

Sandwell Metropolitan Borough Council Statement of Decisions made at a meeting of the Executive on Wednesday, 12 July 2023

Published:

The following decisions were made by the Executive at its meeting on **Wednesday, 12 July 2023**. These decisions will come into force on **20 July 2023**. A decision by the Executive may be called-in (in accordance with Part 4 – Scrutiny Procedure Rules of the Council’s Constitution) by **19 July 2023**. Should you have any queries about any decision that has been made, contact should be made in the first instance to Democratic Services at democratic_services@sandwell.gov.uk. Any declaration of interest made by any member of the Executive is shown below.

	Item	Reason for Decision:	Alternative options:	Lead officer:
4	<p>Urgent Item of Business - Local Authority Housing Fund</p> <p>Resolved:-</p> <p>1.1 That approval be given to draw down the offer of £1.8m of Capital Grant Funding from the Department for Levelling Up, Housing, and Communities (DLUHC).</p> <p>1.2 That the Director Housing is authorised to match fund from unallocated Housing Revenue Account reserves and/or through</p>	<p>Sandwell Council had been offered the opportunity to draw down £1.8m of Capital Grant Funding in return for the provision of 19 units of accommodation, 17 for settled accommodation and 2 units of temporary accommodation. A further £20,000 per property was also available to account for other costs (including refurbishment).</p>	<p>Sandwell Council was not required to draw down the capital funding offered. Alternatively, Sandwell could have requested to draw down part of the funding.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>prudential borrowing for the purpose of acquiring 19 units of accommodation to support the resettlement of families supported by the Home Office's Afghan Relocations and Assistance Policy (ARAP) and the Afghan Citizens Resettlement Scheme (ACRS).</p> <p>1.3 That the Director of Housing is authorised to contact the the Department for Levelling Up, Housing and Communities expressing concern that the Council can only draw down 40% of the capital spend and is expected to find the majority funds to support this approach.</p>			
5	<p>Award of Contract for use of Enforcement Agents</p> <p>Resolved:-</p> <p>(1) That That the Director of Finance - Section 151 Officer, in consultation with Cabinet Member for Finance and Resources, is authorised to award a contract for use of Enforcement Agents for a 5-year period (3 + 2), following a successful competitive exercise in accordance with the Contract Procedure Rules.</p> <p>(2) That the Director of Law and Governance – Monitoring Officer is</p>	<p>The contract for the use of Enforcement agents would end on the 30 November 2023. Sandwell was committed to ensuring effective collection of unpaid Council Tax, Business Rates, High Court and County Court judgements, Commercial Rent arrears, Business Improvement District (BID) charges and sundry debts, including housing benefit overpayments. The use of enforcement agents was crucial in ensuring the Council maintain and improve current levels of performance and was always used as a last option.</p>	<p>If a contract was not in place to provide additional assistance with the recovery of unpaid Council Tax, Business Rates, High Court and County Court Judgements, Commercial Rent arrears, Business Improvement Districts (BID) charges and sundry debts, including Housing Benefit Overpayments and the recovery actions available to the Council would be limited. Recovery rates would reduce affecting income available to the Council to provide services.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>authorised to execute any documentation necessary to enable the action referred to in 1.1 above to proceed.</p>			
6	<p>Budget and Corporate Scrutiny Management Board - Customer Journey Scrutiny Review</p> <p>Resolved:-</p> <p>1.1 That Cabinet consider the findings of the Customer Journey Scrutiny Review report as set out in Appendix 1.</p> <p>1.2 That Cabinet approve the following recommendations arising from the Customer Journey Scrutiny Review:-</p> <p>(1) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Cabinet Member for Finance and Resources and Cabinet Member for Adult Social Care, is authorised to agree a customer care standards/charter, and staff responsibilities in relation to those</p>	<p>In 2022, the Budget and Corporate Scrutiny Management Board agreed to investigate the experience of Sandwell residents when accessing or requesting Council services; this would be referred to as the "Customer Journey". This was in response to:-</p> <ul style="list-style-type: none"> • concerns raised by residents about response times to queries; • member's experiences when trying to contact services/individual officers (e.g. delayed/no response); • addressing the objectives of the Council's Improvement Plan to improve the customer journey experience; • to improve communication between residents and the council. <p>The Board recognised that significant improvements needed to be made in order to help the Council leave intervention. Customer services was of public interest and aligned with the Council's corporate priorities.</p> <p>The Budget and Corporate Scrutiny Management Board subsequently conducted</p>	<p>There are no alternative options. The Cabinet may approve all, some, or none of the recommendations.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>standards to ensure;</p> <p>a) that “back-office” staff take ownership and accountability of customer requests received via Contact Centre Agents;</p> <p>b) a standard approach is taken to making officer contact numbers available on Outlook and to customers to prevent additional calls being made to the Contact Centre;</p> <p>c) a standard approach to the complaints process and deadlines for responding to complaints are clear and accessible across all Council services;</p> <p>d) that key contacts</p>	<p>a scrutiny review, establishing a Working Group to carry out the review and ascertain an understanding of the current customer journey experienced by residents and users of Sandwell Council’s services.</p>		

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>are identified within each service area to aid Customer Service Agents in their enquiries;</p> <p>e) that residents are regularly updated and informed about the current process of their request/query.</p> <p>(2) that the Director of Regeneration and Growth/Assistant Chief Executive is authorised to commission/develop a customer training package that incorporates the following topics:-</p> <p>a) The completeness of response letters</p> <p>b) Methods to manage customer expectations and awareness around the Council's remit and responsibilities.</p> <p>(3) that the Director of Regeneration and</p>			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>Growth/Assistant Chief Executive ensure that all members of staff undertake training around customer care standards as identified in (2) and that staff performance against these standards be incorporated within the appraisal process;</p> <p>(4) that mandatory corporate customer service training be included as part of the induction process for all staff;</p> <p>(5) that the Director of Regeneration and Growth/Assistant Chief Executive, in consultation with the Director of Finance, investigate options for procuring a single joint Customer Relations System across the Council;</p> <p>(6) that the Director for Director of Regeneration and Growth/Assistant Chief Executive considers the introduction of automated feedback surveys and</p>			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>that regular feedback on Council enquires/complaints are analysed and shared with Directorates;</p> <p>(7) That the Director for Director of Regeneration and Growth/Assistant Chief Executive introduces corporate guidelines in relation to the use of Council contact numbers to ensure that all officers are contactable and that contact details are updated regularly;</p> <p>(8) that the Director of Regeneration and Growth/Assistant Chief Executive considers the feasibility of amalgamating the current three contact centres (Corporate Contact Centre, Revenues and Benefits Contact Centre and Adult Social Care Care) into a single contact centre number with staff specialising in various areas;</p>			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>(9) that the Director of Regeneration and Growth/Assistant Chief Executive, as part of the refresh of the Council's website, ensures the Council continues to promote the use of Sandwell Digital First and the Council's website as the first point for accessing information and raising an issue/request;</p> <p>1.3 That, in connection with 1.2 above, a further report be submitted to the Budget and Corporate Scrutiny Management Board, within 2 months' time, on the decision of Cabinet.</p>			
7	<p>Octopus Affordable Housing Scheme</p> <p>1.1 That approval is given to authorise the Director of Regeneration and Growth to seek investment opportunities to deliver affordable housing provision working in partnership with Black Country Housing Group and Octopus Real Estate.</p>	<p>There was a significant regeneration priority to increase the level of supply of housing of all tenures in the Borough. Specifically, the shortfall in the supply of Affordable Housing needed to be overcome in order to meet identified need.</p> <p>Octopus Real Estate had established a fund that offered the opportunity to privately finance 100% of the funding required to deliver Affordable Housing schemes. This was separate to traditional models of supply (s106 agreements. development</p>	<ul style="list-style-type: none"> • Do Nothing: <p>In this scenario, the provision of affordable housing, utilising more traditional models of s106 obligations and delivery through the provision of Registered Providers Development Programmes was likely to continue on a similar trajectory to previous years, with identified need going unmet.</p> <ul style="list-style-type: none"> • Seek an Alternative provider: 	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>1.2 That the Director of Regeneration and Growth is authorised to progress a scheme at the former Rolfe St Baths site in partnership with Black Country Housing Group comprising sufficient information to enable the submission of an Initial Business Case for consideration by Octopus Real Estate.</p> <p>1.3 That, in the event that the Initial Business Case is approved by Octopus Real Estate, the Director of Regeneration and Growth, in consultation with the Cabinet Member for Growth and WMCA and the Director of Law and Governance and Monitoring Officer, is authorised to enter into a formal agreement with Black Country Housing Group to enable them to progress the delivery of the scheme, specifically including the following areas of responsibility:</p> <p>Black Country Housing Group</p> <ul style="list-style-type: none"> · Obtaining all necessary consents 	<p>programmes of Housing Associations with Homes England support, and the Council's HRA programme). Utilising the private sector funding provided the opportunity to increase current levels of affordable housing supply thus enabling additional provision to meet identified need.</p>	<p>Octopus Real Estate was not the only private sector providers in the market, and the Council could have sought to establish relationships with alternative operators. However, it was not clear how long it would take to find such an alternative operator, and whether they would invest on the same basis as Octopus.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>(including planning, network rail consents and other permits/licences deemed necessary) to enable the scheme to proceed;</p> <ul style="list-style-type: none"> · Procurement of contractors; · The Construction Contract and its implementation · Financial control of the project overall · The Development Agreement with Octopus Real Estate · Reimbursement of SMBC costs incurred at the Initial Feasibility stage · The Management Agreement with Octopus Real Estate · Providing SMBC with appropriate nomination rights for future occupants · Underwriting of any cost overrun after contingency allowances on a 50/50 basis, subject to a maximum sum. <p>SMBC</p> <ul style="list-style-type: none"> · Progress the disposal of the Rolfe St Baths site to Octopus Real Estate, subject to further Cabinet approval. 			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<ul style="list-style-type: none"> · Underwriting of any cost overrun after contingency allowances on a 50/50 basis subject to a maximum sum. · Obtain 100% nomination rights <p>1.4 That the Director of Regeneration and Growth is authorised to progress detailed negotiations on the disposal of the former Rolfe St Baths site, and to present a further report on those negotiations to Cabinet prior to disposal.</p> <p>1.5 That a sum of £800,000 is allocated from the s106 contributions for Affordable Housing to under-write any potential construction cost overruns, subject to confirmation that a matching amount is provided from Black Country Housing Group.</p> <p>1.6 That the Director of Regeneration and Growth is authorised to allocate resources from the Regeneration and Growth budget to support the progression of 1.1 – 1.5 above.</p>			
8	Regeneration Programme & Towns Fund	On the 23 March 2022, Cabinet approved	This was a bi-annual update	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>Bi-Annual Update</p> <p>Resolved:-</p> <p>1.1 That the progress made on projects within the Regeneration Project Pipeline Performance Report, including Towns Fund Programme, is received.</p> <p>1.2 That the following amendments to the Regeneration Project Pipeline are approved:</p> <ul style="list-style-type: none"> • Archives Centre, Smethwick project be added to the pipeline. • Netomnia Full Fibre project be added to the pipeline. • Brownfield Land One Public Estate (OPE) sites (if approved) be added to the pipeline. • Breakdown of programmes to articulate individual sites/projects (where appropriate). <p>1.3 That in connection with 1.2 above, the Director of Regeneration & Growth is authorised to implement the amendments to the Regeneration Project Pipeline and for this to be published on the council website.</p>	<p>the Regeneration Strategy, Regeneration Project Pipeline and the Inclusive Recovery Action Plan for Business. Taken together, they set out the corporate regeneration priorities for the period 2022 to 2027. The pipeline was a live document, and Cabinet resolved for it to be monitored via a report submitted to Cabinet every 6 months. In addition, Cabinet resolved that approval be sought to make additions to the project pipeline and for updated pipelines to be published on the council website and the Regenerating Sandwell website.</p>	<p>requested by Cabinet on 23 March 2022. In accordance with the Cabinet Decision, Cabinet were to consider additions to the project pipeline. There was no alternative option.</p>	
9	<p>Appointment of a non-executive director of Sandwell Children’s Trust</p>	<p>On 22 March 2017, Cabinet agreed that the ‘the Council will consider only elected members or officers for the non-executive</p>	<p>The alternative option was to reject the recommendation. However, in line with the Governance Side</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>Resolved:-</p> <p>1) That Cabinet, on behalf of the Council as the sole owner of Sandwell Children's Trust:</p> <p>a) notes the completed sequence of events that are contractually required to appoint a non-executive director of Sandwell Children's Trust;</p> <p>b) notes and takes into account in its decision-making, the response from the Secretary of State for Education; and</p> <p>c) approves the appointment of Councillor Pam Randhawa as Council appointed Member non-executive director of Sandwell Children's Trust</p>	<p>director roles on the board. Furthermore, the Cabinet recommended to the Council, and it was agreed, that one elected Member and one officer be identified as the two Council appointed non-executive directors, and that the identification of the officer (Council appointed non-executive director) be delegated to the Chief Executive.</p>	<p>Agreement with the DfE and the Trust's Articles of Association there would have been a vacancy on the board that would still need to be filled. An alternative candidate would need to be nominated to Council and the process of consulting with the Secretary of State would need to be undertaken again. This would have left a potential gap in the governance arrangements of the Trust for a period as at least one of the Council appointed NED are required for Trust board meetings to be quorate</p>	
10	<p>Children's Social Worker recruitment and retention</p> <p>Resolved:-</p> <p>1.1 That approval is given to increase the contract sum to Sandwell Children's Trust by a maximum of £260,000 to continue the payment of a market supplement of £2,500, plus on costs, for 2023/24 to all permanent case holding social</p>	<p>In line with many other councils and Trusts across the country, Sandwell Children's Trust (SCT) faced workforce challenges regarding the recruitment and retention of social workers. Discussions with the Department for Education and regional colleagues showed that the demand for talented and experienced social workers outweighs the supply. Additional funding was being sought to implement the Sandwell Deal with a view to improve recruitment and retention and reduce the overall reliance on</p>	<p>Option 1 – Continuation of the Market Supplement A market supplement payment was a payment made to hard to fill roles to improve the base salary primarily due to the current salary not being competitive compared to other Local Authorities / Trust. The analysis had indicated that the current market supplement of £2,500, had placed SCT in a more favourable position within the region with regard to</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>workers.</p> <p>1.2 That approval is given to Sandwell Children's Trust adopting a retention payment policy for all permanent case holding social workers and permanent team managers, payable based on length of service at a maximum additional cost to the Council of £310,000 in year 1, £585,000 in year 2 and £1.136m in year 3.</p> <p>1.3 That approval is given to authorise Sandwell Children's Trust to recruit up to 12 International Social Workers in 2023/24 at a maximum additional cost of £556k.</p> <p>1.4 That in connection with 1.1 - 1.3 above, approval be given for the total maximum cost of £1.126m for 2023/24 to be funded from the Social Care Earmarked Reserve.</p> <p>1.5 That the Director of Finance, in consultation with the Direct of Children's Services, review the Sandwell Deal Policy in December 2023 to evaluate its effectiveness in recruiting and retaining social work employees and consideration given to funding ongoing costs through the Council's Medium-Term Financial Strategy.</p>	<p>more expensive agency workers and project teams</p>	<p>Social Workers.</p> <p>Option 2 – Introduction of a Retention Payment over Three Years A retention payment was a lump sum payment outside of an employee's base pay that was offered as an incentive to retain an employee within SCT for a certain period of time. It would be payable dependent on the period of time the social worker remained with the Trust i.e. after 12 months, 24 months and 36 months. The analysis had indicated that the payment of a retention payment would assist in securing a more stable permanent workforce if offered over a period of time.</p> <p>Option 3 – Recruitment of International Social Workers Alongside the Sandwell Deal the Trust was considering the recruitment of International Social Workers. International Social Workers had been sourced by a significant number of local authorities to help fill their permanent vacancies. The Trust was proposing the recruitment of up to 12 qualified international social workers for financial year 2023/2024. The recruitment would involve a package of support for the</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
			<p>sponsorship fees and relocation and agency fees at a cost of £46k per worker. The maximum cost of recruiting 12 workers is £556k, the total cost would have been reduced if fewer than 12 workers were recruited.</p>	
11	<p>Green Spaces Annual Report 22/23 and Programme of Works 23/24</p> <p>Resolved:-</p> <p>1.1 That the annual report for the programme of green spaces works in 2022/23 be noted and that approval be given to carry over any outstanding works to 2023/24 as set out in Appendix A and A1.</p> <p>1.2 That approval be given to the planned programme of works for green spaces for the financial year 2023/24, as set out in Appendix B, C, and D.</p> <p>1.3 That the Director of Borough Economy, in consultation with the Cabinet Member for Leisure and Tourism, is authorised to approve further works for green spaces, if additional funding becomes available, to spend during the financial year, based on the priority works identified in the green space</p>	<p>The Green Spaces Strategy 2022 – 25 set out an approach for Cabinet to approve and publish an annual report and an annual programme of planned works for green spaces. The planned programme of works included all funding sources, whether Council funded or externally funded.</p>	<p>To not approve the programme of works for 23/24. This would have required a new set of works to be drafted, with a new criterion for selecting these works determined.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>improvement plans.</p> <p>1.4 That the Director of Borough Economy is authorised to approve additional works, when required, to rectify immediate health and safety issues.</p>			
12	<p>Commonwealth Games Legacy Plan</p> <p>Resolved:-</p> <p>(1) That the SMBC Commonwealth Games Legacy Plan, as set out in Appendix 1, be approved.</p>	<p>The Commonwealth Games was a once-in-a-lifetime opportunity to promote Sandwell, attract investment and engage the community through sport. It was imperative that SMBC implement a framework of Legacy activity to ensure the benefit of the games did not stop at the end of the competition in August 2022. Sandwell Council's Commonwealth Games Legacy Plan aimed to capitalise on the benefits created by being a host venue at the 2022 Commonwealth Games.</p>	<p>Do nothing - Sandwell was currently the only delivery partner that has not published a CWG Legacy Plan. Failure to capitalise on the Legacy benefits of the CWG would represent a missed opportunity.</p>	
13	<p>Performance Management Framework – Q4 Monitoring</p> <p>Resolved:-</p> <p>(1) That Cabinet note progress on the further development of the Corporate Performance Management Framework and approve the Quarter 4 monitoring reports.</p>	<p>Since April 2023, the corporate PMF had been further refined and built into business processes. The report on performance during Quarter 4 (Q4) of 2022/23 (January-March 2023) sought to build on the intelligence gathered for previous quarters of the financial year and offered the opportunity to assess end of year progress.</p>	<p>The Directions issued by the Secretary of State, including the requirement to have a performance management framework in place, were a statutory requirement and the council had a legal obligation to respond appropriately. Failure to do so would have likely resulted in further intervention measures.</p>	
14	<p>Recommendations from Budget and Corporate Scrutiny Management Board in</p>	<p>The Budget and Corporate Scrutiny Management Board</p>	<p>In accordance with the Localism Act 2011, Cabinet was requested to</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>response to quart 3 budget monitoring report 2022/23</p> <p>1.1 That Cabinet ensure that Directors review and update any pages they hold on the Council’s website.</p> <p>1.2 That Cabinet authorise the Cabinet Member for Finance and Resources and the Director for Finance to consider the introduction of additional financial controls on general spend, in particular, matters relating to recruitment and day to day spend where necessary.</p> <p>1.3 That Cabinet authorise the Director of Children’s Services, Director of Adult Social Care and Director of Finance, in consultation with the Cabinet Member for Children, Education and Young People, Cabinet Member for Health and Adult Social Care and Cabinet Member for Finance and Resources to explore the feasibility of providing in house care for young people in care, SEND placements and adult social care placements.</p> <p>1.4 That, in connection with 1.1 – 1.3 above, a further report be submitted to the Budget and Corporate Scrutiny Management Board, within 2 months’ time, on the decision of Cabinet.</p>	<p>had considered the quarter 3 budget monitoring report for 2022/23 and expressed concern that:-</p> <ul style="list-style-type: none"> • There was out of date information on the council’s website. • Significant overspends in a number of budget areas and looking at introducing additional control measures to ensure there was authorisation obtained to approve transactions on general spend and recruitment; • The year on year increase in costs associated with children’s placements and SEND and looking at the feasibility of in house provision to reduce costs, including those associated with adult social care placements; • Considering current outstanding section 106 spend, including details of deadline for spend and how ward 	<p>respond to the recommendations of the Scrutiny Management Board within two months, setting out any approved recommendations, and how they will be implemented.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
		<ul style="list-style-type: none"> members are consulted; • Meeting with the Cabinet Member for Children's Services to understand the high cost associated with Sandwell Children's Trust. 		
16	<p>Cashless Strategy</p> <p>Resolved:-</p> <p>1.1 That the principle of 'Going Cashless' at all Council establishments is approved and endorsed.</p> <p>1.2 That the Director of Finance – Section 151 Officer is authorised to introduce the phased removal of cash, cheque and postal order payments as follows:</p> <ul style="list-style-type: none"> i) Stop accepting cash, cheques and postal orders at Oldbury Council House, including through the kiosks. ii) Consider the opportunity to stop accepting cash, cheques and postal orders in all council 	<p>If all cash and cheque handling transactions were stopped, staff savings in the cashier's office would have been between £200k - £250k per annum. The savings would be phased over the project timeline in line with the recommendation to stop taking cash and cheques at Oldbury Council House first, followed by a phased approach across other Council locations. Savings would be confirmed as the Project Plan progressed.</p>	<p>Do nothing, continue as is.</p> <p>Implement non-acceptance of cash and/or cheques & postal orders only at Council House, Oldbury, with other council services such as libraries and Sandwell Valley remaining out of scope. A decision would also be required whether to retain the internal kiosks.</p> <p>Adopt a longer-term phased approach, commencing with implementation at Council House, Oldbury, followed by other council services and establishments, such as libraries and neighbourhoods within an agreed timeframe.</p>	

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>locations and a further report be brought back to Cabinet once further consultation has been undertaken</p> <p>iii) Cease the use of cheques for payments to suppliers and customer refunds</p> <p>iv) Where Council locations do require continued acceptance of cash & cheques, arrange direct banking collections and deposits and authorise the Director of Finance to undertake the appropriate procurement arrangements for the provision of this service.</p> <p>1.3 That Phase One of the Project Implementation Plan as seen in Appendix. 1 be approved including carrying out appropriate consultation and Equality Impact Assessments.</p> <p>1.4 That a further report be brought back to Cabinet prior to the implementation of Phase 2 of the Project Plan.</p>			

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17	<p>Procurement of a Strategic Delivery Partner for the Regeneration Pipeline</p> <p>Resolved:-</p> <p>1.1 That approval be given to the scope of a Strategic Delivery Partner as for the following:-</p> <ul style="list-style-type: none"> • West Bromwich Masterplan • Grove Lane Masterplan • Rolfe Street Masterplan (subject to Cabinet approval) • Delivery of the Housing Revenue Account Council Home Newbuild programme (All sites and to include MMC) • Transport Pipeline – three CRSTS Schemes (Birmingham to Smethwick Inclusive Growth Corridor; A4123: Multi Modal; A461: Multi Modal totalling circa £40m) • Delivery of all Retrofit programmes in HRA homes • Asset Rationalisation and Surplus Assets • Other Residential Sites – some or all of the Friar Park Masterplan site; Council owned sites suitable for residential development. • Tipton Town Regeneration Scheme • Regeneration Sites in 	<p>The Council needed to take a longer-term approach to delivering key strategic projects in the approved Regeneration Pipeline by procuring a suitable partner to work with rather than the multiple single fixed price procurements and one-off relationships. Construction cost inflation had a major impact on the Regeneration Pipeline as bidders built in large elements to cover unknown risk. A longer-term approach would enable the Council to maximise private sector expertise, share risk more equally in a cost-effective way; increase social value and local spend benefits and generate more opportunities for apprenticeships.</p>	<p>The alternative option was to continue procuring delivery partners as per current practice.</p>	

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	<p>proposed Sandwell Levelling Up Zone (Wednesbury to Birmingham Rd, Tipton) – subject to approval.</p> <ul style="list-style-type: none"> • Other projects added to the Pipeline as determined by Cabinet. <p>1.2 That approval is given to authorise the Director of Regeneration and Growth to accept a contract period of up to 15 years with break points at three, seven, ten and fifteen years for a long-term partnership subject to value for money and acceptable performance.</p> <p>1.3 That the Director of Regeneration & Growth is authorised to commence a Pagabo Framework procurement process for a Strategic Delivery Partner.</p> <p>1.4 That the Director of Regeneration & Growth is authorised to award a contract for the procurement of external legal advisers from existing budgets to advise on the procurement, the contract documentation and drafting of Joint Venture legal agreements and structures in connection with 1.1 above.</p> <p>1.5 That in connection with 1.1 above, the Director of Regeneration &</p>			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>Growth is authorised to procure a commercial adviser from existing budgets to advise on the procurement, the proposed partnership and Joint Venture agreements as appropriate.</p> <p>1.6 That details of the risks in relation to the procurement and the delivery partner of this approach be received.</p> <p>1.7 That the Director of Regeneration and Growth submit a further report in 2024, after the Pagabo procurement process has completed, to determine which Strategic Delivery Partner should be selected and any other issues requiring Cabinet approval.</p>			
18	<p>West Bromwich Heat Network - Approval for final development</p> <p>1.1 That Cabinet approve the following preferred West Bromwich Heat Network business model:</p> <p style="padding-left: 40px;">b) Joint Venture ESCO (50/50) at an estimated capital cost of £18.1m (or £15.5m if GHNF grant is successful)</p> <p>1.2 That approval is given to:</p>	<p>A heat network is a system of pipes that takes heat from a central source and delivers it to multiple buildings. These systems can be a cost-effective way of reducing carbon emissions related to heating as they can be used to exploit low carbon energy sources, including recovered heat from industrial processes, as in this case. Heat networks can also incorporate energy storage potential, which is important given the highly variable nature of demand for heat across a typical year. It may also be plausible to integrate cooling and power supply into the heat network project.</p>	<ul style="list-style-type: none"> · Council Owned (100%) Energy Services Company (ESCO). · Concession awarded to an Operator to Design, Build and Manage – no capital cost required. · Do Nothing – do not proceed with any further work on this – no capital or revenue cost required. Development of a network would then be left entirely to the private sector. 	

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	<p>a) Give retrospective approval for submission of a Green Heat Network Fund (GHNF) grant application as agreed with the Cabinet Member for Regeneration & WMCA.</p> <p>b) Fund the associated revenue implications as reflected in Appendix 1 from earmarked reserves for 2023/24 and future years be considered as part of the budget setting cycle and the medium-term financial plan.</p> <p>c) Create a capital budget for 2023/24 (per Appendix 2) for the cost of equity (plus up to £940k of commercialisation costs in the event that the application for GHNF funding be unsuccessful) and to be fully funded through prudential borrowing:</p> <p>1.1 (b) Joint Venture ESCO – Capital Budget £6.41m (max' requirement).</p> <p>d) Commission an external</p>			

	Item	Reason for Decision:	Alternative options:	Lead officer:
	<p>contractor to deliver the Commercialisation stage of work in accordance with Contract Procedure Rules.</p> <p>e) Establish and resource appropriate governance arrangements and a project management team within the Council.</p> <p>f) Connect relevant Council buildings, including high-rise blocks, to a heat network, subject to consultation and feasibility.</p> <p>g) Include plans for network connection within the redevelopment proposals for West Bromwich Town Centre.</p> <p>1.3 That the Director of Regeneration & Growth, in consultation with the Cabinet Member for Regeneration & WMCA and the Director of Law and Governance and Monitoring Officer, is authorised to:</p> <p>a) Sign any contractual arrangements associated</p>			

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	<p>with a successful GHNF application to ensure receipt of funding.</p> <p>b) Procure and appoint a contractor to undertake Commercialisation in accordance with Contract Procedure Rules.</p> <p>c) Establish internal governance and project management arrangements.</p> <p>1.4 That the Director of Regeneration & Growth submit a further report to Cabinet in due course to set out the detail of the preferred option and any relevant funding strategy and procurement arrangements.</p>			