

CABINET

17 MAY 2022

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BABC Commercial Structures & Trading Activity2

BABC COMMERCIAL STRUCTURES & TRADING ACTIVITY

1. Decision:

The Cabinet agreed:

- 1.1. The transfer of recruitment activity, along with budget, currently undertaken by the Council's HR department to a new Talent Acquisition service provided by specialist resource in LWMTS Ltd, subject to a suitable service level agreement.
- 1.2. The transfer of Landlord and Project Management services, along with budget, currently undertaken within the Council to a new Corporate Landlord service provided by LWMTS Ltd, subject to a suitable service level agreement.

2. Statement of Reasons:

The Being a Better Council (BABC) Programme identifies opportunities to improve outputs for services and create freedom and flexibility over how those services are provided through maximising the opportunity alternative delivery models – Local Authority Traded Companies (LATCos) offer.

Through the BABC Programme work has been undertaken to identify initial “quick win” opportunities which can be delivered as a first step in this trading undertaking and through a repurposed Lichfield Housing Company.

This paper introduces proposals for those first activities to be transferred to and provided by our trading entity, which has been renamed Lichfield West Midlands Traded Services Ltd (LWMTS) for that purpose.

Whilst LWMTS Ltd delivers these initial activities in 2022/23, subject to Cabinet's approval to transfer the elements proposed, further feasibility work will be undertaken to explore the transfer of further services – either to LWMTS Ltd or to another appropriate trading structure – based on an assessment of service need and strategic fit.

3. Any Alternative Options:

Not to trade the activities identified. The BABC has identified the use of our traded entity only where doing so would provide the freedom and flexibility for us to improve outcomes and generate an income (dividend) back to the council. The three areas of activity identified achieve these outputs where retaining them in the council cannot.

(Simon Fletcher (Chief Executive) declared an interest in this item as a Director of LWMTS Ltd).

(Cllr Eadie declared an interest in this item, as a Director of LWMTS Ltd, prior to the meeting and was not present during the consideration of this matter)

