

The Cabinet

1st June, 2016 at 3.30 pm
at the Sandwell Council House, Oldbury

Present: Councillor Eling (Chair);
Councillors Carmichael, Gill, Hackett, D Hosell,
Khatun, Marshall, Shackleton and Trow.

Apologies: Councillor Moore;
Councillor P Hughes.

In attendance: Councillors Ahmed, Gavan, S Jones, Sandars and
Underhill.

Strategic Items

88/16

Council Financial Outturn - 2015/2016 (Key Decision Ref. No. FR057)

The Leader of the Council presented details of the Council-wide financial outturn for the 2015/16 financial year.

The Council's multi-year approach to budget planning provided the flexibility to manage budgets across a four year period which had allowed services to deliver savings of £23.198m in 2015/16, many of which had been delivered earlier than anticipated and, as a consequence, had generated surpluses in 2015/16.

The Council had achieved a surplus against general fund target budgets of £11.059m, together with a public health surplus of £2.017m and a surplus against central items of £4.150m.

Unallocated contingency budgets totalled £2.451m and net interest and dividend receipts were £7.101m. Details of how the surpluses had arisen were submitted.

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Services had requested to carry forward surpluses of £11.429m for planned schemes and expenditure.

The outturn for the Council's capital programme for 2015/16 was £92.607m, a surplus of £15.408m over the previous projection. The impact of the re-profiling on individual schemes would be reported as part of the 2016/17 quarterly budget monitoring.

Subject to approval being given to the carry forward of funds, the Council's free revenue balances would be £12.140m which equated to 4.87% of the Council's net expenditure for 2016/17.

The Council's in-year collection rates continued to remain high at 98.5% for Council Tax, 96.8% for Non-Domestic Rates and 84.9% for general debtors. Housing rent income was £97.03%.

The severity of the budget reductions facing Local Government following the recent four-year funding settlement for 2016/17 to 2019/20 relating to the decline in public expenditure levels over the foreseeable future would mean that the Council would continue to be faced with significant budgetary pressures in the medium term.

The ongoing impact of the current economic climate, in particular the outcome of the pension fund actuarial valuation and the national living wage with the associated impact on third party contracts, would continue to place potential future pressures and risks upon Council resources.

The Leader advised that overall the budget process was working well and that all the services that the Council had set out to deliver were financially safe. He congratulated services on their success in generating surpluses which the Council would now be able to re-invest in other essential services.

Resolved:-

- (1) that the proposals arising from the 2015/16 directorate outturn reports for each service area, as now presented, be referred to the Budget and Corporate Scrutiny Board for consideration;

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- (2) that following consideration by the Budget and Corporate Scrutiny Board under (1) above, a further report be submitted to Cabinet on the proposals arising from revenue and capital service outturns 2015/16;
- (3) that the carry forward of surpluses additional to those approved at period 9, as set out below, be approved:-

General Fund Services Additional Carry Forwards	Total C/Fwd	C/Fwd 2016/17	C/Fwd 2017/18
	£m	£m	£m
Corporate Management	0.053	0.053	0
Assistant Chief Executive	0.927	0.927	0
Adult Social Care	1.615	0	1.615
Children's Services	1.070	0.726	0.344
Regeneration and Economy	0.283	0.010	0.273
Neighbourhoods	0.734	0.609	0.125
Public Health	0.437	0	0.437
Regulatory Services	0.128	0.128	0
Total Additional Carry Forward	5.247	2.453	2.794

Central Items	Total C/Fwd	C/Fwd 2016/17	C/Fwd 2017/18
	£m	£m	£m
Regeneration and Economy • The Sandwell Guarantee	0.116	0.116	0
Assistant Chief Executive • Pensions Past Service Costs	0.035	0	0.035
• Coroners Premise Relocation	0.032	0.032	0
Total Additional Carry Forward	0.183	0.148	0.035

89/16

Statement of Community Involvement – Approval to Adopt (Key Decision Ref. No.REI1025)

The Leader of the Council, on behalf of the Cabinet Member for Regeneration and Economic Investment, sought approval to adopt the revised Statement of Community Involvement.

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The document set out how the Council would involve communities in the planning decision making process and had been revised so that it remained relevant and reflected changes in planning policy and technological advances.

A consultation exercise had been undertaken on the document and no representations were received during this period.

It was proposed that the Director - Regeneration and Economy review and make any minor changes to the document, in consultation with the Cabinet Member for Regeneration and Economic Investment, as required.

An equality impact assessment was not required for this proposal.

Resolved:-

- (1) that the Statement of Community Involvement 2016 be approved and adopted;
- (2) that the Director - Regeneration and Economy be authorised to make any minor changes to the Statement of Community Involvement Strategy, as necessary, in consultation with the Cabinet Member for Regeneration and Economic Investment.

90/16

Childcare Sufficiency Report 2016-2017 (Key Decision Ref. No. CS066)

The Cabinet Member for Children's Services reported that the Childcare Act 2006 enabled local authorities to shape the market for childcare support in their area. Working with providers from the private, voluntary, independent and maintained sectors, the local authority aimed to create a strong, sustainable and diverse market for childcare support that met the needs of parents and, in particular, sufficient, sustainable and flexible childcare that was responsive to parents' needs.

In addition, the Children and Families Act 2014 stated that local authorities should report annually on how they were meeting their duty to secure sufficient childcare, and make this report available and accessible to parents.

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Consideration was now given to Sandwell's Childcare Sufficiency Report 2016-2017. In order to ensure that sufficient childcare places were available, a detailed and comprehensive action plan would be developed to address the recommendations arising from the findings of the report.

An equality impact assessment was not required for this proposal.

Resolved:-

- (1) that the Sandwell Childcare Sufficiency Report 2016-2017 be endorsed;
- (2) that in connection with resolution (1) above, the Director – Children and Families develop and implement a Childcare Strategic Action Plan for 2016/17 to be monitored based on the recommendations of the Childcare Sufficiency Report in order to meet the Council's obligations under the Childcare Act, 2006.

91/16

Re - design of Sandwell Drug and Alcohol Services (Key Decision Ref. No. ASCH031)

The Cabinet Member for Public Health and Protection reported that adult drug and alcohol services were currently commissioned by the Council in order to provide support for those people with an alcohol or drug problem including treatment and recovery support for those completing treatment. A criminal interventions service was also commissioned within the Sandwell custody suite.

These services were provided through three contracts with two main providers, at Alberta Building, Smethwick. Whilst the services were operating well through co-location, it was proposed that there may be scope to maximise synergies across the services through greater integration. This would bring opportunities to develop an enhanced service model with improved care pathways, as well as ensuring greater efficiency and value for money. It was therefore proposed to undertake a service review and to consider options for a service re-design, which would be the subject of a future report.

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To provide maximum flexibility to progress the outcome of the review, it was proposed that the Council aligned the current contract end dates to January 2018.

The current service contracts for both the Adult Drug and Alcohol treatment and recovery services had provision for extensions, however, the contract for criminal justice interventions did not have provision for a further extension. The service was currently funded by the West Midlands Police and Crime Commissioner via the Safer Sandwell Local Police and Crime Board and would include contributions from Dudley and Walsall Councils. A variation to the adult drug service contract would be made subject to confirmation of funding. The service would be delivered by Cranstoun under the contract for the adult drug service for ten months to 31st January 2018 to align with the end date with the main drug and alcohol contracts. The value of this additional service provision included potential continued contributions from Dudley and Walsall Councils. The value of the additional service would only be in line with confirmed funds.

Resolved:-

- (1) that the Director – Public Health, in consultation with Director – Governance, extend the existing service contracts with Cranstoun for Adult Drug Treatment and Recovery Services for a twelve month period, from 1st February 2017 to 31st January 2018 with a maximum value of £2,459,100;
- (2) that the Director – Public Health, in consultation with the Director – Governance, extend the existing service contract with Swanswell Charitable Trust for Adult Alcohol Treatment and Recovery Services for two months from 30th November 2017 to 31st January 2018 with a maximum value of £187,538;
- (3) that, subject to confirmation of funding, the Director – Governance, in consultation with Director - Public Health, enter into a variation agreement to vary the existing contract with Cranstoun for Adult Drug Treatment Services to incorporate the Criminal Justice Interventions service for ten months from 1st April 2017 to 31st January 2018 with a maximum value of £192,800;

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- (4) that, in connection with resolution (1), (2) and (3) above, any necessary exemptions be approved to the Council's Procurement and Contract Procedure Rules to enable the proposed actions to proceed;
- (5) that the Director – Public Health undertake a service review on Drug and Alcohol Services and, in the event of a redesign, a future report be submitted to the Cabinet.

92/16

Exclusion of the Public

Resolved that the public and press be excluded from the rest of the proceedings to avoid the possible disclosure of exempt information under Schedule 12A to the Local Government Act 1972, as amended by the Local Government (Access to Information) (Variation) Order 2006, relating to the financial or business affairs of any particular person (including the authority holding that information).

Strategic Items

93/16

Funding to achieve a Final Business Case for the Council to develop a Health Centre in Wednesbury (Key Decision Ref. No. FR042)

The Leader of the Council referred to the long history of the National Health Service (NHS) wanting to build a new health centre on an identified Council-owned site at King Street, Wednesbury and the ongoing delays that had been endured.

A report to the former Asset Management and Land Disposal Committee in September 2014 advised members that the NHS were committed to a new health centre in Wednesbury and that they had committed a project management resource to move forward the project. The decision of the former Asset Management and Land Disposal Committee confirmed the allocation of the site for a health centre and recommended a further update report (Minute No. 21/14 refers).

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To progress the development, the Sandwell and North West Birmingham Clinical Commissioning Group (CCG) had enquired if the Council would be prepared to become the developer of the Wednesbury health centre. This would mean that the Council would facilitate the design of a health centre, procure the building of the health centre and then provide the facilities management of the centre for the duration of the lease.

The Council had responded positively and agreed to explore the feasibility of developing a health centre to outline and later final business case stage. A budget requirement of £315,000 had been identified to reach final business case which would be underwritten by the CCG, although the Council would incur the expenditure in the first instance, which would be met by the Corporate Landlord Budget.

Should the viability of a Council development of a health centre be proven at final business case then the £315,000 cost would be recouped by the Council during the lifetime of the contract with the CCG. Should the Council and the CCG decide at final business case stage not to proceed, the Council would be refunded the cost in full.

In the event that the Council decided not to proceed with the development of a health centre prior to completion of the final business case, the Council would be expected to refund to the CCG any expenditure to that point. This was a risk to the Council as was the risk of any budget overrun at outline and final business case stage.

Should a viable business case be demonstrated, members considered that a new health centre would be a social benefit to the residents of Wednesbury as well as the potential of offering a commercial economic opportunity for the Council. Sandwell would be at the lead of innovative good practice between local authorities and the NHS.

Once the final business case had been developed, a further report would be presented to Cabinet for decision on whether or not to proceed with the proposal.

An equality impact assessment had been completed and no issues of concern had been identified.

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Resolved:-

- (1) that the Assistant Chief Executive, in consultation with the Director – Governance, enter into or execute under seal or, where necessary, any legal documentation in connection with obtaining funding from the Sandwell and North West Birmingham Clinical Commissioning Group to achieve a final business case for the Council to develop a health centre in Wednesbury;
- (2) that, in connection with resolution (1) above, irrespective of the final business case, the Council be authorised to act as developer of the King Street site in Wednesbury and for the site to be disposed of to the National Health Service on terms and conditions to be agreed by the Director – Regeneration and Economy;
- (3) that, in connection with resolution (1) above, the initial budget requirements of up to £315,000 be met from the Corporate Landlord Budget in order to meet the requirements of a final business case;
- (4) that subject to resolution (1), (2) and (3) above, a further report be submitted to Cabinet on the outcome of the final business case for delivering a health centre at King Street Site, Wednesbury.

94/16

Participation in a Framework Agreement for Highways Surfacing and Associated Works (Key Decision Ref. No. HE039)

The Cabinet Member for Highways and Environment sought approval to participate in a Framework Agreement for the provision of highways surfacing and associated works with the Metropolitan Borough of Dudley and the City Council of Wolverhampton. Walsall Metropolitan Borough Council would also have the opportunity to use the contract.

The Framework Agreement aimed to achieve better quality at lower costs by utilising shared resources with agreed best practice procurement and project management principles.

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The participants would be able to achieve reduced costs and remove waste and duplication.

The agreement was for the delivery of carriageway surfacing and associated works (highway drainage, kerbing and pavement works) and was for an initial three year period, with an option to extend for an additional twelve months. Whilst the agreement commenced on the 1st May 2016, the Council was seeking to use it from 1st July 2016.

Resolved:-

- (1) that the Director – Regeneration and Economy be authorised to participate in a joint Framework Agreement for the provision of Highways Surfacing and Associated Works with the Metropolitan Borough of Dudley and the City Council of Wolverhampton for the period 1st July 2016 to 31st May 2019, with an option to extend for an additional twelve months until 31st May 2020, subject to satisfactory performance;
- (2) that the Director – Governance be authorised to execute any documents necessary to give effect to resolution (1) above.

95/16

Recommendations arising from Land and Asset Management Committee at its meeting on 12 May 2016 (Key Decision Ref. Nos. LAM016 and LAM017)

The Chair of the Land and Asset Management Committee notified the Cabinet that at its meeting held on 12th May, 2016 the Committee had deferred the following matters for further reports:-

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- proposal to dispose of land at Kelvin Way, West Bromwich;
- proposal to dispose of the freehold interest of the site of the former Crocketts Lane Primary School, Smethwick.

(Meeting ended at 3.58 pm)

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