

Members are reminded that they must declare all relevant pecuniary and non-pecuniary interests relating to any items of business to be discussed at this meeting

BIRMINGHAM CITY COUNCIL

CORPORATE RESOURCES AND GOVERNANCE OVERVIEW AND SCRUTINY COMMITTEE

WEDNESDAY, 05 OCTOBER 2016 AT 10:30 HOURS
IN COMMITTEE ROOM 2, COUNCIL HOUSE, VICTORIA SQUARE,
BIRMINGHAM, B1 1BB

A G E N D A

1 NOTICE OF RECORDING/WEBCAST

The Chairman to advise the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and that members of the press/public may record and take photographs. The whole of the meeting will be filmed except where there are confidential or exempt items.

2 APOLOGIES

To receive any apologies.

5 - 10

3 CORPORATE RESOURCES & GOVERNANCE -ACTION NOTES 1ST AND 7TH SEPTEMBER 2016

To Confirm the action notes of the meeting held on 7 September 2016

11 - 26

4 REPORT OF THE CABINET MEMBER FOR VALUE FOR MONEY AND EFFICIENCY

- i) Report of the Cabinet Member for Value for Money and Efficiency
- ii) *Tracking:* Council Commissioning and Third Sector Organisations

27 - 32

5 REPORT OF THE CABINET MEMBER FOR TRANSPARENCY, OPENNESS & EQUALITY

Report of the Cabinet Member

33 - 38

6 CORPORATE RESOURCES AND GOVERNANCE O&S COMMITTEE WORK PROGRAMME

To note the work programme and to agree the terms of reference for the Future Council working group

7 **REQUEST FOR CALL IN: ACQUISITION OF PRIVATE SITES AND
EMPTY HOMES**

To consider the "Request for Call-In". (The portfolio holder and the Lead Officer identified in the report have been summoned to attend the meeting).

The following documents are attached:-

(A) The Executive decision record.

(B) The relevant form for the "Request for Call-In" lodged by Councillors Randal Brew and Ewan Mackey.

(C) The report considered by the Cabinet in reaching its decision.

8 **REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR
ACTION/PETITIONS RECEIVED (IF ANY)**

To consider any request for call in/councillor call for action/petitions (if received).

9 **OTHER URGENT BUSINESS**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

10 **AUTHORITY TO CHAIRMAN AND OFFICERS**

Chairman to move:-

'In an urgent situation between meetings, the Chair jointly with the relevant Chief Officer has authority to act on behalf of the Committee'.

11 **EXCLUSION OF THE PUBLIC**

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

Minutes - Exempt Paragraph 3

P R I V A T E A G E N D A

12 **CORPORATE RESOURCES & GOVERNANCE -ACTION NOTES 1ST
AND 7TH SEPTEMBER 2016 PRIVATE**

Item Description

13 **OTHER URGENT BUSINESS (EXEMPT INFORMATION)**

To consider any items of business by reason of special circumstances (to be specified) that in the opinion of the Chairman are matters of urgency.

BIRMINGHAM CITY COUNCIL

CORPORATE RESOURCES AND GOVERNANCE O&S

COMMITTEE – PUBLIC MEETING

1030 hours on 7th September 2016, Committee Room 2 – Actions

Present:

Councillor Mohammed Aikhlaq (Chair)

Councillors Randal Brew, Chaman Lal, Ewan Mackey, Yvonne Mosquito, Rob Pocock, Hendrina Quinnen and Sybil Spence

Also Present:

Paula Buckley, Assistant Director – Customer Services

Iram Choudry, Research & Policy Officer, Scrutiny Office

Chris Gibbs, Service Director, Customer Services

Giles Hawtin, Service Birmingham

Nigel Kletz, Assistant Director, Procurement

Tony Lubman, Chief Executive, Service Birmingham

Shauna Posaner, Assistant Director Organisational Development

Jon Warlow, Strategic Director

Emma Williamson, Head of Scrutiny Services

1. NOTICE OF RECORDING/WEBCAST

The Chairman advised the meeting to note that this meeting will be webcast for live and subsequent broadcast via the Council's Internet site (www.birminghamnewsroom.com) and that members of the press/public may record and take photographs.

2. APOLOGIES

Apologies were submitted on behalf of Cllrs Muhammad Afzal, Ray Hassall and Anne Underwood.

3. CORPORATE RESOURCES & GOVERNANCE: ACTION NOTES 18 JULY 2016

(See document No 1)

RESOLVED:-

To note the action notes

4. DEPUTY LEADER - TRACKING: SERVICE BIRMINGHAM

(See document No 2)

The Deputy Leader presented the report, and in response to questions from the Committee, the following points were made:

- Service Birmingham are now selling through existing Capita contracts which results in a profit share to the Council;
- With regards to cyber security, the briefing was intended to be an explanation to members of the number of layers of defence needed to protect the Council's data.
- Service Birmingham are awaiting a date from the Library of Birmingham to spend a day with them. The objective is to get the Service Birmingham management team closer to the pressures faced by front line teams.
- The partnership has been helped by Service Birmingham recognition of the Council's financial challenge and commitment to helping the council deal with that. Better understanding of objectives and aligning those is also a factor; also better at working with Directorates. It was suggested that performance indicators should better reflect the need to continue to have that good working relationship.
- Governance of ICT is likely to change as the new ICT Strategy is brought in;
- The structure of Service Birmingham is now that there are individuals attached to each directorate to increase their knowledge of those areas.

RESOLVED:-

- That Recommendations 01, 06 and 07 are "Achieved (Fully)";
- A note will be sent to members confirming when Variation 6 of the contract will be published on the Council's website;
- Service Birmingham's annual report on Corporate Social Responsibility will be circulated to members.

5. DEPUTY LEADER – FINANCE REPORTING

(See document No 3)

The Deputy Leader and Jon Warlow, Strategic Director, presented the 2015/16 outturn report and responded to questions from members on the movement on reserves, the business rate collection deficit and the overspend from People directorate.

The Deputy Leader and Jon Warlow, Strategic Director, also took questions on the Period 2 monitoring report.

(See document No 4)

There is recognition that the scale and pace of savings required has not been deliverable. Pressure will continue to be applied to all directorates to mitigate the overspend forecasts. However, the month 4 report recognises that we will end the year with an overspend, but there are plans in place to address this (the month 4 report will be available the week after the meeting).

The impact of the recent reduction in interest rates will be included in the month 4 report. On four year budgets, multiyear planning already takes place but have sought government approval for a four year budget to get greater certainty.

A report on the future operating model for community libraries will be considered by Cabinet in October.

The Deputy Leader recognised the benefits of cross-party briefings on finance reports.

6. DEPUTY LEADER – TRACKING: CONTACTING THE COUNCIL

(See document No 5)

The Deputy Leader presented the report and said that he believed all recommendations were completed apart from Recommendation 05. Because of capacity and prioritisation in the communications department, that has not been possible, but will be completed.

A measure for “end to end” customer satisfaction does not have a target in the report, but that will be made available to members. This is a critical area, and could be an area that this Committee keeps an eye on.

Some members did not recall receiving the re-launched councillor enquiry mailbox, so this will be re-sent to all members.

The surveys focused on those who had not provided an email address or mobile phone number and so the regular surveys would not reach them.

RESOLVED:-

- That Recommendations 01 to 06 are “1 – Achieved (Fully)” on the proviso that the Deputy Leader will send a note to the Committee when the one page Birmingham Promise is completed;
- That a breakdown of the survey information by service area
- That the target for “end to end” customer service would be circulated.
- That the deputy leader provide the committee with an update on the progress being made on ensuring the “end to end” process is correct.

7. DEPUTY LEADER – MEMBER DEVELOPMENT

The Deputy Leader circulated a report and set out the plans for member development for 2016/17.

The Deputy Leader reiterated his commitment to ensuring member development is tailored to meet the needs of all elected members.

Maxine Tomlinson has been appointed to lead on Member Development.

It is important to focus on why councillors are here – training and development should not just focus on the development of individuals, there has to be an emphasis on developing the skills to support constituents and the wider community.

Training and development should be available to both new and existing Members.

A cross party Member Steering Group is to be set up to ensure members have an oversight of any developments.

8. CORPORATE RESOURCES AND GOVERNANCE O&S COMMITTEE: WORK PROGRAMME 2016/17

(See document No 6)

The work programme was noted.

9. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS RECEIVED (IF ANY)

9A. REQUEST FOR CALL IN: DISPOSAL OF LAND AT GREAT CHARLES STREET, BIRMINGHAM – PUBLIC

10. OTHER URGENT BUSINESS

None

11. AUTHORITY TO CHAIRMAN AND OFFICERS

Agreed

12. EXCLUSION OF THE PUBLIC

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

... notes Request for Call In - Disposal of Land at Great Charles Street, Birmingham - Exempt Paragraph 3

BIRMINGHAM CITY COUNCIL

CORPORATE RESOURCES AND GOVERNANCE O&S

COMMITTEE

1430 hours on 1st September 2016, Committee Room 6

Present:

Councillor Mohammed Aikhlaq (Chair)

Councillors Randal Brew, Changese Khan, Chaman Lal, Ewan Mackey, Yvonne Mosquito and Hendrina Quinnen

Also Present:

Cllr Majid Mahmood, Cabinet Member, Value for Money and Efficiency

Chris Gibbs, Assistant Director, Revenues & Benefits

Phil Doherty, Head of Client Services, Revenues & Benefits

Gail Sadler – Research & Policy Officer, Scrutiny Office

Emma Williamson – Head of Scrutiny Services, Scrutiny Office

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2. APOLOGIES

Apologies received from Cllrs Rob Pocock, Ray Hassall and Mohammed Afzal

3. REQUEST FOR CALL IN: STRATEGY/AWARD REPORT - CONSULTANCY FOR CONTRACT NEGOTIATIONS - REVENUES SERVICE (PQ135) - PUBLIC

To consider the "Request for Call-In". (The portfolio holder and the Lead Officer identified in the report have been summoned to attend the meeting).

The following documents are attached in respect of the public papers:-

- (A) The public Executive decision record.
- (B) The relevant form for the “Request for Call-In” lodged by Councillors Randal Brew and Ewan Mackey
- (C) The public report considered by the Cabinet Member and Chief Officer in reaching their decision.

Cllr Brew set out that the call-in was in respect of the decision to award a contract to consultants to support contract negotiations.

As the detail concerned matters on the private report, it was agreed:

4. EXCLUSION OF THE PUBLIC

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

Request for Call In - Strategy/Award Report - Consultancy for Contract Negotiations - Revenues Service (PQ135) - Exempt Paragraph 3

....

3. REQUEST FOR CALL IN: STRATEGY/AWARD REPORT - CONSULTANCY FOR CONTRACT NEGOTIATIONS - REVENUES SERVICE (PQ135) - PUBLIC

The Cabinet Member was invited to respond and the meeting went back into public session.

Cllr Mahmood reminded the Committee that Cllr Brew was a member of the Service Birmingham Board. He also stated that these issues could have been dealt with at an early stage, for example at his cross-party member advice sessions.

Cllr Brew apologised for the omission and declared an interest as a member of the Service Birmingham Board.

Cllr Mahmood continued to explain the reasoning behind the decision.

4. EXCLUSION OF THE PUBLIC

That in view of the nature of the business to be transacted which includes exempt information of the category indicated the public be now excluded from the meeting:-

Request for Call In - Strategy/Award Report - Consultancy for Contract Negotiations - Revenues Service (PQ135) - Exempt Paragraph 3

Corporate Resources and Governance O&S Committee – 5 October 2016

Priority Report of the Cabinet Member for Value for Money and Efficiency

Report by: Councillor Majid Mahmood

1. Purpose of report

This report sets out my portfolio priorities for 2016/17.

2. Accountability and Responsibilities

In accordance with the City Council Constitution I have accountability for the management of all commissioning, procurement, contract compliance and council wide efficiency.

I have responsibility for the following:

Commissioning

Strategic approach to, and compliance with, the commissioning approach. Ensuring that council commissioning supports its wider social objectives such as employment provision, training, encouraging social enterprise and delivering social cohesion, internally and externally.

Procurement

Oversight of procurement management, including ensuring the development of appropriate approved lists of suppliers.

Contract Management

Strategic approach to and compliance with contract management policy to ensure value for money.

Internal Trading Operations

Effectiveness and holding to account the management of all internal trading operations.

Birmingham Business Charter for Social Responsibility

Application of the Birmingham Business Charter for Social Responsibility that requires contractors to offer, inter alia, local employment and training opportunities, and to adopt the Birmingham Living Wage policy.

Council Wide Efficiency

To take a strategic lead in relation to efficiency across all council services and to foster lean governance in all areas of council work and to promote working relationships with stakeholders and partners.

3. Priorities

Working towards the shared vision of a fair, prosperous and democratic city and aligned to the priority outcomes of the City Council, and in particular a city with 'A Strong Economy' my portfolio priorities for 2016/17 are:

- Implement a 'lean' governance approach to Procurement
- Declutter unnecessary Council bureaucracy to improve efficiency
- Streamline Council processes including those for producing reports and taking decisions
- Ensure value for money across all Council activity
- Promote the Birmingham Business Charter for Social Responsibility and Find it in Birmingham
- Ensure robust Contract Management practices throughout the Council with a particular focus on legacy contract spend.

4. Executive Decisions (CM for Value for Money and Efficiency as a signatory)

Taken (June 2016 to date):

Cabinet

- Electronic Bill Payment Service
- Supporting SMEs Tender Strategy for establishing the BMHT Dynamic Purchasing System
- Strategy & Procurement Process for the Provision of Early Years' Service
- Schools Capital Programme 2016-17
- From Waste to Resource Strategy for Birmingham - Procurement Contract
- Planned Procurement Activities (August 2016 – October 2016)
- Meadway Regeneration - Recommended Contract Award
- Battery Way Extension Local Growth Fund Improvements FBC
- Maximising Independence of Adults: Internal Care Service – Care Centres
- Planned Procurement Activities (September 2016 – November 2016)
- Council print strategy and associated procurement strategy
- Constructing West Midlands Framework Extension
- National Standard Bikeability September 2016 to March 2020
- Large Local Major Schemes Fund: Bromford Gyratory
- Provision of Temporary Accommodation through Private Sector Leasing
- Tender Strategy for the Provision of Major Adaptations for Housing
- Broadway Academy Building Schools for the Future Savings Review
- Tender Strategy for Alexander Stadium and Ancillary Facilities
- Arboriculture Services (Non Highways) Framework Agreement 2017 Tender Strategy
- Planned Procurement Activities (October 2016 – December 2016)

Cabinet Member/Chief Officer

- Revised Contract Award for Integrated Prevention Services
- Five Ways and Spring Hill – project cost update
- Goodway Nursery School – FBC and contract award
- Strategy/Award - Consultancy for Contract Negotiations - Revenue Service

- Tender Strategy and Contract Award for Consultancy Support for the Birmingham and Solihull Sustainability and Transformation Programme
- Provision of Additional Primary Places at Ward End Primary School - FBC and Capital Grant Award
- Planned Maintenance Project at Starbank Primary School - FBC and contract award
- IAAF World Athletics Championships Training Camps 2017

To be taken: (Relevant Forward Plan items)

- Strategic ICT & D Invest-to-Save Programme
- Future Telecare Services
- The Future Council's Commissioning Strategy 2016+
- Ashted Circus Pinch Point
- Iron Lane – Stechford Junction Improvements – FBC
- Driving Housing Growth and supporting young people into employment through the BMHT Development Programme
- Swallow Street Metro Complementary Highway Works
- Policy for the Use of Private Rented Sector to meet housing needs
- Waste Depots Modernisation Programme Phase 1 – FBC
- Leisure Flex Replacement System
- Holloway Circus Improvement
- Provision of Transport Services
- Selly Oak New Road Phase 1B FBC
- The future Council with Acivico Ltd

5. Progress/Achievements

Efficiencies and VFM

- We have now introduced the ability to sign Executive reports with a secure digital signature which has increased efficiency and improved Cabinet Members' use of time.
- Cabinet Member governance arrangements have been established for the consideration of late reports and since taking on this responsibility in June 2016 there have not been any late reports. I will be undertaking a review of the Cabinet schedule and its agendas to ensure that the process for taking Executive decisions is as streamlined and efficient as it can be whilst taking into consideration our statutory obligations.
- An increased focus is being given to the Council's internal trading operations with a view to generate additional income.
- Working with the Deputy Leader I have commissioned a review of the Council's approach to managing suspensions. The purpose is to ensure that we have a fair, effective and efficient approach that seeks to minimise the amount of time employees are on paid suspension. This will include mechanisms for identifying suitable alternatives to paid suspension, ensuring regular reviews take place during the suspension period and identifying any delays to progressing with investigations and as appropriate hearings.
- The Council undertook a LEAN review of its operation and delivery of Property Capital and Maintenance Services. This review involved Corporate Procurement, Education, Property

Services and Acivico. This process review has now concluded and resulted in a significant number of improvements to the method of operation. These include:

- Improvements in working relationships between Acivico and EDSi. The review provided this catalyst for change.
 - Improved project governance within Capital delivery to ensure schemes are delivered on time, to costs and the desired quality;
 - EDSi capital works are now 'batched' to provide contractors with greater visibility of schemes and to enable efficiencies to be implemented. A single contractor has been appointed for the pilot schemes;
 - Implemented the Cabinet Report for the Delegated Full Business Cases removing the need for individual Cabinet Reports for each Scheme;
 - EDSi Schools schemes are being progressed to achieve a target price per square metre of £1,860 and;
 - Acivico has successfully re-tendered their own contracts for Building Repair and Maintenance which has the potential to deliver significant savings and Social Value through improved processes, contracts and methods of working.
- I am planning on undertaking a number of visits to other local authorities including to Bristol with Councillor Lisa Trickett to share their learning on setting up an energy company and to hear about the Bristol Pound and to Nottingham to learn from their work on value for money and efficiency.

Policy & Strategy (inc. BBC4SR and FiiB)

- The requirement for our contractors and suppliers to develop apprenticeship schemes is a specific social value outcome that this Council is prioritising. A number of procurement reports have had this requirement included. I have recently held meetings with officers and the Cabinet Member for Jobs and Skills, Councillor Brett O'Reilly to discuss how apprenticeships can become established on a routine basis by a wider range of suppliers than those we spend the most with.
- Over the last 3 months I have attended the FiiB breakfast events to promote the Charter, meet our contractors, private sector suppliers and SMEs in the supply chain. Over the coming months I will be visiting Charter signatories to hear firsthand how they are providing social value benefits to Birmingham's citizens and to understand how our processes are working, or not, for them.
- Following our application for the Living Wage Champion Awards 2016, I'm delighted to report that Birmingham City Council has been shortlisted for the region. Our application builds on the success of implementing the Birmingham Living Wage through the Charter (BBC4SR) and was based on the work we have done on introducing the Birmingham Care Wage. Winners of the regional awards will be announced during Living Wage Week which runs from October 31st to November 4th.
- The Birmingham Business Charter for Social Responsibility, the Social Value and Living Wage policies are being reviewed as they have now been in operation for 3 years and we need to ensure that they continue to deliver social value benefits through the contracts we procure. The review is being informed through a wide consultation and all Members as well as existing Charter signatories, the business community through the Chamber of

Commerce and FIIB, the voluntary and Community sector, city partner organisations, other local authorities and citizens are invited to participate. There are now over 370 Charter signatories.

- We are promoting the Charter across the Combined Authority area and although each council within the Combined Authority has developed, to varying degrees, their own strategies and processes to deliver social value in their region based on their individual priorities the Charter is providing a good benchmark. A workshop is being organised for officers from the Combined Authority constituent authorities to compare approaches, understanding and measurement of social value and future development plans, to determine how we can work better together to deliver greater benefits in the region.
- Procurement and the People Directorate are currently in the process of delivering seven small scale pilot initiatives which involve Charter signatories supporting third sector and community groups. These pilots have focussed largely on the Maximising Independence of Adults outcomes – i.e. preventing citizens from requiring adult social care services which are under ever increasing financial pressure. In addition two further pilots are to support youth employment; one pilot is concerned with minimising BCC housing stock voids and one with supporting the homeless. It is planned that the pilots are fully operational by December 2016.
- The potential to scale up the pilot work is being considered. Plans need to include the necessary level of detail so to inform Charter Signatories as to how they will directly support the priorities, including the required outcomes, levels of activity, geographic areas of focus, and population groups to be targeted. This is to ensure that a city wide strategic impact is made.
- Officers from Procurement are involved in the national Social Value Taskforce and have contributed to the development of The Social Value Maturity Index (SVMi) that was officially unveiled at an event on 13th September at Portcullis House in Westminster. The SVMi provides guidance to public sector bodies and its suppliers about how to embed social value into their commissioning and procurement processes to create stronger communities. It includes Birmingham as one of the case studies and will form part of the approach to collaboration at the Combined Authority SV workshop.

Commissioning

- A review of the Council's Commissioning Strategy is commencing and will include consultation with those groups involved in the Charter consultation. The aim of the review is to establish the strategy as a key enabler of the Future Council and deliver the vision of "Driving innovation and value to deliver the right outcomes for citizens through commissioning."
- Officers in the Council's Corporate Commissioning team have supported/lead several complex commissioning programmes including: the commissioning review of Early Years which is complete and now out to tender; the Waste Strategy options appraisal is progressing and short listing is in progress; the options appraisal for Children's Trust which was approved by Cabinet in September and have undertaken a market sounding exercise for Grounds Maintenance to assist in the development of the future contract strategy.

Procurement

- The Agency Staff procurement process is nearing the award of contract and the resultant

framework will increase compliance, reduce costs and introduce structured demand management techniques. Working with the Deputy Leader a forensic analysis of agency expenditure is currently being undertaken to establish the efficacy of its continued use. The focus is on ensuring that agency supply is primarily a measure of last resort and to reduce in year and future expenditure. A clear policy on the usage of agency workers is in development alongside greater controls on permissions to procure agency workers.

- A dynamic purchasing arrangement is nearing completion which will result in a contractor framework to manage BCC's house building programme to 2020. The framework has been structured into lots, based on value and size of plots. This will result in an inclusive framework aimed at house builders from SME to multi-nationals
- The evaluations for the Youth Employment Initiative project have been completed.

Contract Management

- Over £5.6m of in year, new, cashable savings and income has been generated through improved contract management and most recently through my instruction a 44% cost saving was achieved following the successful renegotiation of a contract extension.
- A series of contract and process improvements are being delivered to the Home to School Transport Agreements including implementation of vehicle inspections.
- A review has commenced with the People Directorate of their contract portfolio with a view to establishing a dedicated contract management function.
- A review of Legacy contract spend is underway which includes a systematic analysis of all suppliers has then been undertaken to determine if the spend is erroneous/non-contracted, it is a one off or statutory or grant funded. Erroneous spend is then presented to the Commissioning Centre of Excellence with managers being assigned responsibility to review these areas to determine if;
 - formal contracts are required
 - spend is off contract and services and goods can be obtained using an existing contract or
 - spend is a one off and therefore no longer required moving forward.
- A process for Supplier Relationship Management was approved by the Corporate Commissioning Board and is being trialled for the Waste Management and Commercial Advertising Partner Agreements.

6. Other Developments and Improvement Initiatives

- A redesign of the corporate commissioning, procurement and contract management team was successfully completed and implemented from 1 September 2016. A review of the commissioning capabilities and processes the council will require in the near future has commenced through the Corporate Commissioning Board has commenced.
- Following the successful implantation of the revised procurement delegations for revenue spend by Council in March, the procurement toolkit and Procurement Governance protocol have been reviewed, simplified and re-launched. This will provide operational step by step guidance throughout BCC

- A workshop has been completed with the West Midlands House Builders federation to encourage SME house builders to participate in a contractor framework for BMHT. The event included demonstration of EU & BCC procurement procedures and requirements. In addition the delegates were provided with an overview of how to complete the relevant documents and ideas for making their submissions 'stand out'. The event was well received and further SME events are planned
- Procurement and contract management training sessions have continued across the Council including for Acivico to enhance knowledge, capabilities and compliance of procurement processes
- The Corporate Procurement team is working closely with Planning & Regeneration and participating in a number of strategic projects e.g. HS2, Smithfield and Public Realm. This is an improved level of inter-services collaboration on major projects and benefits include improved delivery timescales and savings
- A review with the Temporary Accommodation Team will determine the future strategy for a number of related services that need to be commissioned
- Corporate Procurement are supporting the Parks department and several other areas in developing a number of income opportunities such as themed activities, car parking etc.
- Birmingham Pound

We are working with Localise West Midlands to explore the benefits, and any dis-benefits, of introducing a new sterling-based Birmingham currency - the Birmingham Pound – to be spent with or between locally-owned businesses, keeping more spending power within the city.

Local Pounds are a powerful way of communicating how purchasing locally can generate more local income and keep money in the "real" economy that benefits local people. Local Pounds encourage people and businesses to think about where they spend, and make local spending visible. In other cities this has changed purchasing and procurement behaviour for the better.

A Birmingham Pound would capitalise on our city's enormously rich history of beneficial local money, and diversity of trades and of cultures. It could be linked into other schemes for local businesses and social benefit.

Councillor Majid Mahmood
Cabinet Member for Value for Money and Efficiency

Report of:	Cabinet Member for value for Money and Efficiency
To:	Corporate Resources Overview and Scrutiny Committee
Date:	26th September 2016

Progress Report on Implementation: Council Commissioning and Third Sector Organisations

Review Information

Date approved at City Council:	14 April 2015
Member who led the original review:	Councillor NarinderKaur Kooner
Lead Officer for the review:	Benita Wishart
Date progress last tracked:	First tracking – 27 Oct 2015

1. In approving this Review the City Council asked me, as the appropriate Cabinet Member for Commissioning, Contracting and Improvement, to report on progress towards these recommendations to this Overview and Scrutiny Committee.
2. Details of progress with the remaining recommendations are shown in Appendix 2.
3. Members are therefore asked to consider progress against the recommendations and give their view as to how progress is categorized for each.

Appendices

1	Scrutiny Office guidance on the tracking process
2	Recommendations you are tracking today
3	Recommendations tracked previously and concluded

For more information about this report, please contact

Contact Officer:	Jon Lawton
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E-Mail:	jon.lawton@birmingham.gov.uk

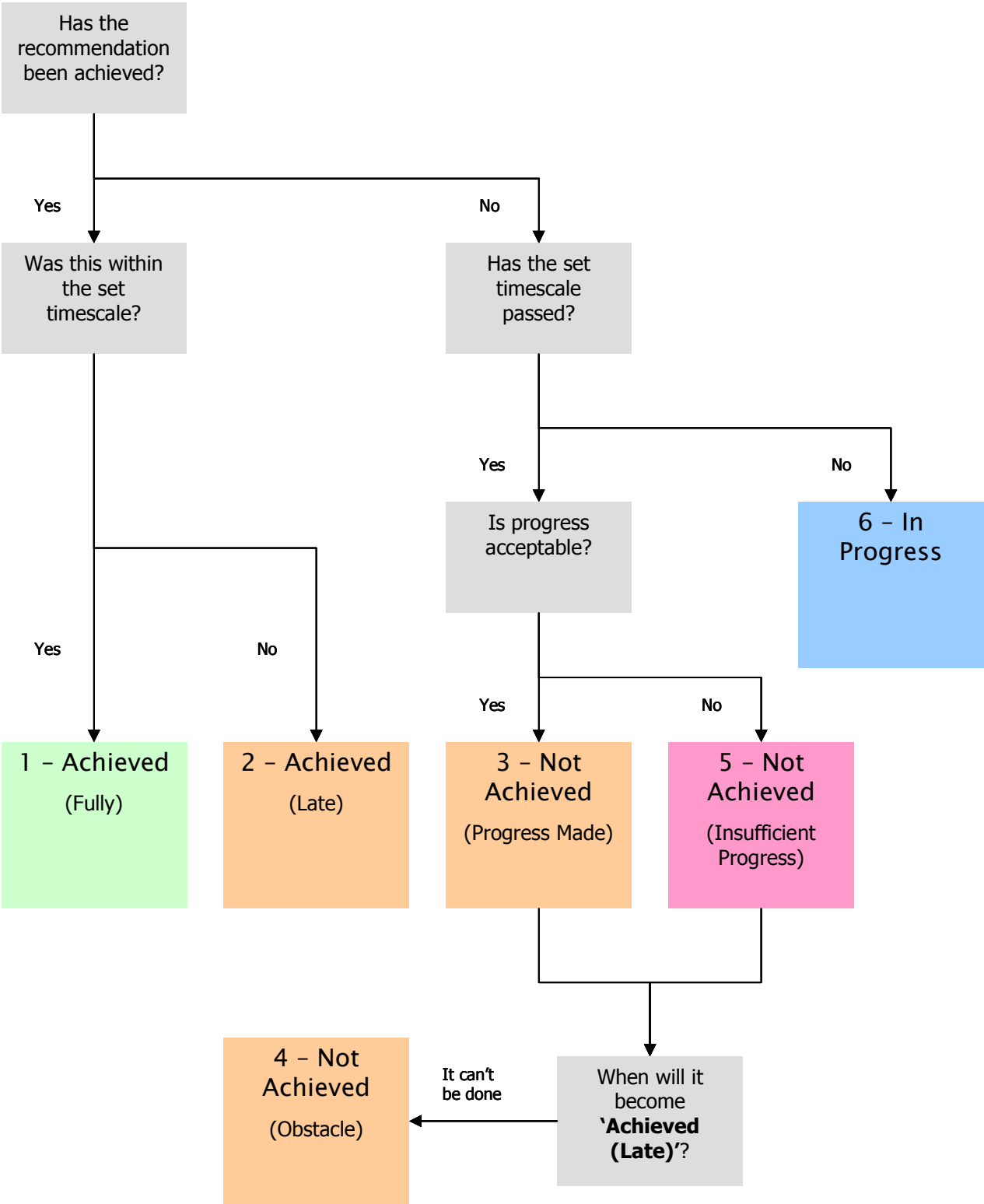
Appendix 1: The Tracking Process

In making its assessment, the Committee may wish to consider:

- What progress/ key actions have been made against each recommendation?
- Are these actions pertinent to the measures required in the recommendation?
- Have the actions been undertaken within the time scale allocated?
- Are there any matters in the recommendation where progress is outstanding?
- Is the Committee satisfied that sufficient progress has been made and that the recommendation has been achieved?

Category	Criteria
1: Achieved (Fully)	The evidence provided shows that the recommendation has been fully implemented within the timescale specified.
2: Achieved (Late)	The evidence provided shows that the recommendation has been fully implemented but not within the timescale specified.
3: Not Achieved (Progress Made)	The evidence provided shows that the recommendation has not been fully achieved, but there has been significant progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
4: Not Achieved (Obstacle)	The evidence provided shows that the recommendation has not been fully achieved, but all possible action has been taken. Outstanding actions are prevented by obstacles beyond the control of the Council (such as passage of enabling legislation).
5: Not Achieved (Insufficient Progress)	The evidence provided shows that the recommendation has not been fully achieved and there has been insufficient progress made towards full achievement. An anticipated date by which the recommendation is expected to become achieved must be advised.
6: In Progress	It is not appropriate to monitor achievement of the recommendation at this time because the timescale specified has not yet expired.

The Tracking Process



Appendix 2: Progress with Recommendations

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 01	<p>In collaboration with third sector organisations (including any representative bodies) evaluate the existing City Council commissioning and related toolkits to ensure that a refreshed operating model:</p> <ul style="list-style-type: none"> a) Recognises that suppliers can help inform the City Council about user priorities, market capabilities and delivery options; b) Ensures toolkits are implemented and applied consistently across the City Council; c) Has the principles of tackling poor performance and practice (supported by clear measurement of outcomes); d) Recognises and meets the requirements of the new Public Contracts Regulations 2015 with particular emphasis on improving access to opportunities for the third sector; e) Demonstrates commitment to joint learning and improvement based on good practice achieved over the years to underpin this work; f) Builds in opportunities for co-commissioning approaches with the third sector; g) Enables and encourages robust proposals from consortia including third sector organisations; h) Ensures that any variation of composition of a consortium team should not vary from that which was procured without reasonable justification and due diligence; and i) Ensures that during the procurement process that checks proportionate to the perceived risk are made to see if an organisation is getting funding from another part of the City Council or from other organisations. <p>The focus of this report is the third sector. None of these recommendations need to be exclusive to the third sector, but no evidence gathering was carried out with small and medium enterprises (SMEs).</p>	<p>Cabinet Member for Commissioning, Contracting & Improvement</p> <p>in consultation with the Third Sector Assembly</p>	<p>Interim evaluation Report – October 2015</p> <p>Completed January 2016</p>	1 – Achieved Fully
Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')				

- a) The commissioning team has consulted with BVSC regarding the “Introduction to Commissioning” toolkit; the feedback was that it is very useful and provided a good framework for conversations between Corporate Procurement Services, the Commissioning Centres of Excellence and the Third Sector through the Third Sector Assembly networks.

It was agreed that in considering the various commissioning options it would be good to see if “commissioning conversations” with key providers about changes to service delivery could form part of these. This could be achieved via Service Provider Networks (the Assembly Networks might also be used)

Following this consultation the ‘Introduction to Commissioning’ toolkit is now being updated to reflect BVSC’s comments and will then be initially discussed with the Third Sector Assembly and their respective category Champions for Housing and Regeneration and Health and Social Care.

- b) Training programmes continue to be implemented across the Council to ensure awareness of current best practice and consistency of application.
- c) Tackling poor performance and practice is covered separately in the contract management toolkit.

Update – Sept 2016

Contracts state service providers’ obligations in delivering the service, KPIs being measured, contract review processes, payment processes, financial measures that can be applied if there is a service failure/performance issue, grounds for payment reductions or termination etc.

- d) The council complies with the requirements to publish contract opportunities over £25k on Contracts Finder, whilst still publicising all opportunities over £10k on FIIB. We have gone beyond requirements of PCR 15 which has set turnover at no more than 2 times value. We have not defaulted to this & sometimes go below this level.
- e) The toolkit is continually being improved/developed to capture best practice. See (a).

- f) The toolkit builds this in as co-production and is managed through market engagement at the commissioning stage. E.g. projects where co-commissioning exists includes shared funding such as Big Lottery and the Think Family / Action for Children.

Examples of this collaboration include with the University of Birmingham, Solihull MBC and the Third Sector to deliver Sexual Health advice and separately with the Health Service & the Third Sector to provide School Health advisory services.

- g) The Commissioning toolkit includes market consultation and shaping to deliver the services. Consortia can be in various forms, some are lead providers, whilst others are partner providers. A recent example being the Legal Entitlement Services.
- h) The services terms of contract item 6.1.2 states “the Services shall be performed by personnel previously approved by the Council and as may be listed in PART 6 of the FIRST SCHEDULE to this Agreement. The Provider shall neither remove nor replace any approved personnel without the prior written consent of the Council which consent shall not be unreasonably withheld or delayed.” This is mirrored in item 3.7.2 of the Consultancy Terms of Agreement.
- i) The following wording is included:
- The current Third Sector Grant Funding Framework & Toolkit - Appendix 1: Grant funding Application Form item 3.1 states “Are you receiving or budgeting to receive any other contributions towards the cost of the project (e.g. user charges and donations from other sources) from the council or any other organisation?”
 - The current Conditions of Grant Aid includes the item A8.2: “If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient’s accounts.”
 - The proposed small grants application for <£1k includes the question in Section C: “Please give details of other organisations supporting your project and indicate whether any funding has already been committed by these organisations.”
 - The proposed Commissioning Application Form - Small Grants (£1k-£10k) will require the applicant to state any other expected or confirmed grant cash income and its source. (NB this is a refresh of the

current application form <£5k and the same question is included there also.)

- The proposed Conditions of Grant for £1k to £10k includes the clause 5.3.4 – “If the Grant Recipient receives more than one grant from the Council, each grant must be individually identified in the Grant Recipient’s accounts.”
- The quotation document and tender document templates now include a question that states “The [Quotation Provider/Tenderer] must inform the Council if they are receiving funding to undertake similar or related activities to that defined in this procurement exercise. Please provide details with your [quotation/Tender] in the table below.

Funder.....
Funding Activities.....
Date.....
Period of Funding.....”

This can be followed up by the procuring officer as required to ensure there is no duplication.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member’s Assessment
R 02	<p>The City Council to improve communications and relationships with the third sector in a variety of ways:</p> <p>a) That all commissioners review how they manage relationships with third sector organisations to include a commitment to work with them at the earliest planning stage of both commissioning and decommissioning through greater use of trusted sources (which could be from the Third Sector Assembly) - in line with the City Council’s toolkit;</p> <p>b) To improve communication with the third sector on commissioning and procurement opportunities and explore further use of social media and other City Council communication channels. This should include making better use of Find it in Birmingham or any successor portal and in publishing outcomes of procurement exercises – following consultation about the content and where would be accessible with the third sector; and</p> <p>c) To improve communication to councillors (e.g. on a monthly or bimonthly basis) to allow them to signpost third sector organisations.</p>	<p>Cabinet Member for Commissioning, Contracting & Improvement</p> <p>in partnership with Executive Members for Local Services</p> <p>And in consultation with the Third Sector Assembly</p>	<p>Interim report October 2015</p> <p>Completed April 2016</p>	1- Achieved Fully

Evidence of Progress (and Anticipated Completion Date if ‘Not Achieved’)

- a) The Commissioning toolkit requires that commissioners engage at the earliest planning stage. See updated commitment in R02 part a). Recent examples would be – HIV, Sickle Cell, in terms of determining the most appropriate funding stream. The approach was agreed with providers and developed the pathway – better outcomes, better journey for the customer, providers working together etc.

Another example during the 2015/16 budget consultation – providers of Legal Entitlement Advice Services came forward challenging the proposed decommissioning of the service. As a result a large element of the budget was re-instated in 2015/16 with the view to it being halved for a new delivery model in January 2016. This ‘extension’ was done on the basis of the Third Sector coming together with the council to develop a new delivery model from January. The Third Sector led on an advice strategy paper and the council then reviewed its commissioning approach to see how it could get from the current position to one which moved closer to the approach in the strategy. There have been further meetings with the advice sector with discussion on both the strategy and the

commissioning approach.

Update – Sept 2016

Nigel Kletz and Angela Probert met with third sector champions and the outputs from those meetings are being incorporated into ongoing work including review of the commissioning strategy.

- b) The Council now advertises all opportunities over £25K onto Contracts Finder (as well as FIIB) in compliance with the Procurement Contract Regulations 2015. Social media is used by Ice Blue to promote events and opportunities. We're currently discussing opportunities to improve the FIIB website with Ice Blue, however this won't extend to publishing outcomes as this is made available on the Council's website.
- c) Weekly activity reports to summarise the current opportunities are now set up and will shortly be issued to Councillors.

Update – Sept 2016

A weekly email is issued by Corporate Procurement to all BCC Councillors with a list of all live procurement opportunities posted on FinditInBirmingham. This includes that of the council, our supply chain and other public sector organisations and Councillors are asked to make local businesses aware of any relevant procurement opportunities open to them.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 03	<p>In reviewing and growing the use of the Birmingham Business Charter for Social Responsibility (BBC4SR) to ensure that organisations of all sizes are able to sign up to it and to:</p> <ul style="list-style-type: none"> a) Give consideration to the social value that third sector organisations already deliver to reflect the particular value of third sector organisations more clearly; b) Explore with Birmingham Voluntary Services Council (BVSC) how the third sector can become recipients of BBC4SR, such as with a portal bringing together needs and offers; c) Consult the third sector as part of the review of the Charter; and d) Utilise councillors' knowledge of local organisations. Councillors should also encourage local organisations to subscribe to Find It In Birmingham (FIIB) and the BBC4SR. 	<p>Cabinet Member for Commissioning, Contracting and Improvement</p> <p>In consultation with the Third Sector Assembly</p>	October 2015	2 – Achieved Late

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

- a) Social Value is assessed as part of a tender evaluation and takes account of the tenderer's proposals. The delivery of Social value has to be relevant and proportionate to the contract.
- b) The 'Partners in Communities' principle within the Birmingham Business Charter includes supporting community organisation and projects. There are examples of action plans that include such commitments.
- c) The consultation is delayed to consider measures that may enhance the effectiveness of the Charter and reduce complexity thus improving resource efficiency.

Update – Sept 2016

Consultation with Third Sector organisations took place on 19 August through a workshop held at BVSC, the consultation survey has been widely promoted and runs until 30 September.
<https://www.birminghambeheard.org.uk/economy/9768a656/consultation/intro/view>

d) Promoted the use of FIIB and the BBC4SR at the Councillors' Marketplace. Also see R02c.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 04	To a) Review what should be the enabling role of the Future Council in supporting the third sector. b) Explore opportunities for ensuring smaller third sector organisations are equipped to be part of the supply chain.	Cabinet Member for Commissioning, Contracting and Improvement	October 2015	2 – Achieved Late

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

a) The Future Council Outward Looking Partnerships work has yet to arrive at any recommendations regarding this.

Update – Sept 2016

Engagement with the third sector is ongoing and examples include The Birmingham Business Charter for Social Responsibility, The ICT&D Strategy, the Workforce Strategy and the Commissioning strategy.

b) The following support this point:

a. Breakfast meetings are held monthly:

- i. Nov 15: a HS2 supply chain special
- ii. Dec 15: "meet the buyer" with Carillion
- iii. Jan 16: Budget presentation.
- iv. Feb 16: Willmott Dixon "meet the buyer" for building the new college for high speed rail engineers.
- v. March 16: Kier "meet the buyer" event for Housing growth.
- vi. Previously 3 other Charter events were organised with Localise West Midlands with approximately 35 Third Sector organisations attending.

Breakfast meetings continue to be organised and communicated and are very well attended.

c) In 2014/15 financial year £27.5M was spent with the Third Sector. In the first 6 months of 15/16 the spend was £16.2M.

No.	Recommendation	Responsibility	Target Date For Completion	Cabinet Member's Assessment
R 05	Progress towards achievement of these recommendations is reported to the Partnership, Contract Performance and Third Sector Overview and Scrutiny Committee in October 2015. The Committee will schedule regular progress reports until all agreed recommendations are implemented.	Cabinet Member for Commissioning, Contracting and Improvement	October 2015 January 2016 September 2016	1 – Achieved Fully

Evidence of Progress (and Anticipated Completion Date if 'Not Achieved')

Progress is now being tracked by the Corporate Resources Overview and Scrutiny Committee, this report was presented to this committee on 27 October 2015 and this update is now submitted for the committee's consideration.

**CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE 5 OCTOBER
2016**

**PRIORITY REPORT OF CABINET MEMBER FOR TRANSPARENCY, OPENNESS &
EQUALITY**

REPORT BY: COUNCILLOR WASEEM ZAFFAR

1. PURPOSE OF REPORT

This report sets out my portfolio priorities for 2016/17.

2. RESPONSIBILITIES

I have accountability for:

Smart City	<p>Provide strategic leadership and advising all Cabinet Members of initiatives that need to be taken in relation to the development of world class technological capability and connectivity in Birmingham.</p> <p>In particular extending use of intelligent transport systems and digital technologies for “open access” to support “green and smart” actions.</p>
The services provided to the citizens of Birmingham as the customer	To take a strategic lead in the provision of customer focused City services.
To take a lead on information law and data protection matters	Overall organisation for the Council including Corporate governance arrangements.
To challenge any lack of transparency in all work carried out by the Council	To ensure transparency in all areas of the Council’s work.
Tackling Inequality	<p>Strategic approaches to reduce inequalities including around health, education and employment outcomes; ‘access to services’; and participation in civic life.</p> <p>Neighbourhood advice and information services.</p> <p>Holding to account other relevant Cabinet Members and officers for the delivery of those functions that impact on inequalities and inclusion.</p>
Third Sector Partnership and Engagement	Working with and co-ordination of third sector and partner agencies around equalities, cohesion and inclusivity.

3. PRIORITIES

The Executive remains committed to working together towards the vision of a fair, prosperous and democratic city.

The challenge is to ensure that every Birmingham citizen has access to opportunity across the social and economic life of the city, within a safe city – including in education, employment, housing, health and social care, civil society and political participation – whether these are delivered by the city council itself, partner agencies, or by private or third sector organisations.

My portfolio priorities for this year are to:

Priority	Progress to date
Work with partners, officers and cross party members to take forward the recommendations of the Child Poverty Commission	<p>A cross-party Birmingham Child Poverty Forum is being established to continue the city-wide dialogue and debate, building on the evidence and recommendations of the Child Poverty Commission. The first meeting is planned for October.</p> <p>Considerable work has taken place throughout the summer to draft an implementation plan that will take forward the Commission's recommendations. Positive progress has been made on some of the recommendations including the exemption of care leavers from Council Tax up to the age of 25 which was announced at the City Council meeting in July. It is intended that this will be implemented as part of the Council's 2017/18 budget and will be effective from 1 April 2017.</p>
Work with private and third sector data analysts to look at how we engage with the public through transparency and openness and sharing of data.	<p>The first Open Data Roundtable took place in August with partners to look at the opportunities presented by an open data approach to improve public services, develop more effective policy and give communities a greater say over issues that matter to them. We are seeking advice from national and local experts in this field and about the work already taking place in this city so that future Council activity is focussed on local priorities and complements the existing efforts of partners.</p> <p>The Council responded to the Government consultation on planned changes to the Transparency Code in July and we await the response. We will continue to meet the requirements of the existing transparency code as well as our obligations in respect of information rights legislation. However, in Birmingham we have an ambition to go beyond the current requirements so that the citizens of Birmingham have access to as much data as possible.</p>
Ensure the Council reduces use of private reports and streams all	Most committee meetings are being streamed and we are looking at options to make ward meetings/forums more accessible using available technology. There are some

public meetings	<p>positive examples where this is already being tried, such as Billesley ward meetings.</p> <p>A new process has been put in place for me to provide appropriate challenge for all proposed private reports to Cabinet, to ensure that as much information is available for the public.</p>
Champion paperless meetings	<p>We are embarking on a paperless journey which will help the City Council in reducing paper and printing costs hopefully for all Committee meetings in due course. It will also increase transparency for Members and public to access agenda papers and reports electronically.</p> <p>Details of paperless meetings, as well as approximate savings achieved to date:</p> <ul style="list-style-type: none"> • Cabinet paperless system started in May 2015, with approximate savings of £56,000 to date. • Planning Committee paperless system started in May 2014, with approximate savings of £57,000 to date. • Audit Committee paperless system started in May 2013, with approximate savings of £19,000 to date. <p>From 1 November the Council Chamber will have improved Wi-Fi with 120 councillors being able to view Council papers electronically.</p>
Develop better interactive data on Council website	<p>Birmingham's Data Factory (data.birmingham.gov.uk) was established over a year ago and currently provides access to 42 datasets. These cover a wide range of areas such as mandatory datasets relating to financial expenditure, datasets requested by city activists, such as housing and cycling data as well as data that the public is interested in such as planning and street cleansing.</p> <p>There are a number of projects currently in delivery that will continue to add further datasets. There is an ambitious target to provide up to 300 datasets by the end of financial year. However, this is very much dependant on the availability of additional resources, both within the Council and partner organisations such as Transport for West Midlands.</p> <p>We are also publishing Council data through data visualisation such as Tableau public (as used by corporate communications to present the 2016 local election results online in an easy to understand way through a colour-coded ward map of the city)</p>
Develop an ICT &	A draft combined ICT and Digital Strategy (2016 – 2021) will

Digital Strategy	<p>be presented to Cabinet on the 18 October. The public consultation on the strategy closed on 16 September.</p> <p>In seeking to define how best to develop a new approach to ICT and Digital, it has been identified that the focus should not just be on technology, but on citizens, communities, partners and business.</p> <p>To facilitate successful delivery of the ICT&D Strategy, a new Council wide 'Strategic Framework' is being introduced; this will ensure alignment of the Business Plan and the ICT and Digital and associated Council strategies.</p>
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4. OTHER KEY PROGRAMMES

In addition to the priorities outlined above, there are a number of other key programmes that will be progressed during 2016/17 which cover a number of cross portfolio activities and support the development of innovative and smart city approaches that are aligned to the ICT and Digital Strategy around the digital facilitation, Insights and Innovation themes.

The following are a few examples of these types of activities:

Digital facilitation

City4Age: aims to capture open and personal data using wearables from elderly people with frailty and use it to support them to remain active and mobile. It also aims to test when data can provide insights about when to intervene earlier to prevent health and care needs arising.

Insights

Project DISC (Data-driven interactive smart city decision support toolkit): aims to create a data-driven, interactive, smart city decision toolkit. This will serve as a platform on which developers will be able to create and test new products and services.

Innovation

Opticities: aims to use data collected by sensors to understand how movement and weather conditions impact on traffic movement, and how traffic lighting flow can be changed to reduce congestion in response.

Birmingham is also a case study city for a Horizon 2020 project 'SETA' led by Sheffield University that is using big data from traffic sensors, passive sensors can see a step change in understanding mobility specifically considering non-motorised movement or active travel.

There are a number of other projects and programmes currently being developed that provides the City with an excellent springboard for delivering its smart city outcomes and support service transformation.

5. KEY BUDGET ISSUES

NAIS/Legal Entitlement

I am responsible as the Cabinet Member, for a net revenue budget of £1.6m in 2016/17 to deliver my services (this represents gross expenditure of £3.2m and is offset by income of £1.6m). These resources are utilised to deliver the Neighbourhood Advice Service and the externally commissioned Legal Advice Services primarily through the Citizens Advice Bureau.

A new partnership approach for delivering integrated advice and information service to citizens is now in place. The plans were drawn up by a group of providers known as Gateway to Birmingham Advice Services (GBAS) – a partnership of 15 organisations providing advice services in the city (including the likes of the CAB, Freshwinds, Birmingham Settlement, Shelter, Age UK etc).

The council played its part in the process but was not the lead agency. The new strategy focusses around the following key areas:

- Integration of advice provision
- Shifting from crisis to prevention advice
- Moving from high cost interventions (face-to-face) to lower cost interventions (phone/webchat)

By taking this partnership approach and maximising the use of all access channels (an increased number of locations) and focussing face to face advice for the more complex cases it has been possible to deliver the required levels of savings.

These services have provided a major contribution to the delivery of the overall Savings Programme of the Council in order to meet the medium term financial challenge that is facing the Council. The savings for these services totalled £0.2m in 2016/17 and at this stage there are no planned further step up savings for future years to 2019/20.

It is possible that there will be a modest overspend for these services in 2016/17 – estimated at £0.3m (this has been effectively managed to this level given the complex re-structuring and consultation that was necessary on the future operating model for the Neighbourhood Advice Service and recently reported to Cabinet in March 2016).

Councillor Waseem Zaffar

Cabinet Member for Openness, Transparency and Equality



Corporate Resources and Governance O&S Committee: Work Programme 2016/17

Chair: Cllr Mohammed Aikhlaq

Committee Members: Cllrs: Muhammed Afzal, Randal Brew, Ray Hassall, Changese Khan, Chaman Lal, Ewan Mackey, Yvonne Mosquito, Rob Pocock, Hendrina Quinnen, Sybil Spence

Committee Support: Scrutiny Team: Emma Williamson (464 6870), Iram Choudry (303 8263)
Committee Manager: Victoria Williams (303 7037)

1 Meeting Schedule

Date	Item	Officer contact
15 June 2016 10am Committee Room 1	<i>Informal:</i> Work Programme Discussion <i>Outcome:</i> to determine the work programme priorities for the year	Emma Williamson/Iram Choudry, Scrutiny Office
18 July 2016 2.30pm Committee Room 2	1) Report of the Leader of the Council <ul style="list-style-type: none"> Priorities for the year in relation to corporate leadership; Improvement Panel and next phase of Future Council; Evolution of Devolution: Cabinet Committee Local Leadership and Local Innovation Fund; West Midlands Combined Authority update; Update on Bereavement Services 	Ceri Saunders, Head of Cabinet Office / Tony Smith, Policy Executive
	2) Work Programme	Scrutiny Office
	3) Call In: Disposal of Land at Great Charles Street, Birmingham	Basit Ali, Birmingham Property Services
7 th September 2016 10.30am Committee Room 2	Deputy Leader update: <ul style="list-style-type: none"> <i>Tracking:</i> Refreshing the Partnership – Service Birmingham Financial Monitoring: 2015/16 year outturn and latest monitoring report; and to discuss with the Committee their input into budget setting <i>Tracking:</i> Customer Journey including update on website and on-line forms Member Development 	Rebecca Grant, Cabinet Support Officer Nigel Kletz, Assistant Director, Procurement/Tony Lubman, Chief Executive, Service Birmingham Jon Warlow, Strategic Director, Finance and Governance Chris Gibbs, Service Director, Customer Services Shauna Posaner, AD Organisational Development



Date	Item	Officer contact
5 th October 2016 10.30am Committee Room 2	1) Cabinet Member for Value for Money and Efficiency <ul style="list-style-type: none"> Priorities for the year Update on Commissioning and Procurement Strategy Update on business charter, including outcome of consultation To explore how the City Council engages local supplier and businesses through our contractors <i>Tracking:</i> Council Commissioning and Third Sector Organisations 	Jon Lawton, Cabinet Support Officer
	2) Cabinet Member for Transparency, Openness and Equality <ul style="list-style-type: none"> Priorities for the year in relation to transparency and openness 	Marcia Wynter, Cabinet Support Officer
2 nd November 2016 10.30am Committee Room 2		
14 th December 2016 10.30am Committee Room 2	Deputy Leader – Budget Consultation	Rebecca Grant, Cabinet Support Officer/Jon Warlow, Strategic Director, Finance and Governance
	Financial monitoring: Latest Revenue Monitoring	
	<i>Tracking:</i> Citizen Engagement – to include update on community engagement strategy	
	Briefing on Council Tax	Chris Gibbs, Service Director, Customer Services
4 th January 2017 10.30am Committee Room 2	Leader <ul style="list-style-type: none"> Update on priorities 	Ceri Saunders, Head of Cabinet Office / Tony Smith, Policy Executive
1 st February 2017 10.30am Committee Room 2		
1 st March 2017 10.30am Committee Room 2	Deputy Leader	Rebecca Grant, Cabinet Support Officer Jon Warlow, Strategic Director, Finance & Governance
	Financial monitoring: Latest Revenue Monitoring Report	
5 th April 2017 10.30am Committee Room 2		



2 Working Groups

1. Future Council – to receive regular updates on the progress of the Future Council programme and to advise the Committee on areas it should be considering/potential areas for in-depth work (Membership: Cllrs Pocock (Chair), Aikhlaq, Brew and Quinnen). Proposed terms of reference attached.

3 To be Scheduled

- Cabinet Member for Value for Money and Efficiency / Cabinet Member for Transparency, Openness and Equality – second attendance to be scheduled;
- Centenary Square Public Realm Improvement Scheme: programme of milestones to be received and a series of information reports to the Committee to be agreed;
- Update on Council's Highway Maintenance and Management Services contract with Amey;
- *Tracking*: Are Ward Committees fit for purpose?
- Briefing on the transition to universal credit
- Service Birmingham – performance indicators (September 2017)

4 Other Meetings

Call in Meetings

18 th July 2016	Disposal of Land at Great Charles Street, Birmingham	Decision Called-In
1 st September 2016	Strategy / Award Report – Consultancy for Contract Negotiations – Revenues Service (PQ135)	

Petitions

None scheduled

Councillor Call for Action requests

None scheduled

5 Forward Plan

ID	Decision	Date
Deputy Leader		
000288/2015	ICT Investment and Strategy – PUBLIC	18 Oct 16
001865/2016	The Future Council work – a review and next steps	18 Oct 16



ID	Decision	Date
002442/2016	Corporate Revenue Monitoring Report Month 5	18 Oct 16
001926/2016	Capital and Treasury Monitoring Quarter 2 (July to September 2016)	15 Nov 16
001930/2016	Corporate Revenue Monitoring Report Month 6	15 Nov 16
002161/2016	Performance Monitoring - April to September 2016	13 Dec 16
Leader		
001097/2016	ERDF Property Investment Programme (PIP) Full Business Case	18 Oct 16
001429/2016	Disposal of Surplus Properties	18 Oct 16
001585/2016	Disposal of Prospect Place Industrial Estate at Clifton Road, Balsall Heath	18 Oct 16
001780/2016	Innovation Birmingham Ltd (IBL) Site Development and Expansion	18 Oct 16
001943/2016	Peddimore - Implementation of site disposal and development strategy	18 Oct 16
002046/2016	Sale of 21 William Street	18 Oct 16
002313/2016	Market Rent Programme : Land acquisition and disposal	18 Oct 16
002333/2016	Council House Complex	18 Oct 16
002334/2016	Birmingham Museum and Art Gallery	18 Oct 16
002441/2016	Social and Community Finance Initiatives	18 Oct 16
000318/2015	Discharge of Accountable Body Arrangements for AMSCI - Standing Item	15 Nov 16
000812/2015	Winning Resources for Birmingham City Council Priorities -Standing Item	15 Nov 16
Transparency, Openness and Equality		
002446/2016	Big Data Corridor	15 Nov 16
Value for Money and Efficiency		
002070/2016	Procurement Contract - PUBLIC	18 Oct 16
002195/2016	ICT and Digital Strategy 2016-2021 PUBLIC	18 Oct 16
001909/2016	The future Council with Acivico Ltd - PUBLIC	13 Dec 16



Work Outline

Working Group: Future Council

Corporate Resources and Governance O&S Committee

Purpose:	To facilitate cross-party overview of, and engagement with, the Future Council programme
Background:	<p>The Future Council programme is the vehicle by which the City Council will design and deliver its future organisation.</p> <p>The Programme will take a whole-council (whole system) view so that activity is joined up both internally and externally with partners and communities.</p>
Membership:	Cllr Rob Pocock (Chair); Cllrs Aikhlaq, Brew and Quinnen
Proposed Outcomes:	To identify any possible gaps, inconsistencies and further development opportunities for improvement in the Future Council programme, by conducting a member-led "healthcheck" on the progress of the programme, ensuring a robust process for challenge at a strategic level to the Executive and officers.
Method of working:	<ul style="list-style-type: none">• Engagement with and oversight of the Future Council programme by regular updates from officers• To identify potential areas of further work for scrutiny and to identify which Committee would be best placed to carry out that work
Reporting:	<ul style="list-style-type: none">• Members of the working group will report back to the main Corporate Resources and Governance O&S Committee as required• Scrutiny Chairs will also receive updates• Where appropriate, reports to City Council.
Timescale:	2016-17 municipal year
Format of Meetings	Monthly meetings with key officers (not public) Public meetings where required

Member / Officer Leads

Lead Member:	Cllr Rob Pocock
Lead Officer:	Emma Williamson, Head of Scrutiny Services

Details

Status:	Decision Proposed
Title:	Acquisition of Private Sites and Empty Homes
Reference:	001959/2016
Details:	Report of Strategic Director of Economy
Implementation Date (not before Meeting Date):	Tue 20 Sep 2016
Purpose:	To seek approval to the acquisition of privately owned sites.
Key Portfolio:	Leader
Include Item on Forward Plan / Key Decision:	Yes
Reason for Key Decision:	Birmingham Development Plan

Decision

Urgent Decision - Not in Forward Plan:	No
Is Private:	No
Decision Outcome:	

On 20 September 2016, Cabinet:- (i) delegated to the Strategic Director Economy and the Cabinet Member Housing and Homes, approval to authorise the acquisition under section 17 of the Housing Act 1985 or section 226 (1) (a) Town and Country Planning Act 1990, of any vacant/undeveloped sites in Birmingham suitable for new housing development by the Council through the Birmingham Municipal Housing Trust (BMHT); (ii) delegated to the Strategic Director Place and the Cabinet Member Housing and Homes approval to authorise the acquisition under section 17 of the Housing Act 1985 of any long term empty properties in Birmingham; (iii) approved the use of CPO powers under section 17 of the Housing Act 1985 and section 226 (1) (a) Town & Country Planning Act 1990 to acquire vacant sites and empty homes; (iv) following any acquisition of the sites, authorised the Strategic Director Economy to include the sites within the development programme of BMHT 2015-2020 and to apply for any planning permissions, stopping up orders or any other licences or consents or highways or other agreements as are necessary in order to develop the sites, the letting of construction contracts to be subject to Full Business Cases to be considered by the appropriate decision maker; (v) authorised the Strategic Director Economy to apply for grant or loan funding to support the programme of acquisition of sites and empty properties from any available funding sources, including but not limited to, the Homes and Communities Agency, and the Local Enterprise Partnership; (vi) noted that an annual report will be presented to Cabinet detailing any sites and properties acquired over the previous 12 months; (vii) authorised the Director of Property to negotiate terms for the acquisition of any sites or properties on a voluntary basis in advance of compulsory acquisition as well as to settle any CPO compensation; (viii) authorised the City Solicitor to take any steps/enter legal agreements needed to bring the above into effect including, but not limited, to: (a) take all necessary steps to secure the making, confirmation and implementation of the compulsory purchase orders, including the publication and service of all notices to give effect thereto including High Court enforcement officer (b) if granted power to do so by the Secretary of State, to confirm the compulsory purchase orders. THE DEADLINE FOR CALL IN IS 1600 HOURS ON MONDAY, 26 SEPTEMBER 2016.

Miscellaneous

Reg 10

Reg 11

Decision Criteria

This Decision does not contain any decision criteria records.

Wards

This Decision does not contain any Ward records.

Topics

This Decision does not contain any Topic records

Overview and Scrutiny

Health, Wellbeing and the Environment Overview and Scrutiny Committee
Housing and Homes Overview and Scrutiny Committee



Appendix 2: Request for Call In – Pro-forma

To: David Smith

Committee Services, Room 315, Council House.

E-Mail: LESCommitteeServicesAll@birmingham.gov.uk (marked "For the attention of Dave Smith")

Date: 26th September 2016

Please arrange for a meeting of the Corporate Resources and Governance O&S Committee

to be called to discuss the following executive decision:

Title: Acquisition of Private Sites and Empty Homes

Taken By: Cabinet

On: 20th September 2016

Reason for request:

(a) Is the Executive decision within existing policy?

1. the decision appears to be contrary to the Budget or one of the 'policy framework' plans or strategies; ☐
2. the decision appears to be inconsistent with any other form of policy approved by the full Council, the Executive or the Regulatory Committees; ☐
3. the decision appears to be inconsistent with recommendations previously made by an Overview and Scrutiny body (and accepted by the full Council or the Executive); ☐

(b) Is the Executive decision well-founded?

4. the Executive appears to have failed to consult relevant stakeholders or other interested persons before arriving at its decision; ☒
5. the Executive appears to have overlooked some relevant consideration in arriving at its decision; ☒
6. the decision has already generated particular controversy amongst those likely to be affected by it or, in the opinion of the Overview and Scrutiny Committee, it is likely so to do; ☒
7. the decision appears to be particularly "novel" and therefore likely to set an important precedent; ☒
8. there is a substantial lack of clarity, material inaccuracy or insufficient information provided in the report to allow the Overview and Scrutiny Committee to hold the Executive to account and/or add value to the work of the Council. ☐



(c) Has the Executive decision been properly taken?

9. the decision appears to give rise to significant legal, financial or propriety issues; ☐

10. the notification of the decision does not appear to have been in accordance with council procedures; ☐

(d) Does the Executive decision particularly affect a District?

11. the decision appears to give rise to significant issues in relation to a particular District. ☐

Councillor

CLLR RANDAL BREW

(Signed)

(Print Name)

Councillor

CLLR EWAN MACKEY

(Signed)

(Print Name)

BIRMINGHAM CITY COUNCIL

PUBLIC REPORT

Report to:	CABINET	
Report of:	Strategic Director of Economy	
Date of Decision:	20 September 2016	
SUBJECT:	ACQUISITION OF PRIVATE SITES AND EMPTY HOMES	
Key Decision:	Relevant Forward Plan Ref: 001959/2016	
If not in the Forward Plan: (please "X" box)	Chief Executive approved	<input type="checkbox"/>
	O&S Chairman approved	<input type="checkbox"/>
Relevant Cabinet Member(s) or Relevant Executive Member:	Councillor Peter Griffiths – Housing and Homes Councillor John Clancy – the Leader	
Relevant O&S Chairman:	Councillor Mohammed Aikhlaq, Corporate Resources and Governance Councillor Victoria Quinn – Housing and Homes	
Wards affected:	All	

1. Purpose of report:
<p>1.1 This report sets out proposals for the Council to acquire empty privately owned residential properties and vacant undeveloped sites. Any sites acquired will be developed with new homes by the Council through the Birmingham Municipal Housing Trust (BMHT).</p> <p>1.2 This report seeks approval from Cabinet to delegate the final decision to acquire the specific site or property to the Cabinet Member for Housing and Homes in consultation with the appropriate Strategic Director.</p> <p>1.3 This report seeks approval to use CPO powers in order to acquire both sites and individual properties.</p>
2. Decision(s) recommended:
<p>Cabinet is recommended to:-</p> <p>2.1 Delegate to the Strategic Director Economy and the Cabinet Member Housing and Homes, approval to authorise the acquisition under section 17 of the Housing Act 1985 or section 226 (1) (a) Town and Country Planning Act 1990, of any vacant/undeveloped sites in Birmingham suitable for new housing development by the Council through BMHT.</p> <p>2.2 Delegate to the Strategic Director Place and the Cabinet Member Housing and Homes approval to authorise the acquisition under section 17 of the Housing Act 1985 of any long term empty properties in Birmingham.</p> <p>2.3 Approve the use of CPO powers under section 17 of the Housing Act 1985 and section 226 (1) (a) Town & Country Planning Act 1990 to acquire vacant sites and empty homes.</p>

- 2.4 Following any acquisition of the sites, authorise the Strategic Director Economy to include the sites within the development programme of the Birmingham Municipal Housing Trust (BMHT) 2015-2020 and to apply for any planning permissions, stopping up orders or any other licences or consents or highways or other agreements as are necessary in order to develop the sites, the letting of construction contracts to be subject to Full Business Cases to be considered by the appropriate decision maker.
- 2.5 Authorise the Strategic Director Economy to apply for grant or loan funding to support the programme of acquisition of sites and empty properties from any available funding sources, including but not limited to, the Homes and Communities Agency, and the Local Enterprise Partnership.
- 2.6 Note that an annual report will be presented to Cabinet detailing any sites and properties acquired over the previous 12 months.
- 2.7 Authorise the Director of Property to negotiate terms for the acquisition of any sites or properties on a voluntary basis in advance of compulsory acquisition as well as to settle any CPO compensation.
- 2.8 Authorise the City Solicitor to take any steps/enter legal agreements needed to bring the above into effect including, but not limited, to:
- i) take all necessary steps to secure the making, confirmation and implementation of the compulsory purchase orders, including the publication and service of all notices to give effect thereto including High Court enforcement officer
 - ii) if granted power to do so by the Secretary of State, to confirm the compulsory purchase orders

Lead Contact Officer(s):	Clive Skidmore, Head of Housing Development. Matthew Smith, Principal Enforcement Officer
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3. Consultation

3.1 Internal

3.1.1 Ward members will be consulted as and when sites or properties are identified for acquisition within their wards. The (Acting) Strategic Director Place and other relevant Senior Officers from the Economy, and Place Directorates have been consulted and are supportive of the report proceeding for an executive decision.

3.1.2 Officers from City Finance, Legal Services and Birmingham Property Services have been involved in the preparation of this report.

3.2 External

3.2.1 Owners of individual sites and properties will be consulted and given reasonable opportunities to bring their sites back into use before CPO is actioned. If compulsory purchase is used to acquire these sites, owners will be provided with advice and guidance on that procedure.

4. **Compliance Issues:**

4.1 Are the recommended decisions consistent with the Council's policies, plans and strategies?

4.1.1 The proposals set out within this report support the objectives of the Birmingham Development Plan to provide sufficient new homes within the city to meet the needs of its growing population.

The development of new homes for a growing city is a key objective of the Leader's Policy Statement 2016+. The development of new affordable housing within the City is in accordance with the following objectives of the Council's Business Plan and Budget 2016+:

Fairness - to tackle inequality and deprivation, promote social cohesion across all communities in Birmingham, and ensure dignity, in particular for our elderly and safeguarding for children – by providing new homes, apprenticeships and bursary programme placements.

Prosperity - to lay the foundations for a prosperous City, built on an inclusive economy – by stimulating the construction industry through the Council's housing building programme.

Democracy - to involve local people and communities in the future of their local area and their Public Services – by consulting communities about proposals for new development and ensure that new homes meet local needs and localised targeting of training, education and employment initiatives to complement the house-building Programme.

4.1.2 This proposal responds to the Birmingham Connected five core objectives;

Efficient Birmingham - Birmingham Connected will facilitate the city's growth agenda in the most efficient and sustainable way possible, strengthening its economy and boosting jobs.

Equitable Birmingham - Birmingham Connected will facilitate a more equitable transport system; linking communities together and improving access to jobs and services, by creating jobs and apprenticeships in the construction industry.

Sustainable Birmingham - Birmingham Connected will specifically reduce the impacts of air and noise pollution, greenhouse gas emissions and energy consumption. New homes constructed through the BMHT programme are energy efficient to Code 4 of the Code for Sustainable Homes.

Healthy Birmingham - Birmingham Connected will contribute to a general raising of health standards across the city through the promotion of walking and cycling and the reduction of air pollution, through use of energy efficient homes which reduction our carbon footprint.

Attractive Birmingham - Birmingham Connected will contribute to enhancing the attractiveness and quality of the urban environment in local centres, key transport corridors and the city centre.

4.2 Financial Implications

4.2.1 The acquisition of empty homes will be funded from specific resources available within the approved Empty Homes Strategy Capital budget (General Fund) for such purposes. The properties will only be acquired where owners do not take adequate steps to bring the dwellings back into use in a reasonable timeframe.

In the event that it is necessary to proceed with acquisition of empty properties, usually the properties will subsequently be sold, with any receipt being recycled back into the Empty Homes Strategy budget to allow for similar purchases to bring empty properties back into use in accordance with existing Council policy.

The acquisition of private sector sites will be utilised to develop new social and affordable homes through the BMHT programme. However, opportunities will also be explored to secure funding through the Local Growth Fund, HCA programmes,, HRA borrowing and through the existing HRA Business Plan 2016+..

Any sites acquired through this programme will be developed through the Council's BMHT programme.

This programme will be managed to ensure that acquisition, development, and sales activities are managed to ensure delivery remains within the limit of resources identified for this purpose at all times.

The new homes built on the sites acquired though the programme will generate Council Tax income to the Council.

4.3 Legal Implications

- 4.3.1 Housing Compulsory Purchase powers are exercised under section 17 of the Housing Act 1985. Sections 17 and 18 of the Act authorises the acquisition and holding of the land for housing purposes. In some circumstances where the redevelopment of a vacant site would include ancillary non-housing uses, the acquisition of sites may be more appropriately made under section 226 (1) (a) Town & Country Planning Act 1990.

4.4 Public Sector Equality Duty

- 4.4.1 A level 1 Equality Impact Analysis (EA001339) concluded that the proposed programme results in no identifiable adverse impact upon equality. An equality impact analysis will be carried out prior to the decision to authorise each CPO that follows this report.

4.4.2 Information will be managed in line with the Council's Data Protection Policy.

5. Relevant background/chronology of key events:

- 5.1 The adopted Birmingham Development Plan identifies a need for 89,000 new homes by 2031, and to date sites for 44,000 have been identified within the city. At the same time demand for housing is growing in the city, with around 20,000 households on the housing waiting list and over 1,500 households living in temporary accommodation.
- 5.2 The supply of new homes in the city is increasing year on year, with 2015-16 figures showing an increase on 2014-15. This improvement is largely due to the Council's own development programme through the Birmingham Municipal Housing Trust, which has completed over 1,000 new homes in the last two years alone, and now accounts for around 28% of all new housing supply.
- 5.3 At the same time, there are currently in excess of 5,000 privately owned properties in the city which have been vacant for more than 6 months, with approximately 1,900 which have been empty for more than 3 years. When set in the overall context of the shortfall in housing in the city, it is clear that bringing these homes back into use could have a major positive impact on housing supply in the city.
- 5.4 Similarly, the Strategic Housing Land Availability Assessment (SHLAA) undertaken by the Council identifies sites which could accommodate over 8,000 new homes within the 44,000 quoted above and which have the benefit of full Planning Permission but which have not yet been built upon. This assessment includes vacant sites which could be acquired under the proposals set out in this report.
- 5.5 There is an opportunity for the Council to further expand the remit of the Birmingham Municipal Housing Trust and drive housing growth by the acquisition of privately owned sites. Over the last few years, the Council's new build programme has expanded not only in terms of the numbers delivered – 562 new homes in 2015-16 – but also in the scale of its ambition and the breadth of its activities.

- 5.6 As well as building new homes for social and affordable rent, the Council also builds new homes for sale, targeted at first time buyers, and its first Private Rented Sector scheme has just started on site. The development of a new housing archetype, the dormer bungalow, designed specifically to incentivise older households to move from a family home to a smaller property has been an outstanding success, and this approach is now being rolled out on sites across the city.
- 5.7 However, if the development programme is to expand yet further, a supply of good quality land is essential, and this report therefore seeks approval for the Council to acquire privately owned land to support its new build programme through the BMHT.
- 5.8 Over the last 6 years, the Council has been very successful in persuading owners to bring their empty properties back into use through a combination of provision of advice and guidance, warning of the potential use of compulsory acquisition powers and the actual exercise of those powers.
- 5.9 It is therefore proposed that the Council continue to roll out the practice of seeking to acquire empty properties and also to take the same approach to acquire sites in the private sector, preferably from willing vendors, but if necessary through compulsory purchase action.
- 5.10 The Council is ideally placed to take such action – not only does it have statutory CPO powers, but also through the BMHT the ability to develop out such sites itself. This approach could enable the expansion of the BMHT programme further and enable the Council to take on an even greater role in directly driving the supply of new high quality homes for the citizens of the city.
- 5.11 In order to allow speed of decision making in such cases, it is recommended that approval to acquire (using CPO powers if necessary) such sites and empty homes is delegated to the Strategic Director Economy and the Cabinet Member for Housing and Homes. Such acquisitions will be guided by the following criteria –
- Financial viability – a business case demonstrating that the proposed development is financially viable over a 30 year period;
 - Strategic fit – ensuring that the development of new homes in the location fits with the Council's priorities;
 - Availability of funding – all proposals will be subject to funding being available (including for the development of any empty sites acquired);
 - Maximising the benefits to local communities – ensuring that sites which blight neighbourhoods are developed.
 - Evidence that owners have been given reasonable opportunities to bring their site or property back into use.
 - ensuring that in each case, before CPO is authorised, the guidance contained in the Department for Communities and Local Government's CPO Guidance are met (see Appendix 1)

Following acquisition by the Council, owners are entitled to full compensation as required by statute.

6. Evaluation of alternative option(s):	
6.1	Option 1 - Do Nothing – under this option the Council would take no action to acquire vacant privately owned sites and empty homes. The consequence of this course of action would be a that the Council would be unable to increase the number of new homes that it provides, and a failure to deal with those privately owned sites and empty homes which blight local neighbourhoods, and a lost opportunity to generate additional Council Tax income for the Council.
6.2	Option 2 - Acquire sites and empty homes on a voluntary basis only without use of CPO powers – this option would enable the acquisition of a lesser number of sites for the BMHT programme as it is dependent on a willing seller, but is unlikely to deal with the issue of vacant sites and empty homes.
7. Reasons for Decision(s):	
7.1	The proposals set out in this report will enable the Council to further increase the scale of its new build programme through the BMHT in order to increase housing supply to meet the needs of a growing city.
Signatures	
Cabinet Members	<u>Date</u>
Councillor Peter Griffiths
Cabinet Member for Housing and Homes	
Councillor John Clancy	
The Leader	
.....
Chief Officer	
Waheed Nazir	
Strategic Director of Economy
List of Background Documents used to compile this Report:	
Birmingham Development Plan Council Business Plan and Budget 2016+ Housing Prospectus 2015 Intelligence, Strategy and Prioritisation Data	
List of Appendices accompanying this Report (if any):	
1. The case for CPO	

The Case for CPO

DCLG Guidance on compulsory Purchase Process October 2015 provides advice to acquiring authorities in the preparation and submission of compulsory purchase orders and the matters that the Secretary of State can be expected to take into consideration when reaching a decision on whether to confirm an order. All of these requirements will need to be met in each case before a CPO can be authorised for either an empty property or a vacant/undeveloped site

A CPO should only be made

1. where there is a compelling case in the public interest. Each case will need to be examined individually, however bringing vacant homes back into use, and bringing forward housing development schemes on undeveloped sites (thereby ensuring that sufficient homes are provided to meet the needs of the city's citizens) are clearly capable of being in the public interest.
2. the Council should be sure that the purposes for which the CPO is made justify interfering with the human rights of those with an interest in the land affected. The Secretary of State confirming the order will take a balanced view between the intentions of the acquiring authority, the concerns of those with an interest in the land affected and the wider public interest. Each case will need to be examined individually, and CPO will only be authorised where the Council has balanced the various interests but considers that the use of compulsory purchase powers in that case is justified.
3. the Council should have a clear idea of how it intends to use the land which it is proposing to acquire. In respect of empty property CPOs that come forward, the Council may either retain the properties within its own housing stock, or auction them with a covenant that the new owner brings them back into use. In respect of undeveloped/vacant sites CPOs that come forward – the Council will obtain planning permission for housing development on the site (or make use of any existing planning permission) which is the subject of the CPO
4. resources are likely to be available within a reasonable time-scale to deliver the proposals - the Council has the funding available to fund the acquisition of empty homes and undeveloped sites. Details of the funding available for the specific CPO will be provided prior to the decision to authorise a CPO for a specific site or property.
5. the Council should show that the scheme is unlikely to be blocked by any impediments to implementation. Planning consent for residential use will likely already exist for empty properties and in the case of vacant sites will be sought for housing development if a suitable planning consent does not already exist.
6. CPO should be a last resort. CPO will only be sought after attempts to contact the owner and/or encourage them to bring the property/site back into use themselves have failed. The Council will endeavour to negotiate voluntary acquisition of a property or site, rather than acquire by CPO. Negotiations will continue after the CPO is made, and where an owner has credible evidence that they will bring the property back into use themselves, in an acceptable timescale, the Council may enter legal agreements or undertakings with the owner giving them opportunity to do so.
7. The CPO should only be made if it will provide qualitative or quantitative housing gain.
8. The CPO should be in accordance with national and local planning policy.
9. When using section 226 (1) (a) Town & Country Planning Act 1990 to justify CPO, the acquiring authority must not exercise the power unless they think that the proposed development, redevelopment or improvement is likely to contribute to achieving the promotion or improvement of the economic, social or environmental well-being of the area for which the acquiring authority has administrative responsibility

COMPULSORY PURCHASE - THE HUMAN RIGHTS ACTS 1998 AND THE EUROPEAN CONVENTION ON HUMAN RIGHTS

Section 6 Human Rights 1998 Act prohibits public authorities from acting in a way that is incompatible with the European Convention on Human Rights ("The Convention.") There are 2 main articles of The Convention, which are applicable to the recommendations in this report.

ARTICLE 8

1. "Everyone has the right to respect for private and family life, his home and his correspondence."
2. "There shall be no interference by a public authority with the exercise of this right except such as is in accordance with the law and is necessary in a democratic society in the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others."

ARTICLE 1 of the FIRST PROTOCOL

"Every natural or legal person is entitled to the peaceful enjoyment of his possessions. No one shall be deprived of his possessions except in the public interest and subject to the conditions provided for by law and by the general principles of international law."

The preceding provisions shall not, however, in any way impair the right of a State to enforce such laws as it deems necessary to control the use of property in accordance with the general interest or to secure the payment of taxes or other contributions or penalties. "

Guidance

Article 8 applies where a local authority is considering disturbing residents' private and family lives and removing them from their homes. It may also be relevant where residents who, although not directly affected by removal or dispossession, suffer significant disruption to their lives as a consequence of the authority's actions.

Article 1 of the First Protocol applies where a local authority is considering the use of CPO powers to acquire private interests, and where it is proposing to dispossess residents of their homes.

The approach to be taken to give effect to rights under The Convention is also reflected in paragraph 12 of DCLG guidance on Compulsory Purchase Process October 2015:- "A Compulsory Purchase Order should only be made where there is a compelling case in the public interest. An acquiring authority should be sure that the purposes for which the Compulsory Purchase Order is made justify interfering with the human rights of those with an interest in the land affected. Particular consideration should be given to the provisions of Article 1 of the First Protocol to the European Convention on Human Rights and, in the case of a dwelling, Article 8 of the Convention".

The European Court of Human Rights has recognised in the context of Article 1 of the First Protocol that "regard must be had to the fair balance that has to be struck between the competing interests of the individual and of the community as a whole", i.e. compulsory purchase must be proportionate. Both public and private interests are to be taken into account in the exercise of the Council's powers. Similarly, any interference with Article 8 rights must be "necessary in a democratic society" i.e. the proposed interference must be necessary. In pursuing a CPO, the Council has to carefully consider the balance to be struck between individual rights and the wider public interest having regarded also the availability of compensation for compulsory purchase.

Consideration of Human Rights Issues

Article 8(1) provides that everyone has the right to respect for his/her property but Article 8(2) allows the State to restrict the rights to respect for the property to the extent necessary in a democratic society and for certain listed public interest purposes e.g. public safety, economic well-being, protection of health and protection of the rights of others.

In considering Articles 8 and Article 1 of the First Protocol of The Convention in the context of dispossession and compulsory purchase, it is necessary to answer the following:

1. Does a right protected by these Articles apply?
2. Is the interference in accordance with law?
3. Does the interference pursue a legitimate aim?
4. Is the interference necessary in a democratic society?

Does a right protected by these Articles apply?

ARTICLE 1 of the FIRST PROTOCOL

“Every natural or legal person is entitled to the peaceful enjoyment of his possessions...”

Clearly the dispossession of an owner of their property through CPO (and if relevant enforced rehousing) will impinge on this right. Also, as a tenancy is a possession under this provision, the rights of tenants must be taken into consideration. The Council must therefore consider all the possible justifications for this interference as detailed in considerations (b), (c) and (d) set out below.

ARTICLE 8

Article 8.1 provides that everyone has the right to respect for his/her private and family life, home and correspondence. Article 8.2 allows the State to restrict these rights to respect to the extent necessary in a democratic society and for certain listed public interest purposes.

The essence of this right lies in the concept of respect for the home as a right to privacy, in the same context as private and family life and correspondence. Article 8.1 does not concern itself with the person’s right to the peaceful enjoyment of their home as a possession; this is dealt with under Article 1 of the First Protocol.

Clearly Article 8 does apply and therefore it is necessary for the Council to consider the possible justifications for the interference (Article 8(2)) as follows:

Is the interference in accordance with law?

There is a clear legal basis for making the CPO under the Housing Act 1985.

Does the interference pursue a legitimate aim?

The CPO is necessary to ensure the supply of sufficient homes to meet the needs of a growing city.

Is the interference necessary in a democratic society?

This requires a balanced judgement to be made between the public interest and the rights of individuals, and the rights and freedoms of others.

Conclusion

The Council has considered the effect of the above articles of The Convention and decided that, on balance, it is in the general public interest and of benefit to the community to make the CPO over and above the interest of the individuals affected.

Interference with Convention rights is considered by the Council to be justified. The Council in making this Order has had particular regard to meeting the alternative housing needs of the affected households, and the rights of individuals to compensation in accordance with the Land Compensation Act 1973 (as amended.) and the Land Compensation Act 1961 and Compulsory Purchase act 1965 is considered to be both necessary and proportionate in that the land to be acquired is the minimum to achieve this Scheme’s objectives