

## BIRMINGHAM CITY COUNCIL

# SUSTAINABILITY AND TRANSPORT O&S COMMITTEE

1400 hours on 8<sup>th</sup> February 2024, Committee Rooms 3&4, Council House

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**Present:**

Councillor Lee Marsham (Chair)

Councillors David Barker, Colin Green, Timothy Huxtable and Waseem Zaffar

**Also Present:**

Luke Keen, Networks Highway Manager

Judy Johnson, Procurement Manager (Commercial)

Amelia Wiltshire, Overview & Scrutiny Manager

Baseema Begum, Scrutiny Officer

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**1. NOTICE OF RECORDING/WEBCAST**

The Chair advised those present that the meeting would be webcast for live and subsequent broadcast and that Members of the press/public may record and take photographs except where there are confidential or exempt items.

**2. APOLOGIES**

Apologies were received from Councillors Akhlaq Ahmed and Richard Parkin.

**3. DECLARATIONS OF INTERESTS**

There were no declarations of interests submitted.

**4. MINUTES**

**RESOLVED:** That the Public Minutes of the meeting held on 21<sup>st</sup> December 2023 be approved as a correct record and signed by the Chair.

**RESOLVED:** That the Private Minutes of the meeting held on 21<sup>st</sup> December 2023 be approved as a correct record and signed by the Chair.

**5. SUSTAINABILITY AND TRANSPORT OVERVIEW AND SCRUTINY COMMITTEE ACTION TRACKER**

**RESOLVED:** That the action tracker be noted.

**6. COMMISSIONER'S REVIEW AND COMMENTS ON THE AGENDA**

**RESOLVED:** It was noted that no comments had been received.

**7. HIGHWAYS MANAGEMENT AND MAINTENANCE SERVICES PFI**

Luke Keen, Highways Network Manager and Judy Johnson, Procurement Manager (Commercial) were in attendance for this item.

The Highways Network Manager gave an overview of the current position and explained that the current contract in place has been extended for a 2-month period whilst the Council is in discussion with the Department for Transport (DfT). For clarification the DfT confirmed that the Council will continue to receive PFI credits until 31<sup>st</sup> March 2024.

The Procurement Manager (Commercial) confirmed that the Council had sought a Judicial Review and a hearing is expected to take place in March. There was no further information available on when a judgement could be expected. The Council was working on contingency arrangements to ensure that there is service continuity.

Members then held a discussion, and the following were among the points made: -

- If the PFI was discontinued the Council would receive the same amount of funding (approximately £50.1m) for highways maintenance for the period April 2024 - March 2025 from government. The understanding was that it would be administered by West Midlands Combined Authority (WMCA) in a similar way to how other Councils in the region receive funding for highways maintenance through the City Region Sustainable Transport Settlement (CRSTS). However further conversation would be needed with the government on how this would work when allocated. Conversations are also taking place with officers at the WMCA.
- Concerns were raised on the possibility of cuts made to the Council's own funding budget for highways maintenance and the negative impact of this on both PFI and non-PFI highway related schemes in future financial years. The Chair felt that there was scope for the Committee to consider the impact and risks once the budget proposals have been approved. The Committee will also be considering these in further detail as part of the budget savings items scheduled for upcoming meetings.
- Officers confirmed that all scenarios were being carefully considered however what could be delivered would depend on the amount of funding received.
- The state of the highway network and the need for investment was noted. It was highlighted that the road network is significantly different to when the PFI contract was originally procured, and the Council needs to ensure that the

conversation with current and future contractors is focussed on ensuring safety.

- The Procurement Manager (Commercial) explained that the current contract with Kier has been extended to 31<sup>st</sup> May on the same terms. Kier were in regular dialogue and very supportive of the Council including recognition of its financial position.
- It was confirmed that the current contract with Kier could only be extended twice with the second extension, if required, until 31<sup>st</sup> July.
- The Council's requires best value in any new contract negotiations and further advice would be sought from Procurement once funding has been approved.

**RESOLVED: -**

1. That the report be noted.
2. That the Chair writes to the Chief Executive to request that a copy of the letter received by the Council from the DfT is shared with the Committee once it is legally able to do so.

**8. WORK PROGRAMME**

The Chair outlined that the work programme and the Road Safety Inquiry Terms of Reference had been reframed in line with the Improvement and Recovery plan to ensure that the Council was supporting the work on financial recovery and resilience.

The Chair added that the Active Travel Inquiry was being finalised with a discussion planned in March.

The Council's budget will be discussed at Full Council in early March. The Chair was of the view that it may be helpful to change the date of the Committee's meeting scheduled for the 7<sup>th</sup> to later in the month to allow for a full discussion and ensure that papers were available for the meeting.

In April the Committee will consider the budget and financial recovery further. The work of the Customer Services relating to Highways is also scheduled.

The Annual Flood Risk Management report will be received in May. The Committee will also continue its work on monitoring budget savings and the impact on services.

The Chair requested that where possible, when using a larger room layout Member seating arrangements be changed.

**RESOLVED: -**

1. That the report be noted.
2. That further details for the May meeting are confirmed and shared with Members.

**9. DATE OF NEXT MEETING**

It was noted that the next meeting of the Sustainability & Transport Overview and Scrutiny Committee is scheduled for 7th March 2024. However, it was highlighted that

this was subject to change to allow Members to hold a full discussion on the budget and financial recovery issues.

**RESOLVED:** -

1. That scrutiny officers check availability of other dates for the March meeting.

**10. REQUEST(S) FOR CALL IN/COUNCILLOR CALL FOR ACTION/PETITIONS (IF ANY)**

There were no requests for Call In received.

**11. OTHER URGENT BUSINESS**

Cllr Green asked for an update on the report into illegal dropped kerbs that the Committee were due to receive. The Chair explained that this would be incorporated into the work of the Road Safety Inquiry.

**RESOLVED:** -

1. That the Chair would write to the Assistant Director for Highways and Infrastructure to ascertain why the 3 month rolling highways programme spreadsheet on the Council website had not been updated recently, when it would be rectified and if it would continue to be updated publicly in the future.

**12. AUTHORITY TO CHAIR AND OFFICERS**

**RESOLVED:** -

That in an urgent situation between meetings the Chair, jointly with the relevant Chief Officer, has authority to act on behalf of the Committee.

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The meeting ended at 14:37 hours.