. Identify investment priorities for the town
- iv. To play a role in allocation of Council funding initiatives by raising awareness and inviting applications from local groups
- v. Make contact with other local resident forums and Children's Centres Advisory Boards to agree how best to work together and share information
- vi. Be accountable to local people – by ensuring that local people are kept up to date on the business of towns/wards

vii. Be accountable back to Neighbourhood Partnership Groups.

Membership

The membership will be all Ward Councillors within the Town.

The meeting will be chaired by the Town Lead Member.

The respective Neighbourhood Service Manager will be the Council's lead officer.

Administration

Notes from the meeting will be taken and circulated after each Quarterly Councillor Meeting by Business Support to elected Members and attendees, detailing progress on delivery and actions agreed.

Meetings

All meetings will be held in private. Relevant representatives will be invited to attend as necessary.

Neighbourhood Partnership Group

Terms of Reference

Neighbourhood Partnership Group meetings will take place across the 24 Wards and will provide a structured way of bringing elected members, partners and the community together to develop tailored solutions for the local community. The Neighbourhood Partnerships Group will recognise the role of elected members as local champions and ensure their active participation in shaping the priorities of the area.

Aim

Provide operational management for the delivery of the Ward Pledges, to:-

- Ensure that Neighbourhood Partnerships are tackling neighbourhood issues to improve the quality of life for residents in the Ward
- Agree ward priorities
- Lead on the development and delivery of Ward Pledges
- Analyse and review local data and intelligence to inform priorities
- Working across partnerships to problem solve and join-up service delivery in response to local issues

Objectives

- To understand the neighbourhood, bringing together knowledge and information from all partners – including the views of the local community
- To obtain and analyse local area data held by partners in order to monitor, change and identify trends and changing needs of the communities to effectively prioritise actions and plan for the future
- To ensure regular community consultation, engagement and feedback on issues, concerns and priorities within the Ward
- To develop and maintain a database of local resources, including community facilities and assets, stakeholder/community networks and service infrastructure
- To facilitate and co-ordinate joint working around identified priorities

Membership

The Neighbourhood Partnership Group will be chaired by the Neighbourhood Officer and will be supported by the Neighbourhood Assistant.

The membership of the Neighbourhood Partnership Group will be a matter for local decision. However, the minimum core membership will include:-

- Ward Councillors
- Designated officers of Sandwell MBC and partner organisations
- Neighbourhood Police Sgt for the area
- Third Sector representative
- Other partner organisations as appropriate
- Observers can request to attend the meetings or may be invited to attend at the request of the Group. Observers are admitted at the discretion of the Chair

Administration

Notes from the meeting will be taken and circulated after each Neighbourhood Partnership Group Meeting by Business Support to elected Members and attendees, detailing progress on delivery and actions agreed.

The Neighbourhood Officer will be responsible for the administration of the Group and for undertaking the management/updates of the Ward Pledges.

Meetings

Meetings will be held on a bi-monthly basis.

All meetings will be held in private. Relevant representatives will be invited to attend as necessary.

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Article 11 - Joint Arrangements and Partnering

11.01 Arrangements to Promote Well Being

The Council or the Executive, in order to promote the economic, social or environmental well-being of its area, may:

- (a) enter into arrangements or agreements with any person or body;
- (b) co-operate with, or facilitate or co-ordinate the activities of, any person or body; and
- (c) exercise on behalf of that person or body any functions of that person or body.

11.02 Joint Arrangements

- (a) The Council may establish joint arrangements with one or more local authorities and/or their executives to exercise functions which are not executive functions in any of the participating authorities. Such arrangements may involve the appointment of a joint committee with these other local authorities.
- (b) The Council may also establish joint arrangements in respect of a mixture of executive and non-executive functions but will require the agreement of the Executive before doing so. Where the Council appoints more than one member to such joint committee, at least one of those members must be a member of the Executive.
- (c) The Executive may establish joint arrangements with one or more local authorities to exercise functions which are executive functions. Such arrangements may involve the appointment of joint committees with these other local authorities.

- (d) Except as set out below, the Executive may appoint only executive members as voting members to a joint committee and those members need not reflect the political composition of the local authority as a whole.
- (e) The Executive may appoint members to a joint committee from outside the Executive in the following circumstances:
 - the Joint Committee has functions for only part of the area of the authority, and that area is smaller than two-fifths of the authority by area or population. In such cases, the Executive may appoint to the Joint Committee any councillor who is a member for a ward which is wholly or partly contained within the area;

In this case the political balance requirements do not apply to such appointments.

- (f) Details of any joint arrangements including any delegations to joint committees will be found in the Council's scheme of delegations in Part 3 of this constitution.

11.03 **Access to Information**

- (a) The Access to Information Procedure Rules in Part 4 of this Constitution apply.
- (b) If all the members of a joint committee are members of the Executive in each of the participating authorities then its access to information regime is the same as that applied to the Executive by or under the Local Government Act 2000 and associated legislation.
- (c) If the Joint Committee contains members who are not on the Executive of any participating authority then the access to information rules in Part VA of the Local Government Act 1972 will apply.

11.04 Delegation To and From Other Local Authorities

- (a) The Council may delegate non-executive functions to another local authority or, in certain circumstances, the Executive of another local authority.
- (b) The Executive may delegate executive functions to another local authority or the Executive of another local authority in certain circumstances.
- (c) The decision whether or not to accept such a delegation from another local authority shall be reserved to the Council meeting.

11.05 Contracting Out

The Executive may contract out to another body or organisation functions which may be exercised by an officer and which are subject to an order under section 70 of the Deregulation and Contracting Out Act 1994, or under contracting arrangements where the contractor acts as the Council's agent under usual contracting principles, provided there is no delegation of the Council's discretionary decision making.

11.06 Partnering and Service Delivery Arrangements

The Council or the Executive may enter into partnering arrangements in order to promote the economic, social and environmental well-being of the Borough, referred to in 11.01 above.

The Council or the Executive may also enter into arrangements to secure the delivery of defined services. This may be achieved through entering into a partnership; by the establishment of arms-length organisations or charitable trusts; or by other legal arrangements available to local authorities.

The arrangements may provide for the delegation of operational executive decisions whilst reserving strategic policy direction to the Executive.

Currently the Council is increasingly delivering key services through a range of partnerships. The Council provides strategic leadership to all our partners and partnerships in the Borough. The ultimate aim is to deliver the shared priorities contained in the Sandwell Plan (or its equivalent).

The key partnerships fall within the following areas: the Sandwell Partnership and its family of thematic partnerships, service delivery partnerships, regeneration partnerships, voluntary/community sector partnerships and regional/sub regional partnerships.

The Sandwell Partnership is the key driver for identifying the priorities and objectives for the Sandwell Plan. It brings together a range of statutory and non-statutory organisations from the voluntary and community and private sector.

The Council has developed policy guidance and a practical toolkit for managing and monitoring partnerships.

The toolkit has been designed to assist members, officers and the partnerships themselves through the lifecycle of a partnership. It comprises practical steps for establishing a new partnership, reviewing the effectiveness of an existing partnership and the steps to take when closing a partnership.

Partnership Management Group oversees the performance of Sandwell's key partnerships. As well as undertaking its own focused work, the group also builds upon reviews that are already in progress (for example audit and scrutiny) and provides challenge, examining whether partnerships are healthy, fit for purpose and providing value for money.

Decisions taken by partners are subject to effective scrutiny by the Scrutiny Management Board and/or the relevant scrutiny board.

Guidance to members and officers sitting on outside bodies is set out in Part (5) and deals with conflict of interests and other areas of responsibility for members and officers working with outside bodies.

11.07 **West Midlands Combined Authority**

On 8 March 2016, the Council gave consent to become a constituent member of the West Midlands Combined Authority (WMCA). The Council's membership of the WMCA will provide opportunities for the residents of Sandwell and contribute to the achievement of the Council's priorities. Overall the membership of the WMCA represents a major opportunity to have a strong, shared voice for the region and to make a step change in our collective efforts to drive the economic prosperity of the area. Effective engagement with the LEPs and the wider business community is critical to the delivery of this ambition. The Combined Authority's area shall be the whole of the following seven constituent authority areas:-

Birmingham City Council
City of Wolverhampton Council
Coventry City Council
Dudley Metropolitan Borough Council
Sandwell Metropolitan Borough Council
Solihull Metropolitan Borough Council and
Walsall Metropolitan Borough Council

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Article 12 Officers

12.01 Management Structure

The Council operates a four tier senior management structure, comprising:

- Chief Executive and Head of the Paid Service (First Tier)
- Director (Second Tier)
- Assistant Director (Third Tier)
- Manager (Fourth Tier)

Chief Officers. The Council will engage persons for the following posts, who will be designated chief officers in accordance with Part 4 (Officer Employment Rules) set out in the constitution.

Post	Functions & Areas of Responsibility
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<p>Chief Executive (and Head of Paid Service)</p>	<p>Overall corporate management and operational responsibility (including overall management responsibility for all officers)</p> <p>Provision of professional advice to all parties in the decision making process.</p> <p>Together with the Monitoring Officer, responsibility for a system of record keeping for all the Council's decisions.</p> <p>Representing the Council on partnership and external bodies (as required by statute or the Council).</p>
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Post	Functions & Areas of Responsibility
Director	Responsibility for supporting the Chief Executive in the overall strategic management of the Council and to ensure long-term planning and change management.
Assistant Director	Assistant Directors report directly to their Director Full details of the functions carried out by each of these chief officers is set out in Part 7 Management Structure.

Head of Paid Service, Monitoring Officer and Chief Finance Officer.
The Council will designate the following posts as shown:

Post	Designation
Chief Executive	Head of Paid Service
Director of Law and Governance	Monitoring Officer
Director of Finance	Chief Finance Officer

Such posts will have the functions described in Articles 12.02 to 12.04 below.

Structure

The Head of Paid Service will determine and publicise a description of the overall structure of the Council showing the management structure and deployment of officers. This is set out at Part 7 of this Constitution.

12.02 Functions of the Head of Paid Service

- (a) **Discharge of Functions by the Council.** The Head of Paid Service will report to Full Council on the manner in which the discharge of the Council's functions is co-ordinated (ie overall Council structure). Directors will periodically report the number and grade of officers required for the discharge of functions and the organisation of officers to the Head of Paid Service.
- (b) **Restrictions on Functions.** The Head of Paid Service may not be the Monitoring Officer but may hold the post of Chief Finance Officer if a qualified accountant.

12.03 Functions of the Monitoring Officer

The “statutory functions” are in italics. All other functions are “non-statutory functions”:

- 1 *To report to the Council and to the Cabinet in any case where they are of the opinion that any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority has given rise to or is likely to or would give rise to any illegality;*
- 2 *To report to the Council or the Cabinet in any case where the Ombudsman, after investigation, has reported that any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority has given rise to maladministration or injustice;*
- 3 *To maintain the Register of Members' Interests;*
- 4 *To administer complaints of member misconduct pursuant to the Localism Act 2011 and in accordance with the arrangements adopted by the Authority.*

- 5 *To determine whether the disclosure of information by the authority in response to a request under the Freedom of Information Act would, or would be likely to, prejudice the effective conduct of public affairs;*

- 6 To investigate any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority which they have reason to believe may have given rise to or is likely to or would give rise to
 - 6.1 illegality
 - 6.2 maladministration
 - 6.3 failure to observe the Members' Code of Conduct;

- 7 To act as the principal adviser to the authority's Ethical Standards and Member Development Committee;

- 8 To provide advice to members on the Code of Conduct for members and local protocols adopted by the authority;

- 9 To monitor and uphold the authority's Constitution;

- 10 To secure the lawfulness and fairness of decision-making, including advising on whether a decision or proposed decision is an executive or non-executive decision, and whether it is contrary to or not in accordance with the authority's approved budget and policy framework;

- 11 To act as the proper officer for the preparation, publication and retention of records of decisions taken by or on behalf of the Council and the Cabinet;

- 12 Responsibility for co-ordinating Ombudsman matters and Whistle-Blowing functions of the authority;

- 13 Appointment as Proper Officer for the Data Protection Act 2018, the Freedom of Information Act 2000 and the Regulation of Investigatory Powers Act 2001;

- 14 To consult regularly with the Chief Executive, the Chief Finance Officer, Director – Business Strategy and Change and the Chief Internal Auditor to identify areas where the probity of the authority can be improved or better protected, and to take appropriate actions;
- 15 To investigate any application for a dispensation and to report and recommend to the Ethical Standards and Member Development Committee except where such dispensations are delegated to the Monitoring Officer;
- 16 To secure that members of the authority are fully aware of their obligations in respect of probity, particularly under the Code of Conduct for Members and any local protocols adopted by the authority;
- 17 To advise on politically restricted posts under the Local Government and Housing Act 1989, as amended;
- 18 To report to the Cabinet and to the Council on the resources which they require for the discharge of their functions;
19. To report regularly to the Ethical Standards and Member Development Committee on the performance of their functions insofar as they are relevant to the Committee’s Terms of Reference.

For more information see the Protocol on the role of the Monitoring Officer attached as an Appendix to this document.

12.04 **Functions of the Chief Finance Officer**

- (a) **Ensuring Lawfulness and Financial Prudence of Decision Making** - After consulting with the Head of Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the Full Council or to the Executive in relation to an executive function, and the

Council's external auditor, if they consider that any proposal, decision or course of action will involve incurring unlawful expenditure, or is unlawful and is likely to cause a loss or deficiency, or if the Council is about to enter an item of account unlawfully.

- (b) **Administration of Financial Affairs** - The Chief Finance Officer will have responsibility for the administration of the financial affairs of the Council.
- (c) **Contributing to Corporate Management** - The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.
- (d) **Providing Advice** - The Chief Finance Officer will provide advice on the scope of powers and authority to take decisions, maladministration, financial impropriety, probity and budget and policy framework issues to all councillors and will support and advise councillors and officers in their respective roles.
- (e) **Give Financial Information** - The Chief Finance Officer will provide required financial information to the media, members of the public and the community.

12.05 **Duty to Provide Sufficient Resources to the Monitoring Officer and Chief Finance Officer**

The Council will provide the Monitoring Officer and Chief Finance Officer with such officers, accommodation and other resources as are in their opinion sufficient to allow their duties to be performed.

12.06 **Conduct**

Officers will comply with the Officers' Code of Conduct and the Protocol on Officer/Member Relations set out in Part 5 of this Constitution.

12.07 **Employment**

The recruitment, selection and dismissal of officers will comply with the Officer Employment Rules set out in Part 4 of this Constitution.

Sandwell Metropolitan Borough Council

How the Monitoring Officer carries out their duties

A Protocol on the Discharge of the Functions of the Monitoring Officer

Sandwell Council has designated its Director of Law and Governance as the authority's Monitoring Officer.

The Monitoring Officer is responsible for ensuring that the authority and its members act lawfully, do not cause maladministration, and comply with the Code of Conduct for Members. They are the primary source of advice to the authority on law, and to members on their legal obligations including the requirements of the Code of Conduct for Members.

They also have specific duties, such as implementing the Arrangements for dealing with standards allegations under the Localism Act 2011.

There may be conflict between their roles as adviser and as Director of Law and Governance responsible for implementing decisions of the authority and the fact that, on occasion, they have to act as "adjudicator".

The purpose of this paper is to enable members to make best use of the Monitoring Officer's ability to provide them with practical advice on legality and conduct, by setting out how the Monitoring Officer will carry out their functions.

1 Introduction

- (a) The authority recognises that an effective Monitoring Officer, positively engaged in the discharge of the authority's business, is essential to the effective running and sound corporate governance of the authority.
- (b) The law requires the authority to appoint one of its officers as the authority's Monitoring Officer¹, and gives the Monitoring Officer personal responsibility –
 - (i) to report on actual and anticipated illegality within the authority;

¹ Section 5(1), Local Government and Housing Act 1989

- (ii) to report cases where the Ombudsman has found maladministration on the part of the authority;
 - (iii) to maintain the Register of Members' Interests;
 - (iv) to determine whether the disclosure of information would inhibit the effective discharge of the authority's business under the Freedom of Information Act.
- (c) The authority has decided to extend the functions of its Monitoring Officer beyond these "statutory functions", and the full list of his/her functions is set out in Paragraph 4, below.
- (d) The law does not prescribe exactly how the Monitoring Officer is to carry out these functions. So this Protocol describes the manner in which the authority expects them to discharge these functions, and how it expects its officers and members to co-operate with the Monitoring Officer in order to enable them to discharge these functions effectively.

2 Appointment

- (a) The Monitoring Officer is an officer of the authority, designated as Monitoring Officer by the Council. Because the role often requires consideration of legal issues, the authority has designated the Director of Law and Governance as Monitoring Officer.
- (b) Where the Monitoring Officer leaves the employment of the authority, they automatically cease to be Monitoring Officer. The authority may appoint an officer as Interim Monitoring Officer pending a permanent appointment.

3 A Personal Responsibility

- (a) The Monitoring Officer is required to carry out the statutory functions personally, except that –
- (i) they nominate a member of their staff as Deputy Monitoring Officer, with power to act as Monitoring Officer where they are unable to act as a result of absence or illness; and
- (ii) in respect of the implementation of the Arrangements for dealing with standards allegations under the Localism Act

2011, they may arrange for any person to perform functions such as the conduct of investigations.

- (b) Whilst the statutory functions are personal to the Monitoring Officer, they may arrange for any member of their staff to assist them in the discharge of any of the non-statutory functions.

4 Functions

The Monitoring Officer's functions are set out in Appendix One.

5 Advice, Decision or Both?

The Monitoring Officer's responsibilities fall into three distinct categories:

- (a) Advice:

In a number of instances, the Monitoring Officer acts as adviser, to the authority or to individual members. For example, a member may seek advice as to whether they have a Disclosable Pecuniary interest in a matter which is coming before a Committee, or whether they need to register an interest. In such cases, the Monitoring Officer will provide such advice, but must ultimately leave the individual member to take their own decision as to their conduct in the light of that advice.

- (b) Decisions

In other cases, where the proposal, action or omission would cause the authority to act unlawfully, the Monitoring Officer may be required to take a decision as to whether there is or would be any illegality on the part of the authority, or of any member or officer of the authority, and to decide whether they are required to make a statutory report to the authority which can have the effect of suspending the implementation of the action or decision until their report has been considered.

(c) Overlaps

These categories are not necessarily mutually exclusive. In some instances, the conduct of a member or members may give rise to both a failure to comply with the Code of Conduct for members, and give rise to an illegality on the part of the authority. In such overlap cases, the Monitoring Officer would advise the member concerned about the requirements of the Code, but may also need to inform the member of the actions which they are required to take as Monitoring Officer to address the illegality in the decision-making process. However, a decision is not invalidated just because of something that occurred in the process of making the decision involved a failure to comply with the Code.

6 Seeking the Advice of the Monitoring Officer

- (a) It is recognised that the Monitoring Officer will be most effective if they are able to advise on any issue at an early stage of policy formulation or implementation. Accordingly, officers and members of the authority should routinely inform and consult the Monitoring Officer in respect of new policy proposals and action programmes.
- (b) Advice on legality and maladministration
- (i) Members and officers of the authority may consult the Monitoring Officer in confidence in respect of any proposal, decision or omission.
- (ii) Wherever possible, the Monitoring Officer will seek to avoid any illegality or maladministration by identifying alternative and legitimate means of achieving the objective of the proposal, decision, act or omission, or by rectifying any deficiency.

- (iii) The Monitoring Officer will only need to make a public report on the matter if the proposed decision, act or omission were, in their opinion, unlawful and the officer or member concerned subsequently took any action to progress that proposal, decision or omission, despite having been advised to the contrary by the Monitoring Officer;
 - (iv) Where the Monitoring Officer is consulted by a member in respect of possible illegality or maladministration in any proposal, action or omission of the authority (as opposed to any proposal, action or omission of the member making the enquiry) the Monitoring Officer shall advise the relevant Cabinet Member that they have been so consulted and of the advice which they have given.
- (c) Advice on the Code of Conduct
- (i) The Monitoring Officer is the primary source of advice for all members on the Code of Conduct for Members and on local protocols.
 - (ii) Any member, irrespective of political party, can seek the confidential advice of the Monitoring Officer as to their own position. Where they are consulted, and subject to any conflict of interest with the authority, the Monitoring Officer will seek to provide prompt advice to the member concerned as to whether their action or proposed action constitutes a failure to comply with the Code of Conduct or a local protocol and what may be necessary to comply with the Code or protocol. Where they are so consulted by a member about the member's own conduct, the Monitoring Officer will not disclose the fact of consultation or the advice given except with the consent of the member or unless required to do so by law.

- (iii) Any member, irrespective of political party, may seek the advice of the Monitoring Officer as to whether the actions of another member of the Council would amount to a failure to comply with the Code of Conduct. Members are encouraged to consult the Monitoring Officer before considering whether to make a complaint. Where they are so consulted, the Monitoring Officer may make enquiry of the member(s) in respect of whom the enquiry is made before providing such advice, and shall provide them with a copy of any advice provided to the member making the enquiry.

7 Investigation

- (a) Preventative investigation

On the principle that prevention is better than cure, the authority expects the Monitoring Officer to investigate matters which give them concern as to possible illegality, maladministration or breach of the Code of Conduct for Members.

Specifically, this arises where the Monitoring Officer receives a complaint or information which raises the possibility that a proposal, action or omission of the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority is or would be unlawful, or give rise to maladministration and injustice, or amount to a failure to observe the Code of Conduct for Members. In such cases, the authority expects that they will investigate the matter and determine whether the proposal, action or omission actually is or would be unlawful, or give rise to maladministration and injustice, or amount to a failure to observe the Code of Conduct for Members, and take appropriate action, as set out below.

(b) Breach of the Code of Conduct

Member's complaints about failure to comply with the Code of Conduct for Members shall be dealt with under the approved Arrangements for dealing with standards allegations under the Localism Act 2011.

(c) Established procedures

Where the Monitoring Officer receives a complaint that a proposal, action or omission is unlawful or constitutes maladministration, and the authority already operates an appeal or other mechanism for resolving such matters (for example in respect of school transport appeals, staff grievance complaints or claims against the authority which are covered by insurance), the Monitoring Officer may deal with the matter by ensuring that it is dealt with by that existing mechanism. They may also intervene in such processes to identify whether that the particular matter potentially gives rise to illegality or maladministration and injustice, and to ensure the satisfactory resolution of the issue.

(d) Illegality

In cases where the Monitoring Officer determines that the proposal, act or omission is not unlawful, they shall advise any member or officer concerned of their determination. Where they determine that the proposal, action or omission is, or would be, unlawful, they shall wherever possible seek to agree an alternative and lawful course of action. They shall then advise the complainant (if any) of their determination and of any agreed alternative course of action, which may include an offer in settlement of any injustice suffered by any person, and/or them making a statutory report.

(e) Maladministration

Where the Monitoring Officer determines upon investigation that a proposal, act or omission has not caused or would not give rise to maladministration and injustice, they shall respond to the complainant (if any) and advise any member or officer concerned of their determination.

Where he/she determines that the proposal, act or omission has caused or would give rise to maladministration and injustice, they shall advise any member or officer concerned of their determination and seek to agree an alternative lawful course of action. They shall then advise the complainant (if any) of their determination and of any agreed alternative course of action, and/or an offer in settlement of any injustice suffered by any person.

8 Local Resolution

Where the Monitoring Officer receives a complaint of illegality, maladministration or failure to observe the Code of Conduct for Members or a local protocol adopted by the authority, they shall in appropriate cases seek to resolve the matter amicably to the satisfaction of the complainant, by securing that any illegality, failure of process or breach of code is as far as possible rectified, that the complainant is informed of the rectification, with or without a compensation payment and/or apology. However, it is recognised that the Monitoring Officer may determine that the matter is incapable of local resolution, or is of such seriousness that a statutory report is the only appropriate response.

9 Reporting

(a) Illegality

Where the Monitoring Officer is of the opinion that an unlawful action or omission has already occurred, or where the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority seek to progress an unlawful proposal, action or omission, the Monitoring Officer shall consult as far as practicable with the Chief Executive and the Chief Finance Officer, and shall then determine whether to make a

formal report under Section 5 of the Local Government and Housing Act 1989.

In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the Monitoring Officer shall be entitled to add their written advice to the report on the matter by any other officer of the authority, and/or to provide oral advice at any meeting of the authority.

(b) Maladministration

Where the Monitoring Officer is of the opinion that maladministration and injustice has already occurred, or where the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority seek to progress a proposal, action or omission which would give rise to maladministration and injustice, the Monitoring Officer shall consult as far as practicable with the Chief Executive and the Chief Finance Officer, and shall then determine whether to make a written report to the decision-taker or decision-making body.

In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the Monitoring Officer shall be entitled to add their written advice to the report on the matter by any other officer of the authority, or to provide oral advice at any meeting of the authority.

(c) Failure to observe the Code of Conduct for Members

Where the Monitoring Officer is of the opinion that the action or proposed action of a member amounts to a failure to comply with the Code of Conduct for Members, they will deal with the complaint in accordance with the Arrangements for dealing with Standards Allegations under the Localism Act 2011.

10 Advice to Individual Members

Wherever possible, the Monitoring Officer will provide advice to individual members to support them in the discharge of their responsibilities as a Councillor. They will not provide advice to a political group or party, or to a member making enquiry on behalf of a political group or party.

The Monitoring Officer is employed by the authority and owes their primary responsibility to the authority, rather than to any individual member or group of members. Accordingly, when they are of the opinion that providing advice to a member or group of members on a matter is incompatible with their role as adviser to the authority or any action which they may have to take on behalf of the authority, they may decline to provide such advice, but may, at their discretion and where there is a clear benefit to the authority, secure that such advice is provided from an independent source at the expense of the authority.

11 Monitoring and Upholding the Constitution

(a) Monitoring and Reviewing the Constitution

- (i) The Monitoring Officer will monitor and review, on a regular basis and probably once a year, the effectiveness and operation of this Constitution so as to ensure that the aims and principles of the Constitution are given full effect and that the Constitution enables the authority to discharge its functions effectively.
- (ii) In order to conduct such monitoring and review, the Monitoring Officer may:
 - A consult any members and/or officers, and other organisations and persons having dealings with the authority
 - B observe meetings of members and/or officers at any level
 - C undertake an audit trail of a sample of decisions
 - D record and analyse issues raised with him/her by Members, Officers, the public and other relevant stakeholders

- E compare practices in this authority with those in other comparable authorities, or national examples of best practice
 - F consider any relevant reports and recommendations of the District Auditor and other regulatory agencies.
- (iii) The Monitoring Officer shall consult the Chief Executive and the Chief Finance Officer annually, or more frequently if appropriate, highlighting areas where there is potential to improve the Constitution or the effectiveness of the Constitution, before determining whether to report to the authority on any changes necessary for this purpose.
- (b) Keeping the Constitution up to date
- (i) The Monitoring Officer shall maintain an up to date copy of the Constitution and ensure that it is accessible to members, officers and members of the public;
 - (ii) The Monitoring Officer shall make such amendments to the Constitution as are necessary to reflect changes of fact and law, and decisions of the Council or the Cabinet of the authority, advising members of any such changes made.
- (c) Interpreting the Constitution
- (i) The Monitoring Officer shall be responsible for advising on the interpretation of the Constitution.
 - (ii) In particular, the Monitoring Officer shall determine whether a proposed decision is contrary to or not wholly in accordance with the policy framework or the approved budget, and whether a proposal is sufficiently urgent to merit the use of urgency executive decision-making procedures.

12 Resources

The authority is required to provide the Monitoring Officer with the resources which the Monitoring Officer considers are necessary to enable them to perform their statutory duties.

For the purpose of carrying out these functions, the Monitoring Officer shall be provided with the following resources:

- (a) The right of access to all documents and information held by or on behalf of the authority. For the purpose of clarification, this right does not extend to documents and information held by or on behalf of any political party represented on the Council;
- (b) The right of access to any meetings of members or officers (or both) of the authority, whether or not such meetings include any other persons. For the purpose of clarification, this right does not extend to any meetings held by or on behalf of any political party represented on the Council;
- (c) The right to require any officer or member of the authority, or any contractor of the authority, to provide an explanation of any matter under investigation;
- (d) A right to report to the Council, the Ethical Standards and Member Development Committee, and to the Cabinet, including a right to present a written report and to attend and advise verbally;
- (e) The right to require the assistance of any officer of the authority or to appoint any other person to carry out or assist in carrying out an investigation and to delegate to that officer or person any of the powers of the post of Monitoring Officer;
- (f) A power to agree a local resolution to any complaint of maladministration or of breach of the authority's Code of Conduct for Members, in consultation as far as appropriate or practicable with the Chief Executive and the Chief Finance Officer, including power to agree with the relevant Director a compensation payment of up to £2,000 in any one case.
- (g) The right of access to the Head of Paid Service and to the Chief Finance Officer (the said three statutory officers shall meet at least quarterly to consider matters of common interest pursuant to their statutory roles);

- (h) The right, after consultation with the Head of Paid Service and the Chief Finance Officer so far as practicable, to notify the Police, the authority’s auditors and other regulatory agencies of their concerns in respect of any matter and to provide them with information and documents in order to assist them with their statutory functions;
- (i) The right to obtain legal advice at the authority’s expense, either internally or from an independent external solicitor or barrister, on any matter, and sufficient financial resource to enable them to do so;

13 “Monitoring Officer” or “Chief Legal Officer”

The Monitoring Officer will use the style of “Monitoring Officer” as opposed to “Director of Law and Governance” where, in their opinion, it is appropriate to do so in connection with their statutory functions.

Appendix One

The Functions of the Monitoring Officer

The functions of the Monitoring Officer are as follows.

The “statutory functions” are in italics. All other functions are “non-statutory functions”:

- 1 *To report to the Council and to the Cabinet in any case where they are of the opinion that any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority has given rise to or is likely to or would give rise to any illegality²;*
- 2 *To report to the Council or the Cabinet in any case where the Ombudsman, after investigation, has reported that any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority has given rise to maladministration or injustice³;*
- 3 *To maintain the Register of Members’ Interests⁴;*
- 4 *To administer complaints of member misconduct pursuant to the Localism Act 2011 and in accordance with the Arrangements adopted by the Authority.*
- 5 *To determine whether the disclosure of information by the authority in response to a request under the Freedom of Information Act would, or would be likely to, prejudice the effective conduct of public affairs⁵;*

² Section 5(2)(a), Local Government and Housing Act 1989 (amended by Local Public Involvement Act 2007)

³ Section 5(2)(b) and 5(2A), Local Government and Housing Act 1989 (amended by Local Public Involvement Act 2007)

⁴ Localism Act 2011

⁵ The Monitoring Officer is designated as the “qualified person” for the purpose of Section 36 of the Freedom of Information Act 2000

- 6 To investigate any proposal, decision or omission by the Council or any Committee, Sub-Committee or Joint Committee of the authority, the Cabinet or any member or officer of the authority which they have reason to believe may have given rise to or is likely to or would give rise to
 - 6.1 illegality
 - 6.2 maladministration
 - 6.3 failure to observe the Members' Code of Conduct
- 7 To act as the principal adviser to the authority's Ethical Standards and Member Development Committee;
- 8 To provide advice to members on the Code of Conduct for Members and local protocols adopted by the authority;
- 9 To monitor and uphold the authority's Constitution;
- 10 To secure the lawfulness and fairness of decision-making, including advising on whether a decision or proposed decision is an executive or non-executive decision, and whether it is contrary to or not in accordance with the authority's approved budget and policy framework;
- 11 To act as the proper officer for the preparation, publication and retention of records of decisions taken by or on behalf of the Council and the Cabinet;
- 12 Responsibility for co-ordinating Ombudsman matters and whistleblowing functions of the Authority;
- 13 Appointment as *Proper Officer for the Data Protection Act 2018, the Freedom of Information Act 2000 and the Regulation of Investigatory Powers Act 2001*;
- 14 To consult regularly with the Chief Executive, the Chief Finance Officer, Assistant Chief Executive and the Chief Internal Auditor to identify areas where the probity of the authority can be improved or better protected, and to take appropriate actions;

- 15 To investigate any application for a dispensation and to report and recommend to the Ethical Standards and Member Development Committee except where such dispensations are delegated to the Monitoring Officer by the Council;
- 16 To secure that members of the authority are fully aware of their obligations in respect of probity, particularly under the Code of Conduct for Members and any local protocols adopted by the authority;
- 17 To advise on politically-restricted posts under the Local Government and Housing Act 1989;
- 18 To report to the Cabinet and to the Council on the resources which they require for the discharge of their functions;
19. To report regularly to the Ethical Standards and Member Development Committee on the performance of their functions insofar as they are relevant to the Committee's Terms of Reference.

Part 4 - Budget and Policy Framework Procedure Rules

Developing the budget and policy framework is a key corporate process in Sandwell as it is in all local authorities. It sets the context within which decision making by the executive will take place.

1. The Framework for Executive Decisions

The Council will be responsible for the adoption of its budget and policy framework as set out in Article 4. Once a budget or a policy framework is in place, it will be the responsibility of the executive to implement it.

2. Process for Developing the Framework

The budget and policy framework shall be developed in accordance with the following process:

- (a) The executive will publicise by including in the forward plan, on the Council's web site, ~~and in the local press~~ a timetable for making proposals to the Council for the adoption of any plan, strategy or budget that forms part of the budget and policy framework, and its arrangements for consultation after publication of those initial proposals. The chairs of scrutiny ~~boards~~panels will also be notified. The consultation period shall in each instance be not less than 6 weeks.
- (b) At the end of that period, the executive will then draw up firm proposals having regard to the responses to that consultation. If a relevant scrutiny ~~board~~panel wishes to respond to the executive in that consultation process then it may do so.

As the scrutiny ~~boards~~panels have responsibility for fixing their own work programme, it is open to the scrutiny ~~boards~~panels to investigate, research or report in detail with policy recommendations before the end of the consultation period. The executive will take any response from scrutiny ~~boards~~panels into account in drawing up firm proposals for submission to the Council, and its report to Council will reflect the comments made by consultees and the executive's response.

- (c) Once the executive has approved the firm proposals, the Proper Officer will refer them at the earliest opportunity to the Council for decision.
- (d) In reaching a decision, the Council may adopt the executive's proposals, amend them, refer them back to the executive for further consideration, or in principle, substitute its own proposals in their place.
- (e) If it accepts the recommendation of the executive without amendment, the Council may make a decision which has immediate effect. Otherwise, it may only make an in-principle decision. In either case, the decision will be made on the basis of a simple majority of votes cast at the meeting.
- (f) Unless the decision of the Council is to accept the recommendation of the executive without amendment, the Proper Officer will ensure that the Leader of the Council, or in ~~their~~his/~~her~~ absence, ~~the~~a Deputy Leader, is informed of the Council's decision as soon as possible after the meeting.
-The decision of the Council will also be publicised in

accordance with the provisions of Part 4 – Access to Information Procedure Rules.

- (g) An in-principle decision will automatically become effective five days from the date of the Council's decision, unless the Leader, or in ~~their~~his/her absence, ~~the~~a Deputy Leader, informs the Proper Officer in writing within five working days that ~~they~~he/she objects to the decision becoming effective and provides reasons why.
- (h) In the event of (g) occurring, the Proper Officer will call a meeting of the Council within 14 working days at which the Council will be required to re-consider its decision and the Leader-/-Deputy Leader's written submission. The Council may:-
 - i) approve the executive's recommendation by a simple majority of votes cast at the meeting; or
 - ii) approve a different decision which does not accord with the recommendation of the executive by a simple majority.
- (i) The decision shall then be made public in accordance with the provisions of Part 4 – Access to Information Procedure Rules and shall be implemented immediately;
- (j) In approving the budget or policy framework, the Council will also specify the extent of virement within the budget and degree of in-financial year changes to the policy framework which may be undertaken by the executive, in accordance with paragraphs 5 and 6 of these Rules (virement and in-financial year adjustments). Any other changes to the policy and budgetary framework are reserved to the Council.

3. Decisions Outside the Budget or Policy Framework

- (a) Subject to the provisions of paragraph 5 (virement) the executive, committees of the executive, individual members of the executive and any officers, area committees or joint arrangements discharging executive functions may only take decisions which are in line with the budget and policy framework. If any of these bodies or persons wishes to make a decision which is contrary to the policy framework, or contrary to or not wholly in accordance with the budget approved by full Council, then that decision may only be taken by the Council, subject to 4 below.

- b) If the executive, committees of the executive, individual members of the executive and any officers, area committees or joint arrangements discharging executive functions want to make such a decision, they shall take advice from the monitoring officer and/or the chief financial officer as to whether the decision they want to make would be contrary to the policy framework, or contrary to or not wholly in accordance with the budget. If the advice of either of those officers is that the decision would not be in line with the existing budget and/or policy framework, then the decision must be referred by that body or person to the Council for decision, unless the decision is a matter of urgency, in which case the provisions in paragraph 4 (urgent decisions not included within the budget and policy framework) shall apply.

4. Urgent Decisions Not Included within the Budget or Policy Framework

- (a) The executive, a committee of the executive, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions may take a decision which is contrary to the Council's policy framework or contrary to or not wholly in accordance with the budget approved by full Council if the decision is a matter of urgency. The decision will not be restrained by Scrutiny Procedure Rule 14 (Exceptions to Call-in) (a). However, the decision may only be taken:
- (i) if it is not practical to convene a quorate meeting of the full Council; and
 - (ii) if the chair of a relevant scrutiny ~~board~~panel agrees that the decision is a matter of urgency.

The reasons why it is not practical to convene a quorate meeting of full Council and the chair of the relevant scrutiny ~~board~~panel's consent to the decision being taken as a matter of urgency must be noted on the record of the decision. In the absence of the chair of a relevant scrutiny ~~board~~panel the consent of the Mayor, and in the absence of both, the Deputy Mayor, will be sufficient.

- (b) Following the decision, the decision-taker will provide a full report to the next available Council meeting explaining the decision, the reasons for it and why the decision was treated as a matter of urgency.

5. Virement

The detail relating to virement is contained in Part 4 – Financial Regulations and Procedures of the Constitution. ~~However, a summary is provided below.~~

~~(a) Chief Officers may transfer monies from one service area to another within their approved target budget or that element of the Housing Revenue Account for which they are responsible.~~

~~(b) Chief Officers may transfer monies between budgets managed by different Chief Officers, subject to the approval of all Chief Officers affected by the virement and following consultation with the appropriate Cabinet Member(s).~~

~~(c) The limit on the amount of transfers and the procedures to be followed are specified within the Council's financial regulations.~~

~~(d) All transfers must be notified to the chief financial officer.~~

~~(e) Transfers can only be undertaken if no additional budgetary liability is created in the current or future years.~~

~~(f) Any proposed virement between individual capital schemes is subject to executive approval.~~

6. In-year Changes to Policy Framework

The responsibility for ~~agreeing~~ approving the budget and policy framework lies with the Council, and decisions by the executive, a committee of the executive, an individual member of the executive or officers, area committees or joint arrangements discharging executive functions must be in line with it. No changes to any policy and strategy which make up the policy framework may be made by those bodies or individuals except those changes:-

- (a) necessary to ensure compliance with the law, ministerial direction or government guidance;
- (b) in relation to the policy framework in respect of a policy which would normally be agreed annually by the Council following consultation, but where the existing policy document is silent on the matter under consideration.
- (c) which relate to policy in relation to schools, where the majority of school governing bodies agree with the proposed change.

7. Call-in of Decisions Outside the Budget or Policy Framework

- (a) Where a scrutiny ~~board~~ panel is of the opinion that an executive decision is, or if made would be, contrary to the policy framework, or contrary to or not wholly in accordance with the Council's budget, then it shall seek advice from the Monitoring Officer and/or chief financial officer.
- (b) In respect of functions which are the responsibility of the executive, the Monitoring Officer's report and/or chief financial officer's report shall be made available to the executive with a copy to every member of the Council.

Regardless of whether the decision is delegated or not, the executive must meet to decide what action to take in respect of the Monitoring Officer's report and/or the chief financial officer's report and to prepare a report to Council in the event that the Monitoring Officer or the chief finance officer conclude that the decision was a departure, and to the scrutiny ~~board~~panel if the Monitoring Officer or the chief finance officer conclude that the decision was not a departure.

- (c) If the decision has yet to be made, or has been made but not yet implemented, and the advice from the Monitoring Officer and/or the chief financial officer is that the decision is or would be contrary to the policy framework or contrary to or not wholly in accordance with the budget, the scrutiny ~~board~~panel may refer the matter to Council. In such cases, no further action will be taken in respect of the decision or its implementation until the Council has met and considered the matter. The Council shall meet within seven days of the request by the scrutiny ~~board~~panel, or as soon as may be, having regard to the statutory requirements for the calling of meetings. At the meeting it will receive a report of the decision or proposals and the advice of the Monitoring Officer and/or the chief financial officer. The Council may either:-
- (i) endorse a decision or proposal of the executive decision taker as falling within the existing budget and policy framework. In this case no further action is required, save that the decision of the Council be minuted and circulated to all councillors in the normal way;

Or

- (ii) amend the Council’s financial regulations or policy concerned to encompass the decision or proposal of the body or individual responsible for that executive function and agree to the decision with immediate effect. In this case, no further action is required save that the decision of the Council be minuted and circulated to all councillors in the normal way;

Or

- (iii) where the Council accepts that the decision or proposal is contrary to the policy framework or contrary to or not wholly in accordance with the budget, and does not amend the existing framework to accommodate it, [Council will](#) require the executive to reconsider the matter in accordance with the advice of either the Monitoring Officer/chief financial officer.

FINANCIAL REGULATIONS

INTRODUCTION

Financial regulations provide the framework for managing the authority's financial affairs. They apply to every Member and Officer of the Council and anyone acting on its behalf.

All employees and Members have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these resources is legal, properly authorised, provides value for money and achieves best value.

All employees and Members must read and understand the Financial Regulations and any related documents. It is the employee's responsibility to clarify any areas that they do not understand with their managers and/or the officers referred to in this document.

A material breach of financial regulations by employees may result in disciplinary action being undertaken. A material breach of financial regulations by Members may result in a referral to the Ethical Standards and Member Development Committee.

These regulations should be read in conjunction with the Contract Procedure rules and the council's Sale of Land and Buildings Protocol, and the responsibility for functions delegated to Chief Officers.

The regulations identify the financial responsibilities of the full Council, Cabinet and Scrutiny Members, the Head of Paid Service, Chief Officers, the Monitoring Officer and the Chief Finance Officer.

Where these Financial Regulations refer to the following officers, this should also be taken to include officers nominated by those officers: -

- Chief Executive
- Chief Finance Officer



- Head of Paid Service
- Chief Officer
- Monitoring Officer

Whenever any matter arises which may involve financial irregularity the Chief Finance Officer and the Monitoring Officer shall be notified immediately. If an irregularity is disclosed the matter may, at the discretion of the Chief Finance Officer and after consultation with the Head of Paid Service, be referred by them to the Council's Audit Services Manager for investigation who will subsequently report to Audit and Governance Committee. Further, in a case where the Chief Finance Officer advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the police forthwith.



SUMMARY OF CONTENTS

Part 1 explains the overarching financial responsibilities within the organisation.

Part 2 explains the financial responsibilities of the Chief Finance Officer.

Part 3 outlines the financial responsibilities of all Chief Officers.

Part 4 explains other financial responsibilities of: - •

Full Council

- Cabinet
- Budget & Corporate Scrutiny Management Board
- Leader
- Chief Executive
- Audit and Risk Assurance Committee
- Senior Information Risk Manager
- Chief Property Officer
- Monitoring Officer

Part 5 is a set of financial procedures which explains how the above responsibilities should be fulfilled. Budget holders should refer to these procedures in order to ensure that they are operating in line with the council's Financial Regulations.



1: POLICY FRAMEWORK & OVERALL RESPONSIBILITIES

Full Council

- 1.1 The Full Council is responsible for adopting the Council's constitution and Members code of conduct and for approving the policy framework, budget and borrowing within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Authority's overall framework of accountability as set out in its constitution and is responsible for monitoring compliance with agreed policy and reporting decisions taken.

In approving these Financial Regulations, the Council is specifying the extent of virement within the budget and the degree of in-financial year changes to the policy framework which may be undertaken by Cabinet and Chief Officers. Any other changes to the policy and budgetary framework are reserved to the Council.

The full council also has the power to make or amend Procurement and Contract Procedure Rules.

The Cabinet

- 1.2 The Cabinet is responsible for proposing the policy framework and budget to the full Council and for implementing them once approved. The Cabinet is responsible for day to day direction of the Council's affairs within the approved policy and budget frameworks.

Committees

- 1.3 The **Budget and Corporate Scrutiny Management Board** is responsible for scrutinising recommendations, considering referrals under the Call for Action and the Pre-Decision Scrutiny (Call in) processes, and reviewing and advising on the Council's policies and practices in respect of and upon such terms as are set out below: -



- (a) budget strategy;
- (b) budget monitoring;
- (c) examination of outturn reports;
- (d) treasury management function;
- (e) asset allocation and management;
- (f) procurement;
- (g) revenues and benefits;
- (h) corporate governance;
- (i) risk management.

1.4 The **Audit and Risk Assurance Committee** is a key component of the council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The purpose of the Audit Committee is to provide independent assurance to elected members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

1.5 The **Ethical Standards and Member Development Committee** is responsible for advising the council on the adoption and revision of the Members code of conduct and for monitoring the operation of the code.

Statutory Officers

1.6 **Head of Paid Service**

The Head of Paid Service is responsible for the corporate and overall strategic management of the Authority as a whole. He/she must report to and provide information for the Cabinet, the full Council, Scrutiny Committees and other Committees. They are



responsible for establishing a framework for management direction, style and standards and for monitoring the performance of the organisation.

1.7 **Monitoring Officer**

The Monitoring Officer is responsible for promoting and maintaining high standards of financial conduct and for reporting any actual or potential breaches of the law or maladministration and for ensuring that the procedures for recording and reporting key decisions are operating effectively. The Monitoring Officer is responsible for advising all members and officers about who has the authority to take a particular decision and whether a decision is likely to be considered contrary to the policy framework. The Monitoring Officer and the Chief Finance Officer are also responsible for advising the Cabinet or full Council if a decision could be considered contrary to the budget. An example of such a decision would be promoting a new policy without thought as to the budget implications.

Chief Finance Officer (Section 151 Officer)

1.8 Financial Regulations

The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Regulations and Procedures and submitting any additions or changes to the full council for approval. The Chief Finance Officer is also responsible for reporting breaches of Financial Regulations to the Audit and Risk Assurance Committee.

1.9 Lawfulness and Financial Prudence of Decision Making

After consulting with the Head of the Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the Full Council or to the Cabinet in relation to a Cabinet function and the Council's external auditor if they consider that any proposal, decision or course of action will involve incurring unlawful expenditure or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully.



The Chief Finance Officer, if necessary in conjunction with the Chief Executive and after consultation with the Leader of the Council, shall have the powers to take any action necessary to safeguard the financial interests of the Council.

1.10 Contributing to Corporate Management

The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.

1.11 Administration

The Chief Finance Officer has responsibility for the proper administration of the Council's financial affairs. This includes:

- setting and monitoring compliance with financial management standards;
- ensuring effective systems of financial control, including internal audit arrangements;
- providing financial advice;
- advising on preparation of revenue and capital budgets;
- production of the annual Statement of Accounts;
- advising on anti-fraud and anti-corruption strategies;
- acting as the authority's money laundering reporting officer in accordance with good practice;
- securing the authority's banking arrangements; and
- providing a treasury management function in accordance with council policy.

These responsibilities are set out in statute such as section 151 of the Local Government Act 1972. They refer to the totality of the financial affairs of the Council in all its dealings. The rights and responsibilities of the Chief Finance Officer in relation to school delegated budgets are constrained, in part, by the provisions of the Education Reform Act 1988 and the School Standards and Framework Act 1998. Details are provided in the Sandwell Scheme for the Financing of Schools.

1.12 Advice



The Chief Finance Officer is responsible for advising committees on all financial matters. They must be consulted on all financial matters and given adequate opportunity to provide written comments in any report with financial implications. All reports to the Cabinet or Committees with a significant financial implication are to be made under the joint names of the Chief Officer concerned and the Chief Finance Officer.

Where the urgency procedures set out in the Council's Constitution are to be invoked, the Chief Finance Officer must first be consulted on financial and other resource implications.

1.13 Accounting Records and Procedures

The Chief Finance Officer is responsible for keeping the accounts and financial records of the Council. They must also approve accounting and other systems with a financial function and accounting records of directorates.

Accounting procedures will reflect recommended professional practices, and follow accounting principles as determined by the Chief Finance Officer. Accounting procedures will be reviewed as necessary by the Chief Finance Officer in consultation with Service Directors to ensure that they provide the information required by both without duplication of records. No change to existing accounting procedures or systems must be made without prior consultation with the Chief Finance Officer.

1.14 Financial Information

The Chief Finance Officer will provide required financial information to the media, members of the public and the community.

1.15 Money Laundering

The Chief Finance Officer is appointed as the Money Laundering Reporting Officer. Money laundering is any process which is intended to use, control, hide or disguise monies or property which are derived from criminal activity and given the appearance



of being legitimate. The Council must be alert to the possibility that attempts could be made to utilise funds obtained from criminal activity to pay for Council services. The Council is committed to preventing money laundering by having proportionate and cost effective anti-money laundering systems and processes in place.

Chief Officers

- 1.16 Chief Officers must operate efficient systems of financial control and are responsible for: -
- a) Ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer.
 - b) Ensuring that Cabinet members are advised of legal implications of all proposals and that the legal implications have been agreed with the Monitoring Officer.
 - c) Consulting with the Chief Finance Officer and seeking their approval on any matter that could materially affect the authority's financial position before any commitments are incurred.
 - d) Ensuring that the ability to manage budgets under their control is only delegated to other officers at an appropriate level.
- 1.17 Chief Officers are responsible for ensuring staff receive appropriate training to undertake their financial responsibilities, in accordance with any standards set by the Chief Finance Officer.



2: RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER

Budget Planning & Budget Monitoring

Budget Setting & Medium Term Financial Planning

- 2.1 Ensures that a revenue budget for the coming year and a medium term financial strategy for the two subsequent financial years are prepared for consideration by the Cabinet.
- 2.2 Reports to the full Council on the robustness of estimates contained within the budget proposed by the Cabinet and the adequacy of reserves allowed for in the budget proposals.
- 2.3 Prepares and submits reports on medium-term budget prospects to the Council, including resource constraints set by the Government.
- 2.4 Prepares and submits reports to the Cabinet on the aggregate spending plans of services and on the resources available to fund them, identifying, where appropriate, the implications for the level of council tax to be levied.
- 2.5 Advises the full council on Cabinet proposals in accordance with their responsibilities under Section 151 of the Local Government Act 1972.
- 2.6 Develops and maintains a resource allocation process that ensures that both capital and revenue expenditure plans take account of the council's policy framework and changing priorities within that.

Scheme of Virement

- 2.7 Ensures arrangements are in place to monitor the council's scheme of virement.

Capital Programme

- 2.8 Prepares capital strategy and estimates (usually over 5 years) jointly with Chief Officers and reports them to Cabinet.



Budget Monitoring

- 2.9 Ensures that financial information is available to enable accurate and timely monitoring and reporting.
- 2.10 Ensures that budget management is exercised within annual cash limits.
- 2.11 Ensures that variances from approved budgets are investigated and reported by Budget Holders regularly.
- 2.12 Submits reports to Cabinet and to the full council where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under their control.
- 2.13 Submits reports on the council's projected income and expenditure compared with the budget on a regular basis to the Budget and Corporate Scrutiny Management Board and Cabinet.

Year-End Accounting

Preparation of annual accounts

- 2.14 Ensures that the annual statement of accounts is prepared in accordance with the "Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice" (CIPFA/LASAAC).
- 2.15 Selects suitable accounting policies and ensures that they are applied consistently.
- 2.16 Makes judgements and estimates that are reasonable and prudent.
- 2.17 Signs and dates the Statement of Accounts, stating that it presents fairly the financial position and income and expenditure of the council for the year ended 31st March.

Treatment of Year-End Balances

- 2.18 Ensures appropriate accounting procedures are in operation to confirm that carried-forward totals are correct.



- 2.19 Reports all surpluses and deficits on service estimates carried forward to the Cabinet.

Risk Management & Control Of Resources

Risk Management

- 2.20 Prepares and updates the authority's risk management policy statement and strategy in conjunction with Chief Officers.
- 2.21 Effects corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.
- 2.22 Provides for the provision of a professional advisory and coordinating service to Chief Officers on the management of risk within the council.

Internal Audit

- 2.23 Ensures that an adequate and effective internal audit of the Council's accounting records and of its system of internal control in accordance with the proper practices in relation to internal control, is undertaken (these proper practices are in effect, the Public Sector Internal Audit Standards).

Internal Control

- 2.24 Advises on effective systems of internal control which ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice.
- 2.25 Ensures that an Annual Governance Statement is prepared and published as part of the Annual Statement of Accounts.
- 2.26 In consultation with the Chief Executive, where, in their opinion, the management of a budget delegated to a Director is likely to create a significant adverse impact on the Council's overall financial management situation, determines whether the management of that budget will be assumed by another officer.



Preventing Fraud & Corruption

- 2.27 Develops and maintains an anti-fraud and corruption policy and other fraud related policies and procedures in line with recognised best practice.
- 2.28 Ensures that irregularities are reported to Audit Services Manager for investigation, and where appropriate the Head of Paid Service, the Audit and Risk Assurance Committee, and the Cabinet.
- 2.29 In consultation with the Director of Law and Governance and the Audit Services Manager, ensures that where a prima facie case of financial impropriety is discovered and where reasonable evidence exists to conclude that a criminal offence may have been committed, a council led prosecution via the council's counter fraud unit and legal services; or alternatively formally refer the matter to the police for consideration where sufficient aggravating factors are deemed to be present to warrant such a referral. Where no referral is to be made to the police and a council led prosecution is to be pursued, then in such circumstances a notification shall be sent to the police informing them of the council's intention to pursue a prosecution.
- 2.30 Ensures that effective procedures are in place to investigate promptly any suspected fraud or irregularities.

Investments & Treasury Management

- 2.31 Has delegated responsibility (from Full Council) for the execution and administration of treasury management decisions and will act in accordance with the authority's policy statement and TMPs.
- 2.32 Ensures that the council's borrowings and investments comply with the CIPFA Code of Practice on Treasury Management and with the council's Treasury Management policy statement, strategy and practices.
- 2.33 Reports a minimum of twice a year on treasury management activities to the Cabinet.
- 2.34 Acts as the council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the council.



Security & Control of Council Property & Assets

- 2.35 Ensures that an accurate asset register is maintained in accordance with good practice for all fixed assets.
- 2.36 Ensures that assets are valued in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom (SORP)

Income & Debt Collection

- 2.37 Agrees arrangements for the collection of all income due to the council and to approve the procedures systems and documentation for its collection.
- 2.38 Reviews annually the council's Fees and Charges report.
- 2.39 Arranges for bank reconciliation statements to be regularly prepared for all bank accounts and for all matters arising from the reconciliations to be cleared as soon as practicable.
- 2.40 Approves all debts written off in consultation with the relevant Chief Officer and to keep a record of all sums written off up to the delegated limit.
- 2.41 Establishes and initiates appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.
- 2.42 Maintains updates and ensures that all employees are aware of the council's Money Laundering Policy.

Purchase Orders & Expenditure

- 2.43 Approves the form of official orders and associated terms and conditions.
- 2.44 Ensures that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.



Trust Funds & Funds held for Third Parties

- 2.45 Maintains the accounting records of all Trust Funds in the name of the council and make arrangements for the safe custody of cash, stock certificates and other documents of title in connection with the investment of funds.

Private Property & Safekeeping

- 2.46 Makes arrangements for the storage and security of all valuable items deposited with the council for safe storage.
- 2.47 Is responsible for all receiverships and administrations in which the council may have an interest.

Staffing

- 2.48 Ensures that budget provision exists for all existing and new employees.
- 2.49 Acts as an advisor to Chief Officers on areas such as National Insurance and Pension Contributions, as appropriate.
- 2.50 Prepares the payroll or control and approve other arrangements made.

Stocks & Stores

- 2.51 Determines the method to be followed in the valuation of stores for purposes of charging out stores and for evaluating stock in hand at the end of the financial year.
- 2.52 Determines and reviews the appropriate rate(s) of overhead charge arising from stocks and stores.

Intellectual Property

- 2.53 Provides guidance on Intellectual Property rules.

Imprest Accounts

- 2.54 Approves the set up of any new cash or bank imprest accounts to meet minor expenditure on behalf of the council and to prescribe rules for operating these accounts.



- 2.55 Determines the imprest value and petty cash individual transaction limit and maintains a record of imprests issued, and periodically reviews the arrangements for the safe custody and control of these imprests. This will include reviewing whether individual accounts are still required.

Financial Systems & Procedures

Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)

- 2.56 Provides for the secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, Members, Holders of Office and Intermediaries (Personal Service Companies).
- 2.57 Records and makes arrangements for the accurate and timely payment of tax, pension contributions and other deductions.
- 2.58 Ensures that there are adequate arrangements for administering pension scheme matters.
- 2.59 Makes arrangements for payment of all travel, subsistence and Members allowance claims upon receiving the prescribed form, duly completed and authorised.
- 2.60 Ensures that there are adequate arrangements for administering Apprenticeship Levy matters.

Taxation

- 2.61 Ensures all HM Revenue and Customs returns regarding PAYE and NI are completed.
- 2.62 Ensures a monthly return of VAT transactions is compiled and sent to HM Revenue and Customs.
- 2.63 Ensures details of the Construction Industry Scheme are provided to HM Revenue and Customs.



Trading Accounts & Business Units

2.64 Advises on the establishment and operation of trading accounts and business units.

External Arrangements

External Funding

2.65 Approves the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued at £100k up to £500k.

2.66 Advises on effective controls and key elements of funding a project including: -

- A project appraisal assessing viability in the current and future years.
- Resourcing, including taxation issues.
- Audit, security and control requirements.
- Carry-forward arrangements.

2.67 Ensures that the accounting arrangements are satisfactory.



3: RESPONSIBILITIES OF CHIEF OFFICERS

Budget Planning And Budget Monitoring

Budget Setting & Medium Term Financial Planning

- 3.1 Prepare an estimate of income and expenditure for the financial year within the spending targets set by the Council. Service Managers and Cabinet Members should be consulted as part of this process.
- 3.2 Ensure that revenue and capital estimates reflect agreed Business Plans, are in line with the medium term financial strategy and capital strategy and, that they follow any guidance issued by the Section 151 Officer.

Scheme of Virement

- 3.3 Notify the Chief Finance Officer and consult the appropriate Cabinet Member before exercising virements on budgets under his/her control.
- 3.4 Ensure that virements between budgets managed by different directors are not exercised without prior approval of all directors affected by the virement and consultation with appropriate Cabinet Members. Confirmation of the agreed virement must be notified to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.
- 3.5 Obtain agreement from other Chief Officers and Cabinet Members before exercising virements that may impact on the level of service activity in their service area.

Budget Monitoring

- 3.6 Ensure that spending remains within the service's overall cash limit, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.



Year-End Accounting

Preparation of year-end accounts

- 3.7 Ensure that staff adhere to all closedown deadlines issued by the Chief Finance Officer.

Risk Management & Control Of Resources

Risk Management

- 3.8 Identify, assess, control and report risks within their respective services in order to ensure that, where appropriate, threats and their impacts are minimised to an acceptable level.
- 3.9 Ensure that sound arrangements for the security and continuity of service in the event of a disaster are in place.

Internal Audit

- 3.10 Ensure that internal auditors/fraud investigators have the right of access to all records, assets, personnel and premises, including those of partner organisations, and has the authority to obtain such information and explanations as it considers necessary to fulfil their responsibilities.
- 3.11 Ensure that recommendations made by Internal Audit are actioned within their own service.

Internal Control

- 3.12 Ensure that effective systems of internal control are in place within their service areas and that their employees have a clear understanding of the consequences of a lack of internal control.
- 3.13 Contribute to the Annual Governance Statement by completing Annual Assurance Statements where required.

Preventing Fraud & Corruption



- 3.14 Notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriation of the council's property or resources.
- 3.15 Instigate the council's disciplinary procedures where the outcome of an audit investigation indicates that fraudulent activity has taken place by an employee/member.

Security & Control of Council Property & Assets

- 3.16 Ensure the proper security of all buildings and other assets under their control.
- 3.17 Maintain inventories of furniture, fittings, equipment, plant and machinery above £500 in value, in a manner agreed with the Chief Finance Officer.
- 3.18 Make arrangements for the care, custody, physical control and security of stocks and stores in the service maintain a proper stores control system and stores records.

Income & Debt Collection

- 3.19 Establish a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it and least annually, in line with corporate policies.
- 3.20 Ensure compliance with the anti-money laundering policy.
- 3.21 Assist the Chief Finance Officer in collecting debts that they have originated, by providing appropriate information requested by the debtor, maintaining records or evidence of acceptance of the debt and in pursuing the matter on the council's behalf.

Purchase Orders & Expenditure

- 3.22 Ensure the requirements of the Procurement and Contract Procedure Rules are observed in respect of all purchases.
- 3.23 Utilise the services provided by Procurement Services as appropriate.



Trust Funds & Funds held for Third Parties

- 3.24 Ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.

Private Property & Safekeeping

- 3.25 Ensure that all items of private property deposited with the council are recorded on an itemised inventory prepared in the presence of two officers.

Staffing

- 3.26 Produce an annual staffing budget which is an accurate forecast of staffing levels.
- 3.27 Monitor employees' activity to ensure adequate control over such costs as sickness, overtime, training and temporary employees.

Stocks and Stores

- 3.28 Make arrangements for the care, custody, physical control and security of stocks and stores in the service and for the maintenance of a proper stores control system and stores records.

Intellectual Property

- 3.29 Ensure that controls are in place to ensure that staff do not carry out private work in council time and that staff are aware of an employer's rights with regard to intellectual property.

Financial Systems & Procedures

Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)

- 3.30 Notify the Chief Officer responsible for payroll of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by that Chief Officer.
- 3.31 Ensure payments to employees are processed only through the payroll system.



- 3.32 Ensure payment of salaries and wages in advance is not made except in the case of persons leaving the service of the council before the day on which their salary or wage is normally paid or at the discretion of the Chief Finance Officer.
- 3.33 Ensure payments to Holders of Office are processed through the payroll system in-line with HMRC regulations.
- 3.34 Ensure payments to Intermediaries (Personal Service Companies) relating to the provision of services are processed through the payroll system in-line with HMRC regulations.

External Arrangements

External Funding

- 3.35 Ensure that the appropriate Corporate Finance Team undertake an appraisal of all future bids for external funding prior to submission where the council is being nominated to act as the Accountable Body, Applicant, Partner, or the bid requires council resources (including match funding) or where the council owns the asset. Where an appraisal cannot be undertaken prior to submission due to detailed costings not available as the bid only requires indicative information or there are bidding time constraints, then written approval must be received by the Chief Finance Officer prior to submission. Finance must be advised of any bids under £500k including any match funding requirements, it will be the responsibility of the Director to adhere to any grant/funding conditions.
- 3.36 Ensure that before entering into grant funding agreements with external bodies, the agreement is consistent with the funder conditions and values appraised by the appropriate Corporate Finance Team which are reported and approved in line with the following thresholds:
- Up to £100k Chief Officer
- £100k to £500k Chief Finance Officer in consultation with the Cabinet Member for Finance
- £500k to £1m relevant Cabinet Member



Over £1m Cabinet

Where unplanned (not bid for) government grants over £500k are received appropriate checks must be done on the grant terms and conditions prior to incurring any expenditure to be funded from the grant. All spending plans linked to the grant funding should be approved in line with the virement limits.

- 3.37 Ensure that such agreements and arrangements do not impact adversely upon the services provided by the council.
- 3.38 Ensure that all claims for funds are made by the due date.
- 3.39 Ensure that the appropriate Cabinet Member is informed how the proposed external funding fulfils the council's policies prior to any bid being submitted for external funding.
- 3.40 Ensure that the project progresses in accordance with the agreed project approval and that all expenditure is properly incurred and appropriately recorded.
- 3.41 Comply with rules of the funding body.



4: OTHER OFFICER/MEMBER RESPONSIBILITIES

Budget Planning & Budget Monitoring

Budget Setting & Medium Term Financial Planning

- 4.1 **Full Council** agrees the budget following proposals being submitted by the Cabinet.
- 4.2 **Cabinet** sets the target budget for each service area and approves the key assumptions to be used in the preparation of revenue and capital budgets.
- 4.3 **Budget and Corporate Scrutiny Management Board** makes reports or recommendations to Council or the Executive in connection with the council's budget.

Scheme of Virement

- 4.4 **Full Council** specifies the extent of virement within the budget and degree of in-financial year changes to the policy framework which may be undertaken by Cabinet and Chief Officers.
- 4.5 **Cabinet** approve virements in accordance with the limits set by Council.

Capital Programme

- 4.6 **Full Council** approves the capital programme and the capital strategy.
- 4.7 **Cabinet** make recommendations to Full Council on the capital strategy including prudential borrowing policy and approve capital projects.

Budget Monitoring

- 4.8 **Cabinet** receive regular budget monitoring reports.

Year-End Accounting

Preparation of year-end accounts

- 4.9 **Audit and Risk Assurance Committee** approves the statutory annual Statement of Accounts.



Treatment of year-end balances

- 4.10 **Cabinet** approves the carry forward of any net underspends of budgets under the control of a Chief Officer as part of the year outturn report.

Risk Management & Control Of Resources

Risk Management

- 4.11 The **Audit and Risk Assurance Committee** approves the authority's risk management strategy and reviews the overall effectiveness of the strategy.
- 4.12 The **Audit and Risk Assurance Committee** provides independent assurance of the adequacy of the governance risk management and internal control framework and independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.
- 4.13 The **Senior Information Risk Manager** is responsible for the management of information risk.

Internal Audit

- 4.14 The **Audit and Risk Assurance Committee** approves the Annual Internal Audit Plan.

Internal Control

- 4.15 The **Chief Executive and Leader of the council** are responsible for signing off the Annual Governance Statement after it has been approved by Audit Committee.

Preventing Fraud & Corruption

- 4.16 The **Monitoring Officer** is responsible for maintaining the Register of Members' Interests.
- 4.17 The **Audit and Risk Assurance Committee** provides independent assurance that the council has strong and effective anti-fraud processes in place.



Investments & Treasury Management

- 4.18 **Full Council** approves the treasury management strategy recommended by Cabinet.
- 4.19 **Cabinet** has delegated responsibility (from full Council) for the implementation and regular monitoring of treasury management policies and practices.

Security and Control of Council Property and Assets

- 4.20 The **Chief Property Officer** will maintain property database in consultation with the Chief Finance Officer for all land and buildings currently owned or used by the council including those assets acquired on behalf of partner agencies.
- 4.21 The **Monitoring Officer** is responsible for custody of all title deeds.

Income & Debt Collection

- 4.22 **Cabinet** approve the Debt Recovery Policy and Procedures produced by the Chief Finance Officer.
- 4.23 **Cabinet** approve the writing off of debts above the delegated limit for the Chief Finance Officer.
- 4.24 **Cabinet** approve annually the council's Fees and Charges report.

Purchase Orders & Expenditure

- 4.25 All employees and Members of the council have a responsibility to declare any links or personal interests they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on behalf of the council, in accordance with appropriate codes of conduct.

Financial Systems & Procedures

Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)

- 4.26 **Full Council** adopt a Members' Allowance Scheme.



External Arrangements

External Funding

- 4.27 **Cabinet** approve the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued above £1m.



5: FINANCIAL PROCEDURES

Budget Planning & Budget Monitoring

1. The Annual Budget

The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out what the council has to base its budget calculations upon, and require the council to set a balance budget with regard to the advice of its Chief Finance Officer (section 151). The setting of the budget is a function reserved to full Council, who will consider the draft budget which has been prepared by the Executive (in a Leader and Cabinet or Elected Mayor model). Once the budget has been agreed by full Council the Executive cannot make any decisions which conflict with it, although virements and year-in-year changes can be made in accordance with the council's financial regulations.

Section 30(6) LGFA 1992 provides that the council has got to set its budget before 11 March in the financial year preceding the one in respect of which the budget is set, although failure to set a budget within the deadline does not in itself invalidate that budget. Such delay, however, may have significant financial administrative and legal implications, including potentially an individual liability for those members who contributed to the failure to set the budget. If a budget is not set, s.66 LGFA 1992 provides that the failure or delay to or in setting the council tax can only be challenged by an application for judicial review, with either the Secretary of State or any other person with sufficient interest (which potentially could include a council taxpayer) able to apply.

1.1 Chief Officers must sign and submit Budget Accountability Letters in order to accept responsibility for the budgets under their control.

2. Maintenance of Reserves

The local council must decide the level of general reserves it wishes to maintain before it can decide the level of Council Tax. Reserves are maintained as a matter of prudence. They enable the council to provide for unexpected events and thereby protect it from a deficit budget position, should such events occur. Reserves



for specific purposes may also be maintained, such as the purchase or renewal of capital items.

2.1 Reserves must be maintained in accordance with the *Code of Practice on Local Authority Accounting in the United Kingdom: SORP* (CIPFA/LASAAC) and agreed accounting policies.

3. Budget Monitoring and Control

Budget monitoring ensures that once the budget has been approved by the full council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the council to review and adjust its budget during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.

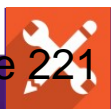
By continuously identifying and explaining variances against budgetary targets, the council can identify changes in trends and resource requirements at the earliest opportunity. The council itself operates within an annual cash limit, approved when setting the overall budget.

3.1 Once the budget has been approved by full council, resources allocated must be used for their intended purposes and be properly accounted for. Each service is required to manage its own expenditure within the cash-limited budget allocated to it.

3.2 Chief Officers must use all reasonable endeavours to ensure that regular and accurate budget monitoring forecasts are produced and submitted to the Chief Finance Officer in line with the budget monitoring timetable. The Chief Finance Officer will consolidate these reports and present them to Cabinet.

3.3 Each cost centre must have a nominated budget holder determined by the Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure.

3.4 Recurring expenditure should not be funded from one-off sources of savings or income.



3.5 Future commitments should not be created, including full-year effects of decisions made part way through a year, for which future resources have not been identified.

4. Scheme of Virement

The scheme of virement is intended to enable the Cabinet, Chief Officers and their employees to manage budgets with a degree of flexibility within the overall policy framework determined by the full council, and therefore to optimise the use of resources. The rules below cover virement; that is, switching resources between approved estimates or heads of expenditure.

- 4.1 Virement cannot create additional overall budget liability.
- 4.2 A Chief Officer may exercise virement on budgets under their control for amounts up to £500,000 on any one sub division during the year, following notification via a virement approval form to the Chief Finance Officer and under arrangements agreed by the full council.
- 4.3 Virements up to £500,000 may be exercised between budgets managed by different Chief Officers subject to the approval of all Chief Officers affected by the virement and following consultation with the appropriate Cabinet Members. A virement approval form should be forwarded to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.
- 4.4 Virements above the Chief Officer Level of £500,000 and below £1m must be approved by the appropriate Cabinet Member(s) and reported to Cabinet via the next appropriate financial monitoring report.
- 4.5 Virements above £1m must be approved by Cabinet.
- 4.6 Virements should have no impact on the level of service activity of another Chief Officer.
- 4.7 Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that the amount is used in accordance with the purposes for which it has been established.



5. Capital Programme

Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the council, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets create financial commitments for the future in the form of financing costs and revenue running costs.

Capital expenditure should form part of a corporate investment strategy and should be carefully prioritised in order to maximise the benefit from scarce resources.

5.1 Prior to incurring expenditure on any capital scheme above £1m, including purchase or disposal of land and buildings, irrespective of funding stream (i.e. borrowing, grant, revenue), a full capital appraisal form must be completed and appraised by the appropriate corporate finance team. The capital appraisal form should include the following:

- Strategic Case
- Economic Case
- Commercial Case
- Financial Case
- Management Case
- Managing other resources

Schemes below £1m will require a summary appraisal which will detail all key and pertinent information

5.2 Each capital scheme must have a named manager or project officer.

Year-End Accounting

6. Treatment of Year-End Balances

The rules below cover arrangements for the transfer of resources between accounting years, i.e. a carry-forward.

6.1 Any request to carry forward a net underspend against an approved budget is required to be included in the annual outturn



report to Cabinet for approval. This report must detail the reason for the surplus and proposed use of the carry forward.

7. Annual Statement of Accounts

The council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year.

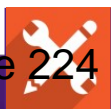
- 7.1 The Chief Finance Officer will arrange for a timetable and accounting guidance for final accounts preparation to be drawn up and distributed. All staff must ensure that they adhere with this timetable and guidance.
- 7.2 Chief Officers must comply with accounting guidance provided by the Chief Finance Officer and supply the Chief Finance Officer with information when required.

Risk Management And Control Of Resources

8. Risk Management

Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the organisation, identify and manage barriers to the achievement of the council's objectives and to ensure the continued financial and organisational well-being of the organisation.

- 8.1 Chief Officers must prepare, maintain and regularly review a risk register identifying:
- each material risk
 - its likelihood of occurrence
 - the impact on service delivery/resources
 - a list of the controls in place
 - assurances over these controls regarding their adequacy and effectiveness
 - further risk mitigating actions required and assignment of these.



9. Insurance

The Chief Finance Officer, in consultation with Chief Officers, is responsible for determining the authority's policy in terms of insurable risks.

- 9.1 Chief Officers must ensure that the Chief Finance Officer is notified annually of all existing risks which are required to be insured.
- 9.2 The Chief Finance Officer must be notified promptly of
- all new risks, property, vehicles and other assets which are required to be insured
 - alterations, valuations or deletions affecting existing insurance cover, including schools that change to academies, change of use of premises, etc. any proposed changes to policies and internal control systems so that consideration can be given to the insurable risk impact. E.g. cash handling procedures, frequency of asset inspections (including highways, empty properties, trees, housing stock, etc.); health and safety policy changes; security changes; large construction or refurbishment contracts.
- 9.3 Any claims received or any occurrence that could give rise to a potential claim for compensation being made against the authority must be passed to the Chief Finance Officer immediately. Chief Officers must supply the Chief Finance Officer with information in respect of claims when required. Chief Officers will be responsible for any costs incurred as a result of delays in passing information to the Chief Finance Officer.
- 9.4 Chief Officers must ensure that employees, or anyone covered by the council's insurances, do not:
- admit liability
 - any comment or give an opinion about a matter
 - make any offer to pay compensation
- that may prejudice the assessment of liability in respect of any insurance claim.



10. Treasury Management

The Treasury Management Strategy Statement and Treasury Management Practices (TMPs) aim to provide assurances that the council's money is properly managed in a way that balances risk with return, but with the overriding consideration being given to the security of the council's capital sum.

- 10.1 All investments of money must be made in the name of the council or in the name of nominees approved by the full council.
- 10.2 Chief Officers must ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the full council, following consultation with the Chief Finance Officer.
- 10.3 All borrowings must be in the name of the council.

11. Banking Arrangements

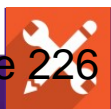
The Chief Finance Officer is responsible for the banking arrangements and is authorised to operate such bank accounts as are considered appropriate. The banking arrangements must be reviewed on a regular basis and negotiations regarding banking terms and overdraft facilities undertaken.

- 11.1 Opening or closing any bank accounts must be approved by the Chief Finance Officer.

12. Internal Audit and Fraud

Internal audit is an independent and objective appraisal function established by the council for reviewing the system of risk management, governance and internal control. It examines, evaluates and reports on the adequacy of internal control, risk management and governance as a contribution to the proper, economic, efficient and effective use of resources.

- 12.1 Internal audit must be independent in its planning and operation.



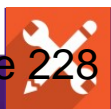
- 12.2 The Audit Services Manager should have direct access to the Head of Paid Service, all levels of management and elected Members.
- 12.3 Internal auditors must comply with Public Sector Internal Audit Standards as specified by the relevant Internal Audit Standard Setters.
- 12.4 Internal auditors and fraud investigators must have the authority to: -
- access council premises at reasonable times
 - access all assets, records, documents, correspondence and control systems
 - receive any information and explanation considered necessary concerning any matter under consideration
 - require any employee of the council to account for cash, stores or any other council asset under his/her control
 - access records belonging to third parties, such as contractors, when required.
- 12.5 A Confidential Reporting (Whistleblowing) Code has been put in place by the council. This is intended to encourage and enable employees to raise any serious concerns within the council rather than overlooking a problem. These procedures are detailed in a separate policy document and are in addition to the council's complaints procedures and other statutory reporting procedures applying to some services.

13. Security and Control of Assets

The council holds assets in the form of property, vehicles, equipment, furniture and other items including information worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations.



- 13.1 Assets should be identified, their location recorded, appropriately marked as council property and insured.
- 13.2 Inventories must be maintained in a manner agreed with the Chief Finance Officer. These must record an adequate description of furniture, fittings, equipment, plant and machinery
above £500 in value. Items below this value may be included where it is felt they are particularly attractive or desirable.
- 13.3 An annual check of all items on the inventory should be undertaken in order to: -
- Verify location;
 - Review condition;
 - Take action in relation to surpluses or deficiencies annotating the inventory accordingly.
- 13.4 Any surplus or deficiency revealed by the annual inventory check shall be notified to the Chief Officer who shall take such action as deemed necessary.
- 13.5 Any use of property by a service or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.
- 13.6 Occupiers and prospective occupiers of council property are not allowed to take possession or enter council property until a written lease, tenancy or agreement, in a form approved by the Chief Property Officer in consultation with the Chief Legal Officer, has been established and signed as appropriate.
- 13.7 No council asset should be subject to personal use by an employee or other person without proper authority.
- 13.8 The Chief Finance Officer should be consulted where security is thought to be defective or where it is considered that special security arrangements may be needed.
- 13.9 The Chief Finance Officer should be consulted where security of cash is concerned. Cash holdings on premises must be kept within the limits covered by the council's insurance provision and

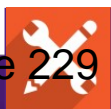


within the manufacturer's safe limit. Where cash is not held in a locked safe or strongroom the limit is £500.

- 13.10 Keys to safes and similar receptacles must be held in a secure place at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible.
- 13.11 All employees have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records.
- 13.12 Stocks must be maintained at reasonable levels and be subject to a regular independent physical check.
- 13.13 All discrepancies should be investigated and pursued to a satisfactory conclusion. Records of stocks checked and discrepancies found are to be kept.
- 13.14 Discrepancies should be removed from the council's records as necessary, in accordance with the council's Procurement and Contract Procedure Rules. Chief Officers must authorise write offs.
- 13.15 Suitable officers should be designated as responsible for: -
 - a) Custody of stocks and stores;
 - b) Maintenance of stores and accounting records;
 - c) Authorising the issue of stocks and stores; and
 - d) Carrying out the stocktaking of all stores.

No officer should be responsible for more than one of the functions of a, b, c or d above.

- 13.16 Chief Officers must certify the quantity and value of the stocks and stores in his/her service and forward a copy of the certification to the Chief Finance Officer at least annually.



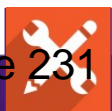
14. Income

Income can be a vulnerable resource and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly.

- 14.1 All money received by an employee on behalf of the council, Fire Service, and the Sandwell Leisure Trust must be paid without delay to the Chief Finance Officer or, as they direct, to the council's bank and properly recorded. The responsibility for cash collection should be separated from that for identifying the amount due or reconciling the amount due to the amount received. All cash income must be locked away in order to safeguard against loss or theft.
- 14.2 Money collected and deposited must be reconciled to the bank account by a person who is not involved in the collection or banking process.
- 14.3 Provision for doubtful debts is made based on trend analysis of income collection rates for each individual type of debt. Where particular assumptions are made these should be recorded and regularly reviewed.
- 14.4 The Chief Finance Officer has delegated powers to write off any individual debt(s) (including any associated court costs and bailiffs' fees) up to the value of £25,000 per individual or organisation, which is considered to be uneconomical to collect or is irrecoverable. All individual debts above this amount shall be done in consultation with the Cabinet Member for Finance and Corporate Resources, and Director of Law and Governance.
- 14.5 Formal approval for debt write-off must be obtained in accordance with the council's General Debt Recovery Policy and Guidance.
- 14.6 Appropriate write-off action must be taken within defined timescales in accordance with the council's General Debt Recovery Policy and Guidance.



- 14.7 Appropriate accounting adjustments must be made in the same month as the write-off action.
- 14.8 No cash payments above £2,000 should be accepted in accordance with the council's Anti Money Laundering Policy.
- 14.9 All customers are advised to post payments to PO Box 2372. Any post to this address must be opened in the presence of two members of staff.
- 14.10 Used/copy receipts and other records of income must be held securely in line with the Council's document retention policy. Stocks of unused receipts etc. must also be held securely when not in use.
- 14.11 The approved Council finance system must be used to raise invoices to external debtors promptly.
- 14.12 Every cash sum received by an employee of the council must be immediately acknowledged by the issue of an official receipt ticket or voucher or entry in a rent card or other authorised record except where other arrangements are agreed with the Chief Finance Officer.
- 14.13 All receipts, other than those issued by official receipting machines, must be signed by the employee issuing them in their own name as on behalf of the Chief Finance Officer unless the form of receipt provides for a facsimile signature of the Chief Finance Officer by a receipting machine. Where payment is received by cheque and the payer does not require a receipt such special arrangements as are approved by the Chief Finance Officer shall operate.
- 14.14 All cheques, money orders, postal orders, received payable to the council must be immediately crossed "Sandwell MBC" except where other arrangements are agreed with the Chief Finance Officer.
- 14.15 A record must be retained of every transfer of money between employees of the council. The receiving employee must sign for the transfer and the transferor must retain a copy.



14.16 Income must be paid fully and promptly into the appropriate council, Fire Service and Sandwell Leisure and Art Trusts bank accounts in the form in which it is received. No deductions shall be made from such money save to the extent that Chief Finance Officer may specifically authorise. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Each officer who banks cheques shall enter on the council's copy of the paying-in slip a reference to the related debt (such as the receipt number, account number, name of debtor) or retain the appropriate cheque list.

14.17 Income must not be used to cash personal cheques or other payments.

15. Expenditure

Public money should be spent with demonstrable probity and in accordance with the council's policies. Councils have a statutory duty to achieve best value in part through economy and efficiency. The council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the council's code of practice on tenders and contracts specified in the Contract Procedure Rules.

15.1 Members of the council are not authorised to procure, contract or instruct suppliers to provide goods or services to the council.

15.2 Budget holders should use the approved council finance ordering and payments system for all expenditure with the exception of: -

- Procurement card transactions
 - Employee expenses via payroll
 - Transactions where it is agreed that a confirmation order is acceptable. The main example of these are: -
 - Utility Supplies - Gas, Electricity, Water, Street Lighting
 - Photocopier Usage
 - Post Related – Franking, postage, cash collection services, Mail Collection
 - Leasing
 - Bank Charges
 - Fuel Cards



- Eye Tests
- Audit Fees

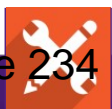
This list is not exhaustive.

- 15.3 Purchase Orders shall be raised for all works, goods and services to be supplied to the council except for such exceptions as the Chief Finance Officer may approve. The Purchase Order [PO], and therefore the recognised approval, shall precede the acquisition and receipt of goods and services. The PO shall show the quantities and terms of transaction.
- 15.4 In exceptional emergency situations, a PO can be raised after the acquisition of goods or services but this must take place within 2 working days.
- 15.5 Each PO must conform to the Contract Procedure Rules approved by the full council. Standards terms and conditions must not be varied without the prior approval of the Chief Finance Officer.
- 15.6 In the limited circumstances where it is not possible for a Purchase Order to be raised prior to an invoice being received (below £1m in value) an NCI form must be completed and forwarded to the appropriate section in the Finance Department for approval. Invoices above £1m, where no Purchase Order has been raised, must be approved by Cabinet.
- 15.7 All purchases made on behalf of the council should fully utilise the central contracts in place. Alternative suppliers should not be used where goods and services are available through a Corporate Contract.
- 15.8 Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of council contracts.
- 15.9 Procurement Cards may be approved for use by the Chief Finance Officer as an alternative means of acquiring and paying for goods and services in circumstances where the generation of purchase orders is deemed inappropriate and inefficient. A



Procurement Cardholder Guide is in operation. The Chief Finance Officer may withdraw cards at any time.

- 15.10 Approval of a transaction must be sought in its entirety at the correct level. The raising of two or more orders for a transaction and obtaining multiple approvals at a lower level is not permitted.
- 15.11 Goods and services received must be checked to ensure they are in accordance with the order. Goods above £100 should not be received by the person who raised or authorised the order.
- 15.12 Payments must not be made unless goods have been properly receipted by the council to the correct price, quantity and quality standards.
- 15.13 All appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule.
- 15.14 All POs are to be approved by an authorised employee on behalf of the Chief Officer. All employees approving expenditure must be satisfied that the works/goods/services are appropriate and necessary, that there is adequate budgetary provision and that the requirements of the Contract Procedure Rules have been complied with.
- 15.15 A Delivery Note must be obtained for every delivery of goods, wherever possible. All goods should be checked to confirm quantity at the time of delivery and goods should be inspected to confirm compliance with specification as soon as practicable after delivery. Non-delivery, shortages, or damage to goods listed on a Delivery Note must be reported in writing to the appropriate supplier as soon as practicable. This check is to be carried out by a different officer from the person who approved the purchase requisition. Goods received records should be maintained where considered appropriate by the Chief Finance Officer and entries made in inventories or stores records.
- 15.16 All satisfactory deliveries must be duly recorded against the relevant purchase order within 2 working days of actual delivery.



- 15.17 To ensure that for any invoices or payment documents that are exempt from POs and are presented for payment, the authorising employees have satisfied themselves that:
- a) the goods have been received and are satisfactory in respect of quantity, quality and compliance with specification;
 - b) the work done or services rendered have been satisfactorily performed and comply with specification;
 - c) grants, awards, allowances, reimbursements and gratuitous payments are in accordance with official scales and the authority for payment given by the council;
 - d) the prices, extensions, totals, calculations, trade discounts, other allowances, credits and value added tax are correct;
 - e) the expenditure has been properly incurred and is within the estimated provision;
 - f) the invoice has not previously been passed for payment and is a proper legal liability of the council;
- 15.18 Payment Vouchers must not be raised in place of supplier invoices.
- 15.19 No amendments should be made to an original invoice and invoices must not be part paid. Disputes must be raised with the supplier and any reductions settled via Credit Note.
- 15.20 Loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Finance Officer.
- 15.21 The Chief Finance Officer must be notified immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.
- 15.22 Following payment processing, all payment documents must be securely retained in accordance with statutory, procedural and operational requirements.
- 15.23 Any contract which exceeds £100,000 entered into on behalf of the Local Authority in the course of the discharge of an executive function should be in writing. Such contracts must either be signed

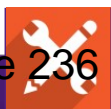


by the Director of Legal and Governance Services or other person authorised by him/her or made under the Common Seal of the Council and attested by the Director of Legal and Governance Services or other person authorised by him/her.

16. Contracts for Building, Constructional or Engineering Work

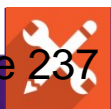
The nature and size of contracts for building, constructional or engineering work is such that specific arrangements are required over and above those required for general creditor payments. These contracts require the provision of services over a considerable period and arrangements are therefore required to make instalment payments to suppliers for work carried out at periodic intervals. It is important that appropriate controls are in place to ensure that payments are only made when due and in accordance with the contract.

- 16.1 Services provided must be checked to ensure that they are in accordance with the contract.
- 16.2 Legal Services should be consulted on any variations to contracts to ensure that such variations are not significant enough to require a new procurement process to take place.
- 16.3 Any variations to contracts must be submitted to the Chief Finance Officer for approval before being allowed.
- 16.4 Payments must not be made unless services/works have been undertaken on behalf of the council to the correct price, quantity and quality standards.
- 16.5 All payments must be made to the correct person, for the correct amount and are properly recorded, regardless of the payment method.
- 16.6 All appropriate evidence of the transaction and payment documents must be retained and stored for the defined period, in accordance with the document retention schedule.
- 16.7 Where contracts provide for payments to be made by instalments, a Contract Register must be maintained which details the current position on each contract between the council and the contractor,

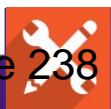


together with any other payments relating to fees of professional consultants. A copy of the Contract Register must be provided to the Corporate Procurement Manager. The Chief Legal Officer is to notify the Chief Finance Officer of particulars required of each contract immediately as it has been made.

- 16.8 Instalment payments to contractors should only be made on a certificate in a form supplied and approved by the Chief Finance Officer.
- 16.9 To ensure that the service maintains and reviews periodically a list of employees approved to authorize certificates. Names of authorising employees together with specimen signatures and details of the limits of their authorization shall be forwarded to the Chief Financial Officer.
- 16.10 Certificates for payment issued by private architects, engineers, quantity surveyors and other consultants must be attached to the approved form of certificate outlined in 13.6.
- 16.11 Contract documents should be issued to and returned promptly by the contractors and the particulars of each contract are notified immediately to his/her representative upon completion. No more than one payment is to be made to a contractor before the contract documents have been completed.
- 16.12 Certificates for payment must show the appropriate amount of Value Added Tax [VAT] coded to the appropriate head of account. Where a pre-authenticated tax receipt is required (i.e. where the council adds the appropriate VAT onto the amount claimed by the contractor and a VAT acknowledgement is to be returned by the contractor) the payment certificate must show that such receipt is required.
- 16.13 Retention monies must be calculated correctly and deducted from each certificate payment.
- 16.14 Certificates for payment must be forwarded to the Chief Finance Officer at least five working days before payment is due.



- 16.15 Every variation, addition to or omission from the contract must be certified in writing by an authorised employee of the council and complies with the Contract Procedure Rules. A copy of the variation, addition or omission certificate must be forwarded to the contractor and the Chief Finance Officer.
- 16.16 The final certificate of payment under any contract should not be issued until the Chief Officer is satisfied that the final account detail sheet has been subject to appropriate checks by the relevant technical officer and manager.
- 16.17 Arrangements should be made with the contractor for the production of detailed statement of account and such other documents the Chief Finance Officer may require prior to the contractual date for the final release of retention.
- 16.18 Where delays to the contract completion date are encountered the appropriate certificates must be issued in accordance with the terms and conditions of contract and claims for liquidated damages should be considered and actioned where appropriate.
- 16.19 The supervising officer must arrange for the Chief Finance Officer or nominated staff, when requested and subject to their attendance, to obtain access to sites during the progress of the contract in order to examine records and procedures.
- 16.20 Ex-gratia claims from contractors in respect of matters not clearly within the terms of any existing contract must be referred to the Director of Law and Governance for consideration of the council's legal liability and to the Chief Finance Officer before a commitment is incurred.
- 16.21 Where contracts entered into by the council are supervised, managed and/or administered by persons or firms other than the council's own employees, the agreement with the persons or firms must provide that there is compliance with the council's Contract Procedure Rules and Financial Regulations and Procedures in respect of contracts. The agreement shall also provide that the third party and the council should retain all



accounts, vouchers and documents relating to the contract until after the council's accounts have been audited by the External Auditor.

17. Payments to Employees and Members

Employees' costs are the largest item of expenditure for most council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the council and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are authorized in accordance with the scheme adopted by the full council.

- 17.1 Payroll expenditure should be frequently reconciled against approved budget and bank account.
- 17.2 All appropriate payroll documents must be retained and stored for the defined period in accordance with legislative and operational requirements.
- 17.3 All statutory legislation relating to payroll and pension regulations must be complied with.
- 17.4 Systems and procedures must ensure that: -
- Payments are only authorised to bona fide employees
 - Payments are only made where there is a valid entitlement
 - Conditions and contracts of employment are correctly applied
 - Employees' records listed on the payroll are checked at regular intervals to verify accuracy and completeness.
- 17.5 Pay documents must be approved and signed in a recordable format by an authorised officer on behalf of the Chief Officer. The certification means that:-
- The person has worked the period stated on the document;



- The rates of pay and other emoluments shown on the document are correct;
- Any other matter affecting entitlement to pay is correct.

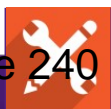
- 17.6 All pay documents must be in a form approved by the Chief Finance Officer.
- 17.7 All employees must be aware of the procedures and entitlement to payment for subsistence, travelling and incidental expenses.

Employees should have access to up to date policy guidelines and documents relating to travel and subsistence, and vehicle allowances.

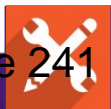
- 17.8 All claims for payment of subsistence, travelling and incidental expenses must be submitted to the Chief Finance Officer duly certified on a form supplied by them, except for those categories of officers and types of travelling expenses for which alternative arrangements are approved by the Chief Finance Officer.
- 17.9 Travel and subsistence claims and other allowances must be certified for payment by an authorised officer. Certification is taken to mean that journeys were authorised, expenses properly and necessarily incurred, and that allowances are properly payable by the council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax and NI implications and that the Chief Finance Officer is informed where appropriate.
- 17.10 The Chief Finance Officer must be notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.

18. Trading Accounts and Business Units

Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under best value, authorities are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost.



- 18.1 The Chief Finance Officer must be consulted where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.
- 18.2 A separate revenue account must be maintained for business units to which all relevant income and expenditure is coded, including overhead costs.



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Number	Current Wording	Proposed Change
	COVID-19 – PROPOSED AMENDMENTS TO FINANCIAL REGULATIONS	
1	Where these Financial Regulations refer to the following officers, this should also be taken to include officers nominated by those officers: - <ul style="list-style-type: none"> • Chief Executive • Chief Finance Officer • Head of Paid Service • Chief Officer • Monitoring Officer 	<u>MOVED TO INTRODUCTION</u>
2	The following requirements of Financial Regulations are suspended during the current Covid-19 outbreak: - <ul style="list-style-type: none"> • To exercise budget management within annual cash limits (2.10, 2.12, 2.26, 3.6) 	DELETE
3	During the current emergency situation, namely the impact and implications arising in connection with the Covid-19 outbreak, the Chief Finance Officer is able to receive / authorise bids for an unlimited level of external funding.	DELETE
	INTRODUCTION	
	Financial regulations provide the framework for managing the authority's financial affairs. They apply to every Member and Officer of the Authority and anyone acting on its behalf. All employees and Members have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these	Financial regulations provide the framework for managing the authority's financial affairs. They apply to every Member and Officer of the <u>Authority Council</u> and anyone acting on its behalf. All employees and Members have a general responsibility for taking reasonable action to provide for the security of the assets under their control, and for ensuring that the use of these

<p>resources is legal, properly authorised, provides value for money and achieves best value.</p> <p>All employees and Members must read and understand the Financial Regulations and Procedures and any related documents. It is the employee's responsibility to clarify any areas that they do not understand with their managers and/or the officers referred to in this document.</p> <p>A material breach of financial regulations by employees may result in disciplinary action being undertaken. A material breach of financial regulations by Members may result in a referral to the Standards Ethical Standards & Member Development Committee.</p> <p>These regulations should be read in conjunction with the Procurement and Contract Procedure Rules and the Council's Land Disposal Protocol, and the responsibility for functions delegated to Chief Officers.</p> <p>The regulations identify the financial responsibilities of the full Council, Cabinet and Scrutiny Members, the Head of Paid Service, Chief Officers, the Monitoring Officer and the Chief Finance Officer.</p> <p>Whenever any matter arises which may involve financial irregularity the Chief Finance Officer and the Monitoring Officer shall be notified immediately, and if an irregularity is disclosed the matter</p>	<p>resources is legal, properly authorised, provides value for money and achieves best value.</p> <p>All employees and Members must read and understand the Financial Regulations <u>and Procedures</u> and any related documents. It is the employee's responsibility to clarify any areas that they do not understand with their managers and/or the officers referred to in this document.</p> <p>A material breach of financial regulations by employees may result in disciplinary action being undertaken. A material breach of financial regulations by Members may result in a referral to the <u>Standards Ethical Standards & Member Development Committee</u>.</p> <p>These regulations should be read in conjunction with the <u>Procurement and Contract Procedure Rules</u> and the Council's <u>Sale of Land Disposal and Buildings</u> Protocol, and the responsibility for functions delegated to Chief Officers.</p> <p>The regulations identify the financial responsibilities of the full Council, Cabinet and Scrutiny Members, the Head of Paid Service, Chief Officers, the Monitoring Officer and the Chief Finance Officer.</p> <p><u>Where these Financial Regulations refer to the following officers, this should also be taken to include officers nominated by those officers: -</u></p> <ul style="list-style-type: none"> • <u>Chief Executive</u>
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	<p>shall, at the discretion of the Chief Finance Officer and after consultation with the Head of Paid Service, be referred by them to the Council's Audit Committee. Further, in a case where the Chief Finance Officer advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the police forthwith.</p>	<ul style="list-style-type: none">• <u>Chief Finance Officer</u>• <u>Head of Paid Service</u>• <u>Chief Officer</u>• <u>Monitoring Officer</u> <p>Whenever any matter arises which may involve financial irregularity the Chief Finance Officer and the Monitoring Officer shall be notified immediately, and if. <u>If</u> an irregularity is disclosed the matter shall<u>may</u>, at the discretion of the Chief Finance Officer and after consultation with the Head of Paid Service, be referred by them to the Council's Audit <u>Services Manager for investigation who will subsequently report to Audit and Governance Committee</u> Committee. Further, in a case where the Chief Finance Officer advises that there is prima facie evidence of a criminal offence having been committed, the matter shall be reported to the police forthwith.</p>
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	SUMMARY OF CONTENTS	
	<p>Part 1 explains the overarching financial responsibilities within the organisation. Part 2 explains the financial responsibilities of the Chief Finance Officer. Part 3 outlines the financial responsibilities of all Chief Officers. Part 4 explains other financial responsibilities of: -</p> <ul style="list-style-type: none"> • Full Council • Cabinet • Budget & Corporate Services Scrutiny Management Board • Leader • Chief Executive • Audit and Risk Assurance Committee • Senior Information Risk Manager • Chief Property Officer 	<p>Part 1 explains the overarching financial responsibilities within the organisation. Part 2 explains the financial responsibilities of the Chief Finance Officer. Part 3 outlines the financial responsibilities of all Chief Officers. Part 4 explains other financial responsibilities of: -</p> <ul style="list-style-type: none"> • Full Council • Cabinet • Budget & Corporate Services Scrutiny Management Board • Leader • Chief Executive • Audit and Risk Assurance Committee • Senior Information Risk Manager • Chief Property Officer

	<ul style="list-style-type: none"> • Monitoring Officer <p>Part 5 is a set of financial procedures which explains how the above responsibilities should be fulfilled. Budget holders should refer to these procedures in order to ensure that they are operating in line with the council's Financial Regulations.</p>	<ul style="list-style-type: none"> • Monitoring Officer <p>Part 5 is a set of financial procedures which explains how the above responsibilities should be fulfilled. Budget holders should refer to these procedures in order to ensure that they are operating in line with the council's Financial Regulations.</p>
	1: POLICY FRAMEWORK & OVERALL RESPONSIBILITIES	
	Full Council	Full Council
1.1	<p>The Full Council is responsible for adopting the Council's constitution and Members' Code of Conduct and for approving the policy framework, budget and borrowing within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Authority's overall framework of accountability as set out in its constitution and is responsible for monitoring compliance with agreed policy and reporting decisions taken.</p> <p>In approving these Financial Regulations, the Council is specifying the extent of virement within the budget and the degree of in-financial year changes to the policy framework which may be undertaken by Cabinet and Chief Officers. Any other changes to the policy and budgetary framework are reserved to the Council.</p>	<p>The full Council is responsible for adopting the Council's constitution and Members' Code of Conduct and for approving the policy framework, budget and borrowing within which the Cabinet operates. It is also responsible for approving and monitoring compliance with the Authority's overall framework of accountability as set out in its constitution and is responsible for monitoring compliance with agreed policy and reporting decisions taken.</p> <p>In approving these Financial Regulations, the Council is specifying the extent of virement within the budget and the degree of in-financial year changes to the policy framework which may be undertaken by Cabinet and Chief Officers. Any other changes to the policy and budgetary framework are reserved to the Council.</p>

	The full Council also has the power to make or amend Procurement and Contract Procedure Rules.	The full Council also has the power to make or amend Procurement and Contract Procedure Rules.
	The Cabinet	
1.2	The Cabinet is responsible for proposing the policy framework and budget to the full Council and for implementing them once approved. The Cabinet is responsible for day to day direction of the Council's affairs within the approved policy and budget frameworks.	
	Committees	
1.3	<p>The Budget and Corporate Services Scrutiny Management Board is responsible for scrutinising recommendations, considering referrals under the Call for Action and the Pre-Decision Scrutiny (Call in) processes, and reviewing and advising on the Council's policies and practices in respect of and upon such terms as are set out below: -</p> <ul style="list-style-type: none"> (a) budget strategy; (b) budget monitoring; <p>APPENDIX A</p> <ul style="list-style-type: none"> (c) examination of outturn reports; (d) treasury management function; (e) asset allocation and management; (f) procurement; (g) revenues and benefits; (h) corporate governance; (i) risk management. 	<p>The Budget and Corporate Services Scrutiny Management Board is responsible for scrutinising recommendations, considering referrals under the Call for Action and the Pre-Decision Scrutiny (Call in) processes, and reviewing and advising on the Council's policies and practices in respect of and upon such terms as are set out below: -</p> <ul style="list-style-type: none"> (a) budget strategy; (b) budget monitoring; <p>APPENDIX A</p> <ul style="list-style-type: none"> (c) examination of outturn reports; (d) treasury management function; (e) asset allocation and management; (f) procurement; (g) revenues and benefits; (h) corporate governance; (i) risk management.
1.4	The Audit and Risk Assurance Committee is a key component of the council's corporate governance. It	No change

	<p>provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards. The purpose of the Audit and Risk Assurance Committee is to provide independent assurance to elected members of the adequacy of the risk management framework and the internal control environment. It provides independent review of the governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.</p>	
1.5	<p>The Standards Committee is responsible for advising the council on the adoption and revision of the Members code of conduct and for monitoring the operation of the code.</p>	<p>The <u>Ethical Standards and Member Development Committee</u> is responsible for advising the council on the adoption and revision of the Members code of conduct and for monitoring the operation of the code.</p>
	<p>Statutory Officers</p>	
1.6	<p>Head of Paid Service</p> <p>The Head of Paid Service is responsible for the corporate and overall strategic management of the Authority as a whole. He/she must report to and provide information for the Cabinet, the full Council, Scrutiny Committees and other Committees. He/she is are responsible for establishing a framework for</p>	<p>Head of Paid Service</p> <p>The Head of Paid Service is responsible for the corporate and overall strategic management of the Authority as a whole. He/she must report to and provide information for the Cabinet, the full Council, Scrutiny Committees and other Committees. He/she<u>They is-are</u> responsible for establishing a framework</p>

	management direction, style and standards and for monitoring the performance of the organisation.	for management direction, style and standards and for monitoring the performance of the organisation
1.7	<p>Monitoring Officer</p> <p>The Monitoring Officer is responsible for promoting and maintaining high standards of financial conduct and for reporting any actual or potential breaches of the law or maladministration and for ensuring that the procedures for recording and reporting key decisions are operating effectively. The Monitoring Officer is responsible for advising all members and officers about who has the authority to take a particular decision and whether a decision is likely to be considered contrary to the policy framework. The Monitoring Officer and the Chief Finance Officer are also responsible for advising the Cabinet or full Council if a decision could be considered contrary to the budget. An example of such a decision would be promoting a new policy without thought as to the budget implications.</p>	No change
	Chief Finance Officer (Section 151 Officer)	
1.8	<p>Financial Regulations</p> <p>The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Regulations and Procedures</p>	<p>Financial Regulations</p> <p>The Chief Finance Officer is responsible for maintaining a continuous review of the Financial Regulations and Procedures</p>

	and submitting any additions or changes to the full council for approval. The Chief Finance Officer is also responsible for reporting breaches of Financial Regulations and Procedures to the Audit Committee.	and submitting any additions or changes to the full council for approval. The Chief Finance Officer is also responsible for reporting breaches of Financial Regulations and Procedures to the Audit and Risk Assurance Committee.
1.9	<p>Lawfulness and Financial Prudence of Decision Making</p> <p>After consulting with the Head of the Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the Full Council or to the Cabinet in relation to a Cabinet function and the Council's external auditor if he/she considers that any proposal, decision or course of action will involve incurring unlawful expenditure or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully. The Chief Finance Officer, if necessary in conjunction with the Chief Executive and after consultation with the Leader of the Council, shall have the powers to take any action necessary to safeguard the financial interests of the Council.</p>	<p>Lawfulness and Financial Prudence of Decision Making</p> <p>After consulting with the Head of the Paid Service and the Monitoring Officer, the Chief Finance Officer will report to the Full Council or to the Cabinet in relation to a Cabinet function and the Council's external auditor if he/she<u>they</u> considers that any proposal, decision or course of action will involve incurring unlawful expenditure or is unlawful and is likely to cause a loss or deficiency or if the Council is about to enter an item of account unlawfully. The Chief Finance Officer, if necessary in conjunction with the Chief Executive and after consultation with the Leader of the Council, shall have the powers to take any action necessary to safeguard the financial interests of the Council.</p>
1.9.1	<p>Contributing to Corporate Management</p> <p>The Chief Finance Officer will contribute to the corporate management of the Council, in particular through the provision of professional financial advice.</p>	
1.10	Administration	

	<p>The Chief Finance Officer has responsibility for the proper administration of the Council's financial affairs. This includes:</p> <ul style="list-style-type: none">• setting and monitoring compliance with financial management standards;• ensuring effective systems of financial control, including internal audit arrangements;• providing financial advice;• advising on preparation of revenue and capital budgets;• production of the annual Statement of Accounts;• advising on anti-fraud and anti-corruption strategies;• acting as the authority's money laundering reporting officer in accordance with good practice;• securing the authority's banking arrangements; and• providing a treasury management function in accordance with council policy. <p>These responsibilities are set out in statute such as section 151 of the Local Government Act 1972. They refer to the totality of the financial affairs of the Council in all its dealings. The rights and responsibilities of the Chief Finance Officer in relation to school delegated budgets are constrained, in part, by the provisions of the Education Reform Act 1988 and the School Standards and</p>	
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	Framework Act 1998. Details are provided in the Sandwell Scheme for the Financing of Schools.	
1.11	<p>Advice</p> <p>The Chief Finance Officer is responsible for advising committees on all financial matters. He/she must be consulted on all financial matters and given adequate opportunity to provide written comments in any report with financial implications. All reports to the Cabinet or Committees with a significant financial implication are to be made under the joint names of the Chief Officer concerned and the Chief Finance Officer.</p> <p>Where the urgency procedures set out in the Council's Constitution are to be invoked, the Chief Finance Officer must first be consulted on financial and other resource implications.</p>	<p>Advice</p> <p>The Chief Finance Officer is responsible for advising committees on all financial matters. He/sheThey must be consulted on all financial matters and given adequate opportunity to provide written comments in any report with financial implications. All reports to the Cabinet or Committees with a significant financial implication are to be made under the joint names of the Chief Officer concerned and the Chief Finance Officer.</p> <p>Where the urgency procedures set out in the Council's Constitution are to be invoked, the Chief Finance Officer must first be consulted on financial and other resource implications.</p>
1.12	<p>Accounting Records and Procedures</p> <p>The Chief Finance Officer is responsible for keeping the accounts and financial records of the Council. He/she must also approve accounting and other systems with a financial function and accounting records of directorates.</p> <p>Accounting procedures will reflect recommended professional practices, and follow accounting principles as determined by the Chief Finance Officer. Accounting procedures will be reviewed as necessary by the Chief Finance</p>	<p>Accounting Records and Procedures</p> <p>The Chief Finance Officer is responsible for keeping the accounts and financial records of the Council. He/sheThey must also approve accounting and other systems with a financial function and accounting records of directorates.</p> <p>Accounting procedures will reflect recommended professional practices, and follow accounting principles as determined by the Chief Finance Officer. Accounting procedures will be reviewed as necessary by the Chief Finance</p>

	Officer in consultation with Service Directors to ensure that they provide the information required by both without duplication of records. No change to existing accounting procedures or systems must be made without prior consultation with the Chief Finance Officer.	Officer in consultation with Service Directors to ensure that they provide the information required by both without duplication of records. No change to existing accounting procedures or systems must be made without prior consultation with the Chief Finance Officer.
1.13	<p>Financial Information</p> <p>The Chief Finance Officer will provide required financial information to the media, members of the public and the community.</p>	
1.14	<p>Money Laundering</p> <p>The Chief Finance Officer is appointed as the Money Laundering Reporting Officer. Money laundering is any process which is intended to use, control, hide or disguise monies or property which are derived from criminal activity and given the appearance of being legitimate. The Council must be alert to the possibility that attempts could be made to utilise funds obtained from criminal activity to pay for Council services. The Council is committed to preventing money laundering by having proportionate and cost effective anti-money laundering systems and processes in place.</p>	
	Chief Officers	
1.15	Chief Officers must operate efficient systems of financial control and are responsible for: -	Chief Officers must operate efficient systems of financial control and are responsible for: -

	<p>a) Ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer.</p> <p>b) Ensuring that Cabinet members are advised of legal implications of all proposals and that the legal implications have been agreed with the Monitoring Officer.</p> <p>c) Consulting with the Chief Finance Officer and seeking his/her approval on any matter that could materially affect the authority's financial position before any commitments are incurred.</p> <p>d) Ensuring that the ability to manage budgets under their control is only delegated to other officers at an appropriate level.</p>	<p>a) Ensuring that Cabinet members are advised of the financial implications of all proposals and that the financial implications have been agreed by the Chief Finance Officer.</p> <p>b) Ensuring that Cabinet members are advised of legal implications of all proposals and that the legal implications have been agreed with the Monitoring Officer.</p> <p>c) Consulting with the Chief Finance Officer and seeking <u>his/her/their</u> approval on any matter that could materially affect the authority's financial position before any commitments are incurred.</p> <p>d) Ensuring that the ability to manage budgets under their control is only delegated to other officers at an appropriate level.</p>
1.16	Chief Officers are responsible for ensuring staff receive appropriate training to undertake their financial responsibilities, in accordance with any standards set by the Chief Finance Officer.	
2	RESPONSIBILITIES OF THE CHIEF FINANCE OFFICER	
	Budget Planning & Budget Monitoring	
	Budget Setting & Medium Term Financial Planning	
2.1	Ensures that a revenue budget for the coming year and a medium term financial strategy for the two subsequent financial years are prepared for consideration by the Cabinet.	

2.2	Reports to the full Council on the robustness of estimates contained within the budget proposed by the Cabinet and the adequacy of reserves allowed for in the budget proposals.	Reports to the full Council on the robustness of estimates contained within the budget proposed by the Cabinet and the adequacy of reserves allowed for in the budget proposals.
2.3	Prepares and submits reports on medium-term budget prospects to the Council, including resource constraints set by the Government.	
2.4	Prepares and submits reports to the Cabinet on the aggregate spending plans of services and on the resources available to fund them, identifying, where appropriate, the implications for the level of council tax to be levied.	
2.5	Advises the full Council on Cabinet proposals in accordance with his/her responsibilities under Section 151 of the Local Government Act 1972.	Advises the full Council on Cabinet proposals in accordance with his/her their responsibilities under Section 151 of the Local Government Act 1972.
2.6	Develops and maintains a resource allocation process that ensures that both capital and revenue expenditure plans take account of the council's policy framework and changing priorities within that.	
2.7	Scheme of Virement Ensures arrangements are in place to monitor the council's scheme of virement.	
2.8	Capital Programme Prepares capital strategy and estimates (usually over 5 years) jointly with Chief Officers and reports them to Cabinet	
	Budget Monitoring	

2.9	Ensures that financial information is available to enable accurate and timely monitoring and reporting.	
2.10	Ensures that budget management is exercised within annual cash limits.	
2.11	Ensures that variances from approved budgets are investigated and reported by Budget Holders regularly.	
2.12	Submits reports to Cabinet and to the full Council where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under their control.	Submits reports to Cabinet and to the full Council where a Chief Officer is unable to balance expenditure and resources within existing approved budgets under their control.
2.13	Submits reports on the council's projected income and expenditure compared with the budget on a regular basis to the Budget Scrutiny Board and Cabinet.	Submits reports on the council's projected income and expenditure compared with the budget on a regular basis to the Budget <u>and Corporate</u> Scrutiny <u>Management</u> Board and Cabinet.
	Year-End Accounting	
	Preparation of annual accounts	
2.14	Ensures that the annual statement of accounts is prepared in accordance with the "Code of Practice on Local Authority Accounting in the United Kingdom: A Statement of Recommended Practice" (CIPFA/LASAAC).	
2.15	Selects suitable accounting policies and ensures that they are applied consistently.	
2.16	Makes judgements and estimates that are reasonable and prudent.	
2.17	Signs and dates the Statement of Accounts, stating that it presents fairly the financial position and income and	

	expenditure of the council for the year ended 31st March.	
	Treatment of Year-End Balances	
2.18	Ensures appropriate accounting procedures are in operation to confirm that carried-forward totals are correct.	
2.19	Reports all surpluses and deficits on service estimates carried forward to the Cabinet.	
	Risk Management & Control of Resources	
	Risk Management	
2.20	Prepares and updates the authority's risk management policy statement and strategy in conjunction with Chief Officers.	
2.21	Effects corporate insurance cover, through external insurance and internal funding, and to negotiate all claims in consultation with other officers, where necessary.	
2.22	Provides for the provision of a professional advisory and coordinating service to Chief Officers on the management of risk within the council.	
2.23	Internal Audit Ensures that an adequate and effective internal audit of the Council's accounting records and of its system of internal control in accordance with the proper practices in relation to internal control, is undertaken (these proper practices are in effect, the Public Sector Internal Audit Standards).	
	Internal Control	

2.24	Advises on effective systems of internal control which ensure compliance with all applicable statutes and regulations, and other relevant statements of best practice.	
2.25	Ensures that an Annual Governance Statement is prepared and published as part of the Annual Statement of Accounts.	
2.26	In consultation with the Chief Executive, where, in their opinion, the management of a budget delegated to a Director is likely to create a significant adverse impact on the Council's overall financial management situation, determines whether the management of that budget will be assumed by another officer.	
	Preventing Fraud & Corruption	
2.27	Develops and maintains an anti-fraud and corruption policy and other fraud related policies and procedures in line with recognised best practice.	
2.28	Ensures that irregularities are reported to Audit Services and Risk Management Manager for investigation, and where appropriate the Head of Paid Service, the Audit Committee, and the Cabinet.	Ensures that irregularities are reported to Audit Services and Risk Management Manager for investigation, and where appropriate the Head of Paid Service, the Audit and Risk Assurance Committee, and the Cabinet.
2.29	Ensures that where financial impropriety is discovered and where sufficient evidence exists to believe that a criminal offence may have been committed, the police are called in to determine with the Crown Prosecution Service whether any	<u>In consultation with the Director of Law and Governance and the Audit Services Manager, e</u> Ensures that where <u>a prima facie case of</u> financial impropriety is discovered and where <u>sufficient</u> reasonable evidence exists to

	prosecution will take place or alternatively the Council may decide to lead on any prosecution.	believe-conclude that a criminal offence may have been committed, <u>a council led prosecution via the council's counter fraud unit and legal services; or alternatively formally refer the matter to the police for consideration where sufficient aggravating factors are deemed to be present to warrant such a referral. Where no referral is to be made to the police and a council led prosecution is to be pursued, then in such circumstances a notification shall be sent to the police informing them of the council's intention to pursue a prosecution.</u> the police are called in to determine with the Crown Prosecution Service whether any prosecution will take place or alternatively the Council may decide to lead on any prosecution.
2.30	Ensures that effective procedures are in place to investigate promptly any suspected fraud or irregularities.	
	Investments & Treasury Management	
2.31	Has delegated responsibility (from Full Council) for the execution and administration of treasury management decisions and will act in accordance with the authority's policy statement and TMPs.	Has delegated responsibility (from Full Council) for the execution and administration of treasury management decisions and will act in accordance with the authority's policy statement and TMPs.
2.32	Ensures that the council's borrowings and investments comply with the CIPFA Code of Practice on Treasury Management and with the council's Treasury Management policy statement, strategy and practices.	

2.33	Reports a minimum of twice a year on treasury management activities to the Cabinet.	
2.34	Acts as the council's registrar of stocks, bonds and mortgages and to maintain records of all borrowing of money by the council.	
	Security & Control of Council Property & Assets	
2.35	Ensures that an accurate asset register is maintained in accordance with good practice for all fixed assets.	
2.36	Ensures that assets are valued in accordance with the Code of Practice on Local Council Accounting in the United Kingdom 2007: (SORP)	Ensures that assets are valued in accordance with the Code of Practice on Local Council <u>Authority</u> Accounting in the United Kingdom 2007 : (SORP)
	Income & Debt Collection	
2.37	Agrees arrangements for the collection of all income due to the council and to approve the procedures systems and documentation for its collection.	
2.38	Reviews annually the council's Fees and Charges report.	
2.39	Arranges for bank reconciliation statements to be regularly prepared for all bank accounts and for all matters arising from the reconciliations to be cleared as soon as practicable.	
2.40	Approves all debts written off in consultation with the relevant Chief Officer and to keep a record of all sums written off up to the delegated limit.	
2.41	Establishes and initiates appropriate recovery procedures, including legal	

	action where necessary, for debts that are not paid promptly.	
2.42	Maintains updates and ensures that all employees are aware of the council's Money Laundering Policy.	
	Purchase Orders & Expenditure	
2.43	Approves the form of official orders and associated terms and conditions.	
2.44	Ensures that a budgetary control system is established that enables commitments incurred by placing orders to be shown against the appropriate budget allocation so that they can be taken into account in budget monitoring reports.	
	Trust Funds & Funds held for Third Parties	
2.45	Maintains the accounting records of all Trust Funds in the name of the council and make arrangements for the safe custody of cash, stock certificates and other documents of title in connection with the investment of funds.	
	Private Property & Safekeeping	
2.46	Makes arrangements for the storage and security of all valuable items deposited with the council for safe storage.	
2.47	Is responsible for all receiverships and administrations in which the council may have an interest.	
	Staffing	
2.48	Ensures that budget provision exists for all existing and new employees.	

2.49	Acts as an advisor to Chief Officers on areas such as National Insurance and Pension Contributions, as appropriate.	
2.50	Prepares the payroll or control and approve other arrangements made.	
	Stocks & Stores	
2.51	Determines the method to be followed in the valuation of stores for purposes of charging out stores and for evaluating stock in hand at the end of the financial year.	
2.52	Determines and reviews the appropriate rate(s) of overhead charge arising from stocks and stores.	
	Intellectual Property	
2.53	Provides guidance on Intellectual Property rules.	
	Imprest Accounts	
2.54	Provides employees of the council with cash or bank imprest accounts to meet minor expenditure on behalf of the council and to prescribe rules for operating these accounts.	Provides employees of the council with <u>Approves the set up of any new</u> cash or bank imprest accounts to meet minor expenditure on behalf of the council and to prescribe rules for operating these accounts.
2.55	Determines the imprest value and petty cash individual transaction limit and maintains a record of imprests issued, and periodically reviews the arrangements for the safe custody and control of these imprests.	Determines the imprest value and petty cash individual transaction limit and maintains a record of imprests issued, and periodically reviews the arrangements for the safe custody and control of these imprests. <u>This will include reviewing whether individual accounts are still required.</u>

	Financial Systems & Procedures	
	Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)	
2.56	Provides for the secure and reliable payment of salaries, wages, compensation or other emoluments to existing and former employees, Members, Holders of Office and Intermediaries (Personal Service Companies).	
2.57	Records and makes arrangements for the accurate and timely payment of tax, pension contributions and other deductions.	
2.58	Ensures that there are adequate arrangements for administering pension scheme matters.	
2.59	Makes arrangements for payment of all travel, subsistence and Members allowance claims upon receiving the prescribed form, duly completed and authorised.	
2.60	Ensures that there are adequate arrangements for administering Apprenticeship Levy matters.	
	Taxation	
2.61	Ensures all HM Revenue and Customs returns regarding PAYE and NI are completed.	
2.62	Ensures a monthly return of VAT transactions is compiled and sent to HM Revenue and Customs.	

2.63	Ensures details of the Construction Industry Scheme are provided to HM Revenue and Customs.	
	Trading Accounts & Business Units	
2.64	Advises on the establishment and operation of trading accounts and business units.	
	External Arrangements	
	External Funding	
2.65	Approves the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued below £250k	Approves the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued <u>at £100k up to £500k below £250k</u>
2.66	Advises on effective controls and key elements of funding a project including: - <ul style="list-style-type: none"> • A project appraisal assessing viability in the current and future years. • Resourcing, including taxation issues. • Audit, security and control requirements. • Carry-forward arrangements. 	
2.67	Ensures that the accounting arrangements are satisfactory.	

3	RESPONSIBILITIES OF CHIEF OFFICERS	
	Budget Planning And Budget Monitoring	
	Budget Setting & Medium Term Financial Planning	
3.1	Prepare an estimate of income and expenditure for the financial year within the spending targets set by the Council. Service Managers and Cabinet Members should be consulted as part of this process.	
3.2	Ensure that revenue and capital estimates reflect agreed Business Plans, are in line with the medium term financial strategy and capital strategy and, that they follow any guidance issued by the Section 151 Officer.	
	Scheme of Virement	
3.3	Notify the Chief Finance Officer and consult the appropriate Cabinet Member before exercising virements on budgets under his/her control.	
3.4	Ensure that virements between budgets managed by different directors are not exercised without prior approval of all directors affected by the virement and consultation with appropriate Cabinet Members. Confirmation of the agreed virement must be notified to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.	
3.5	Obtain agreement from other Chief Officers and Cabinet Members before	

	exercising virements that may impact on the level of service activity in their service area.	
	Budget Monitoring	
3.6	Ensure that spending remains within the service's overall cash limit, by monitoring the budget and taking appropriate corrective action where significant variations from the approved budget are forecast.	
	Year-End Accounting	
	Preparation of year-end accounts	
3.7	Ensure that staff adhere to all closedown deadlines issued by the Strategic Finance Team	Ensure that staff adhere to all closedown deadlines issued by the Strategic Finance Team <u>Chief Finance Officer</u>
	Risk Management & Control Of Resources	
	Risk Management	
3.8	Identify, assess, control and report risks within their respective services in order to ensure that, where appropriate, threats and their impacts are minimised to an acceptable level.	
3.9	Ensure that sound arrangements for the security and continuity of service in the event of a disaster are in place.	
	Internal Audit	
3.10	Ensure that internal auditors/fraud investigators have the right of access to all records, assets, personnel and premises, including those of partner organisations, and has the authority to obtain such information and explanations	

	as it considers necessary to fulfil their responsibilities.	
3.11	Ensure that recommendations made by Internal Audit are actioned within their own service.	
	Internal Control	
3.12	Ensure that effective systems of internal control are in place within their service areas and that their employees have a clear understanding of the consequences of a lack of internal control.	
3.13	Contribute to the Annual Governance Statement by completing Annual Assurance Statements where required.	
	Preventing Fraud & Corruption	
3.14	Notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriate of the council's property or resources.	Notify the Chief Finance Officer immediately of any suspected fraud, theft, irregularity, improper use or misappropriate <u>misappropriation</u> of the council's property or resources.
3.15	Instigate the council's disciplinary procedures where the outcome of an audit investigation indicates improper behaviour.	Instigate the council's disciplinary procedures where the outcome of an audit investigation indicates <u>that fraudulent activity has taken place by an employee/member improper behaviour.</u>
	Security & Control of Council Property & Assets	
3.16	Ensure the proper security of all buildings and other assets under their control.	
3.17	Maintain inventories of furniture, fittings, equipment, plant and machinery above £500 in value, in a manner agreed with the Chief Finance Officer.	
3.18	Make arrangements for the care, custody, physical control and security of stocks	

	and stores in the service maintain a proper stores control system and stores records.	
	Income & Debt Collection	
3.19	Establish a charging policy for the supply of goods and services, including the appropriate charging of VAT, and to review it and least annually, in line with corporate policies.	
3.20	Ensure compliance with the anti-money laundering policy.	
3.21	Assist the Chief Finance Officer in collecting debts that they have originated, by providing appropriate information requested by the debtor, maintaining records or evidence of acceptance of the debt and in pursuing the matter on the council's behalf.	
	Purchase Orders & Expenditure	
3.22	Ensure the requirements of the Procurement and Contract Procedure Rules are observed in respect of all purchases.	
3.23	Utilise the services provided by Procurement Services as appropriate.	
	Trust Funds & Funds held for Third Parties	
3.24	Ensure that trust funds are operated within any relevant legislation and the specific requirements for each trust.	
	Private Property & Safekeeping	
3.25	Ensure that all items of private property deposited with the council are recorded	

	on an itemised inventory prepared in the presence of two officers.	
	Staffing	
3.26	Produce an annual staffing budget which is an accurate forecast of staffing levels.	
3.27	Monitor employees' activity to ensure adequate control over such costs as sickness, overtime, training and temporary employees.	
	Stocks and Stores	
3.28	Make arrangements for the care, custody, physical control and security of stocks and stores in the service and for the maintenance of a proper stores control system and stores records.	
	Intellectual Property	
3.29	Ensure that controls are in place to ensure that staff do not carry out private work in council time and that staff are aware of an employer's rights with regard to intellectual property.	
	Financial Systems & Procedures	
	Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)	
3.30	Notify the Chief Finance Officer of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the Chief Finance Officer.	Notify the Chief Finance -Officer <u>responsible for payroll</u> of all appointments, terminations or variations which may affect the pay or pension of an employee or former employee, in the form and to the timescale required by the <u>that</u> Chief Finance -Officer.

3.31	Ensure payments to employees are processed only through the payroll system.	
3.32	Ensure payment of salaries and wages in advance is not made except in the case of persons leaving the service of the council before the day on which their salary or wage is normally paid or at the discretion of the Chief Finance Officer.	
3.33	Ensure payments to Holders of Office are processed through the payroll system in-line with HMRC regulations.	
3.34	Ensure payments to Intermediaries (Personal Service Companies) relating to the provision of services are processed through the payroll system in-line with HMRC regulations.	
	External Arrangements	
	External Funding	
3.35	Ensure that Strategic Finance undertake an appraisal of all future bids for external funding prior to submission where the council is being nominated to act as the Accountable Body, Applicant, Partner, the bid requires council resources or where the council owns the asset.	Ensure that Strategic Finance <u>the appropriate Corporate Finance Team</u> undertake an appraisal of all future bids <u>over £500k</u> for external funding prior to submission where the council is being nominated to act as the Accountable Body, Applicant, Partner, <u>or</u> the bid requires council resources (<u>including match funding</u>) or where the council owns the asset. <u>Where an appraisal cannot be undertaken prior to submission due to detailed costings not available as the bid only requires indicative information or there are bidding time constraints, then</u>

		<u>written approval must be received by the Chief Finance Officer prior to submission. Finance must be advised of any bids under £500k including any match funding requirements, it will be the responsibility of the Director to adhere to any grant/funding conditions.</u>
3.36	Ensure that before entering into grant funding agreements with external bodies, the agreement is consistent with the funder conditions and values appraised by Strategic Finance and approved by the Cabinet or the Chief Finance Officer.	<p>Ensure that before entering into grant funding agreements with external bodies, the agreement is consistent with the funder conditions and values appraised by <u>Strategic Finance the appropriate Corporate Finance Team which are reported and approved by the Cabinet or the Chief Finance Officer.</u> <u>in line with the following thresholds:</u></p> <p><u>Up to £100k Chief Officer</u> <u>£100k to £500k Chief Finance Officer in consultation with the Cabinet Member for Finance</u> <u>£500k to £1m relevant Cabinet Member</u> <u>Over £1m Cabinet</u></p> <p><u>Where unplanned (not bid for) government grants over £500k are received appropriate checks must be done on the grant terms and conditions prior to incurring any expenditure to be funded from the grant. All spending plans linked to the grant funding should be approved in line with the virement limits</u></p>
3.37	Ensure that such agreements and arrangements do not impact adversely upon the services provided by the council.	

3.38	Ensure that all claims for funds are made by the due date.	
3.39	Ensure that the appropriate Cabinet Member is informed how the proposed external funding fulfils the council's policies prior to any bid being submitted for external funding.	
3.40	Ensure that the project progresses in accordance with the agreed project approval and that all expenditure is properly incurred and appropriately recorded.	
3.41	Comply with rules of the funding body.	
4	OTHER OFFICER/MEMBER RESPONSIBILITIES	
	Budget Planning & Budget Monitoring	
	Budget Setting & Medium Term Financial Planning	
4.1	Full Council agrees the budget that will be proposed by the Cabinet.	Full Council agrees the budget that will be following proposed proposals being submitted by the Cabinet.
4.2	Cabinet sets the target budget for each service area and approves the key assumptions to be used in the preparation of revenue and capital budgets.	
4.3	Scrutiny Management Board makes reports or recommendations to Council or the Executive in connection with the Council's budget.	Budget and Corporate Services Scrutiny Management Board makes reports or recommendations to Council or the Executive in connection with the Council's budget.
	Scheme of Virement	
4.4	Council specifies the extent of virement within the budget and degree of in-	

	financial year changes to the policy framework which may be undertaken by Cabinet and Chief Officers.	
4.5	Cabinet approve virements in accordance with the limits set by Council.	
	Capital Programme	
4.6	Council approves the capital strategy.	Council approves the <u>capital programme and</u> capital strategy.
4.7	Cabinet make recommendations on the capital strategy including prudential borrowing policy and approve capital projects.	Cabinet make recommendations <u>to Council</u> on the capital strategy including prudential borrowing policy and approve capital projects.
	Budget Monitoring	
4.8	Cabinet receive regular budget monitoring reports.	
	Year-End Accounting	
	Preparation of year-end accounts	
4.9	Audit and Risk Assurance Committee approves the statutory annual Statement of Accounts.	
	Treatment of year-end balances	
4.10	Cabinet approves the carry forward of any net surplus against target budgets under the control of a Chief Officer.	Cabinet approves the carry forward of any net surplus against target budgets <u>underspends of budgets</u> under the control of a Chief Officer <u>as part of the year end outturn report.</u>
4.11	Cabinet approves the waiving of the requirement to carry forward a deficit against target budgets under the control of a Chief Officer.	<u>DELETE</u>
	Risk Management & Control of Resources	
	Risk Management	

4.12	The Audit and Risk Assurance Committee approves the authority's risk management strategy and reviews the overall effectiveness of the strategy.	
4.13	The Audit and Risk Assurance Committee provides independent assurance of the adequacy of the governance risk management and internal control framework and independent scrutiny of the authority's financial and non-financial performance to the extent that it affects the authority's exposure to risk and weakens the control environment.	
4.14	The Senior Information Risk Manager is responsible for the management of information risk.	
	Internal Audit	
4.15	The Audit and Risk Assurance Committee approves the Annual Internal Audit Plan.	
	Internal Control	
4.16	The Chief Executive and Leader of the Council are responsible for signing off the Annual Governance Statement after it has been approved by Audit Committee.	
	Preventing Fraud & Corruption	
4.17	The Monitoring Officer is responsible for maintaining the Register of Members' Interests.	
4.18	The Audit and Risk Assurance Committee provides independent assurance that the council has strong and effective anti-fraud processes in place.	

	Investments & Treasury Management	
4.19	Council approves the treasury management strategy recommended by Cabinet.	
4.20	Cabinet has delegated responsibility (from full Council) for the implementation and regular monitoring of treasury management policies and practices.	
	Security and Control of Council Property and Assets	
4.21	The Chief Property Officer will maintain property database in consultation with the Chief Finance Officer for all land and buildings currently owned or used by the council including those assets acquired on behalf of partner agencies.	
4.22	The Monitoring Officer is responsible for custody of all title deeds.	
	Income & Debt Collection	
4.23	Cabinet approve the Debt Recovery Policy and Procedures produced by the Chief Finance Officer.	
4.24	Cabinet approve the writing off of debts above the delegated limit for the Chief Finance Officer.	
4.25	Cabinet approve annually the council's Fees and Charges report.	
	Purchase Orders & Expenditure	
4.26	All employees and Members of the council have a responsibility to declare any links or personal interests they may have with purchasers, suppliers and/or contractors if they are engaged in contractual or purchasing decisions on	

	behalf of the council, in accordance with appropriate codes of conduct.	
	Financial Systems & Procedures	
	Payments to Employees & Members, Holders of Office & Intermediaries (Personal Service Companies)	
4.27	Council adopt a Members' Allowance Scheme.	
	External Arrangements	
	External Funding	
4.28	Cabinet approve the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued above £250k.	Cabinet approve the Strategic Finance appraisal and submission of the bid if the external funding bid relates to a project valued above £250k £1m.
	FINANCIAL PROCEDURES	
	Budget Planning & Budget Monitoring	
1	The Annual Budget	
	The provisions of the Local Government Finance Act 1992 (LGFA 1992) set out what the council has to base its budget calculations upon, and require the council to set a balance budget with regard to the advice of its Chief Finance Officer (section 151). The setting of the budget is a function reserved to full Council, who will consider the draft budget which has been prepared by the Executive (in a Leader and Cabinet or Elected Mayor model). Once the budget has been agreed by full Council the Executive cannot make any decisions which conflict with it, although virements and year-in-year changes can be made in	

	<p>accordance with the council's financial regulations.</p> <p>Section 30(6) LGFA 1992 provides that the council has got to set its budget before 11 March in the financial year preceding the one in respect of which the budget is set, although failure to set a budget within the deadline does not in itself invalidate that budget. Such delay, however, may have significant financial administrative and legal implications, including potentially an individual liability for those members who contributed to the failure to set the budget. If a budget is not set, s.66 LGFA 1992 provides that the failure or delay to or in setting the council tax can only be challenged by an application for judicial review, with either the Secretary of State or any other person with sufficient interest (which potentially could include a council taxpayer) able to apply.</p>	
1.1	<p>Chief Officers must sign and submit Budget Accountability Letters in order to accept responsibility for the budgets under their control.</p>	
2	<p>Maintenance of Reserves</p>	
	<p>The local council must decide the level of general reserves it wishes to maintain before it can decide the level of Council Tax.</p> <p>Reserves are maintained as a matter of prudence. They enable the council to provide for unexpected events and thereby protect it from a deficit budget</p>	

	position, should such events occur. Reserves for specific purposes may also be maintained, such as the purchase or renewal of capital items.	
2.1	Reserves must be maintained in accordance with the <i>Code of Practice on Local Authority Accounting in the United Kingdom: SORP (CIPFA/LASAAC)</i> and agreed accounting policies.	
3	Budget Monitoring and Control	
	<p>Budget monitoring ensures that once the budget has been approved by the full Council, resources allocated are used for their intended purposes and are properly accounted for. Budgetary control is a continuous process, enabling the council to review and adjust its budget during the financial year. It also provides the mechanism that calls to account managers responsible for defined elements of the budget.</p> <p>By continuously identifying and explaining variances against budgetary targets, the council can identify changes in trends and resource requirements at the earliest opportunity. The council itself operates within an annual cash limit, approved when setting the overall budget.</p>	
3.1	Once the budget has been approved by full Council, resources allocated must be used for their intended purposes and be properly accounted for. Each service is required to manage its own expenditure within the cash-limited budget allocated to it.	

3.2	Chief Officers must submit monitoring reports to the Chief Finance Officer at least 3 times per year. These reports are then presented to Cabinet for approval.	Chief Officers must submit monitoring reports to the Chief Finance Officer at least 3 times per year. These reports are then presented to Cabinet for approval. <u>Chief Officers must use all reasonable endeavours to ensure that regular and accurate budget monitoring forecasts are produced and submitted to the Chief Finance Officer in line with the budget monitoring timetable. The Chief Finance Officer will consolidate these reports and present them to Cabinet.</u>
3.3	Each cost centre must have a nominated budget holder determined by the Chief Officer. As a general principle, budget responsibility should be aligned as closely as possible to the decision-making processes that commits expenditure.	
3.4	Recurring expenditure should not be funded from one-off sources of savings or income.	
3.5	Future commitments should not be created, including full-year effects of decisions made part way through a year, for which future resources have not been identified.	
4	Scheme of Virement	
	The scheme of virement is intended to enable the Cabinet, Chief Officers and their employees to manage budgets with a degree of flexibility within the overall policy framework determined by the full Council, and therefore to optimise the use of resources. The rules below cover	

	virement; that is, switching resources between approved estimates or heads of expenditure.	
4.1	Virement cannot create additional overall budget liability.	
4.2	A Chief Officer may exercise virement on budgets under his/her control for amounts up to £250,000 or 1% of the approved Gross Expenditure budget, whichever is the greater, on any one sub division during the year, following notification to the Chief Finance Officer and under arrangements agreed by the full Council.	A Chief Officer may exercise virement on budgets under his/her <u>their</u> control for amounts up to £250,000 or 1% of the approved Gross Expenditure budget, whichever is the greater, on any one sub division during the year, following notification <u>via a virement approval form</u> to the Chief Finance Officer and under arrangements agreed by the full Council.
4.3	Virements up to £250,000 or 1% of the approved Gross Expenditure budget, whichever is the greater, may be exercised between budgets managed by different Chief Officers subject to the approval of all Chief Officers affected by the virement and following consultation with the appropriate Cabinet Members. Written confirmation of the agreed virement should be forwarded to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.	Virements up to £250,000 or 1% of the approved Gross Expenditure budget <u>£500,000</u> , whichever is the greater, may be exercised between budgets managed by different Chief Officers subject to the approval of all Chief Officers affected by the virement and following consultation with the appropriate Cabinet Members. Written confirmation of the agreed <u>A virement approval form</u> should be forwarded to the Chief Finance Officer and reported to Cabinet via the next appropriate financial monitoring report.
<u>4.4</u>		<u>Virements above the Chief Officer Level of £500,000 and below £1m must be approved by the appropriate Cabinet Member(s) and reported to Cabinet via the next appropriate financial monitoring report.</u>

4.45	Virements above £250,000 or 1% of the approved Gross Expenditure budget must be approved by Cabinet.	Virements above £250,000 £1m or 1% of the approved Gross Expenditure budget must be approved by Cabinet.
4.56	Virements should have no impact on the level of service activity of another Chief Officer.	
4.67	Where an approved budget is a lump-sum budget or contingency intended for allocation during the year, its allocation will not be treated as a virement, provided that the amount is used in accordance with the purposes for which it has been established.	
5	Capital Programme	
	Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the council, such as land, buildings, and major items of plant, equipment or vehicles. Capital assets create financial commitments for the future in the form of financing costs and revenue running costs. Capital expenditure should form part of a corporate investment strategy and should be carefully prioritised in order to maximise the benefit from scarce resources.	
5.1	Prior to incurring expenditure on any capital scheme, including purchase or disposal of land and buildings, irrespective of funding stream (i.e. borrowing, grant, revenue), a capital appraisal form must be completed and appraised by Strategic Finance. The	Prior to incurring expenditure on any capital scheme <u>above £1m</u> , including purchase or disposal of land and buildings, irrespective of funding stream (i.e. borrowing, grant, revenue), a <u>full</u> capital appraisal form must be completed and appraised by Strategic Finance <u>the appropriate Corporate Finance Team</u> .

	capital appraisal form should include the following:- <ul style="list-style-type: none"> • Strategic Case • Economic Case • Commercial Case • Financial Case • Management Case • Managing other resources 	The capital appraisal form should include the following:- <ul style="list-style-type: none"> • Strategic Case • Economic Case • Commercial Case • Financial Case • Management Case • Managing other resources <p><u>Schemes below £1m will require a summary appraisal which will detail all key and pertinent information</u></p>
5.2	Each capital scheme must have a named manager or project officer.	
	Year-End Accounting	
6	Treatment of Year-End Balances	
	The rules below cover arrangements for the transfer of resources between accounting years, i.e. a carry-forward.	
6.1	Any overall target budget deficits against service areas must be carried forward to be recovered in future years. Chief Officers must arrange to recover deficits across a maximum of three years.	DELETE
6.2	The requirement to meet deficits overspends from future year target budget allocations can be waived by Cabinet as part of the annual outturn report to Cabinet.	DELETE
6.3	There is a presumption that net surpluses against target budgets are carried forward subject to approval by Cabinet. The request to carry forward a surplus is required to be included in the annual outturn report to Cabinet for approval.	There is a presumption that net surpluses against target budgets are carried forward subject to approval by Cabinet. The <u>Any</u> request to carry forward a <u>surplus</u> <u>a net underspend against an approved budget</u> is required to be

	This report must detail the reason for the surplus and proposed use of the carry forward.	included in the annual outturn report to Cabinet for approval. This report must detail the reason for the surplus and proposed use of the carry forward.
6.4	All internal trading services surpluses or deficits shall be retained by the appropriate service and form part of the net surplus or deficit reported to Cabinet.	DELETE
7	Annual Statement of Accounts	
	The council has a statutory responsibility to prepare its own accounts to present fairly its operations during the year.	
7.1	The Chief Finance Officer will arrange for a timetable and accounting guidance for final accounts preparation to be drawn up and distributed. All staff must ensure that they adhere with this timetable and guidance.	
7.2	Chief Officers must comply with accounting guidance provided by the Chief Finance Officer and supply the Chief Finance Officer with information when required.	
	Risk Management And Control Of Resources	
8	Risk Management	
	Risk is the chance or possibility of loss, damage, injury or failure to achieve objectives caused by an unwanted or uncertain action or event. Risk management is the planned and systematic approach to the identification, evaluation and control of risk. Its objectives are to secure the assets of the	

	organisation, identify and manage barriers to the achievement of the council's objectives and to ensure the continued financial and organisational well-being of the organisation.	
8.1	Chief Officers must prepare, maintain and regularly review a risk register identifying: <ul style="list-style-type: none"> • each material risk • its likelihood of occurrence • the impact on service delivery/resources • a list of the controls in place • assurances over these controls regarding their adequacy and effectiveness • further risk mitigating actions required and assignment of these. 	
9	Insurances	
	The Chief Finance Officer, in consultation with Chief Officers, is responsible for determining the authority's policy in terms of insurable risks.	
9.1	Chief Officers must ensure that the Chief Finance Officer is notified annually of all existing risks which are required to be insured.	
9.2	The Chief Finance Officer must be notified promptly of <ul style="list-style-type: none"> • all new risks, property, vehicles and other assets which are required to be insured • alterations, valuations or deletions affecting existing insurance cover, including schools that change to academies, change of use of premises, etc. any proposed changes to policies 	

	and internal control systems so that consideration can be given to the insurable risk impact. E.g. cash handling procedures, frequency of asset inspections (including highways, empty properties, trees, housing stock, etc.); health and safety policy changes; security changes; large construction or refurbishment contracts.	
9.3	Any claims received or any occurrence that could give rise to a potential claim for compensation being made against the authority must be passed to the Chief Finance Officer immediately. Chief Officers must supply the Chief Finance Officer with information in respect of claims when required. Chief Officers will be responsible for any costs incurred as a result of delays in passing information to the Chief Finance Officer.	
9.4	Chief Officers must ensure that employees, or anyone covered by the council's insurances, do not: <ul style="list-style-type: none"> • admit liability • make any comment or give an opinion about a matter • make any offer to pay compensation that may prejudice the assessment of liability in respect of any insurance claim. 	
10	Treasury Management	
	The Treasury Management Strategy Statement and Treasury Management Practices (TMPs) aim to provide assurances that the council's money is properly managed in a way that balances	

	risk with return, but with the overriding consideration being given to the security of the council's capital sum.	
10.1	All investments of money must be made in the name of the name of the council or in the name of nominees approved by the full Council.	
10.2	Chief Officers must ensure that loans are not made to third parties and that interests are not acquired in companies, joint ventures or other enterprises without the approval of the full Council, following consultation with the Chief Finance Officer.	
10.3	All borrowings must be in the name of the council.	
11	Banking Arrangements	
	The Treasurer Chief Finance Officer is responsible for the banking arrangements and is authorised to operate such bank accounts as are considered appropriate. The banking arrangements must be reviewed on a regular basis and negotiations regarding banking terms and overdraft facilities undertaken.	The Treasurer Chief Finance Officer is responsible for the banking arrangements and is authorised to operate such bank accounts as are considered appropriate. The banking arrangements must be reviewed on a regular basis and negotiations regarding banking terms and overdraft facilities undertaken.
11.1	Opening or closing any bank accounts must be approved by the Chief Finance Officer.	
12	Internal Audit and Fraud	
	Internal audit is an independent and objective appraisal function established by the council for reviewing the system of risk management, governance and internal control. It examines, evaluates and reports on the adequacy of internal	Internal audit is an independent and objective appraisal function established by the council for reviewing the system of risk management, governance and internal control. It examines, evaluates and reports on the adequacy of internal

	control as a contribution to the proper, economic, efficient and effective use of resources.	control, <u>risk management and governance</u> as a contribution to the proper, economic, efficient and effective use of resources.
12.1	Internal audit must be independent in its planning and operation.	
12.2	The Audit Services Manager should have direct access to the Head of Paid Service, all levels of management and elected Members.	
12.3	Internal auditors must comply with Public Sector Internal Audit Standards as specified by the relevant Internal Audit Standard Setters.	
12.4	Internal auditors and fraud investigators must have the authority to: - <ul style="list-style-type: none"> • access council premises at reasonable times • access all assets, records, documents, correspondence and control systems • receive any information and explanation considered necessary concerning any matter under consideration • require any employee of the council to account for cash, stores or any other council asset under his/her control • access records belonging to third parties, such as contractors, when required. 	
12.5	A Confidential Reporting (Whistleblowing) Code has been put in place by the council. This is intended to encourage and enable employees to raise any serious concerns within the council rather	

	than overlooking a problem. These procedures are detailed in a separate policy document and are in addition to the council's complaints procedures and other statutory reporting procedures applying to some services.	
13	Security and Control of Assets	
	The council holds assets in the form of property, vehicles, equipment, furniture and other items including information worth many millions of pounds. It is important that assets are safeguarded and used efficiently in service delivery, and that there are arrangements for the security of both assets and information required for service operations.	
13.1	Assets should be identified, their location recorded, appropriately marked as council property and insured.	
13.2	Inventories must be maintained in a manner agreed with the Chief Finance Officer. These must record an adequate description of furniture, fittings, equipment, plant and machinery above £500 in value. Items below this value may be included where it is felt they are particularly attractive or desirable.	
13.3	An annual check of all items on the inventory should be undertaken in order to: - <ul style="list-style-type: none"> • Verify location; • Review condition; • Take action in relation to surpluses or deficiencies annotating the inventory accordingly.	

13.4	Any surplus or deficiency revealed by the annual inventory check shall be notified to the Chief Officer who shall take such action as deemed necessary.	
13.5	Any use of property by a service or establishment other than for direct service delivery should be supported by documentation identifying terms, responsibilities and duration of use.	
13.6	Occupiers and prospective occupiers of council property are not allowed to take possession or enter council property until a written lease, tenancy or agreement, in a form approved by the Chief Property Officer in consultation with the Chief Legal Officer, has been established and signed as appropriate.	
13.7	No council asset should be subject to personal use by an employee or other person without proper authority.	
13.8	The Chief Finance Officer should be consulted where security is thought to be defective or where it is considered that special security arrangements may be needed.	
13.9	The Chief Finance Officer should be consulted where security of cash is concerned. Cash holdings on premises must be kept within the limits agreed with the Chief Finance Officer.	The Chief Finance Officer should be consulted where security of cash is concerned. Cash holdings on premises must be kept within the limits agreed with the Chief Finance Officer. <u>covered by the council's insurance provision and within the manufacturer's safe limit. Where cash is not held in a locked safe or strongroom the limit is £500.</u>

13.10	Keys to safes and similar receptacles must be held in a secure place at all times; loss of any such keys must be reported to the Chief Finance Officer as soon as possible.	
13.11	All employees have a personal responsibility with regard to the protection and confidentiality of information, whether held in manual or computerised records.	
13.12	Stocks must be maintained at reasonable levels and be subject to a regular independent physical check	
13.13	All discrepancies should be investigated and pursued to a satisfactory conclusion. Records of stocks checked and discrepancies found are to be kept.	
13.14	Discrepancies should be removed from the council's records as necessary, in accordance with the council's Procurement and Contract Procedure Rules. Chief Officers must authorise write offs.	
13.15	Suitable officers should be designated as responsible for: - a) Custody of stocks and stores; b) Maintenance of stores and accounting records; c) Authorising the issue of stocks and stores; and d) Carrying out the stocktaking of all stores. No officer should be responsible for more than one of the functions of a,b, c or d above.	

13.16	Chief Officers must certify the quantity and value of the stocks and stores in his/her service and forward a copy of the certification to the Chief Finance Officer at least annually.	
14	Income	
	Income can be a vulnerable resource and effective income collection systems are necessary to ensure that all income due is identified, collected, receipted and banked properly.	
14.1	All money received by an employee on behalf of the council or Fire Service, and the Sandwell Leisure Trust must be paid without delay to the Chief Finance Officer or, as he or she directs, to the council's bank and properly recorded. The responsibility for cash collection should be separated from that for identifying the amount due or reconciling the amount due to the amount received. All cash income must be locked away in order to safeguard against loss or theft.	All money received by an employee on behalf of the council or Fire Service, and the Sandwell Leisure Trust must be paid without delay to the Chief Finance Officer or, as he or she <u>they</u> directs, to the council's bank and properly recorded. The responsibility for cash collection should be separated from that for identifying the amount due or reconciling the amount due to the amount received. All cash income must be locked away in order to safeguard against loss or theft.
14.2	Money collected and deposited must be reconciled to the bank account by a person who is not involved in the collection or banking process.	
14.3	Provision for doubtful debts is made for invoices as follows: - Less than 1 year old - Specific provision only 1-2 years old - 25% of outstanding debt 2 years and older - 100% of outstanding debt	Provision for doubtful debts is made for invoices as follows:- Less than 1 year old - Specific provision only 1-2 years old - 25% of outstanding debt 2 years and older - 100% of outstanding debt <u>based on trend analysis of income</u>

		<u>collection rates for each individual type of debt. Where particular assumptions are made these should be recorded and regularly reviewed</u>
14.4	<p>The Chief Finance Officer has delegated powers to approve the write off as irrecoverable of: -</p> <ul style="list-style-type: none"> • any individual sums of outstanding Poll Tax, Council Tax, housing rents and related debts amounting to £5,000 or less and sundry debts and Non-Domestic Rates amounting to £20,000 in respect of which appropriate action to obtain payment has proven unsuccessful; • any outstanding sums which become subject to bankruptcy or liquidation proceedings or persons who have left without trace or have died without leaving any estate; • any benefit payments that are not to be recovered; • any outstanding sums which fall to be remitted by magistrates in the event of a committal action. 	<p>The Chief Finance Officer has delegated powers to approve the write off as irrecoverable of:-</p> <ul style="list-style-type: none"> • any individual sums of outstanding Poll Tax, Council Tax, housing rents and related debts amounting to £5,000 or less and sundry debts and Non-Domestic Rates amounting to £20,000 in respect of which appropriate action to obtain payment has proven unsuccessful; • any outstanding sums which become subject to bankruptcy or liquidation proceedings or persons who have left without trace or have died without leaving any estate; • any benefit payments that are not to be recovered; • any outstanding sums which fall to be remitted by magistrates in the event of a committal action. <p><u>write off any individual debt(s) (including any associated court costs and bailiffs' fees) up to the value of £25,000 per individual or organisation, which is considered to be uneconomical to collect or is irrecoverable. All individual debts above this amount shall be done in consultation with the Cabinet Member</u></p>

		for Finance and Corporate Resources, and Director of Law and Governance.
14.5	Formal approval for debt write-off must be obtained in accordance with the council's General Debt Recovery Policy and Guidance.	
14.6	Appropriate write-off action must be taken within defined timescales in accordance with the council's General Debt Recovery Policy and Guidance.	
14.7	Appropriate accounting adjustments must be made in the same month as the write-off action.	
14.8	No cash payments above £9,000 or 14,000 euros should be accepted in accordance with the council's Money Laundering Policy.	No cash payments above £9,000 £2,000 or 14,000 euros should be accepted in accordance with the council's Anti Money Laundering Policy.
14.9	All customers are advised to post payments to PO Box 2372. Any post to this address must be opened in the presence of two members of staff.	
14.10	Used/copy receipts and other records of income must be held securely for six years. Stocks of unused receipts etc. must also be held securely when not in use.	Used/copy receipts and other records of income must be held securely for six years in line with the Council's document retention policy . Stocks of unused receipts etc. must also be held securely when not in use.
14.11	The Oracle Receivables system must be used to raise invoices to external debtors promptly.	The Oracle Receivables approved Council finance -system must be used to raise invoices to external debtors promptly.
14.12	Every cash sum received by an employee of the council must be immediately acknowledged by the issue of an official receipt ticket or voucher or entry in a rent	

	card or other authorised record except where other arrangements are agreed with the Chief Finance Officer.	
14.13	All receipts, other than those issued by official receipting machines, must be signed by the employee issuing them in their own name as on behalf of the Chief Finance Officer unless the form of receipt provides for a facsimile signature of the Chief Finance Officer by a receipting machine. Where payment is received by cheque and the payer does not require a receipt such special arrangements as are approved by the Chief Finance Officer shall operate.	
14.14	All cheques, money orders, postal orders, received payable to the council must be immediately crossed "Sandwell MBC" except where other arrangements are agreed with the Chief Finance Officer.	
14.15	A record must be retained of every transfer of money between employees of the council. The receiving employee must sign for the transfer and the transferor must retain a copy.	
14.16	Income must be paid fully and promptly into the appropriate council, Fire Service and Sandwell Leisure and Art Trusts bank accounts in the form in which it is received. No deductions shall be made from such money save to the extent that Chief Finance Officer may specifically authorise. Appropriate details should be recorded on to paying-in slips to provide an audit trail. Each officer who banks	

	cheques shall enter on the council's copy of the paying-in slip a reference to the related debt (such as the receipt number, account number, name of debtor) or retain the appropriate cheque list.	
14.17	Income must not be used to cash personal cheques or other payments.	
15	Expenditure	
	Public money should be spent with demonstrable probity and in accordance with the council's policies. Councils have a statutory duty to achieve best value in part through economy and efficiency. The council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the council's code of practice on tenders and contracts specified in the Procurement and Contract Procedure Rules.	Public money should be spent with demonstrable probity and in accordance with the council's policies. Councils have a statutory duty to achieve best value in part through economy and efficiency. The council's procedures should help to ensure that services obtain value for money from their purchasing arrangements. These procedures should be read in conjunction with the council's code of practice on tenders and contracts specified in the Procurement and Procurement and Contract Procedure Rules .
15.1	Members of the council are not authorised to procure, contract or instruct suppliers to provide goods or services to the council.	
15.2	Budget holders should use the Oracle Purchase Order and Payable system for all expenditure with the exception of: - <ul style="list-style-type: none"> • Procurement card transactions • Employee expenses via payroll • Transactions where it is agreed that a confirmation order is acceptable. The main example of these are: - <ul style="list-style-type: none"> o Utility Supplies - Gas, Electricity, Water, Street Lighting 	Budget holders should use the Oracle Purchase Order and Payable approved Council finance ordering and payments system for all expenditure with the exception of: - <ul style="list-style-type: none"> • Procurement card transactions • Employee expenses via payroll • Transactions where it is agreed that a confirmation order is acceptable. The main example of these are: -

	<ul style="list-style-type: none"> o Photocopier Usage o Post Related – Franking, postage, cash collection services, Mail Collection o Leasing o Bank Charges o Fuel Cards o Eye Tests o Audit Fees <p>This list is not exhaustive.</p>	<ul style="list-style-type: none"> o Utility Supplies - Gas, Electricity, Water, Street Lighting o Photocopier Usage o Post Related – Franking, postage, cash collection services, Mail Collection o Leasing o Bank Charges o Fuel Cards o Eye Tests o Audit Fees <p>This list is not exhaustive.</p>
15.3	Purchase Orders shall be raised for all works, goods and services to be supplied to the council except for such exceptions as the Chief Finance Officer may approve. The Purchase Order [PO], and therefore the recognised approval, shall precede the acquisition and receipt of goods and services. The PO shall show the quantities and terms of transaction.	
15.4	In exceptional emergency situations, a PO can be raised after the acquisition of goods or services but this must take place within 2 working days.	
15.5	Each PO must conform to the Procurement and Contract Procedure Rules approved by the full Council. Standards terms and conditions must not be varied without the prior approval of the Chief Finance Officer.	Each PO must conform to the Procurement and Contract Procedure Rules approved by the full Council. Standards terms and conditions must not be varied without the prior approval of the Chief Finance Officer.
15.6	In the limited circumstances where it is not possible for a Purchase Order to be raised prior to an invoice being received (below £250,000 in value) an NCI form must be completed and forwarded to the	In the limited circumstances where it is not possible for a Purchase Order to be raised prior to an invoice being received (below £250,000 <u>£1m</u> in value) an NCI form must be completed and forwarded to the

	appropriate section in the Finance Department for approval. Invoices above £250,000, where no Purchase Order has been raised, must be approved by Cabinet.	appropriate section in the Finance Department for approval. Invoices above £250,000 <u>£1m</u> , where no Purchase Order has been raised, must be approved by Cabinet.
15.7	All purchases made on behalf of the council should fully utilise the central contracts in place. Alternative suppliers should not be used where goods and services are available through a Corporate Contract.	
15.8	Official orders must not be raised for any personal or private purchases, nor must personal or private use be made of council contracts.	
15.9	Procurement Cards can be approved for use by the Chief Financial Officer as an alternative means of acquiring and paying for goods and services in circumstances where the generation of purchase orders is deemed inappropriate and inefficient. A Procurement Cardholder Guide is in operation. The Chief Financial Officer may withdraw cards at any time.	Procurement Cards can <u>may</u> be approved for use by the Chief Financial <u>Finance</u> Officer as an alternative means of acquiring and paying for goods and services in circumstances where the generation of purchase orders is deemed inappropriate and inefficient. A Procurement Cardholder Guide is in operation. The Chief Financial <u>Finance</u> Officer may withdraw cards at any time.
15.10	Approval of a transaction must be sought in its entirety at the correct level. The raising of two or more orders for a transaction and obtaining multiple approvals at a lower level is not permitted.	
15.11	Goods and services received must be checked to ensure they are in accordance with the order. Goods above £100 should not be received by the	Goods and services received must be checked to ensure they are in accordance with the order. Goods above £100 should not be received by the

	person who raised or authorised the order.	person who raised or authorised the order.
15.12	Payments must not be made unless goods have been properly receipted by the council to the correct price, quantity and quality standards.	
15.13	All appropriate evidence of the transaction and payment documents are retained and stored for the defined period, in accordance with the document retention schedule.	
15.14	All POs are to be approved by an authorised employee on behalf of the Chief Officer. All employees approving expenditure must be satisfied that the works/goods/services are appropriate and necessary, that there is adequate budgetary provision and that the requirements of the Procurement & Contract Procedure Rules have been complied with.	All POs are to be approved by an authorised employee on behalf of the Chief Officer. All employees approving expenditure must be satisfied that the works/goods/services are appropriate and necessary, that there is adequate budgetary provision and that the requirements of the Procurement & Contract Procedure Rules have been complied with.
15.5	A Delivery Note must be obtained for every delivery of goods, wherever possible. All goods should be checked to confirm quantity at the time of delivery and goods should be inspected to confirm compliance with specification as soon as practicable after delivery. Non-delivery, shortages, or damage to goods listed on a Delivery Note must be reported in writing to the appropriate supplier as soon as practicable. This check is to be carried out by a different officer from the person who approved the purchase requisition. Goods received records	

	should be maintained where considered appropriate by the Chief Finance Officer and entries made in inventories or stores records.	
15.16	All satisfactory deliveries must be duly recorded against the relevant purchase order within 2 working days of actual delivery.	
15.17	<p>To ensure that for any invoices or payment documents that are exempt from POs and are presented for payment, the authorising employees have satisfied themselves that:</p> <p>a) the goods have been received and are satisfactory in respect of quantity, quality and compliance with specification;</p> <p>b) the work done or services rendered have been satisfactorily performed and comply with specification;</p> <p>c) grants, awards, allowances, reimbursements and gratuitous payments are in accordance with official scales and the authority for payment given by the council;</p> <p>d) the prices, extensions, totals, calculations, trade discounts, other allowances, credits and value added tax are correct;</p> <p>e) the expenditure has been properly incurred and is within the estimated provision;</p> <p>f) the invoice has not previously been passed for payment and is a proper legal liability of the council;</p>	

15.18	Payment Vouchers must not be raised in place of supplier invoices.	
15.19	No amendments should be made to an original invoice and invoices must not be part paid. Disputes must be raised with the supplier and any reductions settled via Credit Note.	
15.20	Loans, leasing or rental arrangements are not entered into without prior agreement from the Chief Finance Officer.	
15.21	The Chief Finance Officer must be notified immediately of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision.	
15.22	Following payment processing, all payment documents must be securely retained in accordance with statutory, procedural and operational requirements.	
15.23	Any contract which exceeds £100,000 entered into on behalf of the Local Authority in the course of the discharge of an executive function should be in writing. Such contracts must either be signed by the Director of Legal and Governance Services or other person authorised by him/her or made under the Common Seal of the Council and attested by the Director of Legal and Governance Services or other person authorised by him/her.	
16	Contracts for Building, Constructional or Engineering Works	

	<p>The nature and size of contracts for building, constructional or engineering work is such that specific arrangements are required over and above those required for general creditor payments. These contracts require the provision of services over a considerable period and arrangements are therefore required to make instalment payments to suppliers for work carried out at periodic intervals. It is important that appropriate controls are in place to ensure that payments are only made when due and in accordance with the contract.</p>	
16.1	<p>Services provided must be checked to ensure that they are in accordance with the contract.</p>	
16.2	<p>Legal Services should be consulted on any variations to contracts to ensure that such variations are not significant enough to require a new procurement process to take place.</p>	
16.3	<p>Any variations to contracts must be submitted to the Chief Finance Officer for approval before being allowed.</p>	
16.4	<p>Payments must not be made unless services/works have been undertaken on behalf of the council to the correct price, quantity and quality standards.</p>	
16.5	<p>All payments must be made to the correct person, for the correct amount and are properly recorded, regardless of the payment method.</p>	
16.6	<p>All appropriate evidence of the transaction and payment documents</p>	

	must be retained and stored for the defined period, in accordance with the document retention schedule.	
16.7	Where contracts provide for payments to be made by instalments, a Contract Register must be maintained which details the current position on each contract between the council and the contractor, together with any other payments relating to fees of professional consultants. A copy of the Contract Register must be provided to the Corporate Procurement Manager. The Chief Legal Officer is to notify the Chief Finance Officer of particulars required of each contract immediately as it has been made.	Where contracts provide for payments to be made by instalments, a Contract Register must be maintained which details the current position on each contract between the council and the contractor, together with any other payments relating to fees of professional consultants. A copy of the Contract Register must be provided to the Corporate Procurement Manager. The Chief Legal Officer <u>Director of Law and Governance</u> is to notify the Chief Finance Officer of particulars required of each contract immediately as it has been made.
16.8	Instalment payments to contractors should only be made on a certificate in a form supplied and approved by the Chief Finance Officer.	
16.9	To ensure that the service maintains and reviews periodically a list of employees approved to authorize certificates. Names of authorising employees together with specimen signatures and details of the limits of their authorisation shall be forwarded to the Chief Financial Officer.	To ensure that the service maintains and reviews periodically a list of employees approved to authorize certificates. Names of authorising employees together with specimen signatures and details of the limits of their authorisation shall be forwarded to the Chief Financial <u>Finance</u> Officer.
16.10	Certificates for payment issued by private architects, engineers, quantity surveyors and other consultants must be attached to the approved form of certificate outlined in 13.6.	

16.11	Contract documents should be issued to and returned promptly by the contractors and the particulars of each contract are notified immediately to his/her representative upon completion. No more than one payment is to be made to a contractor before the contract documents have been completed.	
16.12	Certificates for payment must show the appropriate amount of Value Added Tax [VAT] coded to the appropriate head of account. Where a pre-authenticated tax receipt is required (i.e. where the council adds the appropriate VAT onto the amount claimed by the contractor and a VAT acknowledgement is to be returned by the contractor) the payment certificate must show that such receipt is required.	
16.13	Retention monies must be calculated correctly and deducted from each certificate payment.	
16.14	Certificates for payment must be forwarded to the Chief Finance Officer at least five working days before payment is due.	
16.15	Every variation, addition to or omission from the contract must be certified in writing by an authorised employee of the council and complies with the Procurement and Contract Procedure Rules. A copy of the variation, addition or omission certificate must be forwarded to the contractor and the Chief Finance Officer.	Every variation, addition to or omission from the contract must be certified in writing by an authorised employee of the council and complies with the Procurement and Contract Procedure Rules. A copy of the variation, addition or omission certificate must be forwarded to the contractor and the Chief Finance Officer.

16.16	The final certificate of payment under any contract should not be issued until the Chief Officer is satisfied that the final account detail sheet has been subject to appropriate checks by the relevant technical officer and manager.	
16.17	Arrangements should be made with the contractor for the production of detailed statement of account and such other documents the Chief Finance Officer may require prior to the contractual date for the final release of retention.	
16.18	Where delays to the contract completion date are encountered the appropriate certificates must be issued in accordance with the terms and conditions of contract and claims for liquidated damages should be considered and actioned where appropriate.	
16.19	The supervising officer must arrange for the Chief Finance Officer or nominated staff, when requested and subject to his attendance, to obtain access to sites during the progress of the contract in order to examine records and procedures.	The supervising officer must arrange for the Chief Finance Officer or nominated staff, when requested and subject to his <u>their</u> attendance, to obtain access to sites during the progress of the contract in order to examine records and procedures.
16.20	Ex-gratia claims from contractors in respect of matters not clearly within the terms of any existing contract must be referred to the Chief Legal Officer for consideration of the council's legal liability and to the Chief Finance Officer before a commitment is incurred.	Ex-gratia claims from contractors in respect of matters not clearly within the terms of any existing contract must be referred to the Chief Legal Officer <u>Director of Law and Governance</u> for consideration of the council's legal liability and to the Chief Finance Officer before a commitment is incurred.

16.21	Where contracts entered into by the council are supervised, managed and/or administered by persons or firms other than the council's own employees, the agreement with the persons or firms must provide that there is compliance with the council's Procurement and Contract Procedure Rules and Financial Regulations and Procedures in respect of contracts. The agreement shall also provide that the council may retain all accounts, vouchers and documents relating to the contract until after the council's accounts have been audited by the External Auditor.	Where contracts entered into by the council are supervised, managed and/or administered by persons or firms other than the council's own employees, the agreement with the persons or firms must provide that there is compliance with the council's Procurement and Contract Procedure Rules and Financial Regulations and Procedures in respect of contracts. The agreement shall also provide that the council may <u>third party and the council should</u> retain all accounts, vouchers and documents relating to the contract until after the council's accounts have been audited by the External Auditor.
17	Payments to Employees and Members	
	Employees' costs are the largest item of expenditure for most council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the council and that payments accord with individuals' conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for and that Members' allowances are authorized in accordance with the scheme adopted by the full Council.	
17.1	Payroll expenditure should be frequently reconciled against approved budget and bank account.	
17.2	All appropriate payroll documents must be retained and stored for the defined	

	period in accordance with legislative and operational requirements	
17.3	All statutory legislation relating to payroll and pension regulations must be complied with.	
17.4	Systems and procedures must ensure that: - <ul style="list-style-type: none"> • Payments are only authorised to bona fide employees • Payments are only made where there is a valid entitlement • Conditions and contracts of employment are correctly applied • Employees' records listed on the payroll are checked at regular intervals to verify accuracy and completeness. 	
17.5	Pay documents must be signed in manuscript by an authorised officer on behalf of the Chief Officer. The certification means that:- <ul style="list-style-type: none"> • The person has worked the period stated on the document; • The rates of pay and other emoluments shown on the document are correct; • Any other matter affecting entitlement to pay is correct. 	Pay documents must be <u>approved and signed in a recordable format in manuscript</u> by an authorised officer on behalf of the Chief Officer. The certification means that:- <ul style="list-style-type: none"> • The person has worked the period stated on the document; • The rates of pay and other emoluments shown on the document are correct; • Any other matter affecting entitlement to pay is correct.
17.6	All pay documents must be in a form approved by the Chief Finance Officer.	
17.7	All employees must be aware of the procedures and entitlement to payment for subsistence, travelling and incidental expenses. Employees should have access to the documents "Personnel Policy Guidelines" and "Motor Car and	All employees must be aware of the procedures and entitlement to payment for subsistence, travelling and incidental expenses. Employees should have access to the <u>documents "Personnel Policy Guidelines" and "Motor Car and</u>

	Motor Cycle Allowances – Instructions to Claimants”.	Motor Cycle Allowances – Instructions to Claimants”. <u>Motor Cycle Allowances – Instructions to Claimants”-up to date policy guidelines and documents relating to travel and subsistence, and vehicle allowances</u>
17.8	All claims for payment of subsistence, travelling and incidental expenses must be submitted to the Chief Finance Officer duly certified on a form supplied by him, except for those categories of officers and types of travelling expenses for which alternative arrangements are approved by the Chief Finance Officer.	All claims for payment of subsistence, travelling and incidental expenses must be submitted to the Chief Finance Officer duly certified on a form supplied by him <u>them</u> , except for those categories of officers and types of travelling expenses for which alternative arrangements are approved by the Chief Finance Officer.
17.9	Travel and subsistence claims and other allowances must be certified for payment by a Chief Officer. Certification is taken to mean that journeys were authorised, expenses properly and necessarily incurred, and that allowances are properly payable by the council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax and NI implications and that the Chief Finance Officer is informed where appropriate.	Travel and subsistence claims and other allowances must be certified for payment by a Chief Officer <u>an authorised officer</u> . Certification is taken to mean that journeys were authorised, expenses properly and necessarily incurred, and that allowances are properly payable by the council, ensuring that cost-effective use of travel arrangements is achieved. Due consideration should be given to tax and NI implications and that the Chief Finance Officer is informed where appropriate.
17.10	The Chief Finance Officer must be notified of the details of any employee benefits in kind, to enable full and complete reporting within the income tax self-assessment system.	
18	Trading Accounts and Business Units	
	Trading accounts and business units have become more important as local authorities have developed a more commercial culture. Under best value,	

	authorities are required to keep trading accounts for services provided on a basis other than straightforward recharge of cost.	
18.1	The Chief Finance Officer must be consulted where a business unit wishes to enter into a contract with a third party where the contract expiry date exceeds the remaining life of their main contract with the council. In general, such contracts should not be entered into unless they can be terminated within the main contract period without penalty.	
18.2	A separate revenue account must be maintained for business units to which all relevant income and expenditure is coded, including overhead costs.	
	External Arrangements	DELETE
19	External Funding	
	External funding is potentially a very important source of income, but funding conditions need to be carefully considered to ensure that they are compatible with the aims and objectives of the council.	DELETE
19.1	Bids for external funding must be appraised by Strategic Finance prior to being submitted.	DELETE
19.2	Appraisals for projects above £250,000 in value must be approved by Cabinet. The Chief Finance Officer has delegated powers to approve appraisals for projects below £250,000	DELETE

Report to Full Council

13 December 2022

Subject:	Proposed departure from the Development Plan at 57 Leabrook Road, Wednesbury
Director:	Tony McGovern Director of Regeneration & Growth
Contact Officer:	Development Planning Manager Alison Bishop alison_bishop@sandwell.gov.uk

1 Recommendations

- 1.1 That approval be given to an exception to the Development Plan in respect of planning application ref: DC/21/65279 for retention of use as motor car sales, 1.8m high galvanised security fencing and galvanised roller shutter door at 57 Leabrook Road, Wednesbury, WS10 7NW.

2 Reasons for Recommendations

- 2.1 Whilst the proposal forms part of a wider housing allocation, namely land between Lea Avenue/Leabrook Road and Willowsworth Road/Leabrook Road, at present this area includes established commercial uses and hence re-development of the application site would be inappropriate in isolation. The proposal in all other respects is acceptable in appearance and the use is complimentary to existing commercial uses serving Leabrook Road. It is considered on balance, that the proposal is acceptable and a departure from the Development Plan be allowed on this occasion.



3 How does this deliver objectives of the Corporate Plan? (select relevant category and inc narrative how deliver)

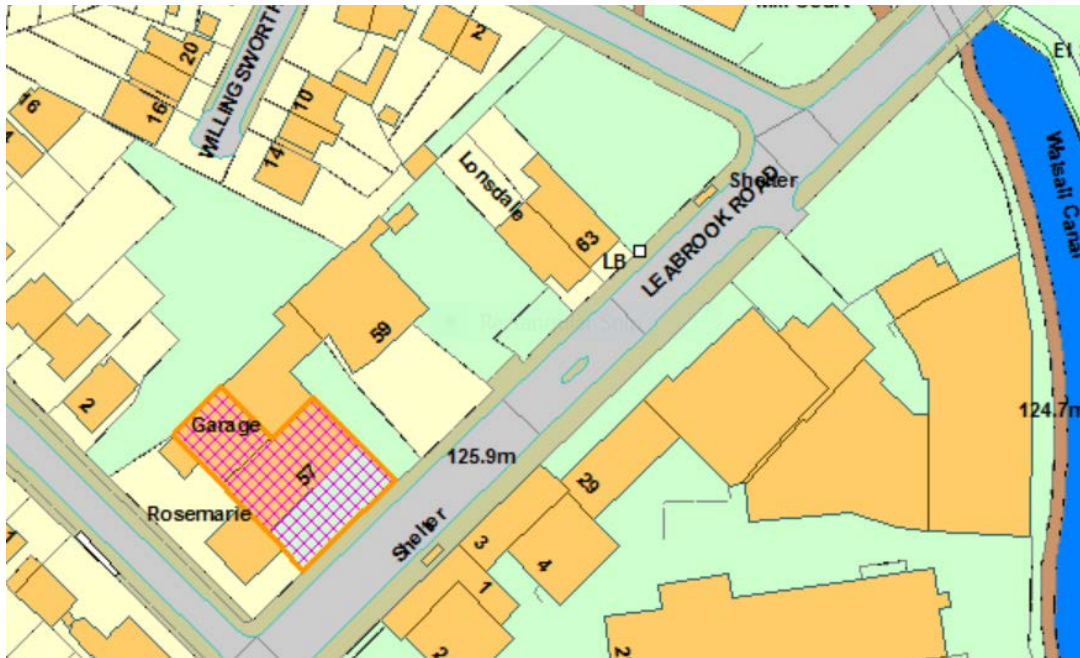


A strong and inclusive economy - The proposal brings a vacant building back into use and provides opportunities for local employment.

4 Context and Key Issues

- 4.1 At the planning committee of 11th May 2021, consideration was given to planning application DC/20/63920, which sought approval
- 4.2 At the meeting, the Committee approved the planning application with conditions, subject to the application being referred to Full Council as a departure from the approved Development Plan.
- 4.3 The scheme is for the retention of the land for motor sales along with security fencing and a galvanised roller shutter door.
- 4.4 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.
- 4.5 The application was publicised by neighbour notification and no objections have been received.
- 4.6 The Councils Planning Policy, Highways and Public Health (Noise) have been consulted. No objections were received from all the consultees, which could not be overcome by conditions.
- 4.7 From a policy perspective, it was considered that the land surrounding this area is primarily commercial and so a commercial use at this time is better suited to this area until the whole area can be re-developed. See map extract and google maps image below:





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:	The grant of planning permission with conditions will ensure that the use is controlled to ensure that no harm is caused to surrounding uses.
Social Value	None relevant
Climate Change	The proposal is an existing use and so there are no additional impacts in relation to climate change

7. Appendices

None

8. Background Papers

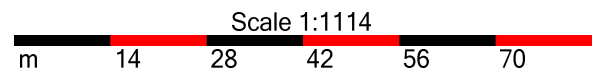
Planning application reference - DC/21/65279



DC/21/65279
57 Leabrook Road



Legend



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Organisation	Not Set
Department	Not Set
Comments	Not Set
Date	22 April 2021
OS Licence No	

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Report to Council

13 December 2022

Subject:	Performance Champions – Progress Report
Cabinet Member:	Deputy Leader Councillor Bob Piper
Director:	Director of Law and Governance Surjit Tour
Key Decision:	No
Contact Officer:	Senior Lead Officer, Jane Alexander Jane_alexander@sandwell.gov.uk

1 Recommendations







- 1.1 That Council recognise the progress that the Performance Champions have made in the past six months.
- 1.2 That Council endorse the Performance Champions' next steps in further developing their work areas.

2 Reasons for Recommendations

- 2.1 When the new Performance Champion roles were agreed by Council on 7 June 2022, it was agreed that the Neighbourhoods and Lead Performance Champion would provide a bi-annual report to Full Council on the work of the Performance Champions.



3 How does this deliver objectives of the Corporate Plan?

		The role of the Performance Champions is to support Cabinet Members to progress key areas across the Corporate Plan, helping to improvement delivery across all the strategic outcomes of the plan.
		
		

4 Context and Key Issues

- 4.1 On 7 June 2022, Council approved the establishment of six Performance Champion roles. Absorbing the previous Cabinet Advisor roles, the purpose of the Performance Champions is 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 enable Performance Champions to share their own experiences, areas of expertise and views/opinions from wider engagement they undertake in relation matters falling within the scope of each Performance Champion role.
- 4.2 The Performance Champions do not form part of the Executive. However, the Executive may seek their views and engage them in relation to relevant matter and issues so as that important insight, ideas, thoughts and views can be harnessed when executive functions are considered.
- 4.3 Performance Champions provide an additional mechanism and opportunity for important views and opinions to be ascertained, in particular from the public, partners and stakeholders. This is in addition to the other functions, mechanisms already in place, such as the Council's Scrutiny function and arrangements, consultation arrangements and methodologies and the like.



4.4 In June 2022, the Leader aligned their responsibilities to support council commitments as follows:

- Safer Community – Councillor Richard McVittie
- Greener Community – Councillor Stephen Jones
- Cleaner Community – Councillor Elaine Costigan
- Our economy – Councillor Pam Randhawa
- External partnerships – Councillor Vicki Smith
- Neighbourhoods – Lead Champion – Councillor Maria Crompton

Description of role

4.5 The following role description for performance champions was agreed by Council in June:

- A non-decision making role that supports Cabinet to drive performance and promote continuous improvement in service delivery and the implementation of best practice.
- To promote and develop their responsible topic, raising awareness of council activity in the community and contributing to the Council's Corporate Plan and Vision 2030.
- Encouraging and supporting measures, initiatives and/or activities that raise greater awareness and involvement by local people and communities in Council decision-making.

4.6 The Performance Champions have spent much of their first six months undertaking the following tasks:

- **Building working relationships** – with Cabinet members, officers, community groups and organisations, businesses, partner organisations, partnership groups
- **Understanding the challenges**- through these relationships, build the picture of the issues surrounding their topic area
- **Understanding the context** – what are we aiming to achieve in regard to that topic, what are the resource limits, what are the key messages to be taken to the community and partners
- **Capturing what is working well and not so well** – whether there is a gap between perception and reality. Capturing the successes that can be celebrated together
- **Capturing and feedback intelligence gathered** – make sure that all the intelligence gathered is captured and fed back to the Lead Performance Champion and relevant Cabinet member.



Safer Communities – Cllr Richard McVittie

4.7 The Performance Champion for Safer Communities has been working productively with officers, members, partners and residents on a regular basis to understand the crime and community safety issues that are experienced in the borough.

4.8 Progress

- Working with officers, Police and Crime Commissioner (PCC) and partners to progress ASB taskforce pilot
- Exploring LGA training opportunities in regard to crime and community safety and attended LGA Conference at Warwick University.
- Sitting on PCC Panel and meeting PCC Simon Foster regularly. Meeting with the PCC and Assistant Police and Crime Commissioners to make sure that Sandwell has a platform on a regional stage to be part of the solution. These interactions have been very positive and are ongoing.
- Supporting development of a new Safer Sandwell Strategy by regularly meeting with officers responsible.
- Worked with officers to put training in place for councillors re ASB. Officers within Sandwell Council have been providing training to Councillors to allow them to have a better understanding when it comes to the impact of crime and ASB on residents. Councillors are the front line to residents and as public servants need are a useful resource in our localities to help where possible.
- Working with officers to review the approach to Safer 6. A comprehensive programme has been created to inform and educate the public to issues they may face. Working with partners and specialists locally to provide a joined-up approach to keep people safe across our 6 towns. Making sure Safer Six has a more robust offer to residents and working with officers to provide regular communication and updating our website and across social media to help make sure these messages are shared locally.
- Communicating progress to the Cabinet member for Communities.
- Conversations with officers to find way of promoting “Being a good neighbour” toolkit and possible funding sources.



4.9 Next Steps

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Setting up scrutiny sub-committee for youth commissioners to understand the impact of crime and ASB for young people in Sandwell.

Greener Communities – Cllr Stephen Jones

4.10 The Performance Champion for Greener Communities has been working with officers and members involved in addressing the causes of climate change and liaising with partners at the town level to understand the issues of concern locally.

4.11 Progress

- Meeting with the Climate Change Programme Manager to understand the key challenges to Sandwell and the Council to address the causes of climate change. These were identified as achieving net zero as an organisation by 2031, reducing the long term effects on resident health and wellbeing, developing sustainable modes of transport, implementing the regeneration pipeline of projects, sustainable heat sources for council buildings, electrification of council vehicles, planting 10,000 trees by 2030.
- Attended Climate Change Steering Group to contribute to strategic direction that the council takes with climate change. Issues highlighted included the need for cycles to be allowed on the metro and public transport, canal towpath improvements for cycling/walking, high rise flats having zero recycling.
- Attended Tipton local town members meeting – issue of cycles not being allowed on metro raised again.
- Attended Public Health Networking meeting – explored issues relating to increasing the use of cycling by those that experience barriers to using bikes e.g through disability or the cost.

4.12 Next Steps

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Meetings with officers to discuss how we are implement tree planting in the borough and achieving objectives.
- Exploring initiatives within the WM Combined Authority that can be progressed in Sandwell.



Cleaner Communities – Cllr Elaine Costigan

4.13 The Performance Champion for Cleaner Communities has been meeting with officers, partners and residents to understand how we measure performance, the issues being experienced on the ground and how we might further improve service provision.

4.14 Progress

- Meeting with Director of Borough Economy to understand the key issues affecting the cleanliness of the borough and how we are measuring performance. Part of this is understanding residents' views on cleanliness and comparisons with national averages. Our recent resident survey shows that satisfaction with the waste service is good and above the national average. Satisfaction with street cleansing was also slightly above the national benchmark.
- The improvement of information to the public is key, for instance publishing information online that explains the schedules for various cleansing regimes. Annual information is to go online for resident ease of access and profiles to ward councillors – gully cleansing schedules go live in November 2022. The importance of our relationship with Serco is key, working together with the public to address clean streets.
- Meeting with Litterwatch to discuss future plans with Serco and the key challenges faced.

4.15 Next Steps

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Sitting on board with Serco to input views as councillor from the community to see what we can do differently together.

Our Economy – Cllr Pam Randhawa

4.16 The Performance Champion for Our Economy has been working to build relationships with business in Sandwell to understand their needs and articulating these views in strategic meetings.



4.17 Progress

- Attending Business Ambassadors Focus Groups and engaging in discussion of the strategic issues affecting Sandwell businesses and the merits of developing our community wealth building approach.
- Meeting with Regeneration and Growth Cabinet member to discuss role and areas of focus.
- Various meetings with local businesses to explore the challenges they are facing and how we can work together and signposting to address specific issues that council can help with
- Attended Meet the Buyer event to network with local businesses and help make introductions
- Attended West Bromwich BID Board updating on Sandwell projects.
- Attended Land Asset Management Committee exploring support for local business in identifying land and expansion opportunities
- Attended Strong and Inclusive Economy Board – a network of Anchor Organisations in Sandwell. Included discussion of Real Living Wage and local procurement to support the local economy.

4.18 Next Steps

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Working with officers to improve how business take up Council contract opportunities.
- Continuing to build relationship with Business Ambassadors by attending meetings and bridging gap with the Council.

External Partnerships – Cllr Vicki Smith

4.19 The Performance Champion for External Partnerships has been focusing on understanding the council's relationship with the voluntary/community and faith sector and how this relationship can be enhanced.

4.20 Progress

- Meeting with key officers in the council who work directly with the voluntary and community sector to understand the context and key issues.
- Meeting with SCVO to understand their role and their perspective of the needs of the groups they support



- Meeting with Youth Service to understand provision being offered to young people and how needs are being met
- Visiting many community centres to understand their needs and challenges
- Meeting SCIPS to have an overview of the organisation and their role in tenant and resident engagement
- Meeting with Connexions to understand the provision of careers services for young people and referrals to other services and the challenges faced by the service
- Participated in a HAF session in Blackheath
- Meeting with Neighbourhood Engagement Officer to consider types of grant available in towns
- Working with officers on the launch of the warm spaces initiative and potential role of members as cost of living champions

4.21 **Next Steps**

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Attending Public Health Network meetings in each of the six towns and visiting those groups funded by us.

Lead Performance Champion - Neighbourhoods - Cllr Maria Crompton

4.22 The Performance Champion for Neighbourhoods has been focusing on dementia, holiday food vouchers for school children and community hubs. Also attending town leads meetings to pick up issues at that level. Role to report progress of performance champions to Deputy Leader.

4.23 **Progress**

- Various meetings with officers, members and partners held relating to this performance area
- Following recognition of lack of support for dementia patients. Initial meeting held to understand the scale of the need for dementia support. There are approximately 3700 people diagnosed with dementia in Sandwell. Support needs to come from a range of partner organisations including primary care, other health services, social care services and voluntary and community sector services. Next steps are to find out what services we currently offer and what improvements need to be made to



support residents and to feed findings back to Cabinet. Attended Sandwell Community Dementia Launch in November – included Agewell Dementia Pathfinders, St Albans, Age UK, BUDS linking together to provide joined up dementia support.

- Looking at food vouchers for children to tackle holiday hunger in the school holiday. Meeting held to ascertain current situation. Number of vouchers issued in 6 week holiday was 18,979. The aim was to find out how many vouchers were used and the impact of the scheme.
- Understanding how to improve local spend in Sandwell – Meeting with lead officer to understanding new procurement regulations and small local businesses can access the opportunities from council contracts. Data shows we already spend 58% within the West Midlands area. Will be exploring the impact of the new procurement changes and feeding findings back to Cabinet.
- Meeting with Town Leads has highlighted a growing issue of cars blocking the pavements, forcing pedestrians into the highway. Spoke to West Midlands Police who do not have the resources to address the issue. Exploring ways that My Sandwell could be used to post fixed penalties on illegally parked vehicles. Town Leads also identified the danger that electric scooters and bicycles are presenting to pedestrians on the footpath. Town Leads also expressed concern about the lack of coordination when allowing utilities to work on the highways.

4.24 Next Steps

Make recommendations to Cabinet Member/ scrutiny chairs with regard to:

- Meeting with all the organisations working together to support families experiencing dementia to ensure offer is improved.
- Exploring best practice in other local authorities.
- Exploring take up of food vouchers to address holiday hunger
- Examining how utilities coordinate work on the highways and how this can be improved, working with the Town Leads.

4.25 All Performance Champions will be considering the impact of the current fiscal environment and cost of living challenges on service provision in the future.



5 Alternative Options

- 5.1 Council could determine an alternative focus for the Performance Champion roles. However, these roles are focused on council commitments and alternatives may not be as effective in supporting Cabinet.

6 Implications

Resources:	None specifically associated with this report. The Independent Remuneration Panel previously recommended, and Full Council approved, a Special Responsibility Allowance of 33.3% of the Leaders allowance be paid to Performance Champions. Costs are met from within approved budgets.
Legal and Governance:	Whilst not part of the executive, the role of Performance Champion enables non-executive members to contribute, alongside the work of the Overview and Scrutiny function, to the direction of travel for the Council, shaping and influencing policy.
Risk:	None specifically associated with this report. However, Performance Champions may from time to time receive confidential, personal or sensitive information that will need to be managed in accordance with information governance obligations.
Equality:	Performance Champion will engage with a variety of people from different backgrounds. Ensuring such views are captured and considered is an important part of the role of Performance Champion.
Health and Wellbeing:	The remit of several of the proposed revised roles would contribute to the health and wellbeing of Sandwell's communities.
Social Value:	The remit of several of the Performance Champion roles contribute to enhancing social value.
Climate Change:	The remit of several of the Performance Champion roles contribute to addressing the causes of climate change.

7. Appendices

None



8. Background Papers

None.



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Report to Council

13 December 2022

Subject:	Political Balance of Committees and Boards
Director:	Surjit Tour - Director of Law and Governance and Monitoring Officer
Contact Officer:	Surjit Tour Surjit_tour@sandwell.gov.uk







1 Recommendations

- 1.1 That Council approve the political balance of the committees, boards and other fora for the remainder of 2022-23, as set out in Appendix A.

2 Reasons for Recommendations

- 2.1 Following the loss of Councillor Ann Shackleton, the Council is asked to approve the political balance of committees, boards and other fora.

3 How does this deliver objectives of the Corporate Plan?

		The Council's decision-making structures are designed to support the delivery of the Corporate Plan.
		
		



4 Context and Key Issues

- 4.1 Section 15 of the Local Government and Housing Act 1989 provides, amongst other things, that where a local authority is divided into different political groups, it will have regard to the allocation to the different political groups on the Council, of all of those seats on any ordinary committee, sub-committee and Joint Authorities established pursuant to Part IV of the Local Government Act 1985.
- 4.2 The regulations provide for a political group to comprise two or more elected members of a local authority.
- 4.3 Notification has been received of 2 groups –

Labour	59
Conservative	10
Independent	$\frac{2}{71}$

There is currently one vacant seat.

The seats on committees have been allocated according to proportionality rules (as set out in Appendix A). There is no change to the seat allocations as a result of the adjustment.

Due to timing and sensitivity, an appointment will be made to the vacant Scrutiny Chair position and vacancies on other bodies at the January meeting of Council.

- 4.4 A political group represented on the Council may choose to allocate a proportion of its allocation of seats to an elected member who is not in a political group on the Council, without affecting proportionality.

5 Alternative Options

- 5.1 There is no alternative option, the Council has a duty to allocate seats according to political party, in accordance with the Act and appointment of elected members to committees and other/outside bodies can only be made by full Council.



6 Implications

Resources:	There is a vacant scrutiny chair position which will be appointed to at the January meeting of Council.
Legal and Governance:	There is a duty on the Council to allocate seats to political groups, as per the Local Government and Housing Act 1989. 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:	There are no direct implications arising from this report.
Equality:	
Health and Wellbeing:	
Social Value	
Climate Change	

7. Appendices

Appendix A – Political Balance of Committees and Boards

8. Background Papers

None



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**Sandwell Metropolitan Borough Council
Constitution of Boards, Committees and
Other Fora 2022/23**

	Labour	Conservative	Total
Scrutiny Boards			
Budget and Corporate	9	2	11
Health and Adult Social Care	10	1	11
Economy, Skills, Transport and Environment	10	1	11
Safer Neighbourhoods and Active Communities	10	1	11
Children's Services and Education	9	2	11
			55
Constitutional and Quasi-Judicial Committees/Panels			
Audit and Risk Assurance Committee	6	1	7
Planning Committee	14	2	16
Licensing Committee	12	3	15
General Purposes and Arbitration Committee	6	1	7
Governance and Constitution Review Committee	7	1	8
Land and Asset Management Committee	6	1	7
Ethical Standards and Member Development Committee	7	1	8
Chief Officer Terms and Conditions Committee	6	1	7
Emergency Committee	6	1	7
			82
	118	19	137

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13 December 2022

The following summary report relates to those minutes of the Cabinet which contain a recommendation to the Council.

Meeting Date	Subject
16 November 2022	Review of Garden Waste Collection.



Report to Cabinet

16 November 2022

Subject:	Review of Garden Waste Collection
Cabinet Member:	Cabinet Member for Environment Councillor Zahoor Ahmed
Director:	Director of Borough Economy Alice Davey
Key Decision:	Yes Income over £1m
Contact Officer:	Interim Service Manager Waste & Fleet Larry Wolfe Larry1_wolfe@sandwell.gov.uk

1 Recommendations

- 1.1 That the Director of Borough Economy be authorised to instruct Serco to establish a subscribed chargeable garden waste collection scheme, targeting implementation for the 2023 season.
- 1.2 That a Contract Variation in accordance with Part 4 Schedule 21 (Change Protocol) be initiated to effect the necessary change and adjustment to the Unitary Charge.
- 1.3 That the Council be recommended to approve the fee for the collection of Garden Waste of £35 for 2023 (or part).
- 1.4 That the Director of Borough Economy be authorised to make operational arrangements for the implementation of garden waste subscription sales.









2 Reasons for Recommendations

- 2.1 The introduction of a subscribed garden waste collection service removes any disproportionality associated with a universal non-statutory service, provided free of charge that a significant number of residents are currently not accessing.
- 2.2. Charged for garden waste collections are an example of local authorities adapting to increased pressure on public sector funding through the directed provision of charged-for services to those that choose to receive a service.
- 2.3 Charging for the service will mean garden waste is only collected from households actively subscribing and using the service, reducing the number of unnecessary journeys made by waste collection vehicles, the reduction in the number of vehicles and the potential to deploy smaller vehicles. Modelling indicates that – based on the recommended Option 3 – the collection fleet could be reduced from 8 vehicles to 4. This will reduce carbon emissions and save an estimated £800,000 per year.
- 2.4 The estimated income generated from subscription fees is in the region of £1.5m, based on around one third of households initially subscribing.
- 2.5 Residents do not need to be supplied with a garden waste bin or to purchase a bin, as these are already in place. Set up costs will include provision to remove and store existing bins for residents not wishing to take up the charged for service and requesting their bin be uplifted.
- 2.6 There is potential opportunity to significantly encourage home composting – particularly for those residents who only produce smaller amounts of garden waste. Home composting is the most sustainable means of disposing of domestic garden waste.
- 2.7 In the future, the subscription could be enhanced to include access to an incentive scheme which enables subscribers to redeem rewards, for recycling. Points awarded may be redeemed for discounts at local retail outlets, passes to recreation facilities and events etc.



3 How does this deliver objectives of the Corporate Plan?

	<p>Best start in life for children and young people</p> <p>A well maintained and regular garden waste collection service encourages a safe environment for children and young people and a place for recreation and to socialise.</p>
	<p>People live well and age well</p> <p>Efficient garden waste collection will help improve the natural environment and encourage regular gardening – a popular physical activity, especially among older people.</p>
	<p>Strong resilient communities</p> <p>Stronger incentive for households that produce a smaller amount of garden waste to buy a compost bin (www.sandwell.gov.uk/composting), which is a more sustainable alternative than collecting garden waste. Also, there may be potential access to reward schemes for recycling.</p>
	<p>Quality homes in thriving neighbourhoods</p> <p>An effective garden waste service will support and encourage gardening and the positive presentation of houses and localities.</p>
	<p>A strong and inclusive economy</p> <p>The contract includes local companies and workers, giving them the opportunity to supply goods and services. Subscribed garden waste injects much needed income to reinvest in Council services.</p>
	<p>A connected and accessible Sandwell</p> <p>A streamlined regular garden waste collection service with smart technology enabling tracking of containers and communication with customers and reducing volumes of missed collections.</p>

4 Context and Key Issues

4.1 Through its contractor Serco, Sandwell Council provides a kerbside garden waste collection service as follows:

- 120,000 households.
- free of charge to residents
- operates 9 months of the year March to November
- 240 litre green wheeled bin



- fortnightly collection

- 4.2 Tonnage collected at the kerbside is approximately 12,500 tonnes (2021/22). 540 tonnes of garden waste were also received at the Council's Household Recycling Centre (HRC) at Shidas Lane, Oldbury in 2021/22.
- 4.3 Based on 120,000 households each getting 19 collections a year, kerbside collection currently equates to an average of only 5.5kg per bin collection, which means the typical bin is less than half full when emptied.
- 4.4 Households that produce a smaller amount of garden waste are encouraged to compost, with the option to purchase a compost bin from Get Composting - www.sandwell.gov.uk/composting providing compost bins at competitive prices to local authorities (currently 330l £28.50 or 220l £25.00). Composting is a more sustainable alternative than the Council repeatedly collecting very small quantities of garden waste.

5. Information

- 5.1 Based on the Defra Consultation (May 2021), approximately 98% of local authorities in England provide a garden waste collection service.
- 5.2 The Environment Act 2021 contains reference to garden waste as one of six recyclable streams to be collected from households, and like food waste, garden waste should be collected separately from other household waste and recyclable streams. The Act is currently anticipated to be fully implemented by 2024/25. An exception to this is collecting garden waste commingled with food waste, where separate food waste collection is not technically or economically practicable. In Sandwell the collection of mixed garden waste with food waste is not a recommended option at present.
- 5.3 Defra currently has a 'Consultation on Consistency in Household and Business Recycling in England' in progress. The consultation suggests a minimum free of charge service for which the cost of this additional statutory duty would be funded through the New Burdens funding. It has been noted that a free scheme would result in a significant loss of income for many local authorities who operate paid for schemes. Responses to this consultation have not yet been published.



- 5.4 Schedule 1 paragraph 4 of the Controlled Waste (England and Wales) Regulations 2012 allows local authorities to charge for the collection of garden waste. Over 65% of Councils across England now have a paid for garden waste service which includes 7 out of 29 West Midlands Councils. A survey of Local Authority Chief Executives suggested financial pressures on Councils have contributed to introducing charges for services which includes garden waste.
- 5.5 Research by the Local Authority Recycling Advisory Committee (LARAC) identified the national average charge as £43, with 60% of Councils' annual fees between £40 and £60. Only 13% of councils are charging subscription fees above £60; these Councils were mostly SE England and London highlighting the correlation between subscription fee and regional cost for providing the service.
- 5.6 The fees charged across West Midlands local authorities are set out in Appendix 1, showing an average annual fee of £38 across all West Midlands Authorities. In terms of the Black Country Authorities Wolverhampton is charging £38 for garden waste collection with Dudley recently reverting to a free service and Walsall not currently levying a charge.
- 5.7 A change of service of this nature will require an operational implementation plan to be developed with Serco, plus the development and delivery of a structured partnership communication plan.
- 5.8 The Waste and Resources Action Programme (WRAP) has also undertaken several unpublished studies on garden waste collections performance. The most recent analysis showed that the introduction of charges to existing (previously free) garden waste collection was likely to result in the reduction in recycling yields by c.25%, down from 144kg per household per year to 106kg per household per year (+/- 26 kg within a 95% confidence interval). There would also be a shift of green waste to the HRC, some to residual waste, with some to home composting. There will be a reduction in the municipal waste recycling rate due to the reduction in garden waste collected. This will require a review of the Serco contract recycling target.
- 5.9 The garden waste collection service is seasonal, starting in the spring growing season. To support timely operational implementation,



alongside comprehensive communications with residents in time for the 2023 service, an urgent start to implementation will be required.

6 Alternative Options

6.1 The options considered for a garden waste collection service are set out in the Table 1 below

Table 1: Options and Risk Assessment

	Option	Risk and Opportunity
1	<p><u>Continue with current free of charge service</u></p> <p>This is the do-nothing option for which the tonnage collected would be at a similar level to current at circa 12,500 tonnes from 120,000 properties. Costs for providing the service are included in the Waste Services Contract with Serco, which includes collection treatment and processing.</p> <p>Not recommended</p>	<p>Maintains current tonnages of garden waste and would not impact on recycling performance.</p> <p>Maintains the current inefficiency of large diesel vehicles regularly collecting small amounts of garden waste from households.</p> <p>Disproportionality where residents are subsidising a service they may not need or want.</p> <p>No savings delivered</p>
2	<p><u>Continue with current free of charge service but change collection frequency to 4-weekly</u></p> <p>This involves continuation of a free service with a reduction in collection frequency from fortnightly to 4-weekly (40 weeks – March to November).</p>	<p>Maintains a free of charge collection service.</p> <p>Disproportionality where residents are subsidising a service they may not need or want.</p> <p>Defra consultation suggests minimum fortnightly collection.</p>



	<p>Costs for providing the service are included in the Waste Services Contract with Serco, which includes collection treatment and processing.</p> <p>Not recommended</p>	<p>May introduce undesired behaviour in residents, compressing contents to fit a 4-weekly service.</p> <p>Savings from reduction in fleet / potential to reduce Serco's unitary charge – estimated in the region of £400k.</p> <p>No income from service</p>
3	<p><u>Introduce a subscribed paid service</u></p> <p>Charged garden waste service with an annual subscription fee for each subscriber. Suggested fees are £35 per subscription.</p> <p>Subscribers would be issued with a sticker containing a barcode or bin chip. Each subscriber would also have their green garden waste bin lid changed to a brown lid for ease of differentiation from non-paying customers.</p> <p>Additional bins will be provided at the same subscription rate of £35 as an additional subscription.</p> <p>Scheme administration to be with Contractor with joint promotion between Council and Contractor.</p>	<p>Removes disproportionality providing service only to those who want it and are prepared to pay for it.</p> <p>Likely to attract negative publicity.</p> <p>Gross income generated from subscription fees of circa £1.5m. Residents also do not need to be supplied or purchase a bin.</p> <p>Potential for reduced recycling performance due to opting out of service. May result in increased residual tonnages from garden waste added to residual bin.</p> <p>Likely increase in the number of missed bin collections reported and as such additional collections/ journeys required to be made.</p>



	<p>Proposed months of delivery of service April to December (currently March to end of Nov).</p> <p>Standard bin size 240L with options for smaller bin sizes and biodegradable reusable sacks (180L) to address mobility and access issues.</p> <p>Recommended choice</p>	<p>Opportunity for residents to access future potential reward scheme</p> <p>Likely to increase use of and tonnage collected at Shidas Lane HRC</p> <p>Encourages waste minimisation through home composting.</p> <p>Introduces process of retrieving unwanted bins.</p> <p>Growth of new customers.</p> <p>Sacks address accessibility issues for crews e.g. steps</p>
4.	<p><u>Place all garden waste properties on monthly frequency and offer premium fortnightly subscribed service.</u></p> <p>This option involves moving all properties onto a 4-weekly free of charge collection frequency (as option 2) and offering a 2-weekly 'premium' collection service which would include an annual subscription fee for each subscriber (as option 3). Suggested fees are £35 per premium subscription.</p> <p>Subscribers would be issued with a sticker containing a barcode (or bin chip). Each subscriber would</p>	<p>Continues free of charge collection service but on 4-weekly collection frequency. Premium service offering fortnightly collection and access to reward scheme.</p> <p>Confusing "mixed" scheme. Research has indicated no other councils operating such a service.</p> <p>Gross income generated from subscription fees will be substantially less. Most residents will likely try to manage with 4-weekly free option.</p>



<p>also have their green garden waste bin lid changed to a brown lid for ease of differentiation from non-paying customers.</p> <p>Additional bins will be provided to premium service subscribers only and at the same subscription rate of £35.</p> <p>Scheme administration to be through Serco with joint promotion between Council and Contractor.</p> <p>Proposed months of delivery of premium service April to January (currently March to end of Nov) to consider Christmas tree collections. Future option to introduce for subscribers a choice of bin size in addition to standard 240L containers. To smaller bin (180L) at same subscription fee.</p> <p>A variation would be to include a fee for reusable or biodegradable sacks at a minimum charge.</p> <p>Not recommended</p>	<p>Fleet savings will also be substantially reduced.</p> <p>Container costs reduced by changing bin lid only for paid subscribers. Option to fit chip on bins to track tonnages.</p> <p>Ameliorates potential for reduced recycling performance and garden waste added to residual bin due to all properties receiving a garden waste collection.</p> <p>Eliminates having to collect unwanted garden waste bins re option 3.</p> <p>Encourages waste minimisation through home composting.</p> <p>Opportunity to encourage customers to switch to premium service.</p> <p>Likely to attract less negative publicity as garden waste service is provided to all properties.</p> <p>May introduce undesired behaviour in residents compressing contents to fit 4 weekly service</p> <p>Sacks address accessibility issues for crews e.g., steps.</p>
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7 Financial and Contractual Information

Financial Modelling

7.1 Budget Expenditure and Income associated with Options 2, 3 and 4 is set out below.

Table 2: Options Cost Assessment

	Option 2	Option 3	Option 4
Households		120,000	120,000
Subscription rate		35%	10%
Subscription fee		-£35	-£35
Subscription income		-£1,470,000	-£420,000
Additional bins		220	220
Additional bins income		-£7,700	-£7,700
Income Sub-total		-£1,477,700	-£427,700
Sticker costs (unit)		£1.05	£1.05
Sticker costs		£44,100	£12,600
Administration		£25,000	£25,000
Fleet Savings	-£400,000	-£800,000	-£200,000
Sub-total Expenditure	-£400,000	-£730,900	-£162,400
Revenue savings	-£400,000	-£2,208,600	-£590,100
Set up costs/promotion		£5,000	£5,000
Bin lid exchange		£240,000	£80,000
Bin uplift		£200,000	£0
One off implementation cost		£445,000	£85,000

Assumptions

7.2 Bin collection reporting for a paid service will require a greater responsibility on the Contractor (Serco), which would be set out in standard Terms & Conditions (Appendix 2).

Contractual

7.3 In accordance with Part VIII of the Project Agreement Change and Change in Law there would need to be a Contract Variation to accommodate the impact in value on the Unitary Charge. This would be actioned under Schedule 21, Change Protocol the proposed changes would be initiated under Part 4 – high value changes where:

a) the change is likely to cost more than £200,000 to implement; or



- b) requires an adjustment to the Unitary Charge that is greater than 2% of the Maximum Annual Unitary Charge.

8 Implications

Resources:	The Garden Waste collection scheme will be administered by the Council Contractor Serco, who also deliver the service.
Legal and Governance:	The Environmental Protection Act 1990 Section 46 provides that household waste shall be collected without charge except in cases prescribed by Regulations made by the Secretary of State. These Regulations include the Controlled Waste Regulations 2012 which lists types of household waste for which a charge for collection can be made. Garden waste is listed under Schedule 1 paragraph 4.
Risk:	The corporate risk management strategy has been complied with to identify the risks associated with the recommendation being sought. The suggested subscription fees have been benchmarked against other West Midlands Councils There are also no identified risks around the Serco contract. Another risk is associated with the outcome of the Defra consultation in which one of the proposals was for a free service. There is however strong opposition from the LGA and Councils to this proposal.
Equality:	The recommendations in this report have no negative equality and diversity implications
Health and Wellbeing:	The contract delivers key services for the residents of Sandwell Borough which contribute to their health and wellbeing These include street-scene management (collection and cleansing) and education awareness of sustainable waste practices.
Social Value	The recommendations contained in this report are in alignment with the Council's social value policy and provides value for money in terms of generating benefits to society and the economy e.g. employment and skills, health and wellbeing, whilst minimising the impact to the environment. Plus, access to potential reward schemes if offered
Climate change	The proposed option will significantly reduce carbon emissions, with fewer, (potentially smaller) refuse



collection vehicles travelling fewer miles. There is a risk that charging reduces the amount of waste recycled, however all of Sandwell's refuse now goes to energy from waste plants, with none to landfill, substantially reducing the carbon impact of disposing of refuse.

9. Appendices

1. Benchmarking West Midlands Garden Waste Schemes
2. Suggested Terms and Conditions SMBC Garden Waste
3. Schedule 1 Controlled Waste Regulations

10. Background Papers

Consultation on Consistency in Household Waste Collection Defra 2021



Appendix 1 Benchmarking Charged Garden Waste West Midlands Authorities

Local Authority	Households on scheme	Container	Period	Frequency	Annual Subs Fee	Service Provider
Wyre Forest District Council	2200	Wheeled bin 240 and 140	March to Dec	Fortnightly	£55 and £38	Waste Management Company
Wychavon District Council	11777	Wheeled bin 240 litres	March to Dec	Fortnightly	£51	Waste Management Company
Worcester City Council	4770	Wheeled bin 181-240 litres	March to Dec	Fortnightly	£64	DSO / in house
Malvern Hills District Council	2500	Wheeled bin 181-240 litres	All year	Fortnightly	£80	DSO / in house
Herefordshire Council	82935	Non-reusable Sack	28/02 to 04/12	Weekly	£4.95 for 5	Waste Management Company
Bromsgrove District Council	17000	Wheeled bin 181-240 litres	March to Dec	Fortnightly	£48	DSO / in house
Stoke on Trent City Council	88231	Wheeled bin 181-240 litres	Apr to Nov	Fortnightly	£15	DSO / in house
Tamworth Borough Council	30405	Wheeled bin 181-240 litres	23 weeks	Fortnightly	£38	DSO / in house
Stafford Borough Council	54300	Wheeled bin 181-240 litres	All year	Fortnightly	£38	Waste Management Company
South Staffordshire District Council	40000	Wheeled bin 181-240 litres	All year	Fortnightly	£1.82 or £47 p.a.	Waste Management Company
Newcastle-under-Lyme Borough Council	48429	Wheeled bin 181-240 litres	All year	Fortnightly	£38	DSO / in house
Lichfield District Council	43106	Wheeled bin 181-240 litres	23 weeks	Fortnightly	£38	DSO / in house
Warwick District Council	48084	Wheeled bin 181-240 litres	March- Aug	Fortnightly	£20	Waste Management Company
Stratford-on-Avon District Council	54580	Reusable Sack, Wheeled bin 181-240 litres	All year	Fortnightly	£42	Waste Management Company
Rugby Borough Council	41010	Wheeled bin 181-240 litres	All year	Fortnightly	£40	DSO / in house
Nuneaton and Bedworth Borough Council	53822	Wheeled bin 181-240 litres	Feb to Jan	Fortnightly	£40	DSO / in house
North Warwickshire Borough Council	25113	Wheeled bin 181-240 litres	All year	Fortnightly	£40	Waste Management Company
Wolverhampton City Council	98000	Wheeled bin >240 litres	Feb to Dec	Fortnightly	£38	Waste Management Company
Dudley Metropolitan District Council	114830	Reusable Sack, Wheeled bin 181-240 litres	March to Oct	Fortnightly	£0	DSO / in house
Walsall	93556	Wheeled bin 181-240 litres	April to November	Fortnightly	£0	DSO / in house
Sandwell MBC	120000	Wheeled bin 181-240 litres	March to November	Fortnightly	£0	Waste Management Company
Birmingham City Council	360000	Non-reusable Sack	March to Dec	Fortnightly	£30	DSO / in house
Average subscription Fee					£38	



Appendix 2: Generic Terms & Conditions

Terms and Conditions- Garden Waste Service

1. This agreement is made between the resident ('the Customer') and ('the Council') of and sets out the Terms and Conditions under which the Customer may use the Council's garden waste fortnightly collection Service ('the Service').
2. Collections for the Service will run for 40 weeks from March to December and will be available only to customers who have subscribed for the Service in advance. The Service will be suspended for 12 weeks over the winter period each year.
3. The Council will not provide a free garden waste collection service from March 2023.
4. Customer subscriptions are renewable annually and only customers who have paid their subscription in advance are eligible to receive the Service.
5. The subscription consists of an annual charge to the Customer which is set by the Council for the period
March to December each year. The cost of the Service is determined by the Council on an annual basis.
6. Garden waste containers will be in the form of wheeled bin(s) and shall be kept on the property stated when the Customer ordered the Service and may only be removed from the property with the prior written permission of the Council. The wheeled bin(s) remain the property of the Council at all times.
7. The Council accepts no liability for the containers used for any other purpose other than for the collection of household garden waste. Misused wheeled bin(s) may be removed by the Council.
8. On termination of the Customer's right to receive the Service (however such termination occurred) the Council reserves the right to remove the bin(s) from the Customer's property.
9. The Council reserves the right to stop taking orders for the garden waste Service at any time within the Service year.

Refunds

9. Refunds for the Service will only be considered where there has been a complete Service failure as detailed below:
 - a. If the Council fails to deliver a garden waste container within 6 weeks of the date on which the Customer should have had their first collection in any calendar year; or
 - b. If the Council fails to replace a garden waste bin within 6 weeks of the date on which the Council reported that they had damaged a bin; or



c.If the Council fail to rectify a reported missed collection of garden waste on 3 consecutive cycles. The Customer must report a missed collection on each occasion and within 3 working days of each scheduled collection date. Missed collections can only be reported via or by **contacting the Contact Centre on**. A reported missed collection will be considered rectified if it is collected within 2 working days of being reported by the Customer.

10. For the avoidance of doubt, in the event that the Customer independently arranges for collection of garden waste where there have been missed collections, the Council will not be responsible for any third-party costs or any costs incurred by the Customer.

11. In the event that the Customer does not use the Service for any part of the subscription year for whatever reason, including but not limited to death, being away on holiday or being away from home for whatever reason, the Customer will not receive a refund for that period. Refunds for the service will only be considered under this Clause 9 (a) – (c).

12. If a refund event under this clause 9 occurs, the Customer shall make a claim within 3 months from the end date of the annual subscription being 31st December. For the avoidance of doubt the final date to make a claim for a refund will be 31st March.

Ownership

13. Households will be responsible for the garden waste container which shall remain with the property in the event of the resident(s) moving home. The new householder will therefore benefit from the provision of the garden waste wheelie bin(s) and there will be no refund payment to the resident who has moved from that property.

Capacity of Wheelie Bins

14. The Service will provide a standard size 240 litre wheeled bin in order to enable garden waste collections.

15. Residents who have larger gardens may subscribe to receive multiple wheeled bins, each payable at the annual charge as set out by the Council.

Presentation of Wheeled Bins for Collection

16. In using the Service, the Customer accepts that:

a. They may only use the designated paid for wheeled bins provided by the Council for the collection of garden waste. The wheeled bin(s) must be displayed and presented in accordance with clause 16(b) and clauses 19-22 of these Terms and Conditions. The Council will not collect garden waste presented by any other method.

b. The wheeled bin must display the subscription sticker that is issued by the Council upon payment of the annual charge. It is the responsibility of the Customer to display the subscription sticker on the wheelie bin. The subscription sticker must be displayed underneath the handle on the body of the wheelie bin. It must be presented in accordance with clause 19-23 of this agreement and positioned so that the subscription sticker is visible from the roadside.



17. Customers may use the Service for the collection of all items of household garden waste. Any waste or matter not specified on the website will be deemed as non-permitted waste. The Customer is not permitted to use the Service for the collection of non-permitted waste. If non permitted waste is presented for collection using the Service, it will not be collected.

18. If, at a given property, persistent non-compliance in accordance with the Service specification occurs, i.e. repeated instances of attempts to use the Service for the collection of non-permitted waste, the Council will, if necessary, consider taking enforcement action and/ or withdrawing the Service without any refund.

19. Wheeled bin(s) shall be presented, unless otherwise directed, on the backline of the pavement (i.e. at the edge of the property) at the front of the house and presented in accordance with the provisions stated at clauses 16b and 20 of these Terms and Conditions.

20. Wheeled bins shall not be left in the middle of a pavement where they cause an obstruction to pedestrians or at the kerbside of the pavement where they may cause an obstruction to road users. They must be placed on the pavement outside of any gate, fence, hedge etc. and presented in accordance with the provisions stated at clause 16 of these Terms and Conditions.

21. Where several households share an alleyway (to the rear of the property for example) wheeled bins must be presented at the back of the pavement near the end of the alleyway, taking care not to block the alleyway.

22. Wheeled bins must be presented on their scheduled collection day by 6.00 am (or no earlier than 3.30pm the day before) and then, retrieved by the Customer as soon as possible after collection. If the wheeled bins are not presented properly and in accordance with clause 16 (b) and Clause 19-22 on their scheduled times on the day of collection, the wheeled bins cannot be reported as missed and will not be considered a missed collection for the purpose of Clause 9.

23. The Council reserves the right to alter the collection day or collection season and will endeavour to provide adequate notice to householders that would be affected by the alteration. The Council shall use reasonable endeavours to complete its performance of the Service in the times agreed. Time will not be of the essence in the performance of the Service.

24. Lids of wheeled bin(s) containing garden waste must be fully closed. The Council reserves the right not to empty bins when the lids are not fully closed as this may cause damage to the lids whilst being mechanically emptied. The bin(s) containing the garden waste must not be compacted too densely that the bin(s) is unable to be emptied. If the bin(s) are compacted too densely, the Council reserves the right not to empty the bin. If the householder persistently does not comply with the requirements contained in this clause, the council reserves the right to remove the container and cancel the Service, without refund.

25. The Council reserves the right not to empty/ collect any bin that in its reasonable opinion poses a health and safety risk to operatives, and may require the Customer to take steps to reduce the risk to operatives before any further attempt to empty/ collect is undertaken.



Customer Obligations

26. Throughout the subscription period, the Customer shall be responsible for the safekeeping of the wheeled bin(s) provided, the cleanliness of the bin(s) and the cleanliness of the site around the bin(s).
27. The Customer will be responsible for any loss (including theft) or damage to the containers, and will be required to pay the Council a pre agreed cost which will include the cost of the bin, delivery and admin costs arising from any such loss, theft or damage.
28. Only containers that are damaged through the fault of the Council and reported as such will be replaced by the Council at the Council's cost.
29. If the Customer decides not to pay for a replacement container they will be unable to present garden waste for collection and by default, choose to opt out of the Service. They will not, however, receive a refund.
30. The Council reserves the right to vary the charges and any of these Terms and Conditions at any time giving reasonable notice.

Events Outside the Council's Control

31. The Council will not be responsible for any failure to perform or delay in performance of any of the Council's obligations under these Terms and Conditions that is caused by an "Event Outside the Council's Control". If an "Event Outside the Council's Control" affects the Council's ability to deliver the Service, it will resume normal Service as soon as reasonably practicable after the "Event Outside the Council's Control" is over.
32. "Events Outside the Council 's Control", this means any act or event beyond the Council 's reasonable control, including without limitation strikes or other industrial action, riot, terrorist attack, war, fire, explosion, storm, flood, earthquake, subsidence, epidemic, extreme weather or other natural disaster, power failure, internet Service provider failure, technological failure, breakdown in machinery /collection vehicles. Liability and Indemnity
33. The Council will not be liable for any loss of profit or any direct or indirect, special or consequential loss, damage, costs, expenses or other claims (whether caused by the Council's employees, contractors, agents or otherwise) in connection with its provision of the Service or the performance of any of its other obligations under these Terms and Conditions or with the use by the Customer of the Service supplied whether as a result of breach of contract, breach of statutory duty, tort (including negligence), personal injury due to slips or trips arising from the wheeled bins or their contents being presented by the Customer in an unsafe manner or otherwise howsoever arising.

Sub-Contracting

34. The Council shall be free to sub-contract the provision of the Service (or any part thereof).



Customers right to cancel the Service

35. If purchasing the Service for the first time, the Customer has 14 calendar days from the day after the date the Customer first receives a wheeled bin to cancel the Service, notice of which must be made by going online at or telephoning.

36. If the Customer is renewing the Service for the new garden waste collection season, the customer has 14 calendar days from the day after they pay for the Service , to cancel the Service , notice of which must be made by going online at or telephoning.

37. There are no refunds or part refunds for the cancellation of the Service outside of the 14 calendar days.

Contact

38. To contact the Council in respect of any queries, issues, complaints relating to this Service, please visit our website at www.sandwell.gov.uk/composting or telephone 0

Privacy Notice

39. The Council will process any personal data in accordance with the Council's corporate privacy policy, which can be found at www.sandwell

Radio Frequency Identification (RFID)

40. The wheeled bins utilise Radio Frequency Identification (RFID) chips, containing only a Unique Reference Number, which allows the Council to identify and return recovered containers to the property they were assigned and record electronically the date of delivery.

41. No information as to the use of the Service by any household or property owner is, or will be, collected, retained or processed, other than in respect of account management.



Appendix 3 Controlled Waste Regulations (England and Wales) 2012

Collection and disposal charges

Collection and disposal charges

No.	Description of household waste	Collection charge	Disposal charge
1	Any article of waste which exceeds 25kg in weight	Yes	No, subject to entries 11 to 17
2	Any article of waste which does not fit or cannot be fitted into— (a) a receptacle for household waste provided in accordance with section 46 of the Act; or (b) where no such receptacle is provided, a cylindrical container 750mm in diameter and 1m in length	Yes	No, subject to entries 11 to 17
3	Garden waste	Yes	No, subject to entries 11 to 17
4	Dead domestic pets	Yes	No, subject to entries 11 to 17
5	Waste oil or grease	Yes	No, subject to entries 11 to 17
6	Asbestos	Yes	No, subject to entries 11 to 17
7	Waste which may not be put into a receptacle provided under section 46 of the Act because of a notice served under that section	Yes	No, subject to entries 11 to 17
8	Waste from premises used wholly or mainly for public meetings	Yes	No
9	Clinical waste and offensive waste produced at a domestic property, a caravan or a vehicle or vessel used wholly for the purposes of living accommodation	Yes	No
10	Waste from a residential hostel which provides accommodation only to persons with no other permanent address or who are unable to live at their permanent address	Yes	No



No.	Description of household waste	Collection charge	Disposal charge
11	Waste from a charity shop selling donated goods originating from domestic property	Yes	Yes, but only to the extent that the waste originated from non-domestic property
12	Waste from premises occupied by— <p style="text-align: right;">(a)</p> a community interest company (being a company which is registered as such with the registrar of companies), or <p style="text-align: right;">(b)</p> a charity or other not for profit body, which collects goods for re-use or waste to prepare for re-use from domestic property	Yes	Yes, but only to the extent that the waste originated from non-domestic property
13	Litter and refuse collected under section 89(1)(f) of the Act	Yes	Yes
14	Waste from a residential home or land belonging to or wholly or mainly used in connection with a residential home	Yes	Yes
15	Waste from premises forming part of a university, school or other educational establishment	Yes	In Wales: yes In England: yes, subject to paragraph 4(8)
16	Waste from premises forming part of a hospital or nursing home except for waste from a residential hostel forming such part which provides accommodation only to persons with no other permanent address	Yes	Yes
17	Waste from a penal institution	Yes	Yes



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Minutes of Cabinet

**Wednesday 16 November 2022 at 3.30pm
at Council Chamber, Sandwell Council House**

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

In attendance: Councillors Anandou, Fenton, E M Giles, Kalari, Kaur,
Moore, Singh and Taylor.

Also present: Kim Bromley-Derry (Managing Director Commissioner),
Simone Hines (Director of Finance), Surjit Tour
(Director of Law and Governance and Monitoring
Officer), Tony McGovern (Director of Regeneration and
Growth), Elaine Newsome (Service Manager –
Democracy), Gillian Douglas (Director of Housing),
Anthony Lloyd (Democratic Services Officer) and Suky
Suthi-Nagra (Democratic Services Manager).

189/22 **Apologies for Absence**

Apologies for absence were received by Councillors
Shackleton and Simms.

190/22 **Declarations of Interest**

There were no declarations of interest made.

191/22 **Minutes**

The minutes of the meeting held on 28 September 2022 were approved as a correct record.

192/22 **Additional Items of Business**

There were no additional items of business to consider.

193/22 **Brandhall – Options, referral of decision back to Cabinet following Budget and Corporate Management Scrutiny Board.**

Approval was sought to determine Cabinet's decision regarding Brandhall in respect of the recommendations received from the Budget and Corporate Scrutiny Management Board on 8 August 2022. It was highlighted that the report addressed several of the concerns raised by the Budget and Corporate Scrutiny Management Board and that sufficient evidence was available as to why the Capemore site was discounted.

On behalf of the Chair of the Budget and Corporate Scrutiny Management Board, the Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board stated that point 3 of Scrutiny's recommendations, in relation to how views of the residents were weighted, was not fully addressed in the report. The Cabinet Member was asked to review this further.

The Cabinet Member for Regeneration and Growth explained that there was no requirement in legislation nor an adopted process for Cabinet to demonstrate how the views of residents were weighted. The views of residents was an important factor in the decision making process and any concerns raised were taken into account. This was balanced against other factors such as housing needs and the need to provide new educational facilities, alongside the benefits of a properly accessible and maintained public park. As a result, the decision to move with an option containing few homes and a larger park than originally planned was decided.

In considering the recommendations of the Scrutiny Board, it was moved seconded and agreed that the views of the Board be noted and that the Cabinet decision taken on 20 July 2022 be implemented.

Reason for Decision

In accordance with the Council's Scrutiny Procedure Rules, the Budget and Corporate Management Scrutiny Board at their meeting on 8 August 2022, referenced the decision in relation to the Brandhall - Options back to Cabinet for reconsideration. Cabinet were required to consider amending the original decision or not, before adopting a final decision.

Alternative Options Considered

In accordance with Scrutiny Procedure Rules, Cabinet must consider whether to amend its original decision before confirming a final decision.

Agreed that in considering the recommendations from the Budget and Corporate Scrutiny Management Board on 8 August 2022, Cabinet take no further action and implement the Cabinet decision as determined on 20 July 2022 (see Minute No. 147/22).

221/22 **Draft General Fund Budget 2023/24 and Medium-Term Financial Strategy**

Approval of the Draft General Fund Budget 2023/24 and Medium Term Financial Strategy was sought.

The Budget setting process had been impacted by the current economic and political climate. A more detailed position in relation to the actual funding of the Council would be known in December 2022.

The initial budget deficit for 2023/24 set out in the previous Medium-Term Financial Strategy was estimated to be in the region of £14m, but a number of spend pressures had emerged as part of the budget process, largely due to demand and inflationary pressures, that exceeded the assumptions initially made in the previous forecasts. Service

spend pressures and growth items total £17.7m. A risk had been identified in the deliverability of some of the savings.

In response to questions regarding the possibility of further cuts to local government, the Deputy Leader and Cabinet Member for Finance and Resources stated that the report presented to Cabinet was a draft report and would likely undergo changes prior to the final budget report in February 2023. An upcoming Autumn Statement would provide further information on the potential changes to local authority funding. The final funding for Sandwell would not be known until the settlement was received in December. Budget assumptions were in line with neighbours and further amendments would be made as information became available.

Reasons for recommendations

The Local Government Finance Act 1972 required the Council to set a balanced, risk assessed budget each year and approve a Council Tax precept by 11 March.

Alternative options considered

Cabinet could request that alternative savings options be proposed and agreed, although there was limited time to do this and still be able to carry out the appropriate consultation on alternative savings.

Agreed:-

- (1) that the draft budget position for 2023/24 be considered and the savings required to ensure a balanced budget can be achieved;
- (2) that the savings identified in Appendix B be approved in principle for consultation and an Equality Impact Assessment where required;
- (3) that a further report be submitted to Cabinet in February 2023 setting out the results of the consultation referred to in Resolution (1) above for Cabinet to consider prior to final budget proposals being approved;

- (4) that the draft budget and savings options be referred to the Budget and Corporate Scrutiny Management Board for consideration on 29 November;
- (5) that the Medium-Term Financial Strategy, as set out at Appendix D be approved.

195/22 **Extension of contract for a non-executive director of Sandwell Children’s Trust board**

Approval was sought to agree the extension of contract for a non-executive director of Sandwell Children’s Trust Board.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board questioned why it had become necessary to retain the current non-executive as opposed to advertising the position.

The Cabinet Member for Children and Education explained that the Sandwell Children’s Trust Board had three Independent Non-Executive Directors (NED) positions which were initially appointed, for 3, 4 & 5 years respectively, in the first year of the Trust (as per the Articles of Association). They were appointed in this manner to avoid the NED positions terms of office coming to an end at the same time.

As the first two Independent NED positions had been renewed during the pandemic, and in the interests of treating everyone the same to avoid any legal challenge, it was proposed to also extend the term for the third Independent NED.

The non-executive director had extensive experience in children’s social care practice and had been a qualified social worker for over 40 years. They were also the Strategic Director of People in Wolverhampton when the Ofsted rating improved from “requires improvement” to “Good”.

Reason for Decision

The board wishes to secure the continuity of the current non-executive director. The Council has written to the Secretary of State requesting consent to extend this appointment for a period of up to two years from 1 November 2022. The Department for Education officials had confirmed by email that the Parliamentary Under Secretary of State for Children and Families has approved the recommendation.

Alternative Options Considered

The alternative option would be for Sandwell Children's Trust to begin a recruitment process for a new non-executive director. This would take some time to complete and following which any new NED would need some time to familiarise themselves with the Trust's operations, it could impact up on the improvement journey.

Agreed:-

- (1) that the completed sequence of events that are contractually required to extend the contract of a non-executive director of Sandwell Children's Trust Board be considered;
- (2) that the response from the Secretary of State for Education be considered;
- (3) that approval be given to the extension of contract of Linda Sanders as a non-executive director of Sandwell Children's Trust for the period of up to two years from 1 November 2022.

196/22 UK Shared Prosperity Fund

Approval was sought to accept Sandwell's allocation of UKSPF funding, as a result of the Investment Plan submission to the Department of Levelling Up Housing and Communities and to enter into the necessary grant funding agreements.

UKSPF was a central pillar of the UK Government's Levelling Up agenda. Its primary goal was to build pride in place and increase life chances across the UK, with three key investment priorities:

- Community & Place
- Supporting Local Business
- People & Skills (including adult numeracy programme, Multiply).

The West Midlands Combined Authority (WMCA) was the lead authority and accountable body for UKSPF across the region, with responsibility for developing its investment plan, and for administering the funding. The WMCA had committed to lead a strategic and joined-up approach, working with local authorities to identify local and regional investment priorities that support 'Levelling Up' ambitions.

It was stated that the £88m in funding was comparable to previous EU funding

The investment plan was based on the WMCA retaining 50% of the funding allocation to assist the local business development. This would be in partnership with local authorities in the region. The remaining 50% will be allocated to Local Authorities directly.

The Chair of the Safer Neighbourhoods and Active Communities, questioned how many jobs would be created by the Sandwell Valley Education and Community Engagement Outreach Programme. Clarification was also sought on where the job opportunities would be located and what the average salary would be.

In response, the Cabinet Member for Regeneration and Growth highlighted that officers were currently working to establish external partnerships with education providers, with the objective of ensuring pathways from training to employment in grounds maintenance, green spaces jobs, and arboriculture and countryside maintenance. Priorities would be to target these opportunities for training and pathways to employment in Sandwell, including Sandwell Council. The number of job creations over the three year

scheme could not be confirmed; this was currently being scoped with partners. The scheme would create 4 additional roles over the next three years, and at least five additional apprentices (including two that were targeted at care experienced young people) as part of the three year project. This number does not include the pathways to employment that would be created following the full implementation of the scheme.

Further questions were asked regarding how much funding the European Support Fund provided to Sandwell's voluntary organisations to deliver employment Support Provisions. It was confirmed that voluntary and community support (VCS) organisations in Sandwell received approximately £750,000 of funding per year from the European Social Fund (ESF). In 2022/23, the Council had profiled expenditure of £50,000 as the majority of ESF provision was continuing until March 2023. In 2023/24 there was £300,000 profiled expenditure to the Voluntary sector for community engagement activities. The VCS split for 2024/5 had not yet been determined but it was anticipated that there would be an increase in the allocation to VCS organisations from 2024/25 to deliver employment support based on the pre-determined expenditure profiles being weighted to the final year of delivery.

The Chair of the Safer Neighbourhoods and Active Communities, in reference to the appendix, asked which pipeline projects were associated with the £1.6m allocated to improvements to town centre and high streets. Clarity was also sought in relation to which pipeline projects were associated with the £1m for community and neighbourhood infrastructure projects

The Cabinet Member for Regeneration and Growth responded that the appendix included the standard example on pages 2 to 6. It was the standard example that shows £1.6m allocated to improvements to Town Centres and High Street and £1m for Community and Neighbourhood Infrastructure Projects. The Sandwell specific allocations started on page 7 of the appendices and showed Sandwell allocations in line paragraph 4.18 of the report. The Cabinet Member highlighted how this could have created some

confusion and confirmed there was no spend profiled within the Town Centres and High Street or Community and Neighbourhood Infrastructure Projects interventions under Sandwell's UKSPF proposals.

Reasons for Decision

The funding period for UKSPF commenced financial year 22/23 and concludes financial year 24/25. Upon confirmation that the WMCA UKSPF Investment Plan has been approved, Local Authorities will need to mobilise quickly to achieve the UKSPF spend profile for 22/23.

Alternative Options Considered

There were no alternative options to consider.

Agreed:-

- (1) that the Directors of Regeneration & Growth; Borough Economy; and Children & Education, in consultation with the Section 151 Officer and the Cabinet Members for Finance & Resources, Children & Education and Regeneration and Growth, be authorised to accept Sandwell's allocation of UKSPF funding, as a result of the Investment Plan submission to the Department of Levelling Up Housing & Communities (DLUHC) and enter into the necessary grant funding agreements;
- (2) that the Directors of Regeneration & Growth; Borough Economy; and Children & Education in consultation with the Section 151 Officer and Cabinet Members, be authorised to carry out commissioning of UKSPF funding, including any procurement activity as required;
- (3) that the Directors of Regeneration & Growth; Borough Economy; and Children & Education in consultation with the Section 151 Officer and Cabinet Members for Finance & Resources, Children & Education and Regeneration and Growth, be authorised to implement the final

arrangements for the 4% administration allocation.

197/22 **Contract for Supply, Installation and Maintenance of Traffic Signals and Associated Equipment**

Approval was sought to authorise the Director of Borough Economy to award a contract for the provision of the supply, installation and maintenance of Traffic Signals and associated equipment for the period 1 January 2023 to 31 December 2026.

As the Local Highway Authority, Sandwell Metropolitan Borough Council (SMBC) had a statutory duty to ensure the Highway Network is maintained in a safe and useable manner. As the Local Traffic Authority SMBC also had a statutory duty to ensure as far as reasonably practicable, with regard to policy objectives and obligations, the expeditious movement of traffic on the Authority's road network. To meet this duty, SMBC required a suitably qualified and experienced contractor to supply, install & maintain traffic signals and associated systems and equipment across the Borough of Sandwell.

Clarification was sought by the Chair of the Budget and Corporate Scrutiny Management Board in relation to an extension to the contract when there was no basis to do so. Questions were asked on why this report had not been brought to Cabinet sooner.

The Cabinet Member for Environment responded that Director approval had been granted to extend the existing contract for 2 months from 1 November 2022 until 31 December 2022 to ensure continuity of service. Cabinet approval was being sought to authorise the award of a new contract for the period 1 January 2023 to December 2026 at a value of £2m following the conclusion of the compliant tender process.

It was also confirmed that the delay with the procurement process was partly due to resource constraints but also due to the cancellation of the Cabinet meeting in October. A

workforce plan had been approved and was being implemented with the objective that resource issues would diminish.

Reasons for decision

The Council has a requirement to appoint a suitably qualified and experienced Contractor for the Supply, Installation & Maintenance of Traffic Signals and Associated Systems and Equipment within the Borough of Sandwell. The current extended contract expired on 31 October 2022.

Alternative options considered

There are no recommended affordable alternatives to obtain material to maintain our Highway Network.

Agreed:-

- (1) that approval be given to authorise the Director of Borough Economy to award a contract for the provision of the Supply, Installation and Maintenance of Traffic Signals and Associated Equipment for the period 1 January 2023 to 31 December 2026 at an anticipated value of £2,000,000 following the conclusion of the compliant tender process;
- (2) that in connection with Resolution (1) above, the Director, Law and Governance and Monitoring Officer be authorised to enter into appropriate contracts.

198/22

Schools' Model Pay Policies 2022/23

Approval was sought for the September 2022 Pay Award be agreed and applied to local authority Community Schools. Approval was also sought for the Unattached Teachers' Pay Policy 2022/23 and the Model Schools' Pay Policy 2022/23 to be implemented by the Council with effect from 1 September 2022.

Reasons for Decision

The Department for Education issues the School Teachers' Pay and Conditions Document (the Document) to local authorities on an annual basis. It places a statutory duty on organisations employing teachers to have a pay policy in place by 1 September each year which sets out the basis on which the employer will determine teachers' pay, the date by which it will determine the teacher's annual pay review and to establish procedures for addressing teachers' grievances in relation to their pay.

Alternative Options Considered

There are no alternative courses of action available that would otherwise satisfy these requirements.

Agreed:-

- (1) that the September 2022 Pay Award be agreed as set out below and is applied to local authority Community Schools:
 - A five per cent increase on all pay ranges and allowances and advisory points, with higher increases for early career teachers as part of the process to move starting pay to £30,000 by 2023. The highest increase is 8.9 per cent on the bottom point of the Main Pay Range in England (equating to a starting salary of £28,000).
 - All pay uplifts will be back dated to 1 September 2022.
- (2) that the Unattached Teachers' Pay Policy 2022/23, as at Appendix 1, as now submitted, be approved and implemented by the Council with effect from 1 September 2022;
- (3) that the Model Schools' Pay Policy 2022/23, as at Appendix 2, as now submitted, be approved and recommended to the Governing Bodies of Schools in Sandwell for adoption and

implementation with effect from 1 September 2022.

199/22 **Adult Social Care Contributions Policy – outcomes of consultation**

Approval was sought to amend the Sandwell Contributions Policy with effect from 1 January 2023.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board asked for clarification on why the consultation responses were low and if any further steps could be taken going forward to improve this.

In response, the Deputy Leader and Cabinet Member for Finance and Resources clarified that financial contributions were a fairly complex area to explain and get people interested in. A wide range of media was used to try and communicate the message including the use of partner and voluntary organisations.

A further question was received from the Chair of the Health and Adult Social Care Scrutiny Board. Details were requested on whether the Welfare Rights team had been working with users to maximise their benefits.

It was confirmed that during the financial assessment, the contributions staff checked benefit information with the client. Where it was felt that additional benefit entitlement exists, with the client's agreement, they refer the client to Welfare Rights so that support could be given.

Reasons for recommendations

The Director of Adult Social Care and the Director of Finance were authorised by Cabinet on 18 May 2022 to implement a range of changes in policy and practice, and to enter consultation with users of services on further key policy changes and three proposed contribution models. The key policy changes and three models aim to generate additional income which will assist the Council to ensure that it can continue to provide services to the most vulnerable within cash limited resources. The policy changes also reflect

recent case law and Local Government Ombudsman findings to be fairer and comply with equalities expectations.

Alternative options considered

The Council must have a Contributions Policy as it has discretion over aspects of both Residential and Non-Residential Contributions.

Agreed:-

- (1) that approval be given to amend the Sandwell Contributions Policy as shown in Appendix C, as now submitted, with effect from 1 January 2023 to reflect the following changes which are recommended by the Director of Adult Social Care and the Director of Finance after public consultation (as detailed in Appendix A):
 - the Joint financial assessment of couples: end the practice of offering a joint assessment of couples, as the Care Act no longer permits this, by reassessing all existing cases for January 2023 and applying transitional protection to minimise the impact as appropriate;
 - Short-term (respite) care charges: move to basing contributions to the cost of respite care on a financially assessed contribution based on residential regulations with effect from 1st January 2023, in order to mitigate the impact of this change for people with disabilities where respite costs can be very high, the contribution will be based on the actual cost of care up to a maximum of the Council's guideline rate for nursing care for older people (currently £687.36 per week);
 - the New contributions model and adopt Model 2 as the method for calculating non-residential contributions, (as detailed in Appendix A), which reduces the existing "Sandwell Allowance" which people are

allowed to retain from 53% of their disposable income to 20%, and increases council income by an estimated £830,000 compared with what current income is expected to be, and by an estimated £1,609,000 compared with the expected income budget for 2023/24 which, based on current income trends, is set at a more prudent level. There are, however, some risks associated with these figures, as detailed in section 6 below and it is not recommended that the full potential income figure is incorporated into financial plans, at least initially;

- the Disability Related Expenditure (DRE): amending the method of allowing people's DRE costs to allow the full sum of any such costs against income, up to the total of their disability benefits (currently we only make allowance for DRE costs that exceed the 53% Sandwell Allowance). In addition, to introduce a lump sum banded DRE allowance to be offset against assessed income for any non-residential client who receives a standard or higher rate of DWP disability benefit (although if they have higher expenses, they can still claim for those). The allowance for higher rate of DWP disability benefit has been increased to £10 (it was £9 in the consultation) to reflect the increases in costs people are already facing;
- Transitional protection: introducing a process that will limit changes in a person's contributions solely attributable to changes in policy (such as those outlined in this paper) to a maximum sum of £30 a week for a period of up to three years, if that person faces a significantly adverse impact. The calculation will take account of

inflationary changes to people's income and allowances, but not other changes;

200/22 **Council new build homes on land at Stanhope Road, Smethwick**

Approval was sought for the necessary steps for the delivery of the proposed Council new build homes on land at Stanhope Road, Smethwick project. The new homes would provide high quality housing stock to replace Council Housing lost to the right to buy scheme.

Reasons for recommendations

On 26 June 2019, the Cabinet report "Funding for remediation works at King Street and Mounts Road, Wednesbury, and Stanhope Road, Smethwick" approved the submission of a funding bid to the LEP and the development of approximately 7317.0 m2 of land at Stanhope Road, Smethwick with new Council housing for affordable rent (minute number 69/19 refers). This scheme now has planning permission and it is proposed to develop this site with 33 homes, as part of the new strategic approach to provide more and better housing in the borough.

Alternative options considered

Option A – Dispose of the Site on the Open Market

The site would be suitable for private sector residential development. As the development would be in excess of 15 units, then it would be subject to planning policy HOU3 where consideration must be given to the provision of up to 25% affordable housing on site.

However, if this option is pursued it could result in the disposal of the land for market sale units only. Owing to very difficult ground conditions (the levels and the ground remediation) costs are relatively high and with current market conditions and inflationary costs the site is unlikely to provide commercial developers with the profit margins they require. Planning policy HOU3 where consideration must be given to the provision of up to 25% affordable housing on site is very likely to be challenged on viability grounds but it is likely that developers will overlook this site in favour of more viable options.

This option would also offer nil contribution to the Council's new build programme.

Option B – Work in partnership with a Registered Provider Partner with the assistance of Homes England to build new affordable homes for rent.

Indications are that Homes England funding may be available through various Homes England Shared Ownership and Affordable Homes Programmes which could provide grant funding for a Registered Provider Partner to deliver affordable rented homes. This would give the Council nomination rights to the new properties but would not increase the Council owned housing stock or replace properties lost through RTB and would result in the disposal of a council owned asset (land) that could be used for this purpose.

As with option A above the high build costs and viability issues may render this site less attractive to Registered Providers.

Option C – Leave the site undeveloped.

An option to consider would be not to build out the site and to leave it as it is. There are ongoing maintenance costs to the Council around litter picking and grounds maintenance. These are difficult to quantify as they are carried out as part of larger services, although we anticipate costs would be significantly reduced if the site were developed for housing. This would also result in an under-utilised Council asset.

This option would offer nil contribution to the Council's new build programme.

Agreed:-

- (1) that the Director of Finance be authorised to allocate adequate resources from the Council's Housing Revenue Account to deliver the scheme as previously approved at (2) below, subject to being satisfied that the proposal provides value for money and enable the agreed Homes England delivery programme to be met utilising grant funding offered under the extended Homes England Strategic Partnership 1 Programme

2016 to 2021 and the Black Country Local Enterprise Partnership (LEP) Land Property Investment Fund (LPIF) Sandwell Housing Gap Project.

(2) that approval be given to authorise the necessary steps for the delivery of the proposed project, including:

a) that subject to receiving the necessary Strategic Investment Unit appraisal approval mark of 65 or above for the site at Stanhope Road, the Director of Regeneration and Growth in consultation with the Director of Finance and the Director of Housing be authorised to accept the Financial closure offer for the construction of Council new build properties, in accordance with any statutory regulations and the Council's the Director – Law and Governance be authorised to enter into or execute under seal any documentation in relation to award of the contract for the development of the site at Stanhope Road and/or development/partnership agreement, any consents or applications required for Planning or Highways appertaining to the delivery of the schemes and any other agreements with the procured contractor(s), as may be deemed necessary to facilitate development of the site with housing a scheme on terms and conditions to be agreed and implemented by the Director of Regeneration and Growth;

b) to enter into or execute under seal any financial agreement in relation to the Homes England grant and the Black Country Local Enterprise Partnership (LEP) Land Property Investment Fund (LPIF) Sandwell Housing Gap Project on terms and conditions to be agreed by the Director of Finance;

- c) the Director of Regeneration and Growth in consultation with the Director of Housing and the Director of Finance be authorised to accept a fixed cost price from Speller Metcalf at RIBA stage 4 of up to 10% above the approved estimated costs as a contingency to mitigate uncertain market conditions and inflationary cost uplifts.
- d) to appropriate approximately 7317.0 m² of land at Stanhope Road Smethwick from the General Fund to the Housing Revenue Account for housing purposes and the Director of Finance be authorised to adjust the accounts accordingly.
- e) Subject to the practical completion of each property, the Director of Housing be authorised to manage and let the properties built in accordance with the Council's housing allocation policy.

201/22

Highway Infrastructure Funding to mitigate the decline in Highway Infrastructure Condition

Approval was sought to increase the Capital Programme for Borough Economy to fully fund the programme of work needed to stabilise the condition of highway infrastructure and mitigate the effects of the next severe winter whilst also taking into account inflation.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board sought clarification from the Cabinet Member of Environment for the reasons for the increase in construction prices.

It was noted that Economic commentators report that inflation was influenced by international trends in energy prices, oil prices, fuel prices, supply chain problems and a strong labour market. These were a consequence of post pandemic supply and demand imbalances made significantly worse by the war in Ukraine.

Reasons for recommendations

Capital requirement of £3,146,520 in 2022/23 is required to fully fund the programme of work needed to stabilise the condition of highway infrastructure and mitigate the effects of the next severe winter taking into account inflation in 2022/23.

Alternative options considered

Provide no Council Capital to close the funding gap from 2022/23. An alternative would be to limit the repair of high-risk infrastructure to a value that matches the £4.741m CRSTS maintenance block grant. There would consequently be no Council capital provision available to fund the gap in the cost of replacement of high-risk life expired highway infrastructure. The programme of urgent work for 2022/23 would not be completed and a similar urgent programme for 2023/24 would only 40% completed. This is not recommended because the red risk backlog is escalating.

Agreed:-

- (1) that the Capital Programme for Borough Economy is increased by £3,146,520 for 2022/23 to fully fund the programme of work needed to stabilise the condition of highway infrastructure and mitigate the effects of the next severe winter taking into account inflation in 2022/23;
- (2) that a surplus of £1,000,000 of capital funding currently allocated to Friar Park from the Regeneration and Growth Capital Project Support Reserve be transferred to Borough Economy to offset the capital requirement as set out in Resolution (1) above;
- (3) that the residual capital requirement for 2022/23, after the use of Friar Park Capital, of £2,146,520 is funded from Corporate Main Programme resources with any prudential borrowing finance charges addressed within the Medium Term Financial Plan;

- (4) that the Capital Programme for Borough Economy is increased by £5,435,880 for 2023/24 to stabilise the red risk condition of highway infrastructure, taking into account inflation and to mitigate the effects of the next severe winter in accordance with the Highway Infrastructure Asset Management Policy, Strategy and Plan;
- (5) that the capital requirement for 2023/24 of £5,435,880 is funded from Corporate Main Programme resources with any prudential borrowing finance charges addressed within the Medium Term Financial Plan;
- (6) that a further report to update Cabinet is submitted in September 2023 after the Highway Infrastructure condition is reviewed in summer 2023 to identify future budget requirements from 2024/25 onwards for the risk assessed replacement of red risk Highway Infrastructure when the inflation outlook has stabilised and when the effects of the 2022/23 winter have been determined.

202/22 **Sandwell Residential Education Centres: Charges for the period 1 August 2023-31 July 2024**

Approval was sought to authorise the Director of Children and Education to implement term-time changes for Sandwell Residential Education Centres for the period 1 August 2023 to 31 July 2024.

The proposed charges were an increase of 7% to 2022-23 charges on all of Sandwell's residential centres. This was below the consumer price index as of June 2022, rounded to the nearest pound. Despite cuts to funding from central government, Sandwell's centres remained open.

The centres were open to Sandwell maintained schools, Sandwell academy schools, and non-Sandwell schools and groups. The business plan aimed to retain Sandwell children participation of 15,000 term-time bed nights, or 4,750

residential pupil visits, per year. The proportion of non-Sandwell schools using the centres had risen in recent years, bringing in more income; but there was capacity to accommodate more Sandwell schools and children.

The proposed charges indicated the “commercial” charge to non-Sandwell schools. Sandwell maintained schools received a 30% discount, and Sandwell academy schools a 20% discount. These discounts for Sandwell children are financed by the residential education service’s other income streams, including weekend, school holiday, and day visit educational courses and commercial events

Reasons for Decision

The recommendations would enable the centres to continue to generate sufficient income to operate an efficient high-quality service, with heavily subsidised places for Sandwell children, in support of Vision 2030; and continue to make access to the centres more affordable at certain times of the year in anticipation of rising inflation.

Alternative Options Considered

Increasing charges above inflation risks less uptake of places, reduced overall income, and poorer social value. Keeping charges at 2022-23 levels risks a shortfall in income and difficulties in balancing the budget when expenditure has risen considerably with inflation.

Agreed that the Director of Children and Education be authorised to implement term-time charges for Sandwell Residential Education Centres for the period 1 August 2023 to 31 July 2024 as shown in Appendix A, as now submitted.

203/22 **Former Car Park, Lower High Street, Cradley Heath**

Approval was sort to authorise the Director – Law and Governance and Monitoring Officer to dispose of the freehold interest of land situated on the south side of Lower High Street, Cradley Heath.

The land at Lower High Street, Cradley Heath, formerly in use as a public car park, would be transferred to Sandwell College, for the sum of £1, in order to facilitate the development of a Satellite Education Hub, financed through a £9m grant from the Government's Towns Fund. The cost to remedy the site was identified as being in excess of the land value and therefore, disposal for £1 was advised.

Reasons for recommendations

To enable the freehold transfer of council-owned land at Lower High Street, Cradley Heath, formerly in use as a public car park, to Sandwell College, for the sum of £1 (one pound), in order to facilitate the development of a Satellite Education Hub, financed through a £9m grant from the Government's Towns Fund. The cost to remedy the site for the proposed scheme is in excess of the agreed land use value and therefore to bring forward the development, the recommendation is to dispose of the site for £1.

Alternative options considered

The first option the Council could consider is the disposal of the freehold of the land on the open market to generate a capital receipt. However, this option would miss an opportunity to unlock an important regeneration opportunity to deliver a much-needed education, training and skills facility in Cradley Heath and so contribute to meeting the aims of the Council's Corporate Plan.

Planning policy guidance directs the development of educational facilities such as this one into town centre locations. No site that meets the criteria around size, location, Council ownership and immediate availability free from occupation, lease or other legal encumbrance is available in Cradley Heath town centre. This second option is therefore closed. Sandwell College specifically require a site that is within easy reach of Cradley Heath train station, to offer accessibility to potential users across the south-west of the borough who are not currently within easy reach either of Sandwell College campuses in West Bromwich town centre or of other FE providers in Dudley or Halesowen.

As a third option, an exercise was undertaken early in 2021, when a former bank premises in Old Hill town centre became available. At the time, the building was privately-owned and

the process of acquisition had not begun. It had not been surveyed but was considered incapable of conversion to meet current requirements for educational use, while neither the building nor the site it occupies were of sufficient size to meet the College's needs; finally, its position in Old Hill town centre was considered too remote from rail connections to be of value to potential users.

The fourth and final option considered was the option of doing nothing. This alternative would fail to meet any of the objectives set out in this report. It would fail to deliver the Satellite Education Hub, fail to bring a much-needed £9m investment into the borough and fail to secure a much-needed uplift in education, training and skills amongst the people of Rowley Regis.

Agreed:-

- (1) that approval be given to authorise the Director – Law and Governance and Monitoring Officer to dispose of the freehold interest in approximately 0.2 hectares (0.5 acres) of land situated on the south side of Lower High Street, Cradley Heath, shown for identification purposes edged black on Plan No SAM/30500/003 attached, to Sandwell College, for the purpose of constructing a Satellite Education, Training and Skills Hub, for the sum of £1 (one pound), on terms and conditions to be agreed by the Director - Regeneration and Growth;
- (2) that the Director – Law and Governance and Monitoring Officer be authorised to enter into or execute under seal, if necessary any other related documentation in connection with the disposal of the site on terms and conditions to be agreed by the Director - Regeneration and Growth.

Regeneration Project Pipeline Bi-Annual Performance Report March 2022 - October 2022

Approval was sought to make a number of amendments to the project pipeline and for the updated pipeline to be published on the council website.

The pipeline was a five-year investment pipeline within the period 2022 to 2027. It set out the infrastructure priorities for Sandwell Council and therefore was also used to establish where resources would be focused. The pipeline report would be monitored by Cabinet every 6 months.

The Chair of the Budget and Corporate Scrutiny Management Board requested that consideration be given to present a RAG rating against each project as part of future updates.

The Cabinet Member for Regeneration and growth stated that there was a total of 66 projects on the pipeline. RAG ratings could be provided on projects that were being led by the Council. RAG reports on non-council led projects, where possible, could also be provided.

Reasons for recommendations

On the 23 March 2022, Cabinet approved the Regeneration Strategy, Regeneration Project Pipeline and the Inclusive Recovery Action Plan for Business. When taken together set out the corporate regeneration priorities for the period 2022 to 2027. The pipeline is a live document, monitored via a report submitted to Cabinet every 6 months. The report highlights progress on each project with a focus on those projects being led by the Council.

Alternative options considered

This was a bi-annual report on performance as requested by Cabinet on the 23 March 2022. In accordance with the Cabinet decision, Cabinet are to approve amendments or additions to projects on the pipeline.

Agreed:-

- (1) that the progress made on projects within the Regeneration Project Pipeline Performance Report be considered;
- (2) that the amendments to the Regeneration Project Pipeline as set out below be approved:-
 - (a) Levelling Up Fund Projects across Tipton, Smethwick, West Bromwich, and Rowley Regis be added to the pipeline, should they be approved by DLUHC.
 - (b) George Betts Academy be added to the pipeline at Concept Stage.
 - (c) Should the Sandwell Investment Zone be accepted, sites which are not already captured on the Regeneration Project Pipeline, be included.
 - (d) The Midland Metropolitan University Hospital (MMUH)
- (3) that the update with regard to the Inclusive Recovery Plan for Business be considered;
- (4) that the Director of Regeneration & Growth be authorised to implement the Cabinet approved amendments to the Regeneration Project Pipeline and for this to be published on the council website.

205/22 **Equality, Diversity and Inclusion Policy 2022 - Update**

Approval of the Equality, Diversity and Inclusion Policy 2022 was sought. Approval was also sought in order to utilise the Local Government Association Equality Framework to develop the Council's Equality, Diversity and Inclusion Strategy.

Reasons for recommendations

The council must comply with its legal duties and obligations arising under the Equality Act 2010. Obligations require the council to set out its objectives in discharging its public sector equality duties. Adopting the Equality, Diversity and Inclusion Policy 2022 makes clear the council's commitment to promote equality and challenge discrimination and intolerances in all its forms.

Alternative options considered

There are no alternative options. The council is obliged to have a policy in line with section 149 of the Equality Act. The council is not legally obliged to adopt the LGA Equality Framework, however it is considered best practice to do so as identified during the benchmarking process. For the council to deliver its EDI ambitions, it would need to implement something similar.

Agreed:-

- (1) that the Equality, Diversity and Inclusion Policy 2022, as set out in Appendix 1, as now submitted, be approved;
- (2) that the Local Government Association Equality Framework, as set out in Appendix 2, as now submitted, be utilised to develop the council's Equality, Diversity and Inclusion strategy.

206/22

The Local Plan in Sandwell: Update, next steps, and amendment to the Local Development Scheme (LDS)

Approval was sought for the preparation of a single-tier Local Plan covering the whole of Sandwell.

The Local Plan is a legally required, key document that guides the Council's Planning decision making progress. Having a Local Plan was a requirement for each Local Authority. Due to the halting of the Black Country Plan, it highlighted that there was an urgent need for Sandwell to prepare its own local plan to ensure the legal obligations are followed.

In response to a question by the Chair of the Budget and Corporate Scrutiny Management Board, the Cabinet Member for Regeneration and Growth highlighted that as no binding agreement exists in relation to the Black Country Plan, the basis for any claim for financial losses was unclear

A further question was asked on whether the creation of the Local Plan would be based on more up-to-date and accurate information.

The Cabinet Member for Regeneration and Growth confirmed that the two principal areas of forecast need that informs the preparation of the Local Plan was employment land and housing. The economic modelling was updated shortly before the decision to half the Black Country Plan and would therefore still be used for the Sandwell Local Plan.

In regard to housing need, it was explained that this was derived using the Government's standard method for forecasting growth in the number of households. Sandwell, along with every other Local Planning Authority (LPA) in England, was required to use this method by the Dept. of Levelling Up, Housing & Communities (DLUHC). Using the standard method, it was almost three times higher than the available land supply. Whilst, the Government had indicated that there would be changes to the standard method as part of a future review of the Planning System, it was unlikely that these changes would alter the forecast need in Sandwell to a degree that would lead to Sandwell having no, or very little, 'un-met' need. To do so would require the forecast to drop by around 66%.

The most recent statements from ministers had indicated that LPAs should continue to prepare Local Plans under the current regulations and in the case of housing need, continue to use the current standard method for forecasting growth in the number of households. Therefore unless Government advises otherwise, the new Local Plan would need to be prepared on that basis.

The Cabinet Member for Regeneration and Growth moved an amendment to recommendation at 1.3 as follows:

To authorise the fixed term appointment of a Sandwell Plan Programme Manager and to appoint to the post outside of standard HR procedures given the urgent need to recruit. Cabinet is further recommended to authorise the creation of a Senior Planning Officer post as set out in the resources section of this report.

The recommendations, as amended, were approved.

Reasons for recommendations

At the meeting of the Association of Black Country Authorities on 19 October, the decision was taken to formally halt the Black Country Plan (the BCP) and for the four authorities to proceed with the preparation of individual Local Plans as soon as is practical. It is a statutory requirement of every Local Planning Authority to have an up-to-date Local Plan. Government has previously expressed a desire to see full Local Plan coverage across the England by December 2023 or as soon as is practical after that date.

Alternative options considered

The preparation of a Local Plan and the regular updating of the Local Development Scheme are statutory requirements under planning legislation. Options relating to the form and content of the Local Plan are set out in the body of the report.

Agreed:-

- (1) that the recent developments in relation to the Black Country Plan and the background to them be considered;
- (2) that the preparation of a single-tier Local Plan covering the whole of Sandwell which will on adoption replace the following be approved;
 - Black Country Core Strategy (2011)
 - Sandwell Site Allocations & Delivery Development Plan Document (2012)
 - Smethwick Area Action Plan (2008)
 - Tipton Area Action Plan (2008)
 - West Bromwich Area Action Plan (2012)

- (3) that approval be given to an update of the Sandwell Local Development Scheme and updated timeline set out in Appendices A & B as now submitted;
- (4) that the fixed term appointment of a Sandwell Plan Programme Manager be approved and the Director – Regeneration & Growth be authorised to appoint to the post outside of standard HR procedures given the urgent need to recruit;
- (5) that approval be given to the creation of a Senior Planning Officer post.

207/22 **Highway Surface Treatment Contract**

Approval was sought for Sandwell MBC to work in collaboration with Dudley MBC, with Dudley MBC acting as the lead authority for the provision of highway surface treatments contract. Specialist contractors would be used to maintain the highway network in safe and usable condition.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board questioned what contingency plans were in place for an over-spend in the price prediction.

The Cabinet Member for Environment responded that the contract includes provision for annual indexation to allow price changes in line with Building Cost Information Service (BCIS) data. Expenditure would be managed within the £10m total contract value over the full four-year period by adjusting annual programmes of work to ensure that they would remain affordable with a backstop of retendering prior the expiry of the full four years if this would deliver better value for money.

The Chair of the Neighbourhoods and Active Communities Scrutiny Board sought clarification on why the procurement had commenced after the contract had already ended. It was highlighted that commencement of procurement had been

timed to ensure availability of contractor resource for the start of the preventive treatment programmes in January.

Reasons for recommendations

Road users and the wider community place a high value on keeping all road users moving safely around Sandwell on well-maintained roads and footpaths. Failure to do so can result in adverse economic and social impacts, public dissatisfaction and significant reputational damage. The Council has a statutory duty under section 41 of the Highways Act 1980 to maintain highways that are maintainable at the public expense.

Alternative options considered

There are no recommended affordable alternatives to enable effective and efficient highway surfacing and associated works.

Agreed:-

- (1) that approval be given to Sandwell MBC working in collaboration with Dudley MBC, with Dudley MBC acting as the lead Authority for the provision of highway surface treatments contract;
- (2) that the Director of Borough Economy be authorised to award contracts for the provision of highway surface treatments in support of Sandwell's annual planned highway maintenance programme, following a compliant competitive tender process in collaboration with Dudley, Wolverhampton and Walsall Councils, with Dudley MBC acting as the lead authority;
- (3) that the Director of Law and Governance – Monitoring Officer be authorised to execute any documentation necessary to enable the above;
- (4) that any necessary exemptions be made to the Procurement and Contract Procedure Rules to enable the course of action referred to in Resolution (2) above to proceed.

West Midlands Enhanced Partnership Scheme Variation

Approval was sought of Variation 002 of the Enhanced Partnership Scheme in conjunction with Transport for West Midlands, West Midlands Combined Authority and the other six local authorities in the West Midlands metropolitan area.

Reasons for recommendations

Variation 002 widens the geographical scope of the existing EP Scheme to cover the entire West Midlands metropolitan area, i.e. the cities of Birmingham, Coventry and Wolverhampton and the boroughs of Dudley, Sandwell, Solihull and Walsall. This will enable it to cover all future bus improvements schemes through subsequent variations as required.

Alternative options considered

Cabinet could choose to reject the proposed variation. However, failure to approve the EP Scheme variation would jeopardise future investment in the bus network, as the West Midlands Bus Service Improvement Plan (and associated funding) is predicated on there being an EP Plan and Scheme in place between TfWM, operators and local authorities.

Agreed:-

- (1) that approval be given to Variation 002 of the Enhanced Partnership Scheme in conjunction with Transport for West Midlands, West Midlands Combined Authority and the other six local authorities in the West Midlands metropolitan area, subject to compliance with the relevant statutory objection and consultation processes for varying the Enhanced Partnership Scheme contained at Appendix A, as now submitted;
- (2) that the Director Regeneration & Growth in consultation with the Cabinet Member for Regeneration & Growth, and to the Director Borough Economy in consultation with the

Cabinet Member for Environment, be authorised to approve any subsequent variation to the West Midlands Enhanced Partnership Scheme.

209/22 **Review of Garden Waste Collection**

Approval was sought to authorise the Director of Borough Economy to instruct Serco to establish a subscribed chargeable garden waste collection scheme, targeting implementation for the 2023 season.

The Cabinet Member for Environment highlighted that the proposals set out changes to the Council's green waste collection which would, in turn, make it more affordable, fair and sustainable for the years to come. Charging for green waste collection would save Sandwell in excess of £2m a year. Many of other local authorities charged for garden waste and therefore, the proposals would bring the Council in line with a tried and tested way of delivering the service whilst also recovering the cost from the residents who use it. Many of the Garden waste bins in Sandwell were empty or half full on collection day. As a result, it was deemed that the number of crews required could be reduced to 4 from 8. These 4 additional crews could be then redeployed to waste collection services. The Council would support residents who want to compost at home as well as offer the free service at recycling centres.

The Chair of the Budget and Corporate Scrutiny Management Board raised a number of issues as follows:-

- The estimated income to be generated seemed extremely optimistic. It was asked if a further breakdown could be provided
- An estimate for the potential increase in fly-tipping was requested.
- Clarification was sought on whether the Council would be removing waste bins from properties who did not subscribe in year 1.
- A question was asked if the Council would review the removal the appointment system at Shidas Lane if the decision was approved?

- Was the Council confident that Serco was capable of running a subscription service.

In response, the Cabinet Member for Environment confirmed the following: -

- Many similar schemes in other Local Authorities were currently on-going. An estimate of 35% of households in Sandwell was subscribing to the service was calculated.
- There was always a possibility that changes to waste services could increase fly-tipping. This would be monitored.
- Garden waste bins would not be removed from properties who do not subscribe in year 1
- The appointment system would remain under review.
- Serco already successfully ran subscription services in other authorities and the proposals were in line with effective systems in place elsewhere.

In response to further questions, it was highlighted that a sticker system would be used to prevent Serco from accidentally collecting bins that were not paid for.

Reasons for recommendations

The introduction of a subscribed garden waste collection service removes any disproportionality associated with a universal free service that a significant number of residents are currently not accessing. Charging for the service would mean garden waste is only collected from households actively subscribing and using the service, reducing the number of unnecessary journeys made by waste collection vehicles. Modelling indicates that – based on the recommended Option 3 – the collection fleet could be reduced from 8 vehicles to 4. This will reduce carbon emissions and save an estimated £800,000 per year.

Alternative options considered

	Option	Risk and Opportunity
1	<p><u>Continue with current free of charge service</u></p> <p>This is the do-nothing option for which the tonnage collected would be at a similar level to current at circa 12,500 tonnes from 120,000 properties.</p> <p>Costs for providing the service are included in the Waste Services Contract with Serco, which includes collection treatment and processing.</p> <p>Not recommended</p>	<p>Maintains current tonnages of garden waste and would not impact on recycling performance.</p> <p>Maintains the current inefficiency of large diesel vehicles regularly collecting small amounts of garden waste from households.</p> <p>Disproportionality where residents are subsidising a service they may not need or want.</p> <p>No savings delivered</p>
2	<p><u>Continue with current free of charge service but change collection frequency to 4-weekly</u></p> <p>This involves continuation of a free service with a reduction in collection frequency from fortnightly to 4-weekly (40 weeks – March to November).</p> <p>Costs for providing the service are included in the Waste Services Contract with Serco, which includes collection treatment and processing.</p> <p>Not recommended</p>	<p>Maintains a free of charge collection service.</p> <p>Disproportionality where residents are subsidising a service they may not need or want.</p> <p>Defra consultation suggests minimum fortnightly collection.</p> <p>May introduce undesired behaviour in residents, compressing contents to fit a 4 weekly service.</p> <p>Savings from reduction in fleet / potential to reduce Serco's unitary charge.</p> <p>No income from service</p>

3	<p><u>Introduce a subscribed paid service</u></p> <p>Charged garden waste service with an annual subscription fee for each subscriber. Suggested fees are £35 per subscription.</p> <p>Subscribers would be issued with issued with a sticker containing a barcode or bin chip. Each subscriber would also have their green garden waste bin lid changed to a brown lid for ease of differentiation from non-paying customers.</p> <p>Additional bins will be provided at the same subscription rate of £35 as an additional subscription.</p> <p>Scheme administration to be with Contractor with joint promotion between Council and Contractor.</p> <p>Proposed months of delivery of service April to December (currently March to end of Nov).</p> <p>Standard bin size 240L with options for smaller bin sizes and biodegradable reusable sacks (180L) to address mobility and access issues.</p> <p>Recommended choice</p>	<p>Removes disproportionality providing service only to those who want it and are prepared to pay for it.</p> <p>Gross income generated from subscription fees of circa £1.5m. Residents also do not need to be supplied or purchase a bin.</p> <p>Potential for reduced recycling performance due to opting out of service. May result in increased residual tonnages from garden waste added to residual bin.</p> <p>Opportunity for residents to access future potential reward scheme</p> <p>Likely to increase use of and tonnage collected at Shidas Lane HRC</p> <p>Encourages waste minimization through home composting.</p> <p>Introduces process of retrieving unwanted bins.</p> <p>Growth of new customers.</p> <p>Sacks address accessibility issues for crews e.g. steps</p>
4.	<p><u>Place all garden waste properties on monthly frequency and offer premium fortnightly subscribed service.</u></p> <p>This option involves moving all properties onto a 4-weekly free of charge collection</p>	<p>Continues free of charge collection service but on 4-weekly collection frequency. Premium service offering fortnightly collection and access to reward scheme.</p>

<p>frequency (as option 2) and offering a 2-weekly 'premium' collection service which would include an annual subscription fee for each subscriber (as option 3). Suggested fees are £35 per premium subscription.</p> <p>Subscribers would be issued with a sticker containing a barcode (or bin chip). Each subscriber would also have their green garden waste bin lid changed to a brown lid for ease of differentiation from non-paying customers.</p> <p>Additional bins will be provided to premium service subscribers only and at the same subscription rate of £35.</p> <p>Scheme administration to be through Serco with joint promotion between Council and Contractor.</p> <p>Proposed months of delivery of premium service April to January (currently March to end of Nov) to consider Christmas tree collections. Future option to introduce for subscribers a choice of bin size in addition to standard 240L containers. To smaller bin (180L) at same subscription fee.</p> <p>A variation would be to include a fee for reusable or biodegradable sacks at a minimum charge.</p> <p>Not recommended</p>	<p>Confusing "mixed" scheme. Research has indicated no other councils operating such a service.</p> <p>Gross income generated from subscription fees will be substantially less. Most residents will likely try to manage with 4-weekly free option.</p> <p>Fleet savings will also be substantially reduced.</p> <p>Container costs reduced by changing bin lid only for paid subscribers. Option to fit chip on bins to track tonnages.</p> <p>Ameliorates potential for reduced recycling performance and garden waste added to residual bin due to all properties receiving a garden waste collection.</p> <p>Eliminates having to collect unwanted garden waste bins re option 3.</p> <p>Encourages waste minimization through home composting.</p> <p>Opportunity to encourage customers to switch to premium service.</p> <p>Likely to attract less negative publicity as garden waste service is provided to all properties.</p> <p>May introduce undesired behaviour in residents compressing contents to fit 4 weekly service</p>
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		Sacks address accessibility issues for crews e.g., steps.
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Agreed:-

- (1) that the Director of Borough Economy be authorised to instruct Serco to establish a subscribed chargeable garden waste collection scheme, targeting implementation for the 2023 season.
- (2) that a Contract Variation in accordance with Part 4 Schedule 21 (Change Protocol) be initiated to effect the necessary change and adjustment to the Unitary Charge;

(3) that the Council be recommended to approve the fee for the collection of Garden Waste of £35 for 2023 (or part);

- (4) that the Director of Borough Economy be authorised to make operational arrangements for the implementation of garden waste subscription sales.

210/22 **Investment Programme – Street Lighting**

Approval was sought to authorise the Director of Borough Economy to award the necessary street lighting contract. Approval was also sought for authorisation to fund the schemes via Prudential Borrowing.

Reasons for recommendations

As a responsible local Highway Authority, Sandwell MBC provides and maintains more than 30,900 streetlights on the adopted highway. Of the 30,900 Council streetlight assets some 23,020 have been modernised through a previous

SOX lantern replacement programme, delivering the associated efficiencies and carbon reduction benefits. Significant reductions in energy consumption, carbon, associated energy costs can be delivered by converting Sandwell's remaining SON lanterns to LED with a central management system (CMS). The reduced energy costs are estimated at £332,619 per year as well as mitigating the exposure to future energy price increases

Alternative options considered

The alternative option would be to use capital funding provided through the Council's capital programme. This option would fully fund the cyclical replacement of red risk lighting columns from 2024/25 onwards including an allowance to mitigate inflation. However, there are no available capital resources to fund this project. The project is suitable for Prudential Borrowing as it releases savings to fund the borrowing costs as well as ongoing energy savings to reinvest in the service.

Agreed:-

- (1) that the Capital Programme for Borough Economy is increased by £1,695,425 for 2022/23 to undertake the spend to save to fund Street Lighting Investment Programme and cyclical replacement of streetlighting columns;
- (2) that the Capital Programme for 2023/24 for Borough Economy is increased by £1,695,425 for 2023/24 to undertake the spend to save to fund Street Lighting Investment Programme and cyclical replacement of streetlighting columns;
- (3) that in connection with Resolution (1) and (2) above, the schemes are funded by Prudential Borrowing;
- (4) that the ongoing capital pressure of £275,750 per year from 2024/25 onwards is added to the Council's capital programme;

- (5) that investment of the net budget saving from energy reduction, after prudential borrowing charges is reinvested to partially fund ongoing Highway Maintenance inflation pressures;
- (6) that the Director of Borough Economy is authorised to award the necessary street lighting contract, following a compliant competitive tender process;
- (7) that any necessary exemptions be made to the Procurement and Contract Procedure Rules to enable the course of action referred to in Resolution (6) to proceed;
- (8) that the Director of Law and Governance – Monitoring Officer is authorised to execute any documentation necessary to enable these recommendations;
- (9) that the recommendations are approved, subject to a satisfactory financial appraisal being completed by Strategic Finance.

211/22 **Family Hubs and Start for Life Programme Funding**

Approval was sought to accept Family Hubs and Start for life funding from central government for the period 2022-25. Approval was also sought for the Director of Children and Education and the Director of Public Health to be authorised to formulate plans for the expenditure of the Family Hubs and Start for Life programme funding in conjunction with the Director of Finance.

Reasons for Recommendations

Sandwell is one of 75 local authorities that are eligible to receive the Family Hubs and Start for Life funding which has been made available from central government for the three financial years from 2022-25.

Alternative Options

The local authority could decide not to be part of this programme but that would mean turning down a substantial sum of money for the borough. This option has been duly discounted.

Agreed:-

- (1) that approval be given to accept the Family Hubs and Start for Life funding from central government for the period 2022-25;
- (2) that the Director of Children and Education and the Director of Public Health be authorised to formulate plans for the expenditure of the Family Hubs and Start for Life programme funding working in conjunction with the Director of Finance and in line with the associated Family Hubs and Start for Life programme guide from central government;
- (3) that the necessary virements are approved to enable the 2022/23 allocation of £1,041,000 to be spent in accordance with grant conditions

212/22 **Sandwell Drug & Alcohol Strategy**

Approval of the Sandwell Drug & Alcohol Strategy and its wider distribution and promotion was sought.

Drug and alcohol misuse was identified as a main concern for the wellbeing of Sandwell's safety and future success. Overall, a reduction in people admitted to hospital due to either drugs or alcohol had occurred however, Alcohol related deaths had increased.

Reasons for recommendations

In December 2021, Government released a new National Drug Strategy 'From Harm to Hope: A ten-year drugs plan to cut crime and save lives'. The Strategy comes with a set of requirements for local areas to help towards achieving the

national strategy ambitions. To support delivery of the national Drug Strategy ambitions, the Government requires all local areas to have in place a local drugs strategy delivery plan informed by a local joint needs assessment reviewing local drug data and evidence.

Alternative options considered

The alternative would be for Sandwell Drug & Alcohol Partnership, including work as a member of the new regional Combating Drugs Partnership, to continue without a supporting Strategy. This option would compromise local compliance with, and fulfilment of national OHID requirements (Office for Health Improvement & Disparities).

Agreed that approval be given to the Sandwell Drug & Alcohol Strategy and its wider distribution and promotion.

213/22 **Adult Social Care Deferred Payment Agreements Policy**

Approval was sought of the proposed Deferred Payments Agreements Policy for implementation.

An admin fee of £125 would be introduced alongside interest charges as permitted in the care act to ensure that finances are covered. This would take the total charge to £715 including legal costs.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board asked how it was fair that some resident had to sell their home to pay for care, whereas someone living in social housing would not have to contribute in the same way.

The Deputy Leader and Cabinet Member for Finance and Resources highlighted that the rules for financial assessment was set out in the Care Act 2014 and the Care and Support (Charging and Assessment of Resources) Regulations 2014. The question raised was a national issue and not something that the Council could address.

The Chair of the Health and Adult Social Care Scrutiny Board questioned whether or not the Council was currently helping users maximise their benefits. It was confirmed that the contributions team worked with Welfare Right to maximise Adult Social Care Client's benefits. Some benefits would not be available to people who already owned a property.

Reasons for recommendations

The Director of Adult Social Care and the Director of Finance have commissioned work to check the compliance of the council's current Deferred Payment Agreements (DPA) practice against the Care Act (2014). Although much of the existing Deferred Payment practice is governed by legislation, there are areas of local discretion and clarification. A policy had been produced which sets out the council's decisions on such areas, as well as taking account of any recent case law and Local Government Ombudsman findings.

Alternative options considered

The Care Act 2014 established a universal deferred payments scheme and therefore the Council is legally required to offer a scheme. The policy underpins that scheme.

Agreed:-

- (1) that approval be given to the proposed Deferred Payments Agreements Policy, as set out in Appendix A, as now submitted, for implementation;
- (2) that approval be given to charging of interest at the rate specified in government regulation, which from 1 July 2022 is 1.55% with rates reviewed every six months by the government;
- (3) that approval be given to the charging of administration fees based on actual costs on the deferred payments amounts, and authorise the Director of Finance to update the fees each year to reflect the actual cost to the council of providing the service, for the financial year

2022/23, the existing charges are £590 legal costs and valuation fees; from 1 December, and a new administration fee of £125 is proposed which takes the total charge to £715;

- (4) that the Director of Finance be authorised to amend the scheme in line with changes made by statutory provisions (such as, for example, the change in the upper capital threshold limit proposed in the government's Care Cap proposals).

214/22 **Highway Winter Service Operational Plan 2022-23**

Approval of the Highway Winter Service Operational Plan 2022-23 was sought.

Reasons for recommendations

Road users and the wider community place a high value on keeping traffic moving safely in snow and freezing winter weather. Failure to do so can result in adverse economic and social impacts, public dissatisfaction and significant reputational damage. The Council has a statutory duty 'to ensure, so far as reasonably practicable, that safe passage along a highway is not endangered by snow or ice'. The duty is not absolute, but decisions must be taken on reasonable grounds with due care and regard to relevant considerations set out in best practice guidance.

Alternative options considered

There is no recommended affordable alternative to mitigate the safety risks addressed by the Winter Service Operational Plan 2022-23.

Agreed that the Highway Winter Service Operational Plan 2022-23 be approved.

Land at Grove Lane, Smethwick – Compulsory Purchase Order

Approval was sought to authorise the Director of Law and Governance and Monitoring Officer to make a Compulsory Purchase Order under Section 226 (1) of the Town and Country Planning Act.

The Land at Grove Lane, Smethwick had been identified for regeneration as part of the Smethwick Town Deal project. A total of £4.35m had been allocated to the project from Government funding. The Council had little success in acquiring the land through purchase agreements and therefore, a compulsory purchase order was the only option left in order to obtain the site for development.

Reasons for recommendations

The site, which is currently derelict former industrial land, lies between Cranford Street and the canal arm adjacent to the new Midland Metropolitan University Hospital. The site of 1.67 ha has been identified for potential residential use since 2008 when it was included in the Smethwick Area Action Plan, now incorporated into the Site Allocations and Delivery DPD. The Smethwick to Birmingham Corridor Framework and Grove Lane Masterplan were prepared during 2021 and concentrated on identifying sites and opportunities for development within the regeneration corridor between Smethwick and Birmingham City Hospital. Following public consultation, both documents, were approved at Cabinet in February 2022. Their approval further emphasised the vision for comprehensive redevelopment in this area for housing purposes.

Alternative options considered

Option 1: Not progress with the CPO and not deliver the Towns Fund project leading to clawback of £4.35m to DLUHC. Reputation of the council at risk.

Option 2: Identify another site that could achieve the Town Fund project and submit another change request. There are no other sites in the area that could be considered at this stage given the timescales for the funding to be spent.

Agreed:-

- (1) that the Director – Law and Governance and Monitoring Officer be authorised to:
 - (a) make a Compulsory Purchase Order under Section 226 (1) of the Town and Country Planning Act 1990 as amended by Section 99 of the Planning and Compulsory Purchase Act 2004, Acquisition of Land Act 1981, and Section 13 of the Local Government (Miscellaneous Provisions) Act 1976 to be known as The Borough Council of Sandwell (Cranford Street, Smethwick) Compulsory Purchase Order, in respect of approximately 1.67 hectares of land bounded by land to the south of Cranford Street as shown edged red on the attached Drawing SAM/12980/005 or such lesser land as may be deemed necessary and also including the air space above an area lying to the north and south of the development during the construction as shown on Drawing SAM/12980/005;
 - (b) to use the Council's Compulsory Purchase powers to acquire land and property required for the Grove Lane Towns Fund project at Cranford Street, Smethwick;
 - (c) to take all necessary action to secure the making, confirmation and implementation of the Compulsory Purchase Order; and, if objections are received to the Compulsory Purchase Order, to make arrangements for public inquiries, including instructing external Counsel and Consultants to assist in the preparing of evidence and the presentation of the Council's case at any public Inquiry;
 - (d) in the event of the Compulsory Purchase Order being unopposed, and the Council thereby being granted powers to do so by the

- Secretary of State for Levelling Up, Housing & Communities, to confirm the above order and serve all necessary notices to implement the Compulsory Purchase Order, including the issuing of sheriff warrants;
- (e) to prepare and seal the necessary documents in connection with the CPO and submit the CPO to the Secretary of State for Levelling Up, Housing & Communities to confirm;
 - (f) to enter into any licences, undertakings or other agreements to facilitate the Compulsory Purchase Order, on terms to be agreed by the Director of Regeneration & Growth;
 - (g) in the event of the Compulsory Purchase Order being confirmed by the Secretary of State for Levelling Up, Housing & Communities, to serve all necessary notices to implement the powers of compulsory acquisition, including the making of General Vesting Declarations; notices to treat; notices of entry; and to take all other requisite steps to obtain possession of the properties; and, where possession has not been given, to obtain a Sheriff's Warrant for possession of any lands;
 - (h) to acquire the necessary interests in the land and property included in the confirmed Compulsory Purchase Order, on terms to be agreed by the Director of Regeneration & Growth, or as ordered by the Lands Tribunal;
 - (i) to enter into, or execute under seal, any documentation in relation to award of the contract and/or development/partnership agreement, licence, undertaking, framework joining agreement and any other agreements

with the procured contractor/s as may be deemed necessary to facilitate development of the site, on terms and conditions to be agreed by the Director of Regeneration and Growth;

(j) in the event of the council being successful with the submission to the Levelling Up Fund, or securing other appropriate funding source(s), to prepare a Compulsory Purchase Order for the area around Grove Street, Halberton Street and land north of Cranford Street, as set out on plans SAM/12980/004 & SAM/21160/001 attached to this report, and the Director of Regeneration & Growth present a more detailed report to Cabinet at a later date;

- (2) that the Director of Regeneration & Growth be authorised to make minor amendments to the (Cranford Street, Smethwick) Compulsory Purchase Order and, more particularly, marked "Map referred to in Borough Council of Sandwell (Cranford Street, Smethwick) Compulsory Purchase Order" prior to it being made and submitted for confirmation;
- (3) that the Service Manager – Strategic Assets & Land be authorised to enter into negotiations and to acquire land and property within the proposed Order lands, on terms to be agreed by the Director of Regeneration & Growth, in advance of confirmation of the Compulsory Purchase Order by the Secretary of State, and subject to the availability of finances;
- (4) that the Director – Finance be authorised:
 - (a) to allocate adequate investment from the Smethwick Towns Fund to fund acquisition of site, demolition of buildings and remediation of land, in order to facilitate a clear site for redevelopment, which is

approximately 1.67 hectares of land off Cranford Street, and to cover the CPO administration and execution costs.

- (b) (subject to 4(a) above) to grant funding (when secured) from the Town Fund Grove Lane Programme (administered by Sandwell Council), and to allocate adequate resources to fund the first phase of the development.

216/22 **Council new build homes on land at Garratts, Smethwick**

Approval was sought to appropriate land at Garratts Lane, Cradley Heath from the General Fund to the Housing Revenue Account for housing purposes with the accounts being adjusted accordingly and to develop the site with new council housing, subject to planning permission.

Reasons for recommendations

The Council is able to develop this site with circa 20 homes, subject to planning permission, as part of the new strategic approach to provide more and better housing in the borough.

Alternative options considered

Option A – Dispose of the Site on the Open Market

The site would not be suitable for private sector residential development in isolation as the Council's access to the site is not deemed suitable to serve a housing development and would not obtain planning permission.

This option would also offer nil contribution to the Council's new build programme.

Option B – Work in partnership with a Registered

Provider Partner with the assistance of Homes England to build new affordable homes for rent. The site would not be suitable for residential development in isolation as the Council's access to the site is not deemed suitable to serve a housing development and would not obtain planning permission.

This option would also offer nil contribution to the Council's new build programme.

Option C – Leave the site undeveloped.

An option to consider would be not to build out the site and to leave it as it is. There are ongoing maintenance costs to the Council around litter picking and grounds maintenance. These are difficult to quantify as they are carried out as part of larger services, although we anticipate costs would be significantly reduced if the site were developed for housing. This option would offer nil contribution to the Council's new build programme and result in an under-utilised Council asset.

Agreed:-

- (1) that approval be given to appropriate approximately 4770.3 m² (0.48 hectares) of land at Garratts Lane, Cradley Heath from the General Fund to the Housing Revenue Account for housing purposes with the accounts being adjusted accordingly and to develop the site with new council housing for affordable rent, subject to planning permission, as shown for identification purposes only at Appendix 1, as now submitted;
- (2) that approval be given to acquire the access land, as shown for identification purposes only at Appendix 3, as now submitted, from Green Square Accord on terms and conditions to be agreed by the Director of Regeneration and Growth;
- (3) that approval be given to make a direct award to Green Square Accord (or their subsidiary within the group structure) and an exemption be made to the Council's Contract Procedure Rules;
- (4) that the Director of Finance be authorised to allocate adequate resources from the Council's Housing Revenue Account, subject to being satisfied that the proposal provides value for

money, to deliver the scheme and to utilise grant funding offered by Homes England, under the extended Homes England Strategic Partnership 1 Programme 2016 to 2021 to assist with the delivery of the project;

- (5) that in connection with Resolution (3) and (4) above, approval be given to authorise the necessary steps for the delivery of the proposed project, including:
- a) that subject to receiving the necessary Strategic Investment Unit appraisal approval mark of 65 or above for this site, the Director of Regeneration and Growth in consultation with the Director of Finance and the Director of Housing be authorised to accept the Financial closure offer for the construction of Council new build properties, in accordance with any statutory regulations and the Council's the Director – Monitoring Officer be authorised to enter into or execute under seal any documentation in relation to award of the contract for the development of this site and/or development/partnership agreement, any consents or applications required for Planning or Highways appertaining to the delivery of the schemes and any other agreements with the procured contractor(s), as may be deemed necessary to facilitate development of the site with housing a scheme on terms and conditions to be agreed and implemented by the Director of Regeneration and Growth;
 - b) the Director of Regeneration and Growth in consultation with the Director of Finance and the Director of Housing be authorised to make a direct award to Green Square Accord (or their

subsidiary within the group structure) and enter into a Design and Build agreement to develop and deliver a new housing scheme on behalf of the council.

- c) to enter into or execute under seal any financial agreement in relation to the Homes England grant on terms and conditions to be agreed by the Director of Finance;
- d) that any necessary exemptions are made to the Council's Procurement and Contract Procedure Rules to enable the course of action referred to b above to proceed;
- e) Subject to the practical completion of each property, the Director of Housing be authorised to manage and let the properties built in accordance with the Council's housing allocation policy.

217/22 **New Archives Centre**

Approval was sought to identify land to the rear of Smethwick Council House as the preferred site for a new Archives Centre.

Reasons for recommendations

Currently archives storage was at capacity, and the material is housed in three separate sites, which makes managing the collection and providing access difficult. Much of the storage does not meet the required standards (BS 4971) set out by The National Archives (TNA). The archives were stored in the basements of Smethwick library and West Bromwich town hall (neither of which met the standard) and in the relatively new Dudley archives – (which does, but costs the service £13k per annum). The Archives Service had its application for mandatory accreditation by the TNA rejected in July 2018, because storage did not meet minimum standards. The service should have reapplied by 2021 but TNA recognise that the standard cannot be met and agreed

to a delay in applying for accredited status. We cannot however, delay indefinitely.

Alternative options considered

Option	Reason for rejection
Do nothing	Sandwell could lose its place of deposit status and be required to pay another local authority to house its public records
Conversion of existing storage at Smethwick Library	Too small and costly
Rental of additional space at Dudley Archives	Not sustainable – Dudley will want the space back as their archives grow and has revenue implications as well as costs and travel for Sandwell residents with a disconnect from local services
Utilise SMBC owned industrial units	All those available are either too small or not accessible enough
Lease or purchase private sector industrial units	All those available are not accessible enough and not cost effective
Use unoccupied space at Operations and Development centre (Roway Lane)	Too small and not accessible enough
Smethwick Swimming Centre (Thimblemill Baths)	Restrictions due to layout and listed status

Agreed:-

- (1) that approval be given to identify land to the rear of Smethwick Council House as the preferred site for a new Archives Centre;
- (2) that the Director – Borough Economy be authorised to proceed with feasibility, design, specification and the development a funding strategy for a new Archives Centre at the preferred site;

(3) that the Director of Borough Economy, in consultation with the Section 151 Officer, be authorised to:

- Prepare any necessary tendering documentation;
- Procure, in accordance with the public procurement rules, the Council's procurement and financial regulations a contractor(s) to carry out further feasibility, draft design and specification and support a funding strategy; to award a contract and to enter into or execute under seal any financial agreement(s) as may be deemed necessary in relation to the project

218/22 **Gas Safety Inspections 2022 - 2025**

Approval was sought to award contracts for the delivery of Gas Safety inspection with West Bromwich, Oldbury and Smethwick to Phoenix Gas Services Limited.

Due to the termination of two separate gas safety inspection contracts, it was highlighted that the Council was left in a vulnerable position of not having adequate resources available to provide its statutory requirement of undertaking annual gas safety inspections to Council properties.

The Vice-Chair of the Economy, Skills, Transport and Environment Scrutiny Board questioned if we could clarify if the awarded contractors had any female workers. The Director of Housing explained that whilst young women had begun to enter the trade, it was still very much a male dominated profession. If any tenant had preference for a female gas inspector, although it would not be guaranteed, it would be considered.

Reasons for recommendations

The Council is obliged by statute to undertake annual gas safety inspections and servicing to its properties as a landlord. Subsequent to the withdrawal of two incumbent

contractors, approval was sought to award the contract for the provision of annual gas safety inspections within West Bromwich, Oldbury and Smethwick.

Alternative options considered

There are no other options available, this contract is required in order for Sandwell MBC to be able to maintain its current housing stock and fulfil its landlord obligations.

Agreed:-

- (1) that approval be given to award contracts for the delivery of Gas Safety Inspections within West Bromwich, Oldbury and Smethwick to Phoenix Gas Services Limited, for the sum of approximately £1,700,000 and for a period of 2 years and 9 months, from 1 November 2022 to 31 July 2025;
- (2) that the Director – Law and Governance and Monitoring Officer be authorised to enter into appropriate contracts for Gas Safety Inspections with Phoenix Gas Services Limited;
- (3) that approval be given to vary an existing contract currently in place for the delivery of Gas Safety Inspections within Tipton and Wednesbury to also include Rowley Regis to a value of approximately £690,000.

219/22 Action Taken on Matters of Urgency - New Burdens: Market Sustainability and Cost of Care

Details of the urgent action taken by the Leader of the Council was noted.

Reasons for recommendations

Each local authority has been asked to complete a Cost of Care exercise for 65+ residential and nursing homes and for Domiciliary Care (otherwise known as Home Care) for people 18+ by 14 October 2022 to better understand the

sustainability of fee rates. In addition, the Government requires Councils to complete a provisional Market Sustainability Plan (MSP) to establish how they will close the gap, if one exists, between current fee rates and the findings of the Cost of Care exercise.

Alternative options considered

The Council does not have to submit the outcome of the provisional Market Sustainability Plan or Cost of Care exercise to the DHSC, however to not do so would mean that it will have to pay back the grant of £1.25 million that it has received, of which £456,315 has already been spent.

Agreed that the following details of the urgent action taken by the Leader of the Council be noted:-

- (1) to approve the submission to the Department of Health and Social Care documents relating to the outcome of the Cost of Care exercise for 18+ Domiciliary Care and 65+ Residential and Nursing sectors consisting of:
 - Cost of Care Table,
 - Spend Report,
 - Cost of Care Report and
 - Market Sustainability Plan (provisional and final);
- (2) to authorise the Director of Adult Social Care authority to make necessary changes to the Cost of Care documents before final submission, in consultation with the Cabinet Member for Adult Social Care and Health, given the strict deadlines set by the Government.
- (3) to approve publication on the Council's website of the process undertaken by the Council in relation to the Cost of Care exercise and the resultant Market Sustainability Plan in line with the requirements laid down by the Department of Health and Social Care (DHSC);

- (4) to note the potential impact and pressure on the Council's budget should the Government not make sufficient additional funding available to the Council to meet the financial burdens associated with sustainable rates as a result of the Cost of Care exercise for the 18+ Domiciliary Care and 65+ Residential and Nursing care homes sectors;
- (5) to endorse the position that the Council takes into account the outcome of the Cost of Care exercise and available Government funding together with sound judgement, evidence and a negotiation process when setting a Fair Cost of Care and assessing market sustainability and the delivery of legislative duties under Section 5 of the Care Act;
- (6) to endorse the position that further progress towards reaching the median cost over three years will not begin until government funding is confirmed and will be phased in line with the additional government funding received;
- (7) to approve the remaining 2022/23 allocation of the Cost of Care Grant be used to further uplift the Domiciliary Care, Extra Care, Promoting Independence and Rapid Response/ Wrap Around services hourly rate from £16.00 per hour to £16.92 per hour in recognition of significant market pressures being faced, and for this to be backdated to 1 September 2022 and to be in place until 31 March 2023;
- (8) that the Director of Adult Social Care be delegated to determine how any surplus Cost of Care grant mentioned in 1.7 is spent in consultation with the Cabinet Member for Adult Social Care and Health;
- (9) note the general inequity in treatment and likely risk of destabilisation within markets

deemed out of scope by the Cost of Care exercise;

(10) to approve the completion of further market analysis for out of scope markets (Supported Living, Complex Residential and Nursing Care and Day Care, and) to mitigate risk noted in (9) above;

(11) to note the inequity in the hourly rate for Direct Payments falling a year behind the Council's Domiciliary Care rate and to agree to a further paper being brought to Cabinet to address this.

220/22 **Exclusion of the Public and Press**

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

221/22 **Corporate Asset Management Strategy (CAMS)**

Approval of the Corporate Asset Management Strategy (CAMS) was sought.

The CAMS document set out the framework in which the Council's Land and Assets would be managed; It was intended to respond to the corporate plan that was underway. Not only did the plan help each of the Council's service areas deliver their plans, but it also responded to financial constraints and needs of the Council.

The key aspects of the plan was highlighted to Cabinet:-

- Disposing of surplus assets

- Further rationalisation of the office portfolio - More efficient use of office space whilst ensuring that services are provided to the public.
- Establishment of community hubs - this strategy will support work undertaken to consider establishing community hub across the borough.
- Sets directions in carbon reduction, information management, undertaking asset valuations and community transformations

The Chair of the Budget and Corporate Scrutiny Management Board sought further clarification on why West Bromwich had been left without a designated Neighbourhood office. A further question was also asked on why no consultation with ward members had taken place regarding the sites listed in the report appendices.

The Cabinet Member for Regeneration and Growth confirmed that the Council's customer strategy was currently under review with a view to formalise what services would be offered at a local level by the start of 2023. The Council had taken the opportunity to exit the Court House in West Bromwich at lease end given the extreme budget pressure faced by the Council. Interim measures were put in place for face to face enquiries to be received at West Bromwich Library.

It was reported that once renovations had been complete, West Bromwich Town Hall would be the designated local hub for West Bromwich. It was suggested that further reports containing the costs of retaining assets would be brought to Cabinet to determine the best individual use for each asset; no disposals would be made before coming back to Cabinet.

Reasons for recommendations

To support the efficient management and use of Council assets.

Alternative options considered

Non-delivery of the CAMS would be contrary to the Council's Improvement Plan. If the CAMS did not contain proposals for rationalisation of the office and community estates then it will

become impossible for the Council to maintain its estate safely and efficiently with the available budget.

Agreed:-

- (1) that approval be given to the Corporate Asset Management Strategy (CAMS) attached at Appendix A, as now submitted;
- (2) that the Local Hub indicative locations as set out below, be approved and authorise Directors to undertake due diligence and prepare detailed proposals for the development of community hubs including timescales, digital offer, buildings that will become surplus and other financial implications, and also to prepare a report on the implications for library services and for heritage assets;
 - Carnegie Library Tipton
 - Oldbury Council House / One-stop shop
 - West Bromwich Central Library / Town Hall
 - Wednesbury Town Hall & Art Gallery
 - Blackheath Library Rowley Regis
 - Town Hall Smethwick
- (3) that all community buildings that become surplus should be offered as opportunities for Community Asset Transfers;
- (4) that it be acknowledged that the assets contained in the Surplus Assets list at Appendix B are surplus to the Council's operational requirements;
- (5) that the procurement of a firm of property consultants (using CCS Framework RM6168) be approved to undertake a review of the Council's surplus property assets with a view to identifying assets for disposal or development;
- (6) that the Director of Regeneration & Growth, in consultation with the Section 151 Officer, and the

Monitoring Officer, be authorised to oversee the procurement and to appoint the selected consultant;

- (7) that subject to approval by Cabinet on any disposal of surplus assets, the Director of Regeneration & Growth, in consultation with the Section 151 Officer and the Monitoring Officer, be authorised to oversee the review and to progress the disposal of surplus assets in a manner and on terms recommended by the review;
- (8) that a budget of £100k is allocated from the Invest to Save reserve for this work;
- (9) that it be acknowledged that the need to reduce the Council's office portfolio further, reflecting working patterns post Covid and authorise officers to undertake a detailed options analysis with a target of reducing the operational office portfolio by at least 50%.

222/22

Delivery Issues Relating to the Strategic Regeneration Masterplans for West Bromwich and for Grove Lane Smethwick

Approval was sought, subject to more detailed due diligence, for the procurement of a joint venture development partner is the preferred route to delivery the West Bromwich Town Centre and Grove Lane Masterplans.

Reasons for recommendations

To ensure the effective delivery of the West Bromwich Town Centre Masterplan in a way that enables high design standards and a holistic approach to regeneration to be achieved

Alternative options considered

Adopt the masterplans and rely on the private sector to deliver.

Agreed:-

- (1) that approval in principle, subject to more detailed due diligence, that the procurement of a joint venture development partner is the preferred route to delivering the West Bromwich Town Centre and Grove Lane Masterplans;
- (2) that the Director of Regeneration and Growth be authorised to procurement a professional team (lawyers and property consultants) to carry out the workstreams set out below:
 - Provide detailed legal advice setting out the advantages, risks and proposed mitigations of the preferred option.
 - Provide advice on setting up a joint venture company
 - Provide a business case including a financial model showing the likely returns. Phasing. Likely gap-funding requirement and options to address this.
 - Provide an analysis showing how the Council might act as bank, lending to JV Co. Set out pros and cons of this.
 - Advise on the attractiveness of the opportunity in the market, and how to present the opportunity to maximize interest.
 - Prepare a development partner procurement strategy, including:
 - Advice re the best Framework to use.
 - How the opportunity would be promoted. Advertising, press, social media, launch events.

- Advice on the form of contract, highlighting key issues.
 - A timetable for procurement.
 - A stakeholder engagement strategy, and a framework for consultation and decision-making.
- Presentations on the above, as necessary, to Members and / or senior officers.
 - Preparation of a Brief, scoring matrix and other necessary documentation.
 - Collation of documentation as necessary to furnish a data room.
 - Managing all aspects of the developer selection process.
 - Assessment of bids, including:
 - Advice on developer appraisals, cost plans, proposed phasing. Credibility of each bid.
 - Advice on design standards and fit with the masterplan.
- (3) authorises the Director of Regeneration & Growth to oversee the procurement of the professional team, approve the selection and enter into appointment contracts as necessary.
- (4) requests a further report before March 2023 covering the following:
- 4.1 Detailed legal advice setting out the advantages, risks and proposed mitigations of the preferred option.
 - 4.2 A business case including a financial model showing the likely returns.
 - 4.3 A development partner procurement strategy, including:

- 4.3.1 A timetable for procurement
- 4.3.2 A draft developer briefing document for approval
- 4.3.3 A stakeholder engagement strategy, and a framework for consultation and decision-making.
- 4.3.4 A request for approval to commence a development partner procurement process.

Meeting ended at 5.56pm

Contact: democratic_services@sandwell.gov.uk

Minutes of Budget and Corporate Scrutiny Management Board

Thursday, 29 November 2022 at 6.00 pm
In Council Chamber at Sandwell Council House, Oldbury

Present: Councillor Moore (Chair);
 E M Giles, Fenton, Hinchliff, Bhullar, Taylor and Simms.

In attendance: Michael Jarrett (Director of Children's Services and Education), Neil Cox (Director of Business Strategy and Change), Kate Ashley (Strategic Lead – Service Improvement), Rebecca Maher (Assistant Director of Finance), Rebecca Jenkins (Senior Lead – Service Improvement Team), Trisha Blackstock (Assistant Director - Social Work and Therapy), Susanne Moore (Business Partner for Adult Social Care), Elaine Taylor (Business Partner for Children's Services), Comie Campbell (Head of Financial Business Partnering – Place), Tammy Stokes (Service Manager for Growth and Spatial Planning), Nigel Collumbell (Assistant Director for Housing Management), Chris Hilton (Interim Service Manager for Land and Assets) Suky Suthi-Nagra (Democratic Services Manager) and Anthony Lloyd (Democratic Services Officer).

50/22 **Councillor Ann Shackleton**

The Chair reported on the passing of late Councillor Ann Shackleton, Chair of Children's Services and Education Scrutiny Board. Councillor Shackleton had previously led a career as a teacher and Headteacher.



Members and officers also paid tribute to the late Councillor Ann Shackleton and her dedication to improving children's services in Sandwell.

The Chair, on behalf of the Board, passed on condolences to her family.

The Board stood in silent tribute to the late Councillor Shackleton.

51/22 Apology for Absence

Apologies for absence were received from Councillors Anandou, Giles and Trumpeter.

52/22 Declarations of Interest

There were no declarations of interest.

53/22 Minutes

Resolved that the minutes of the meeting held on 13 October 2022 are approved as a correct record.

54/22 Additional Items of Business

There were no additional items of business to consider.

55/22 Improvement Plan Progress

The Strategic Lead – Service Improvement was invited to address the Board on progress made on the Improvement Plan.

A quarterly update on progress against the Improvement Plan, which was agreed by Council on 7 June 2022, was provided. The Improvement Plan incorporated all recommendations from the Grant Thornton Governance Review, the LGA Corporate Peer Challenge and the CIPFA Financial Management Review, as well as the Statutory Directions from the Secretary of State for Levelling Up, Housing and Communities.

Significant progress had been made to deliver actions of the improvement plan. This included the appointment of a permanent Chief Executive. A decision had also been made by Council in relation to a 4-yearly election cycle. The three main recommendations for Scrutiny made by the Grant Thornton review had also seen good progress. Effective development and support for members in statutory roles had begun, forward plans were shared with Audit Committee and Scrutiny Boards, and training on governance roles, reading reports and asking questions was underway. It was highlighted that the LGA report confirmed that Scrutiny at Sandwell now had a sense of energy and drive and was going from strength to strength.

A comprehensive monitoring tool was in place to monitor progress against the Improvement Plan. This tool included both a risk rating for each main action within the Improvement Plan and a progress status rating for all actions. An update on the Improvement Plan's six themes was provided to the Board:

Organisational Culture:

Progress had been made with some slippage in the delivery of workforce strategy and the delivery of corporate governance training for members.

The Director Business Strategy and Change highlighted that a much wider approach had now been taken regarding workforce strategy. Slippage was due to the detailed approach at identifying what the values and culture of the strategy should be.

The Director of Law and Governance and Monitoring Officer addressed the Board. The Centre for Governance and Scrutiny had undertaken training with members that focused on the code of governance. Further training had been scheduled. Training in relation to the implementation of the changes to the code of governance had also been looked at.

The Code of Corporate Governance would go to Council for approval in December and therefore, delays with training had taken place until approval was sought and confirmed.

Corporate Oversight:

No progress issues were reported.

Strategic Direction:

The LGA framework had been adopted to progress the Equality, Diversity and Inclusion Strategy (EDI). The framework contained four modules that enabled officers to examine the effectiveness of the Council's EDI agenda. At the end of this process, the Council would be able to produce a strong EDI strategy.

The Strategy would also look outwards towards the communities of Sandwell to ensure that EDI was a top priority when engaging with residents. The strategy would take 12 months to complete, following this, a complete roadmap would be available to refresh EDI policies.

Decision Making:

Slippage had occurred with the revised financial regulations. Key changes had been approved at Council in July with further changes going to Council in December. Financial threshold and Contract Procedure Rules had already been changed and implementation had begun.

Procurement and Commercial:

An Expert Determination process was underway in relation to the Lion Farm options agreement. The Council was still awaiting an update for the process to progress.

Partnerships and Relationships:

Progress had been made across several workstreams however slippage had occurred in relation to the Sandwell Children's Trust Key Performance Indicator (KPI) review and partnership structures around transition from Children's to Adult's services.

The Director of Children's services confirmed that the KPI Suite had been reviewed and agreed. Completion was due to take place in December 2022 with a planned implementation of April 2023. Slippage regarding the transition work had taken place due to the unsuccessful recruitment of a Project Lead. A delay in obtaining funding had contributed to the delays.

Embedding activity into business as usual as well as reflecting on the findings from the re-visits of external reviewers were the main focuses going forward.

In response to questions from members, the following answers and clarification was provided: -

- Difficulties had been faced with the recruitment of a project lead due to it being a specialised post with a very small talent pool.
- Both the Council and the Commissioners reported to the Secretary of State on a 6-month basis.
- Conversations would be arranged with independent witnesses regarding the customer journey aspect of the improvement plan; this would include interviews with security officers, members of the public and frontline staff.
- Significant progress should be seen regarding the customer journey aspect of the improvement plan over the next few months.
- Customer feedback would be utilised to ensure Council services were adapting to the needs of the public.

The Board noted the excellent progress against the Improvement Plan and officers were thanked for their hard work.

Resolved that the comments of the Board on the progress of the Improvement Plan be reported to Cabinet for consideration.

56/22

Draft General Fund Budget 2023/24 and Medium-Term Financial Strategy

The Assistant Director of Finance presented the Draft General Fund Budget 2023/24 and Medium-Term Financial Strategy to the Board. The report contained budget pressures, growth items and saving proposals for directorates. Responses to the public budget consultation were also included. The draft report was originally presented to Cabinet on 16 November 2022; the final budget report would be received by Cabinet in February 2023.

Prior to savings identified by directorates, the budget gap was approximately £15m. In total, directorates had identified savings of £9.6m and corporate savings of £6.4m had also been found. A predicted surplus of £1.4m was identified, however, this would

most likely change due to the on-going financial climate and cost of living crisis. The Autumn Statement was not yet factored into the draft budget.

The assumptions included in the draft budget was: -

- Inflation where it was contractual and unavoidable with an estimated increase in utilities by 80%;
- Provision for an annual pay reward at 5%;
- Pension contributions assumed at the current rate;
- Business rates income on current trends with no changes expected;
- 1% increase in Council Tax base;
- A 2.99% increase in Council Tax.

The Winter Statement was announced by central government on 17 November 2022, following the production of the draft budget.

The following key points were identified:-

- The departmental expenditure budget would be maintained at the levels set at the spending review, however, inflation would have a big impact on spending power.
- The core school's budget would receive an additional £2.3 billion in 2023/24 and 2024/25.
- Social Care reforms had been delayed until October 2025 however, funding would be retained to off-set adult social care pressures. There would be a corresponding reduction in a separate grant as a result.
- Additional funding for Adult Social Care and discharge arrangements of £2.8 billion next year and £4.7 billion the year after was available.
- Core Council Tax could now be increased by 3% before a referendum was required
- Adult Social Care precept could now be increased by 2%.
- Business rates bills would be updated following a revaluation that was taking place.
- Business rates multipliers were to be frozen next financial year.
- The retail, hospitality and leisure relief would be extended. Local authorities would be compensated for the decisions made by central government regarding the freezing of business rates.

- Social Housing rents would be capped at 7% and the national living wage would increase from 1 April 2023.

The provisional settlement was expected to be received on 19 December 2022; until then, it would be difficult for officers to know how the funding would impact Sandwell Council specifically. Decisions would be required from Cabinet quickly regarding Council Tax increases. No further information had been received in relation to the Fair Funding reform, business rates reset or new homes bonus.

In response to questions from members regarding the impact to core care services following constraints on the budget, it was noted that safe and effective care remained a priority and that although a financial impact would be felt, a person would never be left at risk.

A 33% increase in the number of children with Educational Health and Care plans highlighted that although the demand was increasing, Councils were struggling to stay on budget when delivering services. Members displayed their concerns around the short-term nature of many of the funding options and how this made it difficult to forward plan.

Additional short-term funding streams such as the household support fund could be used to help individuals who were struggling with the cost of living crisis. Reassurance was provided by officers regarding the deliverability of the budgeted savings.

Members thanked officers for the work in creating the draft budget despite the ongoing financial and political pressures.

Resolved the comments of the Board in relation to the draft budget proposals for 2023/24 be reported to the Cabinet to inform final budget proposals.

57/22

Cabinet Forward Plan

After consideration by members of the Board, it was identified that the Tree Strategy and Policy item contained within the forward plan should be considered by the Budget and Corporate Scrutiny Management Board as part of pre-scrutiny.

58/22 **Work Programme**

The Board noted its work programme for 2023.

Meeting ended at 7.31pm.

Contact: democratic_services@sandwell.gov.uk

Minutes of Audit and Risk Assurance Committee

29 September 2022 at 5.30pm
In the Council Chamber at Sandwell Council House

Present: Councillor Preece (Chair);
Councillors L Giles, Hinchliff, Khatun and Melia
Mr Ager (Independent Member).

Officers: Maria Price (Legal Services Service Manager); David Wilcock (Governance Review Consultant); Peter Farrow (Audit Services Manager); Narinder Phagura (Business Partner for Audit, Fraud, Risk and Insurance); Kate Ashley (Strategic Lead – Service Improvement); Elaine Newsome (Service Manager for Democracy); Helen Green (Commissioning Team Manager); Colin Marsh (Divisional Manager – Adult Social Care); Sean Russell (Customer Feedback Coordinator); Matt Powis (Senior Democratic Services Officer); Ant Lloyd (Democratic Services Officer).

43/22 **Apologies for Absence**

Apologies for absence were received from Councillors Anandou, Choudhary and Mr Hussain (Independent Member).

44/22 **Declarations of Interest**

There were no declarations of interest.



45/22 **Minutes**

Resolved

That, the minutes of the previous meeting held on 21 July 2022 be confirmed as a correct record.

46/22 **Urgent Business**

There was no urgent business for discussion.

47/22 **Law and Governance Directorate Risk Register Risk**

The Committee received an overview of the Law and Governance Directorate risk register.

A red risk was identified on the implementation of the Election Act 2022. The Act would introduce several new variables and requirements for the Council to implement for upcoming elections. Such changes included the planned introduction of photo identification requirements at polling stations as well as postal vote changes. However, due to the absence of national guidance, the implementation of the Act remained a risk for the Council. The Committee was reassured that once the guidance and legislation was clearer, the risk would be reduced significantly.

The implementation of the legislation may be required as soon as 2023 although, this was not guaranteed. It was noted that the Council would communicate with the electorate on the proposed changes, once finalised by the Government.

Members noted that the Midland Metropolitan Hospital was on target to open in early 2024.

Overall Members noted the positive direction of the highlighted risks and were satisfied that appropriate measures had been taken to combat any concerns highlighted by the register.



The Committee thanked officers for their attendance.

Resolved that the Law and Governance Risk Register update be noted.

48/22

Strategic Risk Register Update

The Audit Services Business Partner provided an update on the Council's Strategic Risk Register. The following key risks were highlighted and discussed:

- Risk 4 – Children's Social Care was downgraded from red to amber following the publication of the recent Ofsted report on Children's Services in Sandwell, which took place in May 2022. The report confirmed that the service had been re-evaluated from inadequate to requiring improvement to be good due to some areas of positive work. However, it was noted that further development was required to take place in order to improve practice and outcomes for vulnerable children and their families.
- Risks 27 and 27b – Medium Term Financial Plan and Budget Management 2022/23 were listed as a red risks due to the impact of the current and forecasted levels of inflation impacting the Council's financial performance.
- Risk 54- Special Educational Needs and Disabilities Transport risk had improved from red to amber, following the successful completion of the procurement for SEND transport. The residual risk reflects the budget pressure to ensure that any overspends were managed.
- Risk 56a – Towns Fund Programme phase 2 had been identified as a new risk which reflected the next delivery phase of the programme.
- Risk 63a – Establishment of a Local Authority Trading Company (LATC) to manage nine of the Council's Leisure Centres was identified as a new risk. It was noted that the LATC was due to take over responsibility of the Council's leisure facilities from Sandwell Leisure Trust when arrangements cease in May 2023.
- A new risk was added to the register respect of inflation and the impact -on the cost of living for residents and council services.



The Committee noted the update and raised concerns in respect of the current cost of living crisis. A Member sought clarification on whether the risk register would identify current concerns relating to the economy. In response it was confirmed that the risk register was collated in August 2022 and therefore would not reflect the most recent developments in respect of Government economic policy.

It was noted that a report on the Business Continuity Management incident relating to the Council's ICT system would be presented to the Committee in January 2023.

The Chair requested that the Committee receive a briefing note on the impact of UK inflation on Council finances.

Resolved that the Strategic Risk Register Update be noted.

49/22 **Adult Social Care Directorate Risk Register Report**

The Adult Social Care Directorate Risk Register was presented to the Committee.

The Committee were informed that a total of 13 risks were identified. to which 3 were green, 7 were amber and 3 were red.

Resilience in the Care Market, Adult Social Care Charging Reform and the Fair Cost of Care were all identified as red risks. It was noted that the Council had mitigation plans to reduce and ease these risks on the Council.

The Committee noted the update and thanked officers for their attendance.

Resolved that the Adult Social Care Directorate Risk Register Report be noted.



Improvement Plan Progress

The Service Improvement Strategic Lead presented an update on the Council's Improvement Plan. The Committee received a previous update on 28 June 2022.

An overview of the monitoring tool was discussed to provide context to the Improvement Plan. The tool allows adaptable and flexible programme management to help ensure aims and objectives were monitored closely. This tool could be used to identify issues as identified.

In total, 12 risks were identified against the improvement plan, 7 were rated amber, 3 were rated green and 2 were rated red. It was noted that the risks identified as red were due to resource implications. Furthermore, although financial resources had been obtained and approved, the risk remained red due to difficulties recruiting. It was confirmed that some key job vacancies had been successfully filled and further improvements were anticipated to be made prior to the next scheduled Committee update.

It was confirmed that the Cabinet, the Leadership Team and the Commissioners were consistently updated on the delays to the plan. Some delays were expected due to the changes in the schedule of meetings following the recent cancellations due to the passing of the Queen. In this respect, the Chair requested an update report on the overview of the progressed and implemented recommendations specifically relating to the improvement plan at the next scheduled meeting of the Committee.

Resolved that the improvement plan progress be noted.

Local Government and Social Care Ombudsman's Annual Report 2021/22

The Customer Feedback Coordinator presented the Local Government and Social Care Ombudsman's (LGO) Annual Report 2021/22. The report provides a summary of the settled complaints by the LGO in relation to the Council. It was noted that 58 complaints and enquiries were received by the LGO regarding the



Council in the year 2021/22. However, only 30 detailed investigations were carried out with only 20 cases upheld.

Statistics were provided detailing the total number of complaints upheld alongside compliance with Ombudsman recommendations and satisfactory remedies provided by the Council. In respect of complaint performance, the Council was on par with other equivalent unitary local authorities.

Members highlighted concerns regarding the poor performance by the Council in completing actions and recommendations on time. In a fifth of cases where recommendations were provided to remedy a complaint, the Council did not complete the required actions on time.

The Customer Feedback Coordinator confirmed that the Council was actively working with the Ombudsman to improve performance and response times. A tighter deadline of 10 days was to be put in place when obtaining information from service areas to help reduce waiting times for the Ombudsman. In addition, the Council's Learning and Development team was providing quality training to Council staff to reiterate the importance of adhering to Ombudsman requests.

The Committee noted the update and expressed their interest in seeing the improvements made in next year's report.

Resolved that the Local Government and Social Care Ombudsman's Annual Review be noted.

52/22

Audit and Risk Assurance Committee Annual Report

The Audit Services Manager presented the Audit and Risk Assurance Committee Annual Report.

It was highlighted that the report was a key component of the Council's governance, risk management and internal control framework. The report provided an overview of the Committee's work from the previous year and would be presented to the next scheduled meeting of Council by the Chair.



The Chair noted the concerns of the Committee about the finalisation of the 2020 to 2021 financial accounts.

Resolved that the Annual Report of the Audit and Risk Assurance Committee be approved and presented to the next meeting of the Council.

53/22 **Cabinet Forward Plan**

The Forward Plan was presented for information and to allow the Committee an opportunity to contribute to any items or raise any issues with the Executive.

53/22 **Work Programme**

The Committee noted the work programme for 2022/23.

Meeting ended at 6.26p.m

Contact: democratic_services@sandwell.gov.uk



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Minutes of General Purposes and Arbitration Committee

24 November 2022 at 6.00pm
in the Council Chamber, Sandwell Council House, Oldbury

Present: Councillor Dhallu (Chair)
Councillors Costigan, Millar, Simms and Trumpeter.

In attendance: Tracey Hurst (Electoral Services Manager);
David King (Elections Assistant), Trisha Newton (Deputy
Democratic Services Manager).

11/22 **Apologies for Absence**

There were no apologies for absence.

12/22 **Declarations of Interest**

There were no declarations of interest.

13/22 **Review of Polling Places and Polling Stations 2022/23**

The Committee considered the review of polling places and polling stations 2022/23.

The Elections Team had undertaken a review of polling places following the May 2022 elections. Although not statutory, it was considered good practice to undertake a review after an election year.



When reviewing polling places, it had been necessary to review their appropriate efficacy. The perspective of the electorate had to be considered in any change, such as, the accessibility of the site, its suitability, parking arrangements and disabled access. If alternative sites could not be found in the vicinity, then the site would not be changed.

The changes now recommended took into account the commitment made following the 2021 review to reduce the number of schools and temporary huts used as polling stations.

Resolved to recommend to Council that:-

- (1) the proposed changes to specific Polling Places and Polling Stations as set out in Appendix 1 be approved;
- (2) subject to (1) above, the Director of Law and Governance & Monitoring Officer be authorised to implement the approved changes detailed in Appendix 1;
- (3) subject to any required changes with a Polling Place or Polling Station within the Borough prior to elections in 2023 (and beyond), the Returning Officer (or in their absence/unavailability, the Deputy Returning Officer) be authorised to change any Polling Place(s) and/or Polling Station(s), following consultation with relevant Ward Members and Chairperson of the General Purposes and Arbitration Committee, as considered necessary to enable the efficient and effective running of elections.

14/22

Nomination for Honorary Alderwoman

The Committee considered a nomination for conferment of the title of Honorary Alderwomen in respect of former Councillor Dr Ann Jaron.



The Local Government Act 1972 gave authority to the Council to confer the honour of Honorary Aldermen/ Alderwomen of the Borough on elected members who had given eminent service to the Borough. This honour was in accordance with the Council's honorary scheme.

Dr Jaron had represented the Borough for 25 years. She had been a Cabinet Member for Social Care for a number of years and had also served as Mayor of Sandwell for the municipal years 2019-2020 and 2020-2021.

Dr Jaron had confirmed that she would be minded to accept the nomination.

Resolved to recommend to Council that the title of Honorary Alderwoman is conferred to Dr Ann Jaron, in recognition of her eminent service to the Borough of Sandwell.

Meeting ended at 6.33pm.

Contact: democratic_services@sandwell.gov.uk



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Minutes of Ethical Standards and Member Development Committee

**Tuesday 1 November 2022 at 3:00pm
in Committee Room 1, Sandwell Council House, Oldbury**

Present: Councillor Allcock (Chair)
Councillor Crompton, Jalil, Lewis and Rahman.
Mr John Tew and Mr Richard Phillips (Independent Persons).

Officers: Surjit Tour (Director of Law and Governance – Monitoring Officer), Elaine Newsome (Service Manger – Democracy), Vanessa Mahersmith (Governance and Business Support Principal Lead & Solicitor), Trisha Newton (Senior Democratic Services Officer) and John Swann (Democratic Services Officer)

37/22 Apologies for Absence

Apologies were received from Councillors E M Giles, G Gill and W Gill.

38/22 Declarations of Interest

No declarations of interest were made.

39/22 Minutes

The minutes of the meeting held on 21 June 2022 were agreed as a correct record.

40/22 **Additional Items of Business**

There were no additional items of business to consider.

41/22 **DBS Checks for Elected Members**

Further to Minute Nos. 6/22 (22 February 2022) and 18/22 (22 March 2022), the Committee recommended that Basic DBS Checks were undertaken by all members and enhanced checks provided for those in selected roles.

Following benchmarking exercises with other local authorities, the Committee reviewed responses from elected members, with 96.9% of those surveyed in favour consenting to a voluntary DBS Check; (Response rate of 58.3%).

There was currently no allocated Council budget for DBS checks for elected members, the cost of which was estimated at £1,936 per annum. Different options for payment included: payment from council budget, payment from allowances and a combination of both. It was agreed by the Committee that a decision regarding payment should be deferred until the Independent Remuneration Panel met to examine options.

Resolved:-

- (1) that approval be given to progress with the implementation of DBS Checks for elected members;
- (2) that the Independent Remuneration Panel be called to recommend possible changes to the Member's Allowance Scheme to fund the proposals for DBS checks for elected members.

42/22 **Member Development Update**

The draft Member Development Programme, shaped by both the Local Government Association and Grant Thornton's Review was presented to the Committee.

The Committee expressed a desire to ensure training was accessible to elected members, both in terms of tailoring training packages and linking up with the events of each municipal year.

The Member Development update was considered by the Committee.

Resolved that the Draft Member Development Programme update be considered.

43/22 **Committee on Standards in Public Life Annual Report for 2021- 2022**

In July 2022, the Committee on Standards in Public Life (“CSPL”) published its Annual report for 2021- 2022.

The Committee noted the contents of the report for information, particularly that of relevance to Local Government.

44/22 **Gifts and Hospitality Register**

No new entries had been made to the Gifts and Hospitality Register.

45/22 **National Cases**

The Committee received and discussed details of national cases, as part of its learning and development.

46/22 **Complaints Update**

The Committee received an update in relation to complaints received under the Member Code of Conduct arrangements.

47/22 **Work Programme**

The Committee considered the work programme for 2022/23.

The Committee approved changes to the Work Programme, including rescheduling the meeting due to take place on 6 December 2022 to January 2023.

Resolved that the changes to the Work Programme be approved.

Meeting ended at 3.52pm

Contact: democratic_services@sandwell.gov.uk