



## **Urban Environment Scrutiny Committee**

**Monday 30<sup>th</sup> March, 2015 at 6.00pm**

**In Committee Room 2 at the Council House, Priory Road, Dudley**

### **Agenda - Public Session**

**(Meeting open to the public and press)**

1. Apologies for absence.
2. To report the appointment of any substitute members serving for this meeting of the Committee.
3. To receive any declarations of interest under the Members' Code of Conduct.
4. To confirm and sign the minutes of the meeting on 29<sup>th</sup> January, 2015 as a correct record.
5. Public Forum
6. Inward Investment in Dudley Borough and the Black Country (Pages 1 - 4)
7. To consider any questions from Members to the Chair where two clear days notice has been given to the Strategic Director (Resources and Transformation) (Council Procedure Rule 11.8)

A handwritten signature in black ink, appearing to be "P. J. H.", is written over a faint, larger signature that is partially obscured.

**Strategic Director (Resources and Transformation)**

**Dated: 19<sup>th</sup> March, 2015**

**Distribution:****All Members of the Urban Environment Scrutiny Committee**

Councillors S Ali, J Cowell, W Duckworth, A Finch, N Gregory, C Hale, I Kettle, P Miller, R Scott-Dow, E Taylor and D Tyler.

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- Elected Members can submit apologies by contacting the officer named below. The appointment of any Substitute Member(s) should be notified to Democratic Services at least one hour before the meeting starts.
- The Democratic Services contact officer for this meeting is Helen Shepherd, Telephone 01384 815271 or E-mail [helen.shepherd@dudley.gov.uk](mailto:helen.shepherd@dudley.gov.uk)

## **Minutes of the Urban Environment Scrutiny Committee**

**Thursday 29<sup>th</sup> January, 2015 at 6.00 pm**  
**in Committee Room 2 at the Council House, Dudley**

### **Present:**

Councillor D Tyler (Chair)  
Councillor A Finch (Vice Chair)  
Councillors S Ali, J Cowell, P Harley, I Kettle, P Miller, R Scott-Dow and E Taylor.

### **Officers:**

R Sims (Assistant Director, Adult, Community and Housing Services - Housing Strategy and Private Sector), (Lead Officer to the Committee); M Williams (Chief Officer – Environmental Services), G Dean (Head of Street and Green Care), J Scott (Principal Executive Support Officer) (Directorate of Environment, Economy and Housing) and H Shepherd (Democratic Services Officer) (Directorate of Resources and Transformation).

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16      **Mrs Michelle Mottram**

The Chair referred to the death of Mrs Michelle Mottram and the Committee stood in silent tribute as a token of respect to her memory.

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17      **Apologies for Absence**

Apologies for absence from the meeting were submitted on behalf of Councillors W Duckworth, N Gregory and C Hale.

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18      **Appointment of Substitute Member**

It was noted that Councillor P Harley had been appointed as a substitute member for Councillor N Gregory for this meeting of the Committee only.

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19      **Declarations of interest**

No member made a declaration of interest in accordance with the Members' Code of Conduct.

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20      **Minutes**

Resolved

That the minutes of the meeting held on 24<sup>th</sup> November, 2014, be approved as a correct record and signed.

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21      **Public Forum**

No issues were raised under this agenda item.

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22      **Environmental Management Commercial Services**

A report of the Chief Officer – Environmental Services was submitted on the strategic development of commercial services within the Environmental Management Division.

The Chief Officer – Environmental Services gave a detailed presentation expanding on the report at the meeting, making particular reference to:-

- the reasons as to why it was necessary to develop alternative ways of working and income generating commercial services;
- the requirement to establish a Corporate Income Generating Strategy;
- the 'Five Case Model' used for developing business cases;
- the potential commercial opportunities, barriers and existing assets and skills identified during a brainstorming session with managers from the Environmental Management Division.

Following the presentation, the Chair raised questions in relation to the composition of staff employed for both the proposed 'arms length' companies and the Council and as to whether the Tendering process would still be applicable to an 'arms length' company. The Chief Officer (Environmental Services) stated that it would be more practical and transparent to have two separate groups of staff, one group to be employed by the 'arms length' company and the other group employed to carry out the Council's statutory duties, although not essential.

A Member commented positively on the information presented and stated that the scheme was long overdue and a necessity to ensure services continued in the current economic climate. He suggested that any profit made should remain within the Directorate of Environment, Economy and Housing or alternatively put back in to the commercial services.

In response to a question raised, the Chief Officer (Environmental Services) confirmed that a small profit was currently being made from providing services to Schools through Traded Services, however, it was considered that this was a potential area that could be developed.

Concerns were raised by Members in relation to how the proposed services would be promoted to the general public. Although the basis of the proposal was welcomed, it was considered important that the benefits of the establishment of 'arms length' companies were promoted to residents to achieve a positive response.

The Chief Officer (Environmental Services) agreed with the comments made and considered it important for the services to be well thought out and developed before being put into action to reduce unnecessary risk and to look at developing and expanding the successful services provided by the Council.

A Member agreed that this approach was the way forward, but was concerned that the bureaucracy of the authority would prevent the Council from competing competitively with the private sector.

A view was expressed that it was important for any commercial services to have a separate identity than that of the Council to ensure that users were aware it was not a direct public service that was being provided, but a service supported by the Council.

Further concerns were raised by members in relation to the effects that the establishment of 'arms length' companies would have on the current competitive market; what precautions and risks would there be from further companies being established to compete with the Council; would the waiting time for Council's statutory duties be affected and the potential for internal competition for work.

The Chief Officer (Environmental Services) stated that it was anticipated that the same service standard would be set for both statutory duties and commercial services; that statutory services were currently affected by budgetary implications and that additional income streams could be directed to the Council services that were under pressure.

A member commented that 'arms length' companies would only be successful if the services that they provided were different to those provided by the Council and that looking at other Authorities that had previously used 'arms length' companies had since brought those services back in-house.

Further concerns were raised as to whether 'arms length' companies and sub-contractors would provide the same quality of service and different work ethics that would be expected by the Council.

The Chief Officer (Environmental Services) agreed with all the comments that had been made and would incorporate them into the proposal, but considered it was important for the Council to be innovative and to start by establishing commercial services that were low risk to the Council.

In response to a question raised, the Head of Street and Green Care stated that a brochure was provided to all Local Authority Schools and Academies advertising all traded services available, including services provided by the Directorate of Environment, Economy and Housing and that this was an area that could be expanded further.

A Member raised concerns that no benchmarking information with other Authorities had been provided in the report or presentation and that there was no reference to predicted targets or details in relation to what would happen if an 'arms length' company was to default, particularly as the Council would be requested to subsidise the provision.

The Chair acknowledged the concerns raised and stated that that level of detail would be provided at a later stage in the process.

A Member referred to the successful working relationship between the Council and the New Heritage Regeneration Ltd and suggested if a similar way of working could be established in this instance.

The Chair stated that this was a welcomed report with a view to a potential way forward and requested that a meeting of the Urban Environment Scrutiny Committee Working Group be scheduled to discuss the experiences of 'arms length' companies in other authorities.

Resolved

- (i) That the information contained in the report, be noted.
- (ii) That a Working Group meeting be scheduled, inviting all Members of the Scrutiny Committee to attend, but to be followed up with a virtual process for those that are unable to attend, to consider benchmarking information with other Authorities that provide commercial and 'arms-length' services and to include positive and negative practices.

The meeting ended at 7.25pm.

CHAIR

**Directorate of Urban Environment Scrutiny Committee - Monday 30<sup>th</sup> March 2015**

**Report of the Scrutiny Committee Lead Officer**

**Inward Investment in Dudley Borough and the Black Country**

**Purpose of Report**

1. To outline a suite of recommendations for Members to consider for implementation in 2015/16.

**Background**

2. During the course of 2014/15 updates on inward investment activities, at both a local and a regional level, have been presented to the Scrutiny Committee and Working Group, respectively.
3. In line with the Annual Scrutiny Programme (2014/15) the Scrutiny Committee and Working Group have considered the following inward investment activities, namely:-
  - Inward investment enquiry co-ordination and joint working between Black Country local authorities (9<sup>th</sup> July 2014 Scrutiny Committee)
  - Black Country City Deal (1<sup>st</sup> October 2014 Scrutiny Committee)
  - The inward investment activities of Invest Black Country (IBC) and Marketing Birmingham (Accountable Body of the European-funded *Invest in the City Region* project) and the economic impact at local level (joint presentation given to Members at 17<sup>th</sup> December Working Group).
4. In light of the comments raised by members during the scrutiny process the following recommendations are outlined in Table 1 below. The recommendations below draw on comments raised by Members throughout 2014/15.

**Table 1: Inward investment - recommendations for implementation in 2015/16**

Recommendation 1	<p><b>Member awareness of inward investment activities</b></p> <p>To embed updates on current and proposed inward investment activities at both a local and regional level into existing and periodic updates to Members.</p>
Recommendation 2	<p><b>Partnership working with Invest Black Country</b></p> <p>To continue to work closely with Invest Black Country, in line with the Collaboration Agreement, to ensure:</p> <ul style="list-style-type: none"><li>• the Council work closely with UK Trade and Investment (UKTI) to continue to attract inward investment enquiries received at a national level;</li><li>• greater co-ordination of delegation visits to the Borough</li><li>• local development opportunities for prospective investors are promoted by Invest Black Country to a national and international audience;</li><li>• the Borough is promoted as an inward investment location via appropriate social media channels; and</li><li>• the Black Country Bullet website (Dudley MBC-led) is promoted as an inward investment tool to showcase the strengths of the automotive sector within Dudley and the Black Country</li></ul>
Recommendation 3	<p><b>Promoting the Borough to an international audience</b></p> <p>To work closely with the Government's Regeneration Investment Organisation (RIO) and Invest Black Country to better promote the Borough's strengths and development opportunities to prospective international investors.</p> <p>The RIO, launched in November 2013, works on behalf of UK Trade and Investment to:</p> <ul style="list-style-type: none"><li>• identify and assess credible UK regeneration opportunities;</li><li>• promote UK regeneration opportunities at an international level; and</li><li>• support investors and facilitate regeneration investment deals.</li></ul>
Recommendation 4	<p><b>Secure external funding to increase inward investment</b></p> <p>To continue to work closely with the Black Country Local Enterprise Partnership (LEP) and Black Country local authorities to identify external funding opportunities for inward investment and regeneration projects. This will build on the Council's successes to date in securing European funding (via the 2007-2013 Programme), Regional Growth Fund, City Deal and Local Growth Fund to support inward investment activities and wider regeneration developments. Key funding opportunities for 2015/16 include: -</p> <ul style="list-style-type: none"><li>• future rounds of Local Growth Fund (the Council in partnership with Warwick Manufacturing Group has recently secured £4.5m to support the development and delivery of the Very Light Rail project); and</li><li>• the next round of European Funding (up to 2020) – call for new proposals to commence 23<sup>rd</sup> March 2015.</li></ul>



Recommendation 5	<p><b>Capacity within the Economic Development Team</b></p> <p>As requested by Members, resources available to the Economic Development Team are currently being assessed through the budget review process. In addition, the current restructure proposals offer the opportunity to create greater synergies between services and enhance capacity as a result</p>
Recommendation 6	<p><b>Dudley Business Investment Zone</b></p> <p>To work closely with Invest Black Country, Marketing Birmingham, INTU (owners of the Merry Hill Shopping Centre) and local property agents to further market the Waterfront and business rate incentive scheme to encourage take up of vacant office space.</p>
Recommendation 7	<p><b>Point of contact for prospective inward investors</b></p> <p>Dudley Business First to continue to act as the single point of contact for receiving and handling inward investment enquiries.</p> <p>To further enhance the Dudley Business First website by promoting Invest Black Country and undertake further analysis of website users to better understand the residence and sector of users (trial period now live for a period of one month at nil cost).</p>
Recommendation 8	<p><b>Unique selling points of the Borough</b></p> <p>To undertake a refresh of the 'unique selling points' of the Borough focused based on the following areas:</p> <ul style="list-style-type: none"> <li>• Pipeline regeneration projects</li> <li>• Transport, rail and air accessibility</li> <li>• Sector strengths</li> <li>• Workforce</li> <li>• Education strengths - drawing on the recent successes of Dudley College (Centre for Advanced Building Technologies and Construction Skills) and Halesowen College (Advanced Science, Engineering and Technology Centre) in securing Growth Deal funding</li> <li>• Broadband availability</li> <li>• The lifestyle strengths of Dudley Borough (visitor economy, housing, culture and green spaces)</li> </ul>
Recommendation 9	<p><b>Supporting existing businesses to invest</b></p> <p>To continue to support local businesses to invest by:</p> <ul style="list-style-type: none"> <li>• Continuing to provide a single point of contact for business support and inward investment enquiries via Dudley Business First;</li> <li>• Providing assistance in sourcing and securing grant and/or loan assistance to expand (e.g. Regional Growth Fund);</li> <li>• Enabling local businesses to promote their products and services for free via the Dudley Borough Business Directory;</li> <li>• Assisting businesses to source locally available land and property within the Borough; and</li> <li>• Signposting businesses to the relevant support offered locally,</li> </ul>

	regionally and nationally.
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### **Finance**

5. The cost associated with the scrutiny arrangements is delivered within existing budgetary allocations

### **Law**

6. Scrutiny Committees are established in accordance with the provisions of the Local Government Act 1972 and the requirements of the Council's Constitution, which was adopted under the Local Government Act 2000, subsequent legislation

### **Equality Impact**

7. Provision exists within the recommended scrutiny arrangements for overview and scrutiny to be undertaken on the Council's policies on equality and diversity.

### **Recommendation**

8. It is recommended that:-
  - Scrutiny Committee request the Cabinet Member for Regeneration approve the recommendations, outlined in Table 1, for implementation in 2014/15.



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**Ron Sims**  
**Lead Officer for DUE Scrutiny Committee**

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### **List of Background Papers**

None