

Time	4.30 pm	Public Meeting?	YES	Type of meeting	Executive
Venue	Council Chamber - 4th Floor - Civic Centre, St Peter's Square, Wolverhampton WV1 1SH				

Membership

Chair Cllr Stephen Simkins (Lab)

Labour

Cllr Obaida Ahmed
Cllr Ian Brookfield
Cllr Paula Brookfield
Cllr Chris Burden
Cllr Steve Evans
Cllr Bhupinder Gakhal
Cllr Jasbir Jaspal
Cllr Linda Leach
Cllr Beverley Momenabadi

Quorum for this meeting is three voting members.

Information for the Public

If you have any queries about this meeting, please contact the Democratic Services team:

Contact Dereck Francis, Democratic Services
Tel/Email 01902 555835 or dereck.francis@wolverhampton.gov.uk
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Wolverhampton WV1 1RL

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Some items are discussed in private because of their confidential or commercial nature. These reports are not available to the public.

Attendance

Members of the Cabinet (Resources) Panel

Cllr Stephen Simkins (Chair)
Cllr Obaida Ahmed
Cllr Ian Brookfield
Cllr Paula Brookfield
Cllr Chris Burden
Cllr Steve Evans
Cllr Bhupinder Gakhal
Cllr Jasbir Jaspal
Cllr Linda Leach

Employees

Tim Johnson	Chief Executive
John Denley	Director of Public Health
Charlotte Johns	Director of Strategy
Richard Lawrence	Director of Regeneration
David Pattison	Chief Operating Officer
Becky Wilkinson	Director of Adult Social Services
Brenda Wile	Deputy Director of Education
Jaswinder Kaur	Democratic Services Manager
Dereck Francis	Democratic Services Officer

Part 1 – items open to the press and public

Item No. Title

- 1 Apologies for absence**
Apologies for absence were submitted on behalf of Councillor Beverley Momenabadi.
- 2 Declarations of interest**
No declarations of interests were made.
- 3 Minutes of the previous meeting**
Resolved:
That the minutes of the previous meeting held on 16 November 2022 be approved as a correct record and signed by the Chair.

4 **Levelling Up Fund Round 2 Bids Update**

Councillor Stephen Simkins presented the update report on the recent submission of Levelling Up Round 2 bids for Bilston Health and Regeneration Programme (HaRP) and The Springfield Innovation Hub projects. Delegated authority was sought to enter into a Grant Funding Agreement and other legal and contractual arrangements in order to progress the projects in a timely manner if the bids are successful.

The Bilston HaRP bid comprised two distinct but interrelated elements, a new Health and Wellbeing Hub to form an extension to the existing Bert Williams Leisure Centre, and additional works for the Bilston Markets External Works, Public Realm and Active Travel Corridor projects. The Springfield Innovation Hub was an integral first phase of Wolverhampton's ambitious Green Innovation Corridor that would support the growth of new green industries, turbocharging economic prosperity and closing the productivity gap.

Resolved:

1. That authority be delegated to the Deputy Leader: Inclusive City Economy and the Cabinet Member for Resources and Digital City in consultation with the Directors for Regeneration and Finance and the Chief Operating Officer to:
 - a. Approve the Council entering into the relevant Memorandum of Understandings, Grant Agreements and any other necessary ancillary agreements as required (subject to confirmation of associated final terms and conditions) in the event of successful bid awards.
 - b. Approve any required revisions to the project scope, outputs and outcomes of each bid and project components (with the input of key stakeholders) in the event of a reduced Grant Award (s) to inform the final Full Business Cases.
 - c. Approve that the Council are to Act as Accountable Body for the funding, subject to a successful bid, under the proposed Green Innovation Corridor.
2. That it be noted that the Council has submitted two Levelling Up Fund Round 2 bids for Wolverhampton North East and Wolverhampton South East constituencies respectively on 27 July 2022 following all necessary consultations and MP endorsement and approval for each bid.
3. That it be noted that the Wolverhampton South East Levelling Up Fund bid comprises the Bilston Health and Regeneration Programme and the Wolverhampton North East Levelling Up bid comprises the Springfield Innovation Hub that is the first phase of the Green Innovation Corridor.
4. That it be noted that the Outline Business Cases for the Bilston Markets External Works, Public Realm and Active Travel Corridor projects which form part of the Bilston Health and Regeneration Programme and Springfield Innovation Hub, Phase 1 are attached at Appendix 1 and 2 respectively to the report. The Bilston Health and Well Being Hub business case that also forms part of the Bilston Health and Regeneration Programme would be referenced in a separate Cabinet report.

5. That it be noted that the bids were based on approved bid submissions in accordance with Levelling Up Fund guidelines as detailed in the body of the report. The projects at Outline Business Case stage would need to progress to the Full Business Case stage which would be presented for final approvals reflecting any and all variations and changes to the delivery of the planned projects.
6. That it be noted that the date for the notification of the bid outcome has provisionally been referenced as calendar year end (this may be subject to change).
7. That it be noted that the final Full Business Cases for each project would be presented to Cabinet at a future date outlining all financial, legal and procurement implications in line with Council governance and best practise.

5 **School Caretaker Houses - Disposal and Investment Strategy**

Councillor Bhupinder Gakhal presented the report on a proposal to declare former school caretaker houses at Claregate Primary, Fallings Park Primary, Perry Hall Primary surplus to the Council's requirements and to dispose of the assets by either auction or informal tender. The houses were vacant and had been declared surplus to the Schools requirements. It was noted that the proposals were a valuable contribution to the delivery of the Council's Strategic Asset Plan. The report also set out an investment strategy for caretaker properties located around the city that are also surplus to educational requirements, but due to their position within the school site boundary, render themselves unviable for disposal and would benefit from investment to bring them back into use.

Resolved:

1. That the following former school caretaker houses be declared surplus to Council requirements:
 - Claregate Primary, Fallings Park Primary, Perry Hall Primary *(Pending surrender of lease)
2. That the disposal of the assets listed above via open market disposal method, of either auction or informal tender upon terms and conditions to be agreed be approved.
3. That authority be delegated to the Cabinet Member for City Assets and Housing in consultation with the Deputy Director of Assets to approve the terms of the disposal through an Individual Executive Decision Notice.
4. That the investment strategy as outlined in section 3 of the report be noted.

6 **Exclusion of press and public**

Resolved:

That in accordance with Section 100A(4) of the Local Government Act 1972 the press and public be excluded from the meeting for the following item of business as it involves the likely disclosure of exempt information relating to the financial or business affairs of any particular person (including the authority holding that information).

Part 2 - exempt items, closed to press and public

The Chair reported that as stated previously the meeting was in confidential session as the information included in the report could, if released into the public domain, prejudice the financial position of the Council or its partners. As such all present are under a legal duty of confidentiality and must not disclose any confidential information - to do so would not only be a breach of the Council's codes (for councillors and employees) but also a breach of the legal duty of confidentiality.

- 7 **Procurement - Award of Contracts for Works, Goods and Services**
Councillor Obaida Ahmed presented, for approval, the report on the award of contracts for works, goods and services. The report also included, for information, exemptions to Contract Procedure Rules approved by the Head of Procurement and Director of Finance from 1 to 30 October 2022.

Resolved:

1. That the contract for Platform for Care be awarded to OLM System of 10 Station Road, Cairns House, Teddington, TW11 9AA for a duration of seven years from 1 February 2023 to 31 January 2030 for a total contract value of £2,276,031.
2. That the contract for the Infection Prevention Control Service be awarded to Royal Wolverhampton NHS Trust of Wolverhampton Road, Wolverhampton, West Midlands, WV10 0QP for a duration of four years from 1 April 2023 to 31 March 2027 for a total contract value of £600,000.
3. That the contract for the Tuberculosis (TB) Service be awarded to Royal Wolverhampton NHS Trust of Wolverhampton Road, Wolverhampton, West Midlands, WV10 0QP for a duration of two years from 1 April 2023 to 31 March 2025 for a total contract value of £450,332.
4. That the exemptions to the Contract Procedure Rules approved by the Head of Procurement and Director of Finance from 1 to 31 October 2022 be noted.

CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 18 January 2023
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Report title	Procurement – Award of Contracts for Works, Goods and Services	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Obaida Ahmed Resources and Digital City	
Key decision	Yes	
In forward plan	Yes	
Wards affected	All Wards	
Accountable Director	Claire Nye, Director of Finance	
Originating service	Procurement	
Accountable employee	John Thompson	Head of Procurement
	Tel	01902 554503
	Email	John.Thompson@wolverhampton.gov.uk
Report to be/has been considered by	Directorate Leadership Teams	

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Delegate authority to the Cabinet Member for Resources and Digital City, in consultation with the Director of Strategy, to approve the award of a contract for an Omnichannel Solution when the evaluation process is complete.
2. Delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Chief Operating Officer, to approve the award of a contract for a Commercial Strategic Partner – Legal Services when the evaluation process is complete.
3. Delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Supply, Installation and Maintenance of Intelligent Transport Systems when the evaluation process is complete.

1.0 Councillor Obaida Ahmed, Cabinet Member for Resources and Digital City
1.1 Delegated Authority to Award a Contract – Omnichannel Solution

Ref no:	CWC22183
Council Plan aim	Driven by Digital
Originating service	Customer Engagement & Registration Services
Accountable officer	Lamour Gayle, Head of Customer Engagement & Registration Services (01902) 555536
Leadership Team approval	11 August 2022
Accountable Lead Cabinet Member	Cllr Obaida Ahmed, Cabinet Member for Resources and Digital City (01902) 551218
Date Lead Cabinet Member briefed	11 November 2022
Procurement advisor	Barry Greenwood – Procurement Manager

1.2 Background

- 1.3 The current Contact Centre solution is a voice only channel and has regular performance failures resulting in challenges to delivering a good customer experience. Customer Services also receive customer contact via email and webform (c108,000 per year) which are manually managed with no easily reportable demand data and no visibility of performance information. Furthermore, these requests have to be replicated into our various Customer Relationship Management (CRM) solutions for auditing purposes and in majority of cases, for onward transmission to service teams for action and resolution.
- 1.4 There are a number of contact centres outside of Customer Services, operating across City of Wolverhampton Council (CWC), including HR, the Hub, Revenues & Benefits, Wolverhampton Homes and West Midlands Pension Fund. All of which utilise different CRM solutions and manage email traffic in different ways.
- 1.5 The draft Customer Service Strategy, which is currently under consultation, aims to provide a 'Positive Customer Experience' which is accessible, consistent, efficient, and simple. Therefore, there is a need to build seamless customer journeys, using digital technology and data which will require further digital transformation.

Proposed Contract Award	
Contract duration	Seven years (3+2+1+1)
Contract Commencement date	1 May 2023
Annual value	£270,000
Total value	£1,970,000

1.6 Procurement Process

- 1.7 The intended procurement procedure will be a framework further competition utilising a government framework in accordance with Public Contract Regulations 2015. This route to market has been decided following the results of the Preliminary Market Test evidencing that the framework route offers the most flexibility on solutions and integrations alongside a robust set of ICT terms and conditions.
- 1.8 The evaluation scoring balance will be 40% price and 60% quality. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.
- 1.9 The evaluation team will comprise:

Name	Job Title	Organisation
Lamour Gayle	Head of Customer Engagement and Registration Services	CWC
Laura Teale	Service Development Manager, Customer Services	CWC
Lisa Powell	Contact Centre Manager, Customer Services	CWC
Rebecca Clarke	Head of Customer Experience	Wolverhampton Homes
Belinda Mulloy	Customer Experience Manager	Wolverhampton Homes
Tracey Richards	Head of Revenue & Benefits	CWC
Amy Carey-Jones	Customer Service Manager	West Midlands Pension Fund
Mike Allen	Digital Solutions & Development Manager, Digital & IT	CWC
Phil Neath	Domain Architect (Voice & Network), Digital & IT	CWC
Rashmi Patel	Business Analyst, Digital & IT	CWC

1.10 Evaluation of alternative options

- 1.11 CWC are looking to upgrade the current contact centre telephony solution and as part of this process, making the handling of all customer contact more efficient and consistent therefore the option to do nothing was discounted.
- 1.12 As our customers currently utilise different contact channels, CWC must continue to facilitate this but also open further options to improve the customer experience. As such, solutions which include having separate systems to manage calls, emails, chat, and social media messaging, have been considered but these would require multiple system implementations alongside complex integrations which is both risky and costly. Furthermore, separate solutions would not offer any support for both resource and demand management of overall customer contact which will help deliver efficiencies in the future.
- 1.13 Consideration was given to a Digital Marketplace call-off however as the final solution needs to be able to integrate with multiple CRM solutions, it was felt that this framework would be too restrictive and may not meet our complex requirements.

1.14 Reason for decisions

- 1.15 The customer experience provided by CWC to our residents, businesses, and visitors, must be as efficient and effective as possible. The solution must embrace the needs of our customers by expanding contact channels whilst also providing a consistent approach to the management and resolution of enquiries across all CWC services.

1.16 Financial Implications

- 1.17 The estimated capital expenditure of £80,000 will be met within existing Digital & IT capital programme,
- 1.18 The annual revenue expenditure of £270,000 will be met by the Digital & IT revenue budget. Based on the licencing model, costs associated to Wolverhampton Homes and West Midlands Pensions Fund will be recharged via the Digital & IT Service Level Agreement. The remaining revenue impact is estimated to be in the region of £200,000. This cost pressure will be built into the 2023-2024 Budget and Medium Term Financial Strategy 2023-2024 to 2025-2026 which will be presented to Full Council on 1 March 2023 for approval.

1.19 Legal implications

- 1.20 The procurement will be a further competition using a Framework in accordance with the Public Contract Regulations 2015 and CWC's Contract Procedure Rules.

1.21 Equalities implications

1.22 A full Equalities Impact Assessment will be completed once the vendor has been identified however, the solution will affect how customers engage with CWC and therefore will provide support for non-English speaking customers along with those affected by hearing and visual impairments. The project will increase available contact channels whilst improving existing ones and therefore any digitally excluded or vulnerable customers will retain access to all affected services.

1.23 All other implications

1.24 There are no other implications arising from the recommendations of this report.

1.25 Recommendation

1.26 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for Resources and Digital City, in consultation with the Director of Strategy, to approve the award of a contract for an Omnichannel Solution when the evaluation process is complete.

2.0 Councillor Paula Brookfield, Cabinet Member for Governance and Equalities

2.1 Delegated Authority to Award a Contract – Commercial Strategic Partner – Legal Services

Ref no:	CWC22166
Council Plan aim	Thriving economy in all parts of the city
Originating service	Legal Services
Accountable officer	Tracey Christie – Head of Legal Services (01902) 554925
Leadership Team approval	12 January 2023
Accountable Lead Cabinet Member	Cllr Paula Brookfield – Cabinet Member for Governance and Equalities (01902) 551217
Date Lead Cabinet Member briefed	12 December 2022
Procurement advisor	Carol Wintle – Procurement Business Partner (01902) 553836

2.2 Background

2.3 Legal Services are looking to enter into a contract with an external partner to work with us on matters we require external assistance with. We currently use a number of different external legal advisors. This can be rather ad-hoc and piecemeal and does not give us the negotiating ability in terms of fees charged and added value to the instructions.

2.4 In order to reduce our external legal spend and grow and develop our team, we have identified that by creating a partnership we will have the opportunity to streamline the number of different external legal advisors we currently use and ensure a more focused approach which will give us the ability to negotiate competitive fees and to add value in terms of training and the development of our team.

Proposed Contract Award	
Contract duration	Two years (1+1)
Contract Commencement date	1 April 2023
Annual value	£340,000
Total value	£680,000

2.5 Procurement Process

2.6 The intended procurement procedure will be a mini competition using the EM Lawshare Framework. The framework has been established in accordance with Public Contract Regulations 2015. This route to market has been decided because benchmarking has been carried out and the EM Lawshare Framework offers best value for money on previously tendered rates.

2.7 The evaluation scoring balance will be 30% price and 70% quality. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.

2.8 The evaluation team will comprise:

Name	Job Title
Tracey Christie	Head of Legal Services
Jessica Adeniran	Lead Lawyer
Shamsher Zada	Lead Lawyer

2.9 Evaluation of alternative options

2.10 The alternative option would be to continue as we are which is to continue to use different external legal advisors for work that is outsourced. This has been discounted because it will result in duplication and repetition, without the ability to obtain favourable rates and any added value to the instructions such as training for our team.

2.11 Reason for decision

2.12 We aim to reduce Legal Services external legal spend and grow and develop our Legal Services team.

2.13 Financial Implications

2.14 The estimated £340,000 annual contract cost will be funded from the £564,000 budget set aside in Legal Services for a wide range of external legal costs. It is anticipated that spend on external legal fees will reduce through the partnership arrangement. This will be kept under review over time with the intention of reducing the central legal costs budget.

2.15 Legal implications

2.16 The procurement will be a further competition using a Framework in accordance with the Public Contract Regulations 2015 and the Contract Procedure Rules.

2.17 Equalities implications

2.18 There are no direct equalities implications. However, tenderers are required to provide details of their Equality, Diversity and Inclusion (ED&I) programme including:

- Apprenticeships;
- Tackling under-representation; and
- Removing discrimination based on Race, Religion and Belief, Sexual Orientation, Disability and Age and Gender Maternity and Paternity.

2.19 All other implications

2.20 In addition, the supplier is to provide an overview of how they would contribute to CWC's Our City: Our Plan including:

- More local people into good jobs and training.

2.21 Recommendation

2.22 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for Governance and Equalities, in consultation with the Chief Operating Officer to approve the award of a contract for a Commercial Strategic Partner – Legal Services when the evaluation process is complete.

3.0 Councillor Steve Evans, Cabinet Member for City Environment and Climate Change

3.1 Delegated Authority to Award a Contract - Supply, Install and Maintain Intelligent Transport Systems

Ref no:	CWC22088
Council Plan aim	Our Digital
Originating service	City Environment
Accountable officer	John Charles, Team Leader, UTC (Urban Traffic Control) (01902) 555752
Leadership Team approval	6 December 2022
Accountable Lead Cabinet Member	Cllr Steve Evans, Cabinet Member for City Environment and Climate Change (01902) 861498
Date Lead Cabinet Member briefed	9 December 2022
Procurement advisor	Sean Hynes, Procurement Manager (01902) 554950

3.2 Background

- 3.3 CWC has been the lead authority for providing Urban Traffic Control (UTC) services across the Black Country for many years. The provision of these services is covered by Service Level Agreements (SLA's) with Walsall Council, Dudley Metropolitan Borough Council, Sandwell Metropolitan Borough Council and West Midlands Metro, which outline the responsibility for the procurement and management of associated contracts.
- 3.4 Historically, contracts have been procured singularly for each aspect of the service i.e., Traffic Signal Maintenance, Closed Circuit Television (CCTV), Variable Message Signs (VMS) etc.
- 3.5 Whilst this approach has worked well, it has become increasingly more resource intensive to manage on an individual basis coupled with the advent of new technologies and communications it is now considered more efficient to harmonise the individual contracts into a single contract. It is expected that this approach will achieve greater scales of economy, enabling the service to be delivered more efficiently.

- 3.6 The new contract is now being procured to deliver the continued maintenance operation for Intelligent Transport Systems and associated equipment across the Black Country's highway network. Additionally, within the contract, provision has been included to allow for the expansion of these systems and associated equipment in support of future projects and network improvements. This additional work is only indicative and not guaranteed as the capital investment required will be subject to securing future capital allocations or submitting successful capital bids. Any new works will be subject to the relevant authority securing the necessary capital funding to support the investment.

Proposed Contract Award	
Contract duration	Seven years (5+2)
Contract Commencement date	1 April 2023
Annual value	£4.925 million
Total value	£34.475 million

3.7 Procurement Process

- 3.8 The intended procurement procedure will be the open tender procedure in accordance with Public Contract Regulations 2015.
- 3.9 This route to market has been decided because it is important to test the market to deliver this broad service and achieve value for money and support the Wolverhampton Pound by giving local companies the opportunity to bid for the work.
- 3.10 The evaluation scoring balance will be 55% price and 45% quality including social value. Any amendments to the procurement procedure will be reported in an Individual Executive Decision Notice (IEDN) to the relevant Cabinet Member in consultation with the relevant Director in accordance with the delegation within this report.
- 3.11 The evaluation team will comprise:

Name	Job Title
John Charles	Team Leader, UTC
Mark Etherington	Principal Engineer
Andrew Evans	Senior Engineer

3.12 Evaluation of alternative options

- 3.13 Do nothing would mean that the existing contract would expire on 31 March 2023 and the on-street equipment and associated systems would no longer have any maintenance

arrangements in place. This would significantly increase the maintenance costs associated as repairs become ad-hoc and additionally CWC's Statutory Network Management Duty would not be fulfilled. CWC would be in breach of several SLAs and significant reputational damage and risk to CWC would occur.

3.14 The use of frameworks may not provide a suitably professional and competent provider to complete the contract and limit the opportunity of supporting the Wolverhampton Pound strategy.

3.15 There is no "in-house" option to deliver the service in part, the maintenance service, as the Council does not have the expertise or resource.

3.16 Reason for decisions

3.17 Carrying out a compliant open tender process is the best way to test the market and fully and ensure a suitably professional and competent provider can fulfil the requirements of CWC and the other Black Country authorities reliant on this contract.

3.18 Financial Implications

3.19 The £4.9 million estimated annual value of the contract includes both revenue and capital expenditure. Revenue budgets are currently split between budgets held by Wolverhampton on behalf of the region of £568,000 and contracts placed directly from other authorities. This contract will bring all of these budgets together as a region in the future. Capital is subject to approval as part of the Transport capital programmes and the work would not take place if not approved.

3.20 The regional agreement currently exists until 2027. The contract will extend beyond this date.

3.21 The estimated annual required revenue budget for CWC is £471,000 which is within the budgets currently held in Operational Maintenance and Equipment.

3.22 Legal implications

3.23 The procurement will be an above threshold open procedure in accordance with the Public Contract Regulations 2015 and CWC's Contract Procedure Rules.

3.24 Equalities implications

3.25 A review of the relevant policies will be undertaken as part of the procurement process to ensure compliance with legislation and best practice. Specifically, the review will also take account of any Equality Diversity and Inclusion (EDI) implications and due regard of the Equality Act 2010 – public sector duty.

3.26 Furthermore, through the development of a social value plan the following areas will be considered and demonstrated throughout the life of the contract:

- Consideration of Apprenticeships and links to agencies that support employment opportunities for young people.
- Training and Development as an inclusive employer.
- Maintaining a diverse workforce whilst encouraging other organisations to practice public service ethos on equalities.
- Corporate Social Responsibility – how they give back to communities – Wolverhampton Pound
- Linking to addressing CWC plan priorities – How are they going to demonstrate that they are going to meet CWC's objectives

3.27 All other implications

3.28 There are no other implications associated with this report.

3.29 Recommendation

3.30 Cabinet (Resources) Panel is recommended to delegate authority to the Cabinet Member for City Environment and Climate Change, in consultation with the Director of City Housing and Environment, to approve the award of a contract for Supply, Installation and Maintenance of Intelligent Transport Systems when the evaluation process is complete.

4.0 Financial implications

4.1 All financial implications are included within the relevant section of the report.
[RP/06012023/Q]

5.0 Legal implications

5.1 All legal implications are included within the relevant section of the report.
[SZ/08122022/P]

6.0 Equalities implications

6.1 The relevance to equalities and progress in terms of equality analysis will vary for each proposal included in this report. Accountable officers have and will ensure that evidence is collected and used to demonstrate compliance with CWC's legal obligations under the Equality Act 2010.

7.0 All other implications

7.1 All other implications are included within the relevant section of the report.

8.0 Schedule of background papers

8.1 All background papers are included within the relevant section of the report.

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CITY OF WOLVERHAMPTON COUNCIL	Cabinet (Resources) Panel 18 January 2023
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Report title	Disposal and Development of Former Nelson Mandela House Site	
Decision designation	AMBER	
Cabinet member with lead responsibility	Councillor Bhupinder Gakhal City Assets and Housing	
Key decision	Yes	
In forward plan	Yes	
Wards affected	Oxley	
Accountable Director	Julia Nock, Deputy Director of Assets	
Originating service	City Assets	
Accountable employee	Luke Dove	Head of Assets
	Tel	01902 557121
	Email	Luke.Dove@wolverhampton.gov.uk
Report to be/has been considered by	City Assets Leadership Team	30 November 2022
	Asset Management Board	18 January 2023

Recommendations for decision:

The Cabinet (Resources) Panel is recommended to:

1. Declare the Former Nelson Mandela House site surplus to the Council's requirements.
2. Approve disposal of the asset listed to achieve best consideration, via the open market disposal methods of either auction or informal tender upon terms and conditions to be agreed.
3. Delegate authority to the Cabinet Member for City Assets and Housing in consultation with the Deputy Director of Assets to approve the terms of the disposal through an Individual Executive Decision Notice.

1.0 Purpose

- 1.1 To seek approval to declare surplus to Council requirements the asset detailed in this report and agree the disposal strategy for the asset to generate a capital receipt and revenue efficiencies alongside the future sustainable development of the site.

2.0 Background

- 2.1 City Assets are currently undertaking an asset challenge process to identify potential assets for disposal to generate further capital receipts and revenue efficiencies.
- 2.2 As part of this process an asset has been identified which is currently void due to rationalisation of the Council's service needs. There is an opportunity to sell this asset via the open market for commercial development to achieve a capital receipt, reduce annual maintenance expenditure and bring a currently void asset back into beneficial use.
- 2.3 The asset subject being the subject of this report is the Former Nelson Mandela House Site with further details provided in Section 3.
- 2.4 The asset listed above will generate a capital receipt (achieving best consideration including advice from a suitably qualified chartered surveyor) which will be used to support the General Revenue Account capital programme.

3.0 Disposal Strategy – Former Nelson Mandela House

- 3.1. The Former Nelson Mandela House Site is now a land only (brownfield) asset that was previously the site of the Nelson Mandela House which was formerly used as a residential care home.
- 3.2. Following the demolition of the building, the property is now vacant and managed by City Assets as a void property.
- 3.3. The site will be offered to the open market via either informal tender or auction for commercial opportunities.

4.0 Evaluation of alternative options

- 4.1 The land could be retained and disposed of on a leasehold basis. This option would only generate a revenue income stream and not a capital receipt. In addition, there would be significant costs associated with bringing the property up to a marketable standard which comply with statutory requirements and there is limited use for the property in its current state.
- 4.2 The asset could be retained for operational use, however, following consultation, no internal operational use has been identified. Retention of the asset would therefore not support the Council's asset challenge and rationalisation process.

4.3 The Council have explored the option of developing the site for residential use both via an open market disposal and internally for affordable housing. Due to the site being subject to a Flood Risk Assessment rating of three, this essentially renders this option unviable.

4.4 The recommended option is to dispose of the asset in its current state on the open market for commercial development opportunities with the reasons for this decision outlined below.

5.0 Reasons for decision

5.1 Should authority be given to dispose of the asset detailed, a capital receipt will be realised which will support the Council's General Revenue Account capital programme.

5.2 If the asset was retained further revenue costs would be incurred by the Council including void rates, security, insurance and statutory compliance costs. In addition, vacant property continues to attract negative public comments and their condition may deteriorate further reducing value.

5.3 The sale of the surplus asset provides purchasers with the opportunity to bring the brownfield site to back into use benefitting the local economy and employment agenda alongside removing a long-term derelict site from the Council's portfolio and promoting a sustainable and viable opportunity given the known constraints of the site.

6.0 Supporting Delivery of the Strategic Asset Plan

6.1 City Assets have developed a Strategic Asset Plan that was completed and approved by Cabinet on 17 October 2018. This provides the structure and management of the Council's land and property portfolio over following five years, to 2023, and incorporates the Our Assets principle. The plan is structured into three parts:

- Asset Management Policy
- Asset Management Strategy
- Asset Management Action Plan

6.2 The Asset Management Policy establishes a clear mission with supporting principles for the management of land and buildings, ensuring it is fit for purpose and benefits the people of the City of Wolverhampton and to use land and buildings following rationalisation and disposal of land and buildings, that will enable a financial return to stimulate development and growth, support and encourage local businesses and promote joint-working.

6.3 The disposal of the Former Nelson Mandela House supports the policy as outlined and in particular delivery of items A1, A2, A3 and A9 of the Action Plan.

7.0 Financial implications

7.1 The disposal of the Former Nelson Mandela House Site is projected to produce a capital receipt (achieving best consideration including advice from a suitably qualified chartered

surveyor) for the Council which will be used to support the General Revenue Account capital programme.

- 7.2 Until terms are agreed with the purchasers the estimated value above is indicative only. Terms agreed will be subject to a future Individual Executive Decision Notice to seek approval.
[RJ/28112022/J]

8.0 Legal implications

- 8.1 It is necessary for the asset to be declared surplus before any proposed disposal.
- 8.2 The disposal will need to be made in accordance with S.123 Local Government Act 1972 which requires the Council to obtain the best consideration reasonably available.
[TC/24112022/E]

9.0 Equalities implications

- 9.1 All development plans will consider and meet the needs of all people within the local community and an all-inclusive approach will be taken by City of Wolverhampton Council.

10.0 All other implications

- 10.1 The disposal of the asset listed in this report will prevent it from falling into further disrepair and avoid anti-social behaviour and potential fly tipping.
- 10.2 In addition to the detail included in this report, the Estates Team will complete all pre-sale due diligence and offer the site to market in accordance with the disposal strategy.
- 10.3 The property is managed as a void by City Assets in accordance with the Management Checklist for Vacant Property ensuring maintenance, security and safety requirements are complied with.
- 10.4 Disposal of the property will reduce the quantity of void stock requiring management.

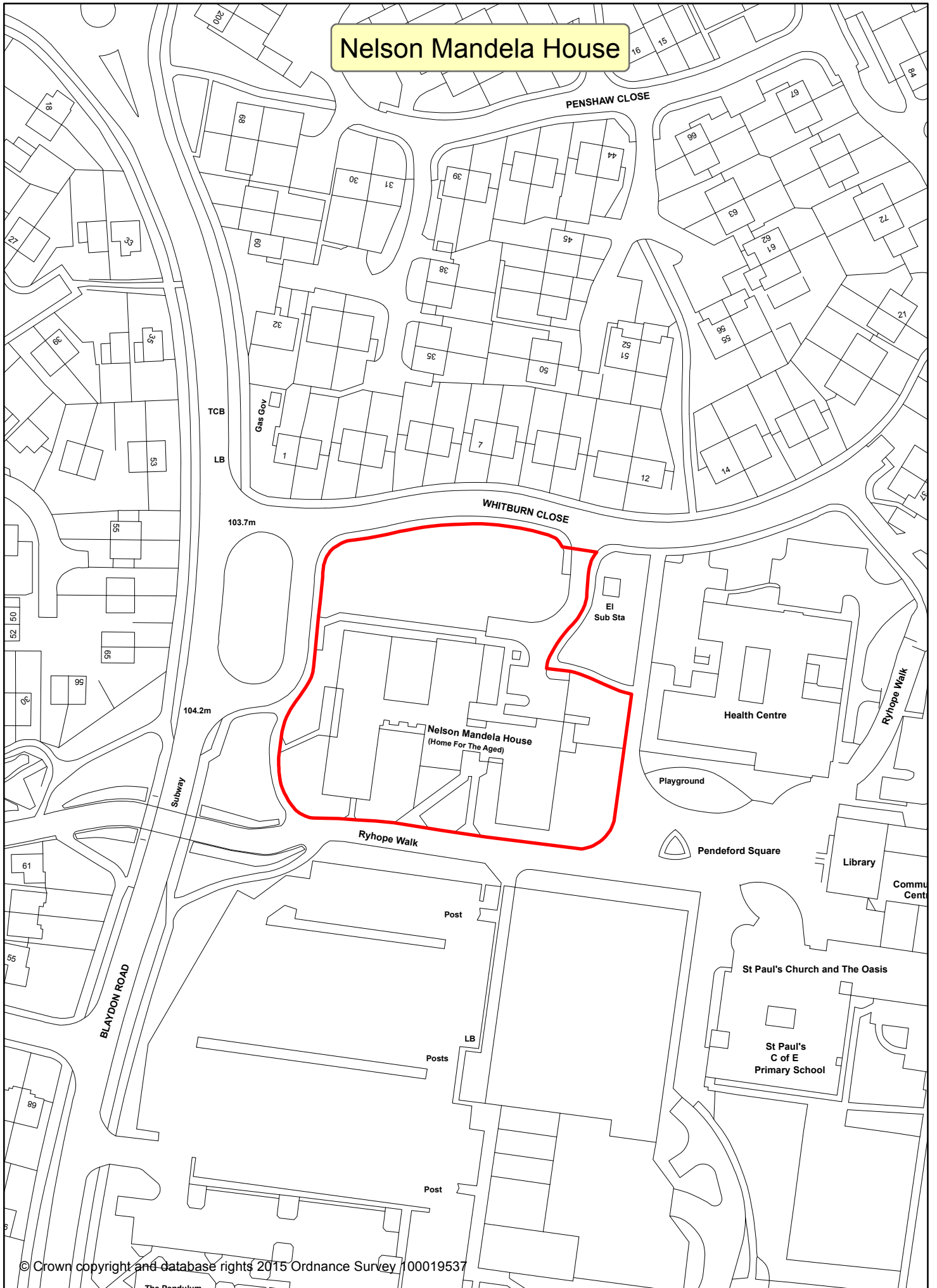
11.0 Schedule of background papers

- 11.1 [Strategic Asset Plan 2018-2023](#) – Report to Cabinet on 17 October 2018 including:
- Asset Management Policy 2018-2023
 - Asset Management Strategy 2018-2023
 - Asset Management Action Plan

12.0 Appendices

- 12.1 Appendix 1 – Former Nelson Mandela House Site Location Plan

Nelson Mandela House



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The Pendulum



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