

Cabinet

Meeting held 20 June 2018

**PRESENT:** Councillors Julie Dore (Chair), Olivia Blake, Lewis Dagnall, Jackie Drayton, Jayne Dunn, Mazher Iqbal, Mary Lea, Chris Peace, Jack Scott and Jim Steinke

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**1. APOLOGIES FOR ABSENCE**

1.1 There were no apologies for absence.

**2. EXCLUSION OF PUBLIC AND PRESS**

2.1 The Chair (Councillor Julie Dore) reported that Appendix A to Item 14 'Technology Strategy and Sourcing Approach' was not available to the public and press because it contains exempt information described in Paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972 (as amended), relating to the financial or business affairs of any particular person. Accordingly, if the contents of the Appendix were to be discussed at the meeting, the public and press would be excluded from the meeting at that point in the proceedings.

**3. DECLARATIONS OF INTEREST**

3.1 Councillor Mazher Iqbal declared a personal interest in agenda item no. 10 'Designating an Area of London Road, Abbeydale Road and Chesterfield Road for Selective Licensing of Private Rented Properties' as a Private Landlord in the City outside of the Selective Licensing area.

**4. MINUTES OF PREVIOUS MEETINGS**

4.1 The minutes of the meetings of the Committee held on 16 and 23 May 2018 were approved as correct records.

**5. PUBLIC QUESTIONS AND PETITIONS**

5.1 Public Question in respect of Vulnerable Children

5.1.1 Nigel Slack asked, following his question about the use of motions at Full Council and in light of the horrendous actions being undertaken in the USA against immigrants and particularly the almost fascistic approach to splitting families and the use of internment camps, will the Council bring forward a motion condemning the actions of the American administration and, as a City of Sanctuary, take a stand against such treatment of vulnerable children and can that be done at the earliest opportunity?

5.1.2 The Leader of the Council (Councillor Julie Dore) commented that she agreed with the sentiments of Mr Slack's question and the images of children and babies

separated from their parents was horrendous. She would look to see if a Notice of Motion could be brought forward but it was not always through that process that the views of the Council could be demonstrated and the Council could look at different ways of doing that. Councillor Dore added that everyone agreed the situation was abhorrent and not acceptable to anyone and she thanked Mr Slack for bringing the question forward.

5.2 Public Question in respect of the AMRC

5.2.1 Nigel Slack asked, with the announcement that Rolls Royce will be losing 4,500 jobs in its aerospace division, were the Council aware of any impact on the AMRC or the local supply chain? If not, what was being done to gain information on potential impacts locally?

5.2.2 Councillor Dore responded that Councillor Mazher Iqbal, Cabinet Member for Business and Investment, may have more knowledge of the situation, but he was absent at this point in the meeting. Councillor Dore stated that there were around 100 jobs associated with this locally but she was not aware that those jobs were affected.

5.2.3 Councillor Dore added that, where the Council became aware of an announcement regarding an employer in Sheffield, Creative Sheffield worked with that organisation in relation to mitigating the impacts and also with supply chains which could serve the rest of the country. If Mr Slack wished this to be followed up further she would ask Councillor Iqbal to do this.

5.3 Public Question in respect of Police and Crime Commissioner Powers

5.3.1 Nigel Slack asked, following the news that, without referral to either local Councils or local people, the Home Secretary had given North Yorkshire's Police and Crime Commissioner power over the Fire and Rescue Service, its budget and priorities, what will be the Council's stance should a similar proposal come to light for South Yorkshire?

5.3.2 Councillor Dore stated that she was not aware of any discussions or suggestions heading in that direction. She believed that consultation in North Yorkshire should have taken place with the residents and people affected and who depended on those critical services. If such a proposal came to South Yorkshire, the Mayoral Authority would consider how to consult, would look at the benefits and disbenefits of the proposal and would make the right decision for the people of South Yorkshire. Councillor Dore could not state the position now as she did not have all the facts.

5.4 Public Question in respect of the General Cemetery adjacent to Cemetery Road

5.4.1 Nigel Slack commented that, at the last Council meeting, the Cabinet Member for Transport and Development chose to answer a question about a specific part of the General Cemetery adjacent to Cemetery Road with a grandstanding and party politically charged answer that failed to answer the substance of the question.

5.4.2 Mr Slack added that, in doing so, the Cabinet Member managed to imply that members of the group opposing the recent controversial plans for the Cemetery were against disability rights. Mr Slack believed that was extremely insulting to those members of the group who were themselves disabled (and in one case had campaigned on disability access issues for many years) and seemed to suggest that there were deserving and undeserving voices in that community. It was also disrespectful to the disability access expert, a wheelchair user, whose report the Council requested but then, in an attempt to create a money spinning commercial incursion into this sanctuary space, chose to ignore. Will the Council apologise to the group involved and choose to engage in realistic and open discussions about how both Disability Rights and Heritage Protections can be satisfied?

5.4.3 Councillor Jack Scott (Cabinet Member for Transport and Development) apologised to Mr Slack if his response to the question referred to by Mr Slack had not met Mr Slack's satisfaction, although he believed the characterisation was unfair. Councillor Scott stated he was hopeful the scheme could be successful based on other similar examples. Councillor Scott had received positive feedback for the clarity he had provided in relation to the scheme and stood by his comments made. He would engage with disability groups.

#### 5.5 Public Questions in respect of Selective Licensing

5.5.1 Viv Lockwood introduced his question by stating he was not a Private Landlord or a representative of them. He did think, however, that parts of the proposals for the selective licensing scheme on London Road, Abbeydale Road and Chesterfield Road were unfair. He had attended the consultation event at Bramhall Lane and did not believe that the summary in the report was a fair reflection of that.

5.5.2 Mr Lockwood added that he was in favour of any scheme that generated improvements in the conditions of properties in the private rented sector. However, there were flaws in the way the proposals were designed to operate. He believed there was an injustice that there was a base fee of £750 which all landlords would have to pay. The report stated that this would eventually be passed on to tenants. However, it was unfair that tenants who may be perfectly happy with the condition of their property would eventually have to pay higher rents.

5.5.3 Mr Lockwood further stated that he did not believe the report had reflected that the majority of landlords in the area were good landlords. He believed that the report could be more imaginative and propose a scheme that was welcomed by both tenants and landlords. He proposed that there should be a rebate scheme introduced and if a property was found to be in good condition upon the first inspection the landlord would get a rebate. He also questioned whether properties could be given a star rating similar to hotel and food outlets which would be good for tenants and landlords and would act as an incentive to good landlords and a disincentive to bad landlords.

5.5.4 Sajid Khadur stated that, at the consultation meeting held at Bramall Lane, photos and slides were shown on screen outlining properties which were in bad condition. These were mainly shops with flats above and would be subject to

- premises licences and all adequate checks would have been done in order for a licence to be granted. He therefore asked why selective licensing needed to duplicate this process?
- 5.5.5 Mr Khadur further commented that he owned a property in Rotherham which was subject to selective licensing and the value of the property had dropped significantly and he could not get a mortgage for it. He believed Abbeydale Road and London Road was a thriving area and it would be a shame if this scheme was brought in.
- 5.5.6 Abdullah Khalid asked why didn't the Council use existing measures available to them which were more powerful than selective licensing. For example, landlords could be fined up to £30k under the Housing and Planning Act. Mr Khalid stated that he owned properties on London Road which were all up to standard and therefore asked why should he be penalised with extra fees?
- 5.5.7 Mr S Ahmed asked if this scheme genuinely aimed to protect tenants from unsafe properties why were other areas in which landlord-owned flats above commercial properties being ignored? Why was this scheme oriented on a postcode basis while ignoring other adjacent areas of equal or greater need e.g. Woodseats?
- 5.5.8 Mr Ahmed added that the way the questionnaire was structured was based on a fait accompli that the system proposed was fully sound. There was no provision for any alternative views or proposals to be aired. In Mr Ahmed's opinion, the conclusion of the consultation was flawed because the original proposal was not flexible enough to allow for other conclusions. Was this therefore a fair and legal consultation document?
- 5.5.9 Mr Ahmed further asked what was the true fair cost of a site visit? Although the costs of any upgrades will benefit both the landlord and tenant, nonetheless there was a cost. Has any analysis been done to establish the overall costs of the upgrades compared to the revenue generated by the compulsory fee? How much of that fee will actually be seen by the tenant? Mr Ahmed's concern was that the revenue generated would be a substantial burden for the tenant and the landlord while the compulsory fee will be swallowed up by the Council bureaucracy. This will then impact on tenants who were already facing higher rents when the cost was passed down to them.
- 5.5.10 In response to the questions, Councillor Jim Steinke (Cabinet Member for Neighbourhoods and Community Safety) commented that he appreciated people coming and asking questions and he knew that the issue of selective licensing was an emotive issue. There were other voices who had not been heard at today's meeting and they were the people who lived in the properties. Councillor Steinke encouraged people to listen to their views which had been expressed on social media and also at the consultation.
- 5.5.11 Councillor Steinke added that the idea of a rebate scheme had been looked at but the scheme needed to be a self-financing scheme and it was very difficult to predict if a rebate could be offered. The idea of a star rating had also been looked at but the granting of a licence in itself was like a star rating and if a landlord had

a licence they could demonstrate that they were a fit and proper landlord. One of the positives about the scheme was the way it would support landlords to become good landlords.

- 5.5.12 Referring to the suggestion of visiting a property prior to a formal inspection, Councillor Steinke commented that the Council needed to be careful that they were not giving bad landlords the time to cover up things that they may wish not to be seen. There would be spot inspections where there were concerns over premises. The Council was committed to developing a good working relationship with landlords in the area.
- 5.5.13 The slides shown at the consultation were, Councillor Steinke believed, indicative of some of the conditions people had to live in. These may have been commercial premises. He accepted these might be a minority but there were a significant number of cases found in the preliminary research.
- 5.5.14 Councillor Steinke had heard contrary views in relation to the value of house properties going down in selective licensing areas but he could look at the implications of this. Evidence from Page Hall showed that the scheme had had a positive impact on house prices and Clive Betts M.P., as the Chair of the House of Commons Select Committee, had stated that selective licensing had a universal positive impact on house prices.
- 5.5.15 Councillor Steinke confirmed that existing measures would still be used but research had shown that existing issues were so bad that there was need for additional resources to be used.
- 5.5.16 Councillor Steinke was aware of a number of real improvements landlords had made in the area. It was very difficult to define what were good and bad landlords and to be successful selective licensing needed to be applied across a whole defined area. He believed good landlords had nothing to fear from this scheme.
- 5.5.17 In respect of why this area had been proposed for the scheme, this was based on the evidence gathered. He was aware within his ward of Nether Edge and Sharrow that there were properties in bad condition but it was right to choose this area for the scheme based on the evidence.
- 5.5.18 Councillor Steinke did not agree that the questionnaire produced did not allow for alternative conclusions and was open ended. There were a number of extensive responses to this which were reflected in the report on the agenda for the meeting.
- 5.5.19 Councillor Steinke disputed the view that the costs of the site visit and the income generated were swallowed up by the local authority. It was a ring-fenced budget which would be used for enforcement activities. Multi-agency teams would also be used, so the Council would get added value and, without selective licensing, this would not be possible.

## **6. ITEMS CALLED-IN FOR SCRUTINY**

6.1 It was reported that there had been no decisions called-in for Scrutiny since the last meeting of the Cabinet.

**7. RETIREMENT OF STAFF**

7.1 The Executive Director, Resources submitted a report on Council staff retirements.

**RESOLVED:** That this Cabinet :-

(a) places on record its appreciation of the valuable services rendered to the City Council by the following staff in the Portfolios below:-

<u>Name</u>	<u>Post</u>	<u>Years' Service</u>
<b><u>People Services</u></b>		
Valerie Ballard	Administrator, Phillimore Community Primary School	25
Kerry Clarke	Higher Level Teaching Assistant Level 4, Brook House Junior School	20
Valerie Hanson	School Crossing Patrol Warden	33
Christopher Lally	Approved Mental Health Practitioner	38
Andrea Marsh	Application and Systems Officer	31
Sharon Raynor	Senior Teaching Assistant Level 3, Oughtibridge Primary School	26
Roger Wilkinson	Looked After Children Advocate, Secondary Phase	27
<b><u>Place</u></b>		
Stephen Bettles	SHE Advisor, Repairs and Maintenance Service	38
Paul Bray	Plumber, Repairs and Maintenance Service	32
Peter Burgin	Civil Enforcement Officer, Parking Services	38
Deborah Elwen	Administrative Officer,	31

	Structural and Public Safety Team	
Ronald Evans	Joiner, Repairs and Maintenance Service	45
Frances Hill	Planning Principal Officer	27
Dorothy Morritt	Library Assistant	34
John Sheedy	Plasterer, Repairs and Maintenance Service	47
Martin Turner	Working Team Leader	45

**Resources**

Donna Green	Members Secretary	38
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(b) extends to them its best wishes for the future and a long and happy retirement; and

(c) directs that an appropriate extract of this resolution under the Common Seal of the Council be forwarded to them.

**8. DOMESTIC AND SEXUAL ABUSE STRATEGY**

8.1 The Executive Director, People Services submitted a report seeking approval for the new Domestic and Sexual Abuse Strategy for the City and the intention to ensure seamless service provision for victims by re-commissioning the community based domestic abuse services as one contract to begin delivery in April 2019.

8.2 **RESOLVED:** That Cabinet:-

- (a) approves and adopts the Sheffield Domestic and Sexual Abuse Strategy 2018-22, attached to the report;
- (b) delegates authority to the Director of Commissioning, Inclusion and Learning, in consultation with the Director of Commercial and Financial Services and the Director of Legal and Governance to:
  - (i) approve the procurement strategy for the recommissioning of the Council's community based domestic abuse service as set out and in line with the report;
  - (ii) thereafter to enter into contract(s) for the services as set out and in line with the report; and
  - (iii) take all other necessary steps not covered by existing delegations to achieve the outcomes outlined in the report, in consultation with the

Cabinet Members for Children and Families and Health and Social Care; and

- (c) notes the correction to the report to substitute Councillor Peace for Councillor McDonald.

### 8.3 **Reasons for Decision**

8.3.1 The wording of the draft strategy has been agreed by the Cabinet Member for Health and Social Care, the People Services Portfolio Leadership Team, the Safer and Sustainable Communities Partnership Board and the Domestic and Sexual Abuse Strategic Board. It has been consulted on widely with stakeholders, including service users. It will provide a strategic framework for addressing issues that have an impact on thousands of people every year in the city, put prevention at the centre of new developments and drive improvements in responses across services.

8.3.2 Consultation with service users has informed the recommendation that the community based domestic abuse services are recommissioned as one contract to begin delivery in April 2019 in order to provide seamless support from disclosure to recovery from abuse.

### 8.4 **Alternatives Considered and Rejected**

8.4.1 The alternative would be to not have a Domestic and Sexual Abuse Strategy for the city. This was rejected as these are important issues which have an impact on thousands of people across the city every year. The issue is referenced in the Corporate Plan and is recognised as an issue the city wishes to address. Strategic direction for this area of work is therefore essential.

## 9. **DESIGNATING AN AREA OF LONDON ROAD, ABBEYDALE ROAD AND CHESTERFIELD ROAD FOR SELECTIVE LICENSING OF PRIVATE RENTED PROPERTIES**

9.1 The Executive Director, Place submitted a report seeking approval to designate an area of London Road, Abbeydale Road and Chesterfield Road for the Selective Licensing of privately rented properties.

9.2 **RESOLVED:** That Cabinet:-

- (a) approves the revised designation of the area referred to in the report and defined on the map set out in Appendix 1, and the schedule of properties set out at section 1.11 of this report as being subject to Selective Licensing, to come into force on 1st November 2018 and unless revoked beforehand, to remain in force for a period of five years from that date;
- (b) approves the Selective Licensing Scheme detailed in the report, including the Scheme Licensing Fees set out in Appendix 6 and the Proposed Licence Conditions set out in Appendix 5;

- (c) delegates authority to the Director of Housing and Neighbourhood Services to amend the Scheme Licensing Fees and the Proposed Licence Conditions as necessary for the successful administration of the scheme throughout the five year licensing period; and
- (d) requests that the Safer and Stronger Communities Scrutiny and Policy Development Committee monitor the impact of the scheme over the next 6/12 months and an initial scoping meeting be held at its next meeting to establish how this will be undertaken.

### **9.3 Reasons for Decision**

- 9.3.1 The Council has a statutory duty to address hazards in private rented properties. This is carried out on a day to day basis, usually with individual properties and landlords. Where Councils identify more widespread issues in an area, the law allows them to introduce discretionary licensing schemes.
- 9.3.2 Selective licensing is being proposed because the problems uncovered in this area are too widespread and significant to be dealt with on an individual property/landlord basis.
- 9.3.3 We acknowledge that the majority of landlords in Sheffield are good. They provide a wide range of rented accommodation that is well managed and safe. There are, however, a small number of irresponsible landlords who continue to let properties in a poor state of repair, neglect their management responsibilities, demonstrating little regard to their tenants' safety and well-being. Neglected and poorly managed housing not only impacts on the health and well-being of tenants but also has a detrimental impact on the local area.
- 9.3.4 Now we are aware of the extent of the problems in this area it is appropriate that we recommend a way of improving the properties and health and safety of the occupants. It is impossible to do that with our existing resources, and Selective Licensing is provided as a legal tool to address wide-scale problems of this nature.
- 9.3.5 Because of the work done with landlords over the past few years, we are concerned about the lack of responsibility and accountability shown. It has been difficult to pin down the correct ownership and management details. Landlords have been allowing people to live in conditions that are obviously poor and/or dangerous without any efforts to improve those situations. We have consciously provided multiple opportunities to address this on a voluntary basis, but landlords have demonstrated a clear reluctance to co-operate without legal enforcement.
- 9.3.6 By licensing this area, it automatically increases landlords' accountability, makes sure the landlords' business activities are satisfactory, and that we will have a record of details of the landlord, agent and any other interested party in the property. It will ensure there is transparency about the condition of their properties as well as their management arrangements.

- 9.3.7 We are recommending licensing because it allows us to set clear standards and conditions that landlords must adhere to, and for us to take legal action if they don't.
- 9.3.8 Added to this, we have found a clear lack of management ability and competency. The unacceptable living conditions are at best a nuisance, are harmful and at worst they are potentially fatal. When we see the volume of issues in one area like this – it would be neglectful to walk away without proposing a comprehensive scheme of regulation and enforcement.
- 9.3.9 A major advantage of licensing is that landlords and agents will be checked in terms of their Fit and Proper status, which is significant because landlords with criminal convictions or a history with us could fail this test and be prevented from managing in the area. This will raise the standard of landlords operating in the area and ensure the less scrupulous ones are driven out. Furthermore – the Government has now introduced Banning Orders which means those landlords could ultimately be banned from operating anywhere in the country.
- 9.3.10 One of the most worrying aspects of our experience with tenants is that many appeared to be afraid to speak to us about their landlords. Some didn't know who their landlord was or how to contact them. They didn't have legal tenancy agreements or rent receipts. The level of referrals for our tenancy relations officers was relatively high, suggesting that landlords were not adhering to their legal responsibilities in terms of managing tenancies properly, or enabling tenants to live without fear of harassment.
- 9.3.11 Supporting evidence for this is the behaviour landlords have shown in public events. Seeing violence and aggression in a public setting like this was shocking. Naturally, it made us wonder how they react to their tenants in the privacy of their property, if they are acting like this in public. Added to this is the vulnerability of occupants, whether it is a language or culture barrier, poverty or mental or physical disability. Seeing landlords act in this way made us fearful for the safety of tenants. This situation must not be tolerated and as a Council we have a duty of care to protect these people.
- 9.3.12 Having considered the criteria set down by the Government, the wealth of information gathered throughout the inspection programme and consultation period, we consider that selective licensing is the most effective way of addressing the poor housing and tenancy management of properties along the proposed area of London Road, Abbeydale Road and Chesterfield Road.

#### 9.4 **Alternatives Considered and Rejected**

- 9.4.1 Prior to making a designation to introduce selective licensing the Council are required to consider other courses of action alongside selective licensing to determine whether there are alternatives that would be as effective in achieving the same objectives.
- 9.4.2 As an alternative to introducing a selective licensing scheme the following approaches have been considered. Discussion about these options took place as

part of our consultation during drop in and evening consultation events.

#### 9.4.3 **Continue with reactive enforcement**

We could continue with the current regulatory approach and respond to complaints received on an individual basis. This approach would have extremely limited impact on addressing poor property conditions as it would be sporadic based on 17 complaints rather than a planned programme of inspecting each property. This option relies on tenants reporting issues and does not address poor standards in a strategic way.

9.4.4 On analysis of the complaints received from tenants, a fifth became unresponsive or were unwilling for officers to pursue their complaint. We are aware that in some cases this is due to tenants being in fear of harassment and retaliatory eviction. We also know that many tenants living in properties where serious conditions were found were unaware they could report issues to the Council.

9.4.5 Continuing as we are is likely to leave a significant proportion of privately rented tenants living in substandard conditions which are harmful to their safety, health and wellbeing.

9.4.6 Our current reactive approach does not focus on developing effective partnerships with landlords, the voluntary sector and other services. The investment in 'on the ground support' as a result of selective licensing will help us take a more proactive approach and increase engagement with people living and working in the area.

#### 9.4.7 **Targeted proactive enforcement**

Over the last two years resources have been focussed on targeting problematic properties in the area. Due to the complexity and severity of issues found, dealing with poor property standards on a case by case basis has been slow and more resource intensive than expected. Many landlords have been reluctant to act on any advice from officers and have only carried out works at the point of legal intervention. Whilst enforcement powers under Part 1 of the Housing Act 2004 are effective in dealing with hazards within an individual property, it does not address poor standards of management in all properties. Neither does it assess the Fit and Proper status of landlords and agents, and as such does not offer a wider strategic approach to improving standards in an area where there are significant problems.

9.4.8 In Sheffield, targeted enforcement is not sustainable, and cannot have enough of an effect on the number of poor properties. Additional tools are required to bring about change.

#### 9.4.9 **Voluntary Compliance**

This requires voluntary engagement from landlords to improve property standards and management practices across the sector. We offered this as an alternative in Page Hall in 2015 at the request of landlords. We were disappointed, but not

surprised, that there were only a handful of landlords that signed up to this.

- 9.4.10 For a number of years, our officers have found that despite providing full schedules of work to make the properties safe, landlords did not carry this out until the point of legal intervention. This shows that we cannot rely on voluntary compliance.
- 9.4.11 It is recognised nationally that voluntary schemes have limitations when trying to tackle non-compliant landlords and tend to attract only those landlords who are already motivated and provide a good service.
- 9.4.12 With limited sanctions, voluntary registration would fail to tackle the worst accommodation standards and would not tackle landlords who deliberately avoid their responsibilities.
- 9.4.13 We do not support voluntary registration as it relies on landlord self- declarations. These are known to be proven as inaccurate and could therefore damage the reputation of the Council certifying them. Take up is variable and with no enforcement powers or compulsion for landlords to join, we feel it is necessary to impose legal requirements on landlords due to the significance of the problems.

## **10. CORPORATE ASSET MANAGEMENT PLAN**

- 10.1 At the request of the Chair, this item was withdrawn from the agenda.

## **11. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2017/18 MONTH 12 AS AT 31/3/18**

- 11.1 The Executive Director, Resources submitted a report providing the outturn monitoring statement on the City Council's Revenue and Capital Budget for 2017/18.
- 11.2 **RESOLVED:** That Cabinet:-
  - (a) notes the updated information and management actions provided by this report and attached appendices on the 2017/18 Revenue Budget Outturn;
  - (b) notes the recommendation of the Executive Director, Resources and Statutory Finance Officer, at Paragraph 12 of the report, that the General Fund Reserve is returned to the minimum recommended level of £12.6m (approximately 3% of net revenue expenditure) during 2018/19;
  - (c) approves the request for project funding, and associated recommendations, described in Appendix 7 of the report; and
  - (d) in relation to the Capital Programme, notes the Outturn position described in Appendix 8 of the report.

**11.3 Reasons for Decision**

11.3.1 To formally record changes to the Revenue Budget and the Capital Programme.

**11.4 Alternatives Considered and Rejected**

11.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

**12. MONTH 1 CAPITAL APPROVALS**

12.1 The Executive Director, Resources submitted a report providing details of proposed changes to the Capital Programme as brought forward in Month 01 2018/19.

12.2 **RESOLVED:** That Cabinet:-

- (a) approves the proposed additions and variations to the Capital Programme listed in Appendix 1 of the report, including the procurement strategies and delegates authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts; and
- (b) gives authorisation to accept the grants as detailed in Appendix 2 of the report.

**12.3 Reasons for Decision**

12.3.1 The proposed changes to the Capital Programme will improve the services to the people of Sheffield.

12.3.2 To formally record changes to the Capital Programme and gain Member approval for changes in line with Financial Regulations and to reset the Capital Programme in line with latest information.

12.3.3 Obtain the relevant delegations to allow projects to proceed.

**12.4 Alternatives Considered and Rejected**

12.4.1 A number of alternative courses of action are considered as part of the process undertaken by Officers before decisions are recommended to Members. The recommendations made to Members represent what Officers believe to be the best options available to the Council, in line with Council priorities, given the constraints on funding and the use to which funding is put within the Revenue Budget and the Capital Programme.

### **13. TECHNOLOGY STRATEGY AND SOURCING APPROACH**

13.1 The Executive Director, Resources submitted a report seeking to gain approval to invest in the implementation of the Technology 2020 Strategy which is required to improve the Council's ICT and bring it up to standard. The report also sought approval to commence negotiations with Capita plc to bring the ICT element of the current partnership agreement to a close early and instead bring in-house and/or recommission the ICT services.

13.2 **RESOLVED:** That Cabinet:-

(a) notes and approves the Technology Strategy and Sourcing Approach (Technology 2020 Strategy) outlined in the report and in particular that:

(i) a detailed assessment of which specific elements of the Service are more appropriate to be contracted out, rather than directly delivered by the Council, will be undertaken, what the impact of this will be and how that will need to be managed;

(ii) arrangements will be made to monitor the performance and delivery of the new service arrangements;

(iii) insourcing and recommissioning will be based on the proposals, principles and assumptions described in Section 1.6 of the report, and taking into account the risks and mitigations as set out;

(iv) it includes the development of an in-house ICT service;

(v) this will necessitate early termination of the ICT and Partnership elements of the Programme Agreement with Capita Business Services Ltd (Capita); and

(vi) there may be a transfer of staff from Capita into the Council that will require a formal consultation with staff affected and the Trade Unions;

(b) to the extent not covered by existing delegations, grants delegated authority to the Executive Director, Resources, in consultation with the Cabinet Member for Finance, the Director of BCIS, the Director of Finance and Commercial Services and the Director of Legal and Governance, as necessary, to:

(i) approve the procurement strategies and contract awards for the various procurements required to deliver the Technology 2020 Strategy;

(ii) utilise the appropriate contractual mechanisms to give notice to Capita to terminate the ICT service and Partnership elements of the Programme

Agreement; and

(iii) take such other steps as he feels necessary to achieve the outcomes in the report;

(c) gives approval for the budget required to cover the costs of delivering the Technology 2020 Strategy, including the one-off implementation and set-up costs, as set out in the financial implications of the report; and

(d) requests that a further report is presented to Cabinet if the underlying strategy for the future of the Service, as outlined in the report, cannot be achieved.

### **13.3 Reasons for Decision**

13.3.1 The detailed rationale for the recommendations is set out in the report. For Technology 2020, it is essential to invest in the Council's ICT infrastructure to prevent the Council falling further behind and to enable us to provide the technology that can enable staff to be productive and help deliver positive outcomes for the people of Sheffield.

13.3.2 In order to deliver Technology 2020, the Council needs to be in control of the ICT services, which is why the recommendation is to end the ICT part of the Capita contract earlier than anticipated. Doing this will give the Council direct control over the ICT and will enable the Council to implement Technology 2020 more quickly and more cost-effectively.

### **13.4 Alternatives Considered and Rejected**

13.4.1 For Technology 2020, the Strategy and investments outlined in the report are the minimum required to provide the level of ICT service that the Council requires.

13.4.2 Very detailed work was undertaken on the alternative options relating to the provision of the ICT services which included a long listing and a shortlisting exercise. The considered options and the outcomes of the work are included in the report at Section 1.9.

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