

SHEFFIELD CITY COUNCIL

Co-operative Executive

Meeting held 16 February 2022

PRESENT: Councillors Julie Grocutt (Deputy Chair), Mazher Iqbal, Jayne Dunn, Cate McDonald, George Lindars-Hammond, Paul Wood, Douglas Johnson, Paul Turpin and Alison Teal

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1. APOLOGIES FOR ABSENCE

1.1 An apology for absence was received from Councillor Terry Fox. Apologies were also received from Kate Josephs, John Macilwraith and Mick Crofts.

2. EXCLUSION OF PUBLIC AND PRESS

2.1 It was reported that the appendix to the following report was not available to the public and press because it contained 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 content of the appendix was to be discussed, the public and press would be excluded from the meeting:-

<u>Item No.</u>	<u>Title</u>	<u>Excluded Appendix</u>
15	Procurement of Business Rates and Document Management IT Systems	Appendix 1 and 2

3. DECLARATIONS OF INTEREST

3.1 No declarations of interest were made.

4. MINUTES OF PREVIOUS MEETING

4.1 The minutes of meetings of the Co-Operative Executive held on 19th January 2022 were approved as a correct record.

5. PUBLIC QUESTIONS AND PETITIONS

5.1 Christine Rose was in attendance and asked the following question: "I am representing the Women's Equality Party. This year we are mainly focussing on doing everything we can to end male violence against women and girls. I don't need to list the reasons why this is so important, but they range from the number of women killed by men, the low levels of prosecution in rape cases, the appalling misogynistic behaviour recently uncovered in the Met police, to everyday

examples of street sexual harassment.

We are angry that it is always women who are told to change their behaviour and mostly women who campaign against VAWG. It is men who carry out the violence and harassment and it is men who need to change their behaviour.

Therefore, we support the White Ribbon campaign which is the leading charity working to end male violence against women. They encourage everyone, especially men and boys, to make the White Ribbon Promise to never commit, excuse or remain silent about MALE violence against women and girls.

We are asking that Sheffield City Council to commit to gaining White Ribbon This would mean, amongst other things, appointing male ambassadors, both Councillors and Senior Officers to work on this.

We NEED a timetable for gaining accreditation and the development of a 3-year White Ribbon action plan to implement this.

This has the potential to reach a wide range of people and improve the lives of women and girls in Sheffield significantly. Everyone should have the right to not live in fear and to feel safe wherever they are in our City. So, will you commit to bring a joint motion to full council, within 6 months, setting out your intention to achieve White Ribbon accreditation by April 2023?"

Councillor Alison Teal responded. She stated that the White Ribbon cause was close to her heart. She said that as she had COVID-19, she had been unable to attend Council when the issue was last discussed. Councillor Teal stated that it was her understanding that White Ribbon status would involve the Council agreeing to phase out or remove sexual entertainment venues. She said that in order to do this the decision needed to go through the Licensing Committee. Councillor Teal said she had spoken with Clare Bower, the Legal Officer who assisted the Licensing Committee, and stated that Ms Bower was working on a draft of the Sex Establishment Policy which would be presented in April 2022. Councillor Teal stated she hoped there would be support for this report. She added that she felt this industry breached the Public Sector Equality duty due to the different employment circumstances of male employees and female employees. Councillor Teal said that Councillor Douglas Johnson had raised this issue previously. She said that she was fully supportive of White Ribbon accreditation and added that she would do all she could to support the initiative.

- 5.2 Russell Johnson was in attendance to ask a number of public questions. Mr Johnson asked: "Firstly, may I ask the Deputy Leader for an apology for the mishandling of my Public Questions at this month's Full Council?"

Councillor Julie Grocutt, Deputy Leader, apologised to Mr Johnson and explained that an administrative error had taken place. She said she was aware that an apology had also been emailed to Mr Johnson.

Mr Johnson thanked Councillor Grocutt for the apology.

Mr Johnson asked: 'I have been concerned about several matters that have called into question the quality of political leadership of the Council. Three matters, though themselves separate, are connected in highlighting a number of cultural shortcomings that characterise the organisation.

The Councillor Iqbal Affair

After a year of 'investigation' of serious allegations regarding a senior Elected Member, the Leader is quoted as saying:

"The independent recommendations completely exonerate Councillor Iqbal - drawing a firm line under this matter"

Yet the Committee looking at this found that

'The sub-committee ... were deeply concerned about the seeming acceptability of the day-to-day behaviours of senior officers and members illustrated by the complaint.

In the sub-committee's view, the subject member did not always model the behaviours expected of a senior member of the council and this type of behaviour should not have gone unchecked.'

This appears contradictory.

Moreover, the Sub-Committee did not consider all the allegations made by Mr Ogden.

Does the Deputy Leader understand why the public might be sceptical about the legitimacy of the 'exoneration'? Will she express on the record unreserved confidence in the integrity of the Councillor concerned whose role involves interacting with Officers and commercial developers? Will the Deputy Leader reassure the public that the recommendations of the Consideration Sub-committee regarding Member-Officer Protocols, development training for senior officers and Members to improve behaviours, including engaging the whips to encourage participation are being vigorously pursued? And provide a progress report?

The Interim Chief Executive Scandal

SCC three times refused to be open about the costs of employing Charlie Adan after the departure of John Mothersole. The first time in response to a PQ of mine, then twice in connection with an FOIR. Eventually, the truth was forced from a less than transparent Council: eye-watering amounts paid to create an unnecessary short-term post.

Does the Labour Group now regret the enormous expenditure at a time of severe pressure on Council resources? Could the monies have been deployed for the citizens' greater benefit?

Assault Allegations Concerning a Senior Councillor

At December Full Council at the Octagon building, it has been reported that a senior Labour Councillor behaved in an aggressive and unacceptable manner towards a member of the public, pulling down his mask against his wishes. Furthermore, a video is freely circulating that appears to show the Leader himself adopting an aggressive manner and shouting at a person outside the hall.

Does the Deputy Leader agree with me that this kind of behaviour does not tend to enhance the Council's or the Labour Party's reputations? Does Councillor Grocutt believe that it is the responsibility of the Leader of a major Council to model civil and courteous behaviour to set an appropriate example?

Will she express regret on behalf of the Leader and explain the nature and timing of the 'training' that Cllr Damms has been asked to attend as part of the disciplinary process?"

Councillor Grocutt apologised for Councillor Iqbal leaving the meeting. She stated that she had unreserved confidence in his integrity. She said that the position was shared by the Leader. She said she had acknowledged that the report findings noted areas within the organisation, both cultural and structural, which required improvement and she stated the Council was committed to working with officers and others on those.

With regards to the second question, Councillor Grocutt stated that there was a Member Development programme which had been put together and she said that the Council was committed to ensuring all members had training and the support that they needed to support the city.

In relation to the question about December Full Council, Councillor Grocutt stated that Councillors and members of the leadership team abided, to the best of their ability, to the Nolan Principles of Public Life. She added that she felt it was not appropriate for her to comment on matters relating to individual Councillors.

In relation to the employment of Charlie Adan, she said she would respond to Mr Johnson outside of the meeting.

Councillor Cate McDonald added a response and stated: "The Council acted transparently throughout the appointment of an interim Chief Executive following the departure of John Mothersole. This included Full Council agreement to the proposed arrangement of the appointment of an interim Chief Exec with knowledge of the potential costs, the procurement process to identify potential candidates, the appointment decision being made by a senior officer appointment committee and responding to six separate FOI requests and two ICO investigations. The only information withheld was that which was clearly personal data and the contractual costs of the arrangement which was deemed to be commercially sensitive.

Invoices covering the costs of the interim Chief Executive were published monthly as part of our transparency reporting. The Information Commissioner partly upheld an appeal and requested that the council release the contractual costs for

the supply of the interim Chief Executive, and we have complied with this.

Let me be absolutely clear. This matter was dealt with throughout by the Council; not a single political group.”

Mr Johnson stated he did not refer to the Labour Group in relation to Charlie Adan, but instead in relation to Councillor behaviours.

Mr Johnson asked the following questions:

“The public are still experiencing lengthy delays in FOIRs, SARs and Formal Complaints. One recent much delayed SAR was only provided after a threat of legal action. Then delivered with excessive redaction. This situation persists despite assurances to the contrary since the current Chief Executive has been in post.

Does the Leader understand that it is particularly important to address this as the Independent Inquiry into the Street Tree Scandal is getting under way, and the serious implications of continuing poor performance for the image of the Council?

Please would the appropriate Co-Operative Exec member provide an update on the independent investigation into the Council’s misuse of LPP?

Now that our esteemed Prime Minister has effectively signalled the end of Covid restrictions, has SCC decided when we will return to Full Council in the Chamber, with Public Questions notifiable on the day?”

In relation to Freedom of Information requests, Councillor Grocutt stated the Council had a professional team of officers who worked diligently to deal with the volume of requests received. She added that the Council was committed to clearing the backlog created when staff were being deployed during the COVID-19 pandemic. Councillor Grocutt stated that redaction was an appropriate part of disclosure and applied in accordance with regulations.

She said that the Street Tree Enquiry would determine the documentation required as it progressed and added that the Council would support this progress.

In relation to Legal Professional Privilege, Councillor Grocutt stated that the process undertaken involved the input of external lawyers in order to provide an independent point of view. She stated that obtaining this advice, along with the amount of evidence gathered, had resulted in the matter taking longer to conclude than hoped by the Council. She stated that the matter would be concluded shortly. Councillor Grocutt said that the complainant and those affected by the process had been updated throughout, and she added that she felt it would not be appropriate to provide a further update publicly until those involved had been contacted.

In relation to Public Questions, Councillor Grocutt stated that the Council intended to return to the Town Hall for March’s Extraordinary meeting. She said that the Council would continue to ask for Public Questions to be submitted in advance in

order to allow the Council to monitor the number of attendees and to keep those attending as safe as possible.

- 5.3 Abby Hodgetts read out the following Public Questions, submitted by Ruth Hubbard:

“Can you confirm – in line with the expectations of citizens - that the situation with our council’s CEO is being treated as a ‘disciplinary’ matter?”

I would appreciate a very clear yes or no answer on this as I know many others would.

Public statements from the council have emphasised the need to follow procedures. Given this is so clearly a disciplinary matter (with multiple elements and implications), can you explain why the procedures outlined in the Senior Officer Employment Regulations do not appear to be being followed? This might well be an extraordinary situation but what is the laid down procedure being followed? Or are you making it up as you go along?

Can you clarify who is advising Members on this and is this advice internal or external?

Who is the ‘investigator’ and how long do you expect an investigation to take place? Is the completion of SCC’s investigation partly dependent upon the outcome of the Metropolitan Police investigation and, if so, why? (Does the council believe there is only a problem if a penalty fine notice is, or is not, issued?)

Can the Cabinet affirm this council’s commitment (in principle and practice) to the Nolan Principles, or does it intend to pursue the utterly disgraceful example of Number 10 in seeing what can be got away with, ignored, or lied about?”

Councillor Grocutt stated that a written response would be submitted to Ms Hubbard in her absence.

6. ITEMS CALLED-IN FOR SCRUTINY

- 6.1 It was noted that there had been no items called-in for scrutiny since the last meeting of the Co-Operative Executive.

7. RETIREMENT OF STAFF

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

RESOLVED: That this Co-operative Executive :-

(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>
<u>Place</u>		
Carol Archer	Passenger Assistant, Transport Services	21
Beverley Birch	Neighbourhood Officer	37
Jan Warwick	Market Operations Officer	31
<u>People Services</u>		
Debbie Marshall	Senior Portage Home Visitor	43
Debra Walker	Safeguarding Liaison Officer, Mossbrook School	38

(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. SHEFFIELD (LOCAL) PLAN SPATIAL OPTIONS

8.1 The report set out the overall spatial options for meeting future development needs in Sheffield in the period to 2039. The overall aim of that process is for the Council to reach a decision on a preferred approach in advance of producing the Publication Draft Sheffield Plan (to be published for public consultation in October 2022).

8.2 **RESOLVED:** That Co-operative Executive:-

notes the advice provided by both the Climate Change, Economy and Development Transitional Committee and full Council and agrees that Option 3 (as set out in paragraph 1.7.12 of the Appendix to this report) is the preferred spatial option that should be taken forward in the Publication (Pre-Submission) Draft Sheffield Plan.

8.3 Reasons for Decision

8.3.1 Officers require a clear steer on the preferred approach before the details can be worked in the full Publication Draft Plan and before further public consultation takes place in autumn 2022.

8.3.2 The options set out in this report mean there are difficult choices to be made between social, economic and environmental objectives and a thorough cross-

party engagement process is desired to mitigate the risk of the draft plan being rejected by full Council at a later stage.

8.4 Alternatives Considered and Rejected

8.4.1 The main spatial options relating to the scale and location of future development are already set out in sections 1.6 and 1.7 of the report.

8.4.2 Officers could have worked on producing the Publication Draft Local Plan without seeking a specific Member steer on the overall spatial approach. However, to date, it has proved difficult to build a consensus on what is the correct approach for the city; in particular, there has been considerable concern on whether land should be removed from the Green Belt in order to provide more land for development. Without a thorough cross-party engagement process on the overall spatial approach, there would be a very significant risk of the Publication Draft Plan being rejected by full Council.

8.5 Any Interest Declared or Dispensation Granted

None

8.6 Reason for Exemption if Public/Press Excluded During Consideration

None

8.7 Respective Director Responsible for Implementation

Executive Director, Place

8.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Management Committee

9. PLANNING SERVICE INCOME ACTIVITIES

9.1 Fees and charges related to several activities carried out by the Planning Service and Place Hub have not been reviewed for some time and this results in a service which costs more to deliver than is received in fees.

Previously agreed mechanisms for funding Neighbourhood Planning work have not allowed for a dedicated resource to be put in place. An alternative approach is needed to bring greater continuity to the role.

This report reviews the following matters:

- The charges for pre-application advice in relation to Town Planning matters;
- The need to introduce an administrative fee for the receipt of applications not lodged via the Planning Portal to reflect the additional administrative burden that this results in;
- The charges levied for the Planning Searches function undertaken by the Place Hub; and

- The funding regime for Neighbourhood Planning work.

The proposed changes will better reflect the actual cost of the delivery of these services and are in places fundamental to help deliver the proposals set out in the Planning Service Restructure (MER 476).

It is proposed to update fees and charges to more closely reflect the actual cost of the service provided (balanced against a benchmarking exercise to ensure that the charges are not at odds with the charges levied in other Core Cities) and to build in a mechanism to update the fees on an annual basis in line with inflation.

In relation to Neighbourhood Planning, it is proposed to update the funding arrangements in order to support a full-time post dedicated to the development of Neighbourhood Plans by seeking approval to use Community Infrastructure Levy (CIL) income to provide dedicated neighbourhood planning support to local communities to develop their neighbourhood plans. This represents the implementation of the Cabinet decision 8.2(a) taken on 17 October 2018.

9.2 RESOLVED: That Co-operative Executive:-

1. Approve the Head of Planning's recommendation to use the 10% of CIL neighbourhood portion funding that has/will be retained to support the development of neighbourhood plans (in accordance with the Cabinet decision of 17 October 2018) to fund one full-time post in the Planning Service dedicated to supporting local communities in developing their neighbourhood plans;
2. Approve that the schedule of pre-application fees set out in Appendix 1 be introduced on 01 April 2022;
3. Approve that the Director of City Growth (or future equivalent role) has authority to make future changes to pre-application charges in line with the time recording data analysed on an annual basis;
4. Approve the administrative fee for receiving planning and building control applications which are not submitted on the national Planning Portal and the increased expedited Planning Search Fees, as set out in the report, be introduced on 1 April 2022; and
5. Approve that all of these fees can be increased on an annual basis in line with inflation.

9.3 Reasons for Decision

- 9.3.1 The proposal in relation to CIL being used to support Neighbourhood Planning will implement the Cabinet decision of October 2018. It will help to support the production of new neighbourhood plans, a function that is a statutory requirement for the Council. It will support the Council's approach to ensuring people can get involved in making a difference to their local communities. This is in line with the implementation of the new One Year Plan and Local Area Committees (LACs) that

will put decision making at the heart of local areas and bring decision making closer to local people. The proposals that were previously consulted upon received broad support during public consultation.

- 9.3.2 The proposal to increase fees in relation to discretionary areas of service will help support a properly resourced Planning Service which is better equipped to deliver on the Council's objectives of promoting sustainable development; delivering economic, social and environmental improvements; helping to build a strong economy; supporting strong, vibrant and healthy communities; at the same time as trying to mitigate and adapt to climate change whilst also protecting and enhancing Sheffield's natural, built and historic environment.

9.4 Alternatives Considered and Rejected

- 9.4.1 As the CIL funding is already ring-fenced to neighbourhood planning, the only other options are to use it to support neighbourhood planning in an alternative way. However, as the Council is the statutory body responsible for supporting neighbourhood plans and approving them, the best option is for the Council to use the CIL resources to help carry out its statutory function by creating an additional post within the Planning Service.

- 9.4.2 The only other option in relation to the proposals to increase discretionary fees across the board would be to reduce the level of service currently provided or to stop some discretionary services altogether. This would result in the loss of revenue, a consequent need to reduce staff numbers and a major reduction in the quality of service to members of the public and business customers at a time when demands are already exceeding expectations.

9.5 Any Interest Declared or Dispensation Granted

None

9.6 Reason for Exemption if Public/Press Excluded During Consideration

None

9.7 Respective Director Responsible for Implementation

Executive Director, Place

9.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Management Committee

10. RETENDER OF TENANTS CONTENTS INSURANCE SCHEME FOR COUNCIL TENANTS

- 10.1 The report sought authority to tender for a broker to arrange (through an insurance provider), contents insurance policies for Sheffield City Council tenants for the period 1st April 2023 to 31 March 2026, and contract with that broker on terms that

allows Sheffield City Council to administer the Tenants Contents Insurance Scheme (the 'Scheme').

10.2 **RESOLVED:** That Co-operative Executive:-

1. Notes the contents of the report;
2. Approves the council undertaking a full tender for a broker to arrange (through an insurance provider), contents insurance policies for Sheffield City Council tenants for the period 1st April 2023 to 31 March 2026, and contract with that broker on terms that allows Sheffield City Council to administer the Tenants Contents Insurance Scheme (the 'Scheme'); and
3. To the extent not already delegated to them by the Leader's Scheme of Delegation, delegate authority to the Executive Director of Place, in consultation with the Director of Legal and Governance and Director of Finance and Commercial Services to prepare and execute all required documentation and take steps to implement these recommendations.

10.3 **Reasons for Decision**

10.3.1 To ensure that the Council tests the full Tenants Contents Insurance market. To ensure involving tenants' representatives in the evaluation and decision making process to ensure the tenants voice is heard, and commercial services, financial services and legal services to ensure we are commercially, financially and legally compliant. It is believed that this is the only way to ensure the Council has in place the best product for our tenants, to enable them to be financial resilient in future.

10.4 **Alternatives Considered and Rejected**

- 10.4.1 The other options considered and discounted are –
- To end the tenants contents insurance offer via SCC on 31 March 2022 when the contract with AON and Aviva ends. As at 1 February 2022 this would leave 3989 SCC tenants without a Tenants Contents Insurance offer and they would have to source an alternative product
 - To recontract with the incumbent AON and Aviva. This would mean no market testing and we would not be sure we are offering the best product for SCC tenants. We would also not be offering a commercial opportunity to all providers on the market. This would contravene SCC regulations
 - To use a framework provider to secure a product. However the only framework providers at the moment are sole product frameworks and would not allow our incumbent or other providers to be involved in the tender process

10.5 **Any Interest Declared or Dispensation Granted**

None

10.6 **Reason for Exemption if Public/Press Excluded During Consideration**

None

10.7 **Respective Director Responsible for Implementation**

Executive Director, Place

10.8 **Relevant Scrutiny and Policy Development Committee If Decision Called In**

Overview and Scrutiny Management Committee

11. **HOLIDAY ACTIVITIES AND FOOD 2022-24 (HAF - 2022)**

11.1 The government's recent announcement that the Department for Education Holiday Activities and Food (HAF) programme had been extended for 3 years up to 2024. The programme is for children eligible for benefits related free school meals and will deliver healthy food and enriching activities during the school holidays at Easter (1 week), Summer (4 weeks), and Christmas (1 week).

Sheffield City Council has been awarded £2,708,510.00 grant funding to coordinate free holiday provision, including healthy food and enriching activities. It will be optional for eligible children to attend this provision. We expect to receive a similar grant for the years 2023 and 2024.

The report sought approval for the Holiday Activities and Food partnership approach and model and the allocation of grant funding to delivery partners including schools, VCF partners, and organisations that will provide a vast range of cultural and sporting activities across Sheffield and the procurement of a booking system/MI system.

11.2 The Chair drew Members attention to the resolution and noted that the wording '*Individual Executive Member*' should be amended to read '*Co-operative Executive*'.

11.3 **RESOLVED:** That Co-operative Executive:-

1. Approves that Sheffield City Council will act as the Accountable Body and lead agent for the Department for Education (DfE) funded Holiday Activities and Food programme in Sheffield for 2022-2024;
2. Approves the Council accepting £2,708,510.00 from the DfE for the Holiday Activities and Food programme;
3. Approves the Holiday Activities and Food approach and model; and
4. Approve that the Holiday Activities and Food grant for the future years 2023 and 2024 is added to the Annually Recurrent Grants process whereby approval is gained via a collective Co-operative Executive report.

11.4 Reasons for Decision

11.4.1 The Local Authority has been allocated this money by a national extension of Dfe funded HAF programme. Sheffield has approximately 26,000 children eligible for free school meals, we would not be able to provide an offer of holiday activities without this funding.

11.4.2 Acceptance of the grant would allow the continuation of the HAF programme in Sheffield which supports a range of council priorities. The Council does not deliver holiday activities plus food currently for children and young people and therefore we need external delivery partners. A partnership approach will allow a flexible and personalised approach and will build community infrastructure and capacity.

11.5 Alternatives Considered and Rejected

11.5.1 Deliver in house by the Council

The Council does not deliver holiday or food activities currently for children and young people and therefore would be unable to reach and deliver holiday activities to eligible children and young people.

11.5.2 Do not accept the Dfe HAF grant

As described, we have approx. 26,000 families eligible for free school meals, without this funding we would be unable to provide good quality activities and food at Easter, Summer, and Christmas holidays

11.6 Any Interest Declared or Dispensation Granted

None

11.7 Reason for Exemption if Public/Press Excluded During Consideration

None

11.8 Respective Director Responsible for Implementation

Executive Director, People Services

11.9 Relevant Scrutiny and Policy Development Committee If Decision Called In

Children, Young People, and Family Support Scrutiny and Policy Development Committee

12. MONTH 9 CAPITAL APPROVALS 2021/22

12.1 The report provided details of proposed changes to the Capital Programme as brought forward in Month 9 2021/22.

12.2 **RESOLVED:** That Co-operative Executive:-

1. Approve the proposed additions and variations to the Capital Programme listed in Appendix 1, including the procurement strategies and delegate authority to the Director of Finance and Commercial Services or nominated Officer, as appropriate, to award the necessary contracts; and
2. Approve the acceptance of grants as detailed at 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.

12.5 Any Interest Declared or Dispensation Granted

None

12.6 Reason for Exemption if Public/Press Excluded During Consideration

None

12.7 Respective Director Responsible for Implementation

Executive Director, Resources

12.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Management Committee

13. REVENUE BUDGET AND CAPITAL PROGRAMME MONITORING 2021-22 - AS AT 30TH NOVEMBER 2021

- 13.1 The report provides the outturn monitoring statement on the City Council's Revenue and Capital Budget Outturn as at the end of Month 8, 2021/22

13.2 **RESOLVED:** That Co-operative Executive:-

1. Note the updated information and management actions provided by this report on the 2021/22 Revenue Budget Outturn;
2. Note the Collection Fund Account Monitoring Report as at 30th November 2021, attached as **Appendix 1** of the report;
3. Approve the write off of £1.04m of uncollected debt in respect of the People portfolio activities as reported in **Appendix 2** of the report; and
4. In relation to the Capital Programme, note the forecast Outturn position described in **Appendix 3** of the report.

13.3 **Reasons for Decision**

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

13.4 **Alternatives Considered and Rejected**

13.4.1 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.

13.5 **Any Interest Declared or Dispensation Granted**

None

13.6 **Reason for Exemption if Public/Press Excluded During Consideration**

None

13.7 **Respective Director Responsible for Implementation**

Executive Director, Resources

13.8 **Relevant Scrutiny and Policy Development Committee If Decision Called In**

Overview and Scrutiny Management Committee

14. **REVENUE BUDGET AND CAPITAL PROGRAMME FOR 2022/23**

14.1 The purpose of this Revenue report is to:

- approve the City Council's revenue budget for 2022/23, including the position on reserves and balances;
- approve a 2022/23 Council Tax for the City Council; and
- note the levies and precepts made on the City Council by other authorities.

The purpose of the Capital Strategy is to:

- Set out the Council's key priority areas for capital investment from 2022 to 2052;
- Provide an overview of specific projects included in the years 2022 to 2027;
- Set out the overall shape of the current Capital Programme for the 5 years to 2027 (at **Appendix C2** of the report). Block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate approval as part of the monthly approval cycle;
- Set out our principles for how we invest in non-cash assets; and
- Provide background to our Corporate Investment Fund Policy at **Appendix C1** of the report.

A document was circulated which informed the Co-operative Executive that the budget had been discussed at Overview and Scrutiny Management Committee. Councillor Cate McDonald (Executive Member for Finance and Resources) informed her colleagues that she had attended the meeting of Overview and Scrutiny Committee and they had made no amendments for the Co-operative Executive to consider.

14.2 **RESOLVED:** That Co-operative Executive:-

1. As regards the Revenue Budget, Co-operative Executive is recommended to pass to Full Council:

- a) To approve a net Revenue Budget for 2022/23 amounting to £411.800m;
- b) To approve a Band D equivalent Council Tax of £1,753.21 for City Council services, i.e. an increase of 2.99% (1.99% City Council increase and 1% national arrangement for the social care precept);
- c) To note that the section 151 officer has reviewed the robustness of the estimates and the adequacy of the proposed financial reserves, in accordance with Section 25 of the Local Government Act 2003. Further details can be found in **Appendix 4** of the report and within the Section 25 Statutory Statement on Sustainability of Budget and Level of Reserves from paragraph 2 of the report;
- d) To note that, if overspends against the agreed budgets emerge, then Executive Directors and Directors will be required to develop and implement plans to mitigate fully any overspend, within 2022/23, in consultation with elected Members;
- e) To note the Council will undertake a series of Strategic Reviews into key services, to identify changing methods of provision that support services to the public at lower cost, thus bringing the Council's budgets back into recurrent balance during 2022/23;
- f) To approve the savings as set out in **Appendix 2** of the report;

- g) To approve the revenue budget allocations for each of the services, as set out in **Appendices 3a to 3d** of the report;
- h) To note that, based on the estimated expenditure level set out in **Appendix 3** to this report, the amounts shown in part B of **Appendix 5** of the report would be calculated by the City Council for the year 2022/23, in accordance with sections 30 to 36 of the Local Government Finance Act 1992;
- i) To note the information on the precepts issued by the South Yorkshire Police & Crime Commissioner and of South Yorkshire Fire & Rescue Authority, together with the impact of these on the overall amount of Council Tax to be charged in the City Council's area;
- j) notes the precepts issued by local parish councils which add £654,794 to the calculation of the budget requirement in accordance with Sections 31 to 36 of the Local Government Finance Act 1992;
- k) To approve the Treasury Management and Annual Investment Strategies set out in **Appendix 6** of the report and the recommendations contained therein;
- l) To approve the Minimum Revenue Provision (MRP) Policy set out in **Appendix 6** of the report which takes into account the revisions proposed for 2022/23 onwards;
- m) To agree that authority be delegated to the Executive Director of Resources to undertake Treasury Management activity, to create and amend appropriate Treasury Management Practice Statements and to report on the operation of Treasury Management activity on the terms set out in these documents;
- n) To approve a Pay Policy for 2022/23 as set out in **Appendix 7** of the report; and
- o) To agree that
 - (a) the Member's allowances scheme for 2017/18 and onwards, approved on 3 March 2017, and implemented for 2018/19, 2019/20, 2020/21 and 2021/21 and as amended in 2021/22 be also implemented for 2022/23 until the date of the annual meeting; and
 - (b) to note that, following a review by the Independent Remuneration Panel, a new Scheme will be agreed by Council to reflect the requirements of the new committee system to be implemented from the Annual Meeting on 18 May 2022.

Co-operative Executive is asked to:

- p) delegate authority for the administration and payment of the Energy Support Payments announced by Government on the 3rd Feb 2022 to the Director of Finance and Commercial Services.

As regards the Capital Strategy, Co-operative Executive is recommended to pass to Full Council:

1. to approve the contents of the Capital Strategy and the specific projects included in the years 2022/23 to 2026/27; that block allocations are included within the programme for noting at this stage and detailed proposals will be brought back for separate Member approval as part of the monthly monitoring procedures; and
2. to approve the proposed Capital Programme for the 5 years to 2026/27 as per **Appendix C2** of the capital report.

14.3 Reasons for Decision

- 14.3.1 The City Council on 2 March 2022 meets to consider the Revenue Budget for 2022/23 and to determine the Council Tax for that year. The report provides information to enable the Council to set a budget and determine the Council Tax. The proposals set out in this report provide for a balanced budget to be recommended to Council.

14.4 Alternatives Considered and Rejected

- 14.4.1 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.

14.5 Any Interest Declared or Dispensation Granted

None

14.6 Reason for Exemption if Public/Press Excluded During Consideration

None

14.7 Respective Director Responsible for Implementation

Executive Director, Resources

14.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Management Committee

NOTE: This is subject to approval at Full Council at its meeting to be held on 3rd March 2022 and is not subject to call-in.

15. PROCUREMENT OF BUSINESS RATES AND DOCUMENT MANAGEMENT IT SYSTEMS

15.1 The report sought approval for the procurement of Business Rates and Document Management IT systems for the Council's Revenues and Benefits service via the Crown Commercial Services procurement framework for a period of 5 years with an option to extend for up to 2 years.

15.2 **RESOLVED:** That Co-operative Executive:-

- 1) Approve the procurement of the Business Rates and Document Management Systems via the Crown Commercial Services (CCS) framework as outlined in the report;
- 2) Approve the direct award of the new contracts to NEC Software Solutions Ltd outlined in the report; and
- 3) Delegates authority to the Executive Director of Resources, in consultation with the Director of Finance and Commercial Services and the Director of Legal and Governance to:
 - a) agree the terms of the new Call Off contract under the CCS Data and Applications Solutions (DAS) framework RM3821
 - b) take all other decisions necessary in order to meet the aims, objectives and outcomes of this report which are not already covered by existing delegations in the Leaders Scheme of Delegation.

15.3 Reasons for Decision

15.3.1 The contract with NEC for the R&B service's Business Rates and Document Management systems is due to expire in March 2022. The R&B service has a requirement to retain use of the systems to enable a period of stability and undertake the planned review of the service following the insource which has been delayed due to the pandemic. A compliant commercial vehicle has been sourced.

15.3.2 Failure to secure a contract for the supply of these systems will leave the Council unable to deliver its Council Tax, Business Rates and Housing Benefits services leading to serious financial hardship for the citizens of Sheffield.

15.4 Alternatives Considered and Rejected

15.4.1 Do Nothing

Due to the anticipated expenditure for both software applications over the proposed term the council is required to comply with Public Contract Regulations 2015 and therefore to continue use of the software beyond the current contract

period would not conform.

15.4.2 Reduced Contract period

A shorter contract period was not taken forward as it would coincide with the expiry of R&B's Council Tax and Benefits software system. The business risk of managing multiple procurements and potentially implementations was deemed to be too great a risk and would impact on the ability to provide stability within the service and also to the citizens of Sheffield.

15.4.3 Open Market Procurement

The business rates marketplace is very limited due to the bespoke nature of the service requirements. The key players in the market are appointed to the CCS DAS framework and have already undertaken a competitive and compliant procurement process in line with Public Contract Regulations 2015.

15.4.4 Use of a Public Sector Framework

The CCS DAS framework has been identified as a suitable framework in which to make a Call Off contract. It has already been competitively tendered and is compliant with PCR 2015 regulations. It enables a direct award via CCS e-marketplace.

15.5 Any Interest Declared or Dispensation Granted

None

15.6 Reason for Exemption if Public/Press Excluded During Consideration

None

15.7 Respective Director Responsible for Implementation

Executive Director, Resources

15.8 Relevant Scrutiny and Policy Development Committee If Decision Called In

Overview and Scrutiny Committee