

The Cabinet

**13th June, 2018 at 3.30 pm
at the Sandwell Council House, Oldbury**

Present: Councillor Eling (Chair);
Councillors Carmichael, Costigan, Gavan,
Hackett, D Hosell, Khatun, Moore, Shackleton and
Trow.

Apology: Councillor E M Giles.

In attendance: Councillors Ahmed, Downing, Hickey, P Hughes,
Singh and Underhill.

84/18 **Minutes**

Resolved that the minutes of the meeting held on 16th May, 2018 be confirmed as a correct record.

Strategic Items

85/18 **Financial Outturn 2017/2018 (Key Decision Ref. No. SMBC05/05/2018)**

The Leader of the Council presented details of the Council-wide financial outturn for the 2017/2018 financial year.

It was reported that the Council's net general fund balance increased by £4.061 million in 2017/18.

The majority of services across the authority had ended the year in surplus. Adult Services and Health, Neighbourhoods and Resources were carrying forward combined surpluses of £17.257 million to future years. This demonstrated the continued success of the Council's multi-year budget planning process and was a key part of the overall strategy of protecting front-line services for the people of Sandwell.

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However, in common with many other councils, Sandwell had experienced an unprecedented increase in demand for Children's Social Care services that had resulted in a deficit of £9.070 million. This deficit would be met from revenue balances, some of which were earmarked for this specific purpose at the start of the year.

The Council had a number of budgets that were held centrally. These central items ended the year in a surplus of £8.056m which would be returned to balances.

It was reported that the Council terminated the contracts of a number of employees in 2017/18 to meet the ongoing challenges of the difficult economic climate and budget reductions. In total, 131 employees left the Council's employment during the year, incurring liabilities of £5.597m. This included a provision created in 2016/17 of £4.105m for 32 employees approved as planned leavers as at 31st March 2017; £3.688m of this provision was utilised in 2017/18. Costs of £1.909m had been met from the Council's available resources which included £0.213m for the creation of a provision where costs remained outstanding but relating to employees leaving in 2017/18 and expected to be incurred in 2018/19.

There were also agreements in place for a further 35 employees to leave the Council during 2018/19 at an estimated cost of £1.940m. A provision had therefore been made for future and outstanding termination benefit costs which were expected to be incurred in 2018/19.

Capital expenditure of £84 million was incurred during the year as follows:-

- £46 million was spent in the Housing Revenue Account, including over £16 million on investment in new housing stock, including Brindley 2, Carisbrooke Road and the new extra care housing facility at Oxford Road;
- £17.5 million was spent in Children's Services, including almost £12 million on delivering additional school places and £200k invested in residential education centres;
- Almost £16 million was spent in Neighbourhoods, including £7.6 million of investment in roads; £1.2 million refurbishing our office accommodation, including the new Sandwell Children's Trust headquarters; £450k was invested in our parks and historic buildings; and £3 million in the acquisition of new fleet vehicles;

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- £1.375 million was spent in Resources on ICT investment;
- £3 million was spent in Adult Social Care, including £2.3 million on Disabled Facilities grants and £500k on the new social care system.

The Council ended the year with a General Fund Balance of £75.2 million. This included £24.9 million of surpluses that were being carried forward to invest in front-line service and £36.1 million that had been earmarked for specific purposes. Free balances was £11.2 million, which equated to 4.78% of net general fund expenditure, and was in line with Council policy of maintaining free balances of between 3.00-5.00% of net general fund expenditure.

The Council continued to perform outstandingly in its Council Tax revenue collection, with a collection rate of 98.53% for 2017/18. This was an improvement on the already excellent rate of 98.3% achieved in 2016/17.

The Council's in year collection rate for Non-Domestic Rates was 98.89% which represented a significant increase when compared to 2016/17 collection rate of 96.4%.

The collection rate for general debtors was 73% for 2017/18 compared to 76% in the previous year – a reduction that was largely due to delays in payments by schools. The average number of days to receive payment from customers had remained stable at 80 days. The proportion of debt greater than 90 days old had also remained stable at 42%. Housing rent income due was £119.74m in 2016/17 of which 96.52% had been collected by 31st March 2018, compared to 97.04% in 2016/17.

Resolved:-

- (1) that the proposals arising from the 2017/18 directorate outturn reports for each service area, schools outturn, Housing Revenue Account, the Council's capital outturn, Treasury Management outturn and key performance indicators be referred to the Budget and Corporate Scrutiny Management Board for consideration;
- (2) that the surpluses additional to those approved at period 9, be carried forward as follows:-

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Service	Total £m	18-19 £m	19-20 £m	20-21 £m
Resources	0.950	0.950	0.000	0.000
Adult Social Care	2.150	0.000	0.000	2.150
Public Health	1.080	0.000	0.000	1.080
Children's Services	0.179	0.179	0.000	0.000
Regeneration & Growth	0.479	0.479	0.000	0.000
Housing & Communities	0.316	0.133	0.183	0.000
Total	5.154	1.741	0.183	3.230

86/18

A4123 Birchley Island/M5 Junction 2 Improvement, Oldbury (Key Decision Ref. No. SMBC12/01/2018)

The Cabinet Member for Highways and Environment and the Cabinet Member for Regeneration and Economic Investment sought approval to submit a Major Scheme Business Case to the Black Country Local Enterprise Partnership (BCLEP) and the West Midlands Combined Authority (WMCA) in respect of the proposed improvement at Birchley Island/M5 Junction 2.

Approval was also sought for the making and submitting of Compulsory Purchase (CPO) and Side Roads (SRO) Orders to the Secretary of State for Transport in order to secure the statutory powers needed to enable the scheme to be constructed subject to the confirmation of funding by the BCLEP and the WMCA.

It was reported that the linked roundabouts at Birchley Island on the A4123 and Junction 2 of the M5 Motorway formed an important node on the principal road network of Sandwell, the Black Country and the wider West Midlands metropolitan area. The junctions provided access to the national motorway network for the south west of the Black Country and the west of Birmingham.

As part of the process for adopting the Black Country Core Strategy (BCCS), the Highways Agency (now Highways England) requested that proposals to improve Junctions 1 and 2 of the M5, and junctions 9 and 10 of the M6 be prioritised in order for the plan to be considered 'sound'. This was accepted by the four local authorities at the Examination in Public (EIP) in July 2010. As such, the improvement at Birchley Island/Junction 2 was a vital element of the strategy for Regeneration Corridors 12 and 13 of the BCCS.

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Without the proposed improvement, the growth envisaged in these corridors could not be sustained. This position was strengthened further at the EIP for the Sandwell Site Allocations & Delivery Plan and the West Bromwich Area Action Plan in February 2012.

The junction complex suffered from significant levels of congestion, not only at peak hours but throughout the day. This impacted on the competitiveness of local businesses, and the reliability of bus services which used both the A4034 and A4123.

Birchley Island lied at the intersection of two routes on the Sandwell Cycle Network along the A4123 and A4034. The junction represented a significant barrier to pedestrian movement and the passage of cyclists. There were no controlled pedestrian crossing facilities immediately at the junction nor were there any measures to accommodate cycle movements. As such, it was a priority for sustainable transport initiatives involving the reduction of congestion, reduced carbon emissions, reduction of bus journey times and improvements for cycling/walking. The junction also suffered from a poor accident record. There were 32 injury accidents at the junction in the five years to 1st April 2017.

The proposed scheme involved the widening of all approaches to the junction along with provision of through lane along the line of the A4123 to create a 'hamburger' type junction with traffic signals at all key intersections. Controlled pedestrian crossings and dedicated cycle routes would be incorporated into the design. This would achieve the following aims:

- reduce delays and congestion - this would have a positive impact on Black Country businesses whose goods were transported through this junction onto the regional and national networks. It would support growth and increase regeneration opportunities;
- improve bus service reliability - this would assist in improving the attractiveness of buses and contribute to modal shift;
- reduce severance and improve pedestrian and cycle links - safer and more convenient links would reduce the severance effect of the junction and its approaches;
- improve road safety - improved junction control, lane markings and pedestrian/cycle facilities would reduce the potential for accidents.

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The Chair of the Budget and Corporate Scrutiny Management Board, the Chair of the Economy, Skills, Transport and Environment Scrutiny Board and the Vice-Chair of the Health and Adult Social Care Scrutiny Board sought clarification on whether:-

- whether the Compulsory Purchase Order / Side Roads Order process had commenced or would commence in Spring 2019;
- whether the completion date was now 2021;
- how many jobs were expected to be created for the construction;
- whether residents were best placed to benefit from the investment, bearing in mind the concerns about an impending construction skills gap;
- there was any controversy in relation to the current make up of the land marked for Compulsory Purchase Order (CPO).

In response, the Cabinet Member for Regeneration and Economic Investment confirmed that:-

- the timeframe for making the Orders was 2018. It was acknowledged that the scheme was slightly behind schedule however, in order to mitigate this, some preparatory work on the COP/SRO had already taken place. Formal process would not begin until approval had been received by Cabinet;
- the ultimate completion date was anticipated for late 2022/early 2023, therefore the BCLEP funding would be utilised first then the Council's and West Midlands Combined Authority funding;
- it was not yet known as to how many jobs the construction would create as a contractor had not been appointed, however, it was anticipated that between 150/200 jobs would be created;
- social value and community benefit clauses inserted into the procurement process would ensure residents had access to jobs created as part of the development;
- all the CPO land was either landscaping or verges, no operational land or buildings were involved therefore it was not anticipated that any of the plots would prove to be controversial or unduly problematic. However, it was not uncommon for land owners who were affected by the SRO to object to the CPO. Therefore a working assumption was made that a Public Inquiry would be required and the scheme programme reflected this.

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Resolved:-

- (1) that the submission of the A4123 Birchley Island/M5 Junction 2 Improvement Major Scheme Business Case to the Black Country Local Enterprise Partnership and West Midlands Combined Authority and acceptance of funding be approved subject to a full Strategic Investment Unit appraisal being undertaken and approved by Cabinet;
- (2) that the use of the Council's Compulsory Purchase powers to acquire land and property required for the scheme at A4123 Birchley Island/M5 Junction 2, be approved;
- (3) that the Director – Monitoring Officer make the Borough Council of Sandwell (A4123 Birchley Island/M5 Junction 2 Improvement, Oldbury) Compulsory Purchase Order in respect of the land needed for highway improvement purposes shown shaded pink and blue on drawing No. P 60479226/SK/78 and more particularly, marked "Map referred to in Borough Council of Sandwell (A4123 Birchley Island/M5 Junction 2 Improvement, Oldbury) Compulsory Purchase Order" or such lesser land as may be deemed necessary under the powers contained in sections 239, 240 and 250 of the Highways Act 1980 subject to the conclusion of an agreement with Highways England under section 6 (1) of the Highways Act 1980;
- (4) that the Director – Regeneration and Growth make minor amendments to the Borough Council of Sandwell (A4123 Birchley Island/M5 Junction 2 Improvement, Oldbury) Compulsory Purchase Order and the "Map referred to in Borough Council of Sandwell (A4123 Birchley Island/M5 Junction 2 Improvement, Oldbury) Compulsory Purchase Order" prior to it being made and submitted for confirmation;
- (5) that the Director – Monitoring Officer affix the common seal of the Council and serve the necessary notices and documentation as required by the Highways Act 1980 and Acquisition of Land Act 1981 and submit the Compulsory Purchase Order to the Secretary of State for Transport for confirmation;

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- (6) that in the event the Compulsory Purchase Order is unopposed and granted powers to do so by the Secretary of State for Transport, the Director – Monitoring Officer confirm the above order and serve all necessary notices to implement the Compulsory Purchase Order including the issuing of sheriff warrants;
- (7) that the Director – Regeneration and Growth enter into negotiations and to acquire land and property within the proposed Order lands, in advance of confirmation of the Compulsory Purchase Order by the Secretary of State subject to the availability of finances;
- (8) that the Director – Monitoring Officer enter into any licences, undertaking or other agreements to facilitate the Compulsory Purchase Order on terms to be agreed by the Director – Regeneration and Growth;
- (9) that the Director – Monitoring Officer make the Borough Council of Sandwell (A4123 Classified Road) (Side Roads) Order as shown on Drawing No. P 60479226/SK/75 (attached) under the powers contained in sections 14 and 125 of the Highways Act 1980;
- (10) that the Director – Regeneration and Growth make minor amendments to the Borough Council of Sandwell (A4123 Classified Road) (Side Roads) Order prior to it being submitted for confirmation;
- (11) that the Director – Monitoring Officer affix the common seal of the Council, and serve the necessary notices in accordance with the provisions of Schedule 1 of the Highways Act 1980 and submit the Sides Road Order to the Secretary of State for Transport for confirmation;

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- (12) that the Director – Monitoring Officer take all necessary action to secure the making, confirmation and implementation of the Compulsory Purchase Order and Side Roads Order and if objections are received to the Compulsory Purchase Order and Side Roads Order, make arrangements for public inquiries including instructing external Counsel and Consultants to assist in the preparing evidence and the presentation of the Council's case at any public inquiry;
- (13) that in the event that the Compulsory Purchase Order and Side Roads Order is confirmed by the Secretary of State for Transport, the Director – Monitoring Officer serve all necessary notices to implement the powers of compulsory acquisition, including be authorised to make General Vesting Declarations, notices to treat and notices of entry to take all other requisite steps to obtain possession of the properties and to obtain a Sheriff's Warrant for possession of any lands where it has not been given;
- (14) that the Director – Monitoring Officer acquire the necessary interests in the land and property included in the confirmed Compulsory Purchase Order on terms to be agreed by the Director – Regeneration and Growth or as ordered by the Lands Tribunal;
- (15) that allocation of up to £2.82m as a local contribution from Council Capital in order to facilitate BCLEP and WMCA approval of 90% of the scheme cost, be approved.

87/18

ICT Strategy 2018 – 2021 (Key Decision Ref. No. SMBC07/04/2018)

The Cabinet Member for Culture and Core Council Services sought approval for the Council's ICT Strategy 2018 to 2021.

It was reported that the Council's last ICT Strategy was approved by the former Cabinet Member for Strategic Resources on 27th February 2014 (see Decision No. 19/14). This version had now reached a point where an update was due and a new strategy was required to outline a vision, direction of travel and set of principles for the next three years.

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This strategy had been developed on the strong foundation of work which had been undertaken over the last three years and ensured the Council continued to make significant and effective improvements going forward.

The ICT vision was defined as “To provide modern flexible ICT services that supports and enables every employee to contribute to the delivery of the Council’s Vision 2030 and ambitions”.

The strategy was not focussed on technology. Rather, it had been developed to define an overall sense of direction and a set of principles which would be used to make financial investment decisions and define the future technology roadmap and architecture.

Further work would continue to define the specific details of what technology would require investment over the forthcoming years to ensure the objectives of the strategy could be delivered.

The Chair of the Budget and Corporate Scrutiny Management Board, the Chair of the Children’s Services and Education Scrutiny Board and the Chair of the Safer Neighbourhoods and Active Communities Scrutiny Board sought clarification on whether:-

- a Crime and Disorder and Risk Assessment should have been conducted in relation to Principle 7 (Security and Risk Management);
- the strategy referred to the Children’s Trust;
- the ICT Strategy should seek to address issues relating to citizens not having access to ICT or lack of ICT skills.

In response, the Cabinet Member for Culture and Core Council Services confirmed that:-

- security and risk management cut across all elements of the ICT Strategy. A cyber security gap analysis was currently being undertaken and the resulting actions would be included in the action plan which would support the delivery of the strategy;
- the strategy referred to the Children’s Trust as well as other service areas;

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- a new Digital Transformation Strategy was being developed for the Council which included outcomes for Digital Inclusion, which aimed to support citizens, employees and businesses to work effectively online.

Resolved that the Council's ICT Strategy 2018 to 2021, as now submitted, be approved.

Business Item

77/18

Decisions of the Cabinet Member for Highways and Environment taken on 8th May 2018

The decisions of the Cabinet Member for Highways and Environment taken on 8th May 2018 were received.

(Meeting ended at 3.54 pm)

Contact Officer: Amarjit Sahota Democratic Services Unit 0121 569 3188
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