

The Cabinet

**5th June 2019 at 3.30pm
at the Sandwell Council House, Oldbury**

Present: Councillor Y Davies (Leader of the Council);
Councillors Ali, Crompton, Hadley, Khatun, Lloyd,
Millard, Shaeen, Taylor and Underhill.

In attendance: Councillors E M Giles, Moore, Rollins and Singh.

56/19 **Minutes**

Resolved that the minutes of the meeting held on 17th April, 2019 be received.

57/19 **Governance of West Midlands Fire and Rescue Service –
Approval of proposed constitutional detail**

Consideration was given to proposals to revise the Constitution of the West Midlands Combined Authority and the Chief Fire Officer Framework of accountabilities, as developed between West Midlands Fire and Rescue Service and the Combined Authority and approved by the West Midlands Combined Authority (WMCA) Board on 22nd March 2019.

The Combined Authority Board had confirmed its consent to the laying of the Order. It had also agreed to the additional constitutional measures subject to the approval of the constituent authorities. The arrangements could not be put in place without agreement of all the constituent local authorities.

At the 25th May 2018 Board meeting, it was agreed that the Scheme be submitted to the Home Office to enable the development of the draft Statutory Order. Following receipt of the draft Statutory Order, specific proposals set out in the report to progress key local 'asks' were confirmed at the 14th September 2018 Board meeting.

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The Chief Executive and Monitoring Officer of the WMCA were authorised to consent to the laying of the Order in Parliament subject to the outcome of the final local constituent council cabinet meeting on 19th September 2019 and all of the constituent local authorities agreeing.

The proposed Final Draft Statutory Order from the Home Office was sent out to each Constituent Council. However, the proposed Order contained an amendment that led the Chief Fire Officer to advise that the Order should not be consented to on the basis that the change was too significant and compromised the intent of the proposed governance changes.

The single change in the proposed Order received back from the Home Office was in Part 2 Section 7 regarding delegations of Chief Fire Officer Functions by a Mayor. The title for this section was altered from 'Functions of the Chief Fire Officer' to 'Delegation of functions to the Chief Fire Officer.' Furthermore 7 (1) was amended to 'The only arrangements the Mayor may make under section 107D(3)(b) of the LDEDC Act 2009 in relation to fire and rescue functions are to authorise the exercise of the following functions by the Chief Fire Officer....' It was felt that this change, particularly replacing the use of 'must' with 'may' in 7(1), compromised the intent of the proposed governance changes which had been consulted upon and previously agreed by Board members.

As a result of this change and the subsequent advice provided by the Chief Fire Officer, the Order was not consented to by the Constituent Councils and the Combined Authority.

Having considered the proposals, members of the Cabinet were not reassured that the various safeguards the authority had requested for the Fire Service had been put in place and were therefore minded to not approve the proposals.

Resolved that Sandwell Metropolitan Borough Council do not accept the revised draft Local Government, The West Midlands Combined Authority (Fire and Rescue Functions) Order 2019 ("the draft Order 2019") and the proposals for governance of the West Midlands Fire and Rescue Authority by the Combined Authority.

58/19

Delivering New Homes – the provision of new council housing at Reservoir Road, Rowley

Approval was sought to develop Council land with circa 27 new build properties that would form part of the Housing Revenue Account (HRA). This required the approval of the associated budget to fund the project, to procure the project and enter into, or execute under seal, any documentation in relation to the delivery of the project.

The HRA Business Plan, approved by Cabinet on 8th February 2017, included a requirement for provision of quality Council-owned housing units to replace stock lost under the Right to Buy.

This scheme would provide 27 new council-owned affordable homes that met Building Regulations and current housing requirements.

Sandwell's Housing Management Team had provided housing demand data in relation to bidding activity for different property types in the area which demonstrated demand for all proposed property types.

It was envisaged that works would commence in October 2019 subject to the procurement process, partner selection and completed contractual arrangements. It was anticipated that the properties would be completed by July 2020, although this would be subject to a phased delivery agreed with the selected partner.

A full project appraisal had been undertaken by the Financial Planning and action points had been recommended to mitigate those risks identified.

The Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board welcomed the proposals and sought clarity on:-

- whether there were any plans to review the programme given that the HRA borrowing cap had been lifted with a view to increasing further the number of properties the Council proposed to build;
- whether there was scope to increase further the number of council houses proposed on this site.

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In response, the Cabinet Member for Homes confirmed that:-

- the Council was currently investigating options to increase the pace of housing delivery in Sandwell including opportunities through the lifting of the HRA borrowing cap and other housing delivery vehicles. A further report would be submitted to Cabinet later in the year;
- the draft scheme had been designed to meet demonstrated housing need in terms of the mix of properties and the number of bedrooms in each property. The layout maximised density whilst meeting adopted standards for house and garden sizes. It was therefore unlikely that the number of units could be increased.

Resolved that, subject to grant funding from the Shared Ownership and Affordable Homes Programme administered by Homes England being approved:-

- a) the development of approximately 7,158 square metres of land off Reservoir Road, Rowley, shown for identification purposes only at Appendix 1, with a new-build council housing scheme circa 27 units subject to planning consent be approved;
- b) subject to (a) above, the Executive Director – Resources allocate a sum of money of investment to fund the proposed project;
- c) subject to (a) above, the Director – Regeneration and Growth, in consultation with the Executive Director – Resources (Section 151 Officer) and Director - Housing and Communities, prepare tendering documentation and, in accordance with the public procurement rules, the Council's procurement and financial regulations and the requirements of the DPP3 framework, procure a contractor(s) to deliver the scheme and 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 Executive Director - Resources;

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- d) subject to (a) and (c) above, the Director – Law and Governance and Monitoring Officer enter into or execute under seal any documentation in relation to the award of the contract and/or development/partnership agreement, Homes England developer status, licence, undertaking, framework joining agreement and any other agreements with the procured contractor/s and with Homes England, as may be deemed necessary to facilitate development of the site with a housing scheme on terms and conditions to be agreed by the Director - Regeneration and Growth;
- e) that, subject to (a), (c) and (d) above, and following practical completion of each property, the Director - Housing and Communities manage and let the premises in accordance with the Council's housing allocations policy;
- f) that the following action points identified within the Appraisal Report be implemented to reduce any risk to the Council:-
- a strategic plan is produced, prioritising sites on a value for money basis; assessed against pre-determined criteria and alternative options for achieving the Council's housing objectives within each area;
 - prior to submission of the external funding bid, the planned use of Right to Buy receipts is reviewed to ensure that Homes England funding for the project would offer the most financially advantageous source of funding;
 - review the Risk Register to ensure all risks relating to grant funding are identified and adequately mitigated;
 - determine roles and responsibilities for monitoring the contract with Accord Housing Association;
 - determine a method and completion date for evaluation of project outcomes.

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59/19

Approval to Extend an Existing Framework Agreement for Wide Area Network Connectivity Services Contract

Approval was sought to award a contract to provide a range of wide area network connectivity services (e.g. the circuits that linked council offices to one another plus internet connectivity).

The contract was for a three-year period from 17th November 2020 to 16th November 2023 up to a maximum value of £900,000 over the contract period.

The current contract was known as West Midlands Public Service Network. This was a 5-year contract that was procured as a joint partnership agreement with local authorities, Health, Police and Fire Services organisations throughout the West Midlands. It was agreed at the time that Solihull MBC would be the lead authority for the partnership.

The current contract would cease on 17th November 2020.

The Council would be requested to sign a new back to back agreement with Solihull MBC to take advantage of the new pricing rate card by 31st May 2019.

Resolved

- (1) that the Executive Director - Resources appoint Virgin Media Business Limited for a three-year period from 17th November 2020 to 16th November 2023 to provide wide area network connectivity services to the Council;
- (2) that in connection with Resolution (1) above, the Director - Law and Governance and Monitoring Officer enter into, or execute under seal, any documentation in relation to the award of the framework contracts and/or other agreements with Virgin Media Business Limited, as may be deemed necessary.

60/19

Delivery of a comprehensive residential redevelopment at the Bescot/Friar Park, Wednesbury site

Approval was sought to enter into an Agreement between the Council and the West Midlands Combined Authority (WMCA) to enable the parties to work together collaboratively to deliver a master-plan and disposal strategy of the Bescot/Friar Park site for comprehensive residential redevelopment.

The agreement was dependent and predicated upon the acquisition and remediation of the former sewage works, currently owned by Severn Trent, by the WMCA and the assembly of a comprehensive development site.

The Severn Trent site was known to contain sewage sludge up to seven metres deep with potential gas production and contamination with heavy metals. It was suggested that the sludge be moved and encapsulated with a capping layer into a bund as part of a redevelopment strategy. There were however potential future environmental liabilities associated with the acquisition.

The Agreement provided ongoing collaboration through to delivery on agreed core principles and strategies had now been discussed in detail between the two parties and agreed in principle.

The Chair of the Economy, Skills, Transport and Environment Scrutiny Board welcomed the proposals and sought clarity on:-

- whether the draft Masterplan would be submitted to scrutiny for pre-decision;
- whether previous negotiations failed due to remediation work and the funding required and whether this had now been addressed by the WMCA;
- whether there were issues anticipated regarding the sale of the remediated land.

In response, the Cabinet Member for Inclusive Economic Growth confirmed that:-

- the final scheme would be reported to scrutiny prior to being considered by the Cabinet;
- whilst the Council had previously attempted to bring the land forward to work in partnership with Severn Trent, the

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requirement and costs for land remediation had always been a significant challenge. The funding offered by the WMCA to authorities would help to address this;

- there were no anticipated issues with the sale of the remediated site. This was an allocated housing site in the Black Country Core Strategy and once the Masterplan was completed, soft market testing would be undertaken.

Resolved:-

- (1) that the Director - Regeneration and Growth, in consultation with the Executive Director - Neighbourhoods and Director – Law and Governance and Monitoring Officer, enter into an agreement with the West Midlands Combined Authority to develop a collaborative delivery approach to facilitate a comprehensive residential redevelopment of the Bescot/Friar Park site, Wednesbury;
- (2) that a further report be submitted on the details of the agreed Master plan and proposed disposal strategy for the site as referred to in Resolution (1) above in the summer of 2020.

61/19 **Award of Contract for the Provision of Fuel Cards**

It was agreed to defer consideration of the report to enable further briefings to be undertaken with the Cabinet Member for Resources and Core Services.

62/19 **Supply of uPVC Windows and Doors to Sandwell MBC Properties**

Approval was sought to award the contract to supply and fit uPVC windows and doors to Sandwell MBC properties for a contract period of four years, from 1st July 2019 to 30th June 2023.

In accordance with the Council's Procurement and Contract Procedure Rules, Select Windows (Home Improvements) Limited had submitted the most economically advantageous tender.

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The anticipated value of the contract was £672,000 (£168,000 per annum) for a period of four years.

Resolved:-

- (1) that the Executive Director – Neighbourhoods award the contract for Supply and fitting of uPVC windows and doors to Council properties to Select Windows (Home Improvements) Limited for a contract period of four years, from 1st July 2019 to 30th June 2023;
- (2) that in connection with Resolution (1) above, the Director – Law and Governance and Monitoring Officer enter into the appropriate contracts with Select Windows (Home Improvements) Limited.

63/19

Supply of Timber to Roway Lane Supplies Section

Approval was sought to award the contract to supply timber to Roway Lane Supplies Section to enable the Repair and Maintenance teams to undertake repairs as and when required to Sandwell MBC properties for a contract period of four years, from 1st July 2019 to 30th June 2023.

The contract was divided into the following lots:

- Lot 1 Sheet Materials
- Lot 2 Door Blanks
- Lot 3 Hardwoods
- Lot 4 Softwoods
- Lot 5 Yellow Pine
- Lot 6 Machined Soft & Hardwoods
- Lot 7 PSE & Sawn VacVac
- Lot 8 Worktops

In accordance with the Council's Procurement and Contract Procedure Rules, B.G.N Boards Co Ltd, Grafton Merchanting GB Ltd and Arnold Laver & Co Ltd provided the winning submissions.

The anticipated value of the contract was £1million (£250,000 per annum) for a period of four years.

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Resolved:-

- (1) that the Executive Director – Neighbourhoods award the contract for supply timber to Roway Lane Supplies Section to B.G.N Boards Co Ltd, Grafton Merchanting GB Ltd and Arnold Laver & Co Ltd for a period of four years, from 1st July 2019 to 30th June 2023;
- (2) that, in connection with Resolution (1) above, the Director – Law and Governance and Monitoring Officer enter into the appropriate contracts with B.G.N Boards Co Ltd, Grafton Merchanting GB Ltd and Arnold Laver & Co Ltd.

64/19

Sandwell Aquatics Centre

It was reported that the Cabinet on 31st January 2018 gave approval to the delivery of a new aquatics centre in Sandwell to meet the needs of residents whilst also providing a regionally significant facility that would support the development of aquatics based sports in the West Midlands area and provide a host venue for aquatics events at the Birmingham 2022 Commonwealth Games (see Minute No. 18/18).

To facilitate the next tranche of works, an allocated budget of £5m was required prior to achieving financial close on the project in October 2019.

Approval was therefore sought to the allocation of £1.5m from the agreed budget of £27.6m. The current estimated cost of the project is £62.5m.

The delivery of the Sandwell Aquatics Centre was a key contributor to the delivery of the Sandwell Vision 2030 and would provide a much-needed leisure facility for the residents of Sandwell, whilst also allowing the Council to maximise the benefits of the Birmingham 2022 Commonwealth Games as a catalyst for improving residents' health and wellbeing and economic investment into the borough.

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A further report would be submitted to the Cabinet in October 2019 for approval of final project business case, facility details, and construction contract award.

In response to a question raised by the Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board relating to undertaking community consultation and engagement on the development, the Leader of the Council confirmed that the Council would keep residents informed as it had done to date and was arranging informal drop-in sessions for residents to attend throughout the construction period and regular progress and update letters on a regular basis.

Resolved:-

- (1) that the Executive Director – Resources allocate £1.5m of the agreed budget of £27.6m to facilitate the delivery of site enabling works and continued design development;
- (2) that a further report be submitted to Cabinet for approval of final project business case, facility details and construction contract award.

65/19

Adoption of West Midlands Combined Authority Housing First Pilot

It was reported that on 10th May 2018, it was announced that the West Midlands Combined Authority (WMCA) would receive £9.6m to deliver a Housing First Pilot. The pilot would operate up to the close of March 2023. The Council had subsequently been advised it had been allocated £935,137 of the funding with a view to facilitating up to 55 tenancies during the course of the pilot.

Practised in Northern Europe and North America, Housing First (HF) was a well-established approach to tackling homelessness amongst the most vulnerable and entrenched individuals who often had a complexity of needs. The overriding philosophy of HF was to provide a stable, independent affordable home together with intensive wrap around personalised support to enable the person to maintain their tenancy.

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To qualify for the HF Pilot, service users would have at least two of the following needs in addition to being homeless or at risk of being homeless:

- entrenched rough sleeper
- those affected by poor mental health
- those with a history of offending
- those with a history of domestic abuse
- those who are serially excluded from services
- those with substance misuse

Birmingham City Council had been selected as the accountable body and as such, had received the funding from central government in the form of a Section 31 Grant. Over the course of the pilot, Sandwell would be allocated £935,137 of the available funding. A procurement exercise had now been completed in accordance with the Council's procurement regulations. The Council was now in a position to appoint Accord Housing Association Ltd as the preferred provider to deliver the service.

Whilst the WMCA has promoted the West Midlands Region as a suitable pilot area for the housing first initiative, each local authority will maintain statutory responsibility for homelessness and its related service provision. As such the Council is responsible for both the procurement and subsequent operation of the Housing First pilot within its own area.

Resolved:-

- (1) that the Council takes receipt of its allocated funding for the West Midlands Combined Authority Housing First Pilot;
- (2) that the Director - Law and Governance and Monitoring Officer enter into a contract with the successful tenderer following the commission already undertaken in accordance with the Public Contracts Regulations 2015, the Council's Procurement and Contract Procedure Rules and Financial Regulations, to deliver the Housing First Pilot.

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Business Item

66/19 **Minutes of the Cabinet Petitions Committee on 21st March 2019**

The Cabinet noted the minutes of the Cabinet Petitions Committee held on 21st March 2019.

(Meeting ended at 4.00pm.)

This meeting was webcast live and is available to view on the Council's website (<http://sandwell.public-i.tv/core/portal/home>).

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